M. J. MAILLIS S.A.

PACKING SYSTEMS

ANNUAL REPORT 2005

According to the decisions No. 5/204/14.11.2000 and 7/372/15.02.2006 of the Hellenic Capital Market Commission, as well as the relevant circular letters.

LETTER TO THE SHAREHOLDERS

Dear Shareholders,

M.J. MAILLIS Group started in 1999 the implementation of a quite ambitious business idea, transforming a small, export-oriented company with local production of a single product (steel strap) into a strong multinational group, producing and offering to the European and North American market a diversified product portfolio consisting of machines and materials for all secondary packaging industrial applications.

We thought that we had to produce quality products, be at the forefront of technology, and especially in the area of packaging machines, play a leading role in Europe, as well as transfer our know-how to the US and other countries. It was a big investment and quite complex, mainly as a result of the Group´s expansion in diverse products and technologies, as well as to different countries with diverse conditions and cultures, which had to be perfectly understood and integrated.

Following the multiplication of the Group´s size by six times, the key strategic priorities for the subsequent period (2003 – 2005), were the smooth integration of the new companies, technologies and human resources and the creation of a homogeneous group with a clear and unique identity, common strategy, common systems and procedures, that can respond effectively to the increasing needs of the industries as well as the generation of organic growth amidst adverse economic conditions on a global level (recession in the large European industrial countries, suppressed profit margins due to increasing competition, abrupt fluctuations in the raw material prices, etc.)

Despite the unprecedented fluctuations in supply and demand –mainly due to China- for steel products but also for plastics raw materials with the well known adverse implications for the steel industry, the Group delivered 6% organic growth in 2005 and achieved the target of improving cash flow with a respective reduction in net debt of €7 million.

Organic growth and improvement of cash flow remain the key strategic priorities of the Group for the next 2 years, 2006-2007, with the North American market expected to have a leading contribution, especially after the completion of the investment in the 1st half of 2006.

In parallel, we will continue the restructuring and rationalization efforts, which are necessary under the current environment of intense competition, whereas we proceed with investments in the production of packaging materials that currently run at close-to-capacity levels, so that beginning 2007 we will be in a position to meet the anticipated increase in sales, which, on a consolidated level, are expected to significantly exceed the € 400 mln mark.

We believe that the implementation of the business idea was successfully completed. The quality level of our products is the most advanced, whereas our identity as the provider of "end-of-line-solutions" in secondary packaging is being more and more recognised by an increasing number of multinational companies which assign to us global supply contracts. The significant accomplishments of the Group to date and the opportunities that lie ahead, were evaluated by the international bond market differently from the stock market which focuses on the quarter-to-quarter results. These investors, apart from the competitive terms that offered to the Group, they appreciated the business idea, the implementation in a short time span as well as the competence of the management team.

It is clear that when a company invests, it has to first bear the cost and see the result in the future. We believe that we have completed the investment, we were successful and we will see the results more and more ahead of us.

Michael J. Maillis
Chairman of the Board & Managing Director

CONTENTS

I. INFORMATION ON THE DRAFTING OF THE ANNUAL REPORT 2005 AND THE COMPANY AUDITORS

The present Annual Report includes information and financial data for the FY 2005 regarding the assets, the financial position, the results, as well as the strategy and prospects of the Company "M.J. MAILLIS S.A. – Packing Systems" hereinafter "the Company", for investors and their investment advisors.

The editing and distribution of the present Annual Report was carried out in accordance with the provisions of the current legislation, the decisions 5/204/14.11.2000 and 7/372/15.02.2006 of Hellenic Capital Market Commission and all relative circulars.

For more information investors may inquire at the Company offices at 5, Xenias & Charilaou Trikoupi St., 145 62 Kifissia, tel. (+30) 210 6285000 during working days and hours.

The drafting of the Summary Annual Report, as well as the accuracy of the data contained herein are the responsibility of:

- Mr. Charalambos Stavrinoudakis, Vice-Chairman of the BoD and Chief Financial Officer of the Group, at 5, Xenias & Charilaou Trikoupi St., 145 62 Kifissia, tel. (+30) 210 6285000.

- Ms. Alexandra Konida, Group Treasury and Investor Relations Director, at 5, Xenias & Charilaou Trikoupi St., 145 62 Kifissia, tel. (+30) 210 6285000.

- Mr. Nikolaos Maroulis, Deputy Financial Manager for Greece, at 227, Kifissias St., 145 61 Kifissia, tel. (+30) 210 6285000.

The Board of Directors hereby declares that all its members have been advised of the contents of the present Memorandum and solemnly certify that:

- Any information or data contained herein are complete and true.
- No further data exist and no events have taken place, the withholding or omission of which could render all or part of the data and information contained in the Annual Memorandum misleading.
- There are no pending litigations or arbitrations against the Company or its subsidiaries that could have significant implications on its financial position.

The Company is audited by Certified Auditors - Accountants. The audit for the fiscal years 2000 and 2001 for the Company and the Group was conducted by Mr. Konstantinos Kotsilinis, Certified Auditor – Accountant, Association of Certified Accountants' Membership Number 127113715 of the auditors' company PriceWaterhouseCoopers (268, Kifissias, Ave. GR - 152 32 – Athens) while the audit for the fiscal years 2002 and 2003 for the Company and for the Group was conducted by Mr. Kyriakos Riris, Association of Certified Accountants' Membership Number 12111 of the auditors' company PriceWaterhouseCoopers (268, Kifissias, Ave. GR - 152 32 – Athens). The audit for the fiscal years 2004 and 2005 for the Company and the Group were conducted by Mr. Athos Stylianou, Certified Accountant, Association of Certified Accountants' Membership Number 12311 of the auditors' company DRM STYLIANOU S.A. (Kifissias Ave. & 84A, Ethnikis Antistaseos St. GR - 152 31 - Chalandri).

2. COMPANY INFORMATION

2.1 GENERAL COMPANY INFORMATION

M.J.MAILLIS S.A. was established in 1973 as a Limited Liability Company (Ltd.) and changed into a Commercial and Industrial Societe Anonyme (S.A.) in 1976. From April 2003, the registered office of the Company is in the Municipality of Kifissia, Attica, at 5, Xenias & Charilaou Trikoupi and the company is registered in the Register of Societe Anonyme Companies with registration number 2716/06/B/86/43/H. The life of the company has been fixed at sixty years to the year 2036. It is a Greek Societe Anonyme and is subject to the Law regarding Societes Anonymes of the Cod. Law 2190/1920. The Company is further bound by the provisions governing listed companies as the company's shares are listed in the main market of the Athens Exchange.

The purpose of the Company according to article 4 of its Charter is:

a) The trading in general through imports, exports and through the representation of foreign firms.

b) The establishment and operation of Industrial Units, including specifically units for the production of packing stripes of any kind of metal or plastic.

c) The production and trade of packing materials machinery of any kind as well as of the relevant raw material and the selling promotion of the aforementioned items in any way or means and the drawing up of the relevant studies.

d) The drawing up of technical studies and the supply of know-how for construction, as well as the construction of industrial equipment of any kind and of the relevant production lines.

e) In order to achieve its goals, the Company can for example:

i) Found other companies of any type, participate to existing companies and enterprises or acquire existing companies and enterprises
ii) Found branches, offices and annexes anywhere
iii) Cooperate with physical and legal persons of similar or complementary or in any way just useful to the company purposes, directly or indirectly
iv) Get loans, grant guarantees and warranties to associated companies and to third persons, with or without providing insurance, provided these are relevant or relate to the achievement of the company's goal
v) Participate to bids of the Greek or any other foreign State or any other public or private agent in order to undertake works, receive grants and in general make agreements of any kind in order to promote the company's work.

M.J. MAILLIS S.A. has two production facilities (at Inofita of Viotia and in Alexandroupoli) producing respectively, metal and plastic strap, the former, and stretch and shrink film, the latter. Moreover, the Company has expanded into Eastern and Western Europe and hence production is also underway in Europe and North America and specifically: in Spain (Barcelona), where plastic strapping (PP) is produced, England, where plastic strapping is produced (PP and PET), Romania, where shrink film and packaging machines are produced, Poland, where stretch film, plastic strapping and plastic bags are produced, Germany where heads and automatic packaging machines as well as plastic strapping (PP and PET), edgeboards and special bands are produced, Italy where tape carton sealers, strapping machinery with packing stretch film, tape flexographic printers and dispensers, as well as packing tools for applications with metal and plastic strapping are produced. In Italy, the company also produces shrink packaging machines and spare parts for packaging machines. In the United States, the company produces plastic strapping (PET) in Maillis Strapping Systems (South Carolina) and offers integrated end of line packaging solutions (Combi Packaging Systems). Finally, in Canada the company operates as a designer, manufacturer and distributor of stretch wrapping and strapping machines.

In Greece, the Company is purely exports-oriented, with exports accounting for 92% of its annual production (2005 data). M.J. MAILLIS S.A. has succeeded in consolidating its position in the international markets on the strength of the high quality of its products, of the powerful distribution networks and of the efficient service provided to its customers.

2.2 BRIEF HISTORY

The milestones in the history of the Company are the following:

1968 - The Company is established by Mr. Michael J. Maillis as a family business with the form of a sole proprietorship.

1973 - The form of the Company changes to a Ltd. company.

1976 - The form of the Company changes from a Ltd. Company to a Commercial and Industrial S.A.

1988 - The Company is presented with an award by the Chamber of Commerce and Industry of Greece for its exports achievements in the period 1985-1987.

1993 - The Company acquired the quality assurance certificate ISO 9002 for “Packaging Steel Band Production and Trade”. This certificate is valid through 21-11-1996. The Company was among the 20 first enterprises in Greece to be granted the foregoing certificate and was the first Company in the metallurgy and metal processing industry to have received such a certificate.

1994 - The Company listed its shares in the Parallel Market of the ASE. The first two subsidiaries of MICHAEL J. MAILLIS S.A. are established in the same year; the first with a registered office in Sofia, Bulgaria (August ‘94) and the second in Bucharest, Romania (December ‘94). The object of these two companies is to develop a distribution network for Company products in the Balkans. Moreover, the Company also became a producer via M. J. Maillis Romania.

1995 - The first subsidiary Company in Greece was established in March under the name STRAPTECH S.A., the object of which was to study, manufacture and sell automatic packaging machines and assemblies, as well as mechanical equipment for the production of band and other packaging materials.

In the same year, the Ministries for the National Economy and for Industry, Research and Technology approved the five-year business plan (1995 - 1999) to the amount of GRD 4.64 bill. which had been subject to the development law 2234/23a (GGV 195/1995) and was the biggest investment plan of the Company ever approved under that law.

1996 - The Company was reclassified from the Parallel to the Main Market of the Athens Stock Exchange. Moreover, in the same year the Ministry for Development approved the Company’s investment plan in the Industrial Zone of Alexandroupoli of a total amount of GRD 1.64 bill. subsidized at 62% for building a plastic strapping band and packaging film production plant (L. 1892/90). Moreover, the ISO 9002 quality assurance certificate was renewed for the 3-year period 1996 - 1999.

1997 - The Company, as part of its expansion into the Balkans, established a new subsidiary Company in Poland with a registered office in Warsaw (March 1997) to market its products in that country. It also established a representative office with a registered office in Brussels with an aim to strengthening its product distribution network.

At the same time, the Company completed its investment plan (Phase A of the IND. ZO. of Alexandroupoli) two years earlier than originally scheduled, thereby marking a spectacular increase in its production capacity while expanding its product range by starting to produce and sell stretch and shrink film.

Two more Company investment plans are approved in the same year regarding the establishment of a natural gas-operated electricity co-generating unit to the amount of GRD 652 mill. at Inofita and in phase B of the investment plan in Alexandroupoli to the amount of GRD 2.5 bill. for the two-year period 1998-1999.

Moreover, in 1997 the Company raised a seven-year Bond Loan with private placement in the London market to the amount of 62 mill. DEM (GRD 9,818,568,000 at the exchange rate as at 31/12/1997) to reschedule its loan liabilities (Current - Long-term).

1998 - A new subsidiary is established in the Czech Republic, M.J. Maillis Czech SRO, with a registered office in Prague (April 1998). In that same year, MICHAEL J. MAILLIS S.A. acquired the majority of shares in the Incoplastic S.A. and Rocalu S.A. companies in Spain. Incoplastic S.A. was renamed M.J. Maillis Espana S.A. A new subsidiary is also established in Albania, M.J. Maillis Albania Ltd. Finally the company's quality control system in the Production Plant at Inofita is upgraded according to ISO 9001: 1994 with validity through 31-12-2003. In December 2003, the quality control system is further upgraded according to ISO 9001: 2000 with validity through 11.12.2006.

1999 - The Company, in line with its strategic expansion, made further acquisitions in England. First, MICHAEL J. MAILLIS S.A. acquired Castlegate, which then acquired the Payne Strapping Systems Division of Bunzl. Plc. The new company created was renamed Payne Strapping Systems Ltd. Payne Strapping Systems Ltd. then merged by acquisition with Elsten Ltd. company.

M.J. Maillis France SAS is established. M.J. Maillis France SAS acquired 100% of Codami SARL and Cerbere Agrafvit S.A. together with the Sovarec Division of Cerbere S.A. Codami SARL was then renamed Cerbere Sovarec S.A. and acquired the Sovarec division of Cerbere S.A.

OMS Maillis America Inc. is established through the joint venture of MICHAEL J. MAILLIS S.A. and OMS SpA. in the city of Charlotte, North Carolina.

A new subsidiary company is established in Hungary, M. J. Maillis Hungary KFT. The foregoing company acquired the Danubia Pack trademark together with some fixed assets of the company and was renamed Danubia Pack Maillis Group.

Phase B of the Alexandroupoli investment plan to the amount of GRD 2.5 bill. is completed.

In the end of 1999, the Company made the following acquisitions: Siat S.p.A. in Italy at 100% and its subsidiaries (Arte Srl, Gramegna S.p.A., Ipe CO, Combi Packaging Systems, Siat USA), Columbia S.r.l. in Italy at 60%. Siat Spa is a manufacturer of tape carton sealers, stretch strapping machines and tape flexographic printers. Columbia S.r.l. is a strapping machine manufacturer.

2000 - In the course of the year, the Group completed a number of major strategic acquisitions.

Specifically, MICHAEL J.MAILLIS S.A. took one step further towards completing its commercial network in Europe by acquiring 100% of the Austrian company CYKLOP that was renamed CONTIPAK and is the secondary packaging Market Leader in Austria.

The acquisition of the majority interest in the Finnish company OY ASTRAP AB was also completed. The said company together with ASTRAP AB, its Swedish subsidiary at 100%, is trading secondary packaging products.

The acquisition of DF PARTNER SRO in the Czech Republic was completed in May 2000, a company marketing and trading in secondary packaging products and one of the major distributors in the Czech Republic with an extensive sales network.

The acquisition of Sander GmbH was also completed in the same month, a German company designing, manufacturing and selling automatic strapping machines, plastic band, special strapping band, edge board and airbags for product transportation by containers.

It is worth mentioning the considerable investment efforts which started in 2000 in Romania to complete a modern machine production facility based on the machine production know-how of the SIAT and SANDER Group in a lower production cost country. The plant went into operation towards the end of the first semester of 2001.

In July 2000, SIAT SPA in Italy acquired a majority interest in SICME SRL. SICME SRL is a company specializing in the production of machine parts and components.

In September 2000 M.J. MAILLIS POLAND S.P.Zo.o. acquired the business and assets of MARFLEX Sp. Z.o.o. which assigned her the right to use its trade name MARFLEX. Note that MARFLEX Sp. Z.o.o. is the biggest stretch film producer in Eastern Europe and the biggest plastic bag producer in Poland with a high standard printing capability.

The acquisition of the Swedish company Nydens Forpackings AB by Astrap AB, the Swedish subsidiary of MICHAEL J. MAILLIS S.A., trading in secondary packaging products was completed in December 2000.

The company refinanced the bond loan to the amount of 62,000,000 DEM as at 31/12/1999 with a medium-long term syndicated loan in Euros to the amount of 47 mill. maturing and repayable in 2003. The company proceeded in renewing the said loan till December 2006.

2001 - The first round of acquisitions was completed in 2001, thereby providing integrated end of line solutions. The following strategic acquisitions were made in the course of 2001:

In May 2001 MICHAEL J. MAILLIS S.A. acquired two Italian companies via its Italian subsidiary SIAT S.p.A.; MEGA S.r.l., a producer of high-technology automated packaging machines for special uses and TAM S.r.l., a producer of machinist products and parts operating at maximum automation.

The acquisition of United Packaging PLC via HELERO BV in England was completed in August 2001. United Packaging PLC is a leader in automated stretch wrapping and stretch film production and sales.

In November 2001, the Company proceeded via HELERO BV to acquire Samuel Strapping Systems (UK) Ltd. in England, who represented the European operations of the Canadian Company Samuel Manu-Tech Inc. Samuel Strapping Systems (UK) Ltd. is a leader in the production and distribution of heavy-duty packaging materials and machines.

It is worth noting that the public offering of the subsidiary company M.J. MAILLIS ROMANIA S.A. was successfully completed on 16/02/01. The capital raised by the company amounted to 1.46 mill. Dollars to finance its investment plan through the offer of 869,311 new shares at 45,000 ROL (USD 1.69 per share).

The new integrated information system (SAP) was also successfully completed in 2001.

2002 - In 2002, which was a year marked by the negative economic climate, the M.J.MAILLIS GROUP achieved a growth rate in the order of 15% and a considerable improvement in its operating profit. The Group invested heavily in the development of new products (mainly machines with competitive and technological advantages) and made any necessary structural changes. The streamlining efforts of the MAILLIS Group continued and were further accelerated in the course of the year, during which several foreign subsidiaries of the Group merged (England, France, Italy, Austria) and production sites were relocated (e.g. from England to Poland, Italy, Greece). As a result of these efforts there was a significant reduction in the production and management costs, which became even more apparent in the course of the Financial Year 2003.

In terms of acquisitions, it is worth mentioning that in April 2002, the company announced the acquisition via its subsidiary EUROPACK S.A. of WULFTEC INTERNATIONAL Inc., the biggest stretch wrapping machine producer in Canada. This first acquisition in North America was the strategic step forward that enabled the MAILLIS Group to export its strong presence outside of Europe.

In April 2002, the Company also announced that its subsidiary SIAT S.p.A acquired 51% of the Dutch Packimpro VOF, which was then renamed SIAT BENELUX B.V.

Moreover, the new packaging machine production line of M.J.MAILLIS ROMANIA, a subsidiary for the Group in Romania, opened in Bucharest in May 2002. The new production line increased the annual production of this plant by 3,500 machines and machine parts, while it was built to assimilate the production capacity in plain packaging machines of the Italian and German production plants.

In June 2002, the Ordinary General Meeting of Company Shareholders deliberated and resolved inter alia the abridgment of the name of the Company from «MICHAEL J. MAILLIS S.A. – Packing Systems» to «M.J.MAILLIS S.A. – Packing Systems» and the corresponding amendment of Article 1 of the Company Articles.

In the course of the year, the Company also made an acquisition of strategic importance, buying out the Fixed Assets and the Brand Name of the Italian F.A.I. S.r.l., a company with a strong presence in the shrinking machine market of Italy and a major exporter to the European and North American markets.

At the end of the year, the Group announced its strategic participation by 30% in the share capital of the Italian 3L S.r.l., a rapidly growing manufacturer of electronic equipment and a software designer for industrial applications.

Moreover, having successfully completed in association with IBM the implementation of the project for establishing the SAP information system in Greece, M.J.MAILLIS S.A. announced the launch of this project in its Italian subsidiaries also (SIAT S.p.A., SICME Srl., MEGA Srl., TAM Srl. and COLUMBIA Srl.). This particular project is part of the efforts of the Group towards the modernization and more efficient operation of its network of subsidiaries, which the Group is also planning to later extend to other Group subsidiaries.

Note that in September 2002, in a survey conducted by Growthplus, the European association of enterprising businessmen, to provide a ranking of the 500 fastest growing businesses in Europe in 2002, in terms of growth and new job position creating potential, of the 27 Greek enterprises participating, M.J.MAILLIS S.A. was considered to be the fastest growing company in Greece, while on a European-wide level, the Company was ranked 19th. In the space of five years, M.J.MAILLIS S.A. brought its staff numbers up from 164 in 1996 to 1,976 in the end of 2001.

2003 - In the course of 2003 which was a particularly difficult year for the world economy with visible signs of recession and with significant events such as the war in Iraq and the revaluation of the Euro, M.J.MAILLIS S.A. pursued and completed its restructuring and streamlining plan for its network of subsidiaries primarily aimed at improving substantially costs and expenses. The Company proceeded to make sizeable industrial investments, primarily in Italy (SIAT S.p.A.) as well as in high-cost infrastructure and restructuring investments. More specifically:

Its subsidiary SIAT S.p.A. completed in Italy the merger by acquisition of the company's subsidiary ARTE S.r.l., under which the total assets and liabilities of ARTE S.r.l. together with all the relations at law thereof were transferred to its sole shareholder SIAT S.p.A.

In the framework of the reorganization of its product marketing channels in America, the Company announced in April 2003 the establishment of a joint venture via its subsidiary WULFTEC INTERNATIONAL INC. under the name «Maillis Strapping Network Llp (MSN)».

In May 2003, the Company announced the acquisition of the remaining 40% of the share capital of its subsidiary COLUMBIA Sr.l. by its old shareholders.

In June 2003 in line with the restructuring line under way for the Company subsidiaries in Spain for the purposes of the said merger M.J.MAILLIS S.A., the sole shareholder of the company M.J.MAILLIS ESPANA SL, participated in the increase of the share capital thereof by contributing all of the shares held by ROCALU S.L. as the sole shareholder thereof and then M.J.MAILLIS ESPANA SL proceeded to acquire by absorption ROCALU S.L. As a result of the foregoing, M.J.MAILLIS ESPANA SL is the sole operating subsidiary of M.J.MAILLIS S.A. in Spain.

In July 2003, NYDENS FORPAKINGS AB, a Swedish subsidiary of M.J.MAILLIS S.A., merged with another company subsidiary, M.J.MAILLIS SVERIGE AB. Under the said merger the total assets and liabilities of the merged NYDENS FORPAKINGS AB was transferred to M.J.MAILLIS SVERIGE AB and consequently the latter is now the sole active subsidiary of M.J.MAILLIS S.A. in Sweden.

In September 2003, the procedure for changing the name of the subsidiary of M.J.MAILLIS S.A. in Poland from «Marflex M.J.Maillis Group S.p.Zoo» to «Marflex M.J.Maillis Poland S.p.Zoo» as well as of its subsidiary in Hungary «Danubia Pack M.J.Maillis Group Kft» to «M.J.Maillis Hungary Packing Systems Ltd» was completed so that all Group companies may share the same identity.

The SAP information system was established in the Company's subsidiaries in Italy in association with IBM in October 2003. This project was carried out with a view to modernizing and streamlining the Company's subsidiary network operations by way of creating a common database, central control and reporting. On completion of this project the necessary infrastructure is now in place for adopting e-business solutions. The Company is planning to further expand the installation of the information system to other Group subsidiaries.

In 2003 the share capital increases of the subsidiaries under the name «CONTIPAK GmbH» in Austria and «M.J.MAILLIS SVERIGE AB» in Sweden were also completed.

2004 - In 2004, the Group achieves its strategic goal for consolidated sales organic growth of 15% and improvement in cash flow, which confirms both the Group's growth strategy over the previous years and the successful efforts for consolidation and integration within the past 2 years. The parent Company M.J. MAILLIS S.A. marked an unprecedented increase of 37% in sales and further improved profitability.

The Company made significant moves with the view of solidifying its organizational structure, reorganizing its sales groups in order to ensure the provision of complete solutions and the promotion of the entire range of products by each subsidiary, as well as expanding in the USA by investing in the production of packaging materials. The aforementioned investment together with the solid foundations for production of machinery already set in the USA creates the adequate conditions for rapid growth, following the growth model already implemented in Europe. More specifically:

In September, the company announced the purchase of building facilities in Fountain Inn. Greenville, South Carolina, within the framework of its corporate plans for further growth and penetration of the North American market. The purchase was conducted via the Company's new subsidiary, VELTA LTD, which was renamed to MAILLIS STRAPPING SYSTEMS USA INC.

In October, further enhancing its position in Europe, the Company announced the agreement between CONTIPAK GMBH and Austrowaren for the purchase of the inventory of packaging materials and tools of Austrowaren. This move is expected to contribute to the expansion of the Company's client base in the Austrian market.
In Italy, SIAT S.p.A. increased its participation stake to its subsidiary SICME Srl by purchasing the rest 40.0% of its share capital. The company is currently wholly owned by SIAT S.p.A.
Moreover, SIAT S.p.A. increased its share of participation in its subsidiary MEGA Srl from 70.0% to 99.875%. Within the framework of continuous rationalization of the Company's subsidiaries, MEGA Srl is now owned by 99.875% by M.J. MAILLIS S.A.

2005 - In April the Company completed successfully the first phase of its investment in North America with the start up of the new manufacturing facility in South Carolina for the production of pet strapping. This investment together with the Group's established North American machines production create the "springboard" for further aggressive expansion.

In July in line with its strategy for geographical expansion and penetration of new markets, the Company announced the set up a subsidiary in Serbia under the name M.J.MAILLIS d.o.o. – Beograd, in Belgrade. The purpose of this subsidiary is the distribution of the Group's products in the local market.

In December the Company completed the acquisition of 55% of MSN, a company registered in Georgia, USA and engaged in the distribution of packaging materials and machines. The acquisition of the 55% was made through Maillis Strapping Systems USA Inc. for an amount of USD 440,000. Wulftec Investment Ltd., subsidiary of Wulftec International Inc and one of the founders of MSN, continues to hold the remaining 45%. By gaining control of 100% of MSN, the Group combines production and distribution, thus creating the conditions for achieving high growth rates in the very promising market of North America.

In December also M.J.MAILLIS S.A. successfully raised US$130 million (€112 million) through a US Private Placement bond issue and refinanced existing long-term bank debt. The bonds were placed with some of the largest institutional investors in the US and UK active in this market and was substantially oversubscribed from the original size. The tenors of the bonds were 7 and 10 years, with bullet payments at maturity. The pricing was very competitive and reflective of the regard investors had for the Group's historical financial performance, business plan and prospects. Bank of America acted as the Sole Agent for the US Private Placement and coordinated, amongst other things, an extensive road show of the Group's management team in 9 cities in the US and Europe, as well as investors' due diligence, including meetings at production sites and at the Group's headquarters. Through this refinancing, M.J.MAILLIS Group improves its financial structure, extends the tenor of its debt at competitive fixed rates of interest and lowers its financing cost, while diversifying its sources of capital to include, for the first time, major US and European institutional investors.

3. COMPANY ACTIVITIES

3.1 OPERATIONS

The main object of Company operations is the production of steel strapping (strap), plastic (PET and PP) strapping and the production of stretch and shrink film.

The term “steel strapping” is used to describe any strap made of steel and used to close, seal and support the packaging of heavy industrial products. The European Standardization Commission C.E.N. (Comite Europeen de Normalisation) set up to establish and standardize European specifications has designated the following three types of steel strapping:

a. Cold-rolled, without heat treatment.
b. Cold-rolled, with heat treatment.
c. Cold-rolled, with strong heat treatment.

and the following types of plastic strapping:

a. Polypropylene plastic strap (PP STRAP)
b. Polyester plastic strap (PET STRAP)
c. Polyamide plastic strap (PA STRAP)

The basic raw materials bought by the Company per product type are:

A) Steel (Strapping Metal Strap)
For Metal strap production, the Company buys Hot-rolled Steel Strap. It is delivered in Coils of a maximum diameter of 2000 mm weighing 20 – 25 tons.

B) Plastic Strapping (Plastic Strap)
1. Polypropylene Strap (PP)
Strap is made from Polypropylene (PP).

2. Terepthalic Polyester Strap (PET)
Recycled PET is either produced from PET Bottles which are cut up and washed at the Company facilities or bought ready cut up.

C) Stretch Film
Stretch film is made from Linear Low Density Polyethylene (LLDPE). Three main types are used for its production, namely Butene, Exene and Octene.

D) Shrink Film
Shrink film is produced from Low Density Polyethylene (LDPE).

Apart from the above products which are made in Greece, production facilities in Europe and N. America make : plastic strapping– PP and PET – (M.J.MAILLIS (UK) LTD and MAILLIS STRAPPING SYSTEMS USA INC), stretch film -PP – and plastic bags (M.J.MAILLIS POLAND S.P. ZOO), shrink film and packaging machines (M.J.MAILLIS ROMANIA S.A.), plastic strapping -PP- (M.J.MAILLIS ESPANA S.L.), plastic strapping (PP and PET), edgeboards, special strapping belts, heads and automatics packaging machines (SANDER GmbH), cardboard carton sealing machines (SIAT SPA), automatic stretch wrapping machines (SIAT SPA, WULFTEC INTERNATIONAL INC.), tape flexographic printers and dispensers (SIAT SPA), shrinking machines (SIAT SPA), packaging tools for metal and plastic strapping applications (COLUMBIA SRL), packaging machine parts and spare parts (SICME SRL), while COMBI PACKAGING SYSTEMS is an integrated end of line packaging solutions assembler.

3.2 QUALITY ASSURANCE – CONTROL

The Quality Control and Assurance System of the M.J. MAILLIS S.A. plant in Inofita, Viotia, which has been certified with the ISO 9001:2000, serves as a warranty for the consistently high quality of the Company's products and services.

The Company's policy to provide high-quality packaging products is also implemented in the production units in Alexandroupoli, where plastic packaging film (both stretch and shrink) is produced.

Customer satisfaction is the core priority in the Company's Quality Policy platform and a commitment undertaken by every member of staff at all levels.

The Company's extensive product range allows for the selection of appropriate solutions to suit each customer's particular applications.

The regular supply of technical know-how, the assessment system employed for samples of materials, and the tests to which commercial samples are submitted, all contribute towards upholding this function.

The entire organization is focused on the realization of the customer's identified and confirmed needs within the optimum time frame.

Well-founded business alliances with established foreign and domestic firms ensure a constant supply of raw and secondary materials, which are invariably subjected to thorough control.

A system of multiple controls and tests is used at each stage to monitor the production process.

Each production activity is recorded through a barcode system and all data are integrated into the Company's ERP (SAP) system, providing for full product tracking.

The quality of the end-product is controlled at two levels, both during the production and post-production levels.

Total satisfaction of customers' requirements is ensured at yet a third control level whereby, apart from the thorough control of product specifications and operation, the packaged product is checked at shipping for full compliance with safe transport specifications.

The structure of the system allows for the prompt detection of any discrepancies and identification of their causes, thus providing for immaculate product management and constant improvement through a regularly revised preventive and corrective action plan.

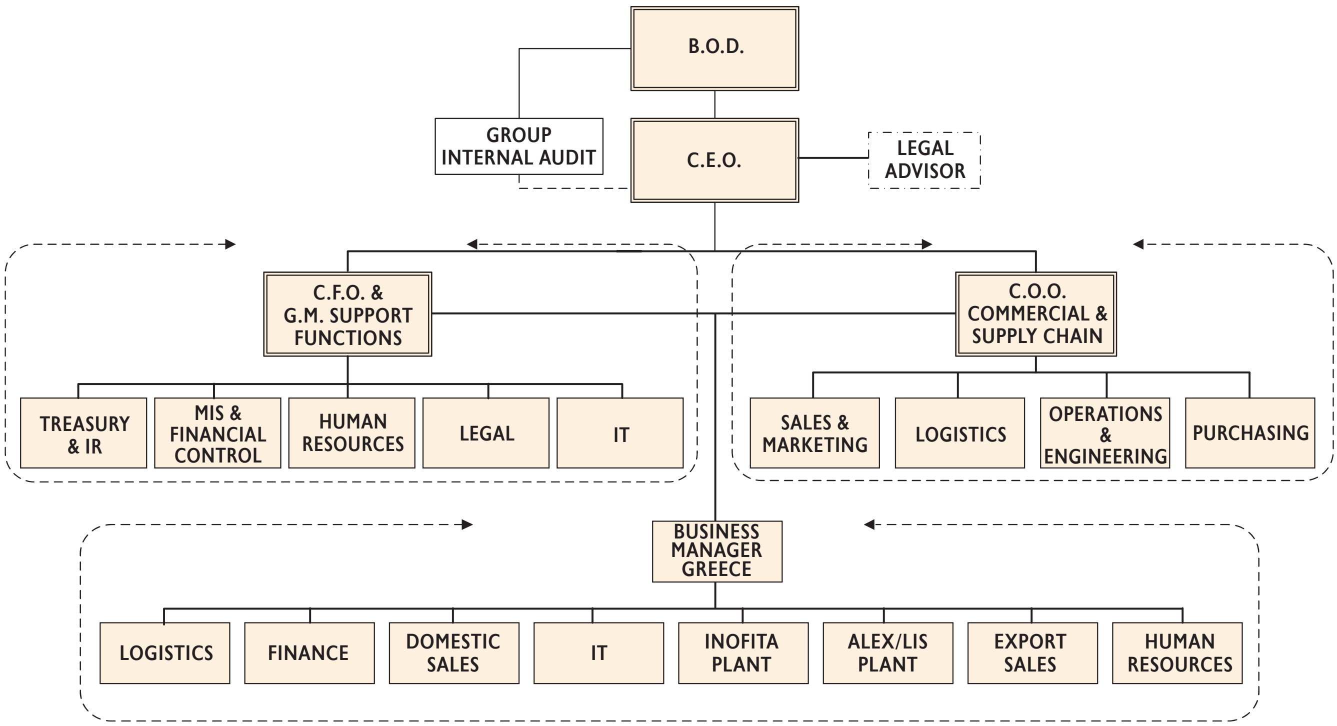
Continuous communication with the customer and the provision of technical solutions, advice and recommendations, through both the Company's help line and 'on-site' support, ensure that the advanced level of interaction with each customer is sustained after delivery of the product.

4. ADMINISTRATION

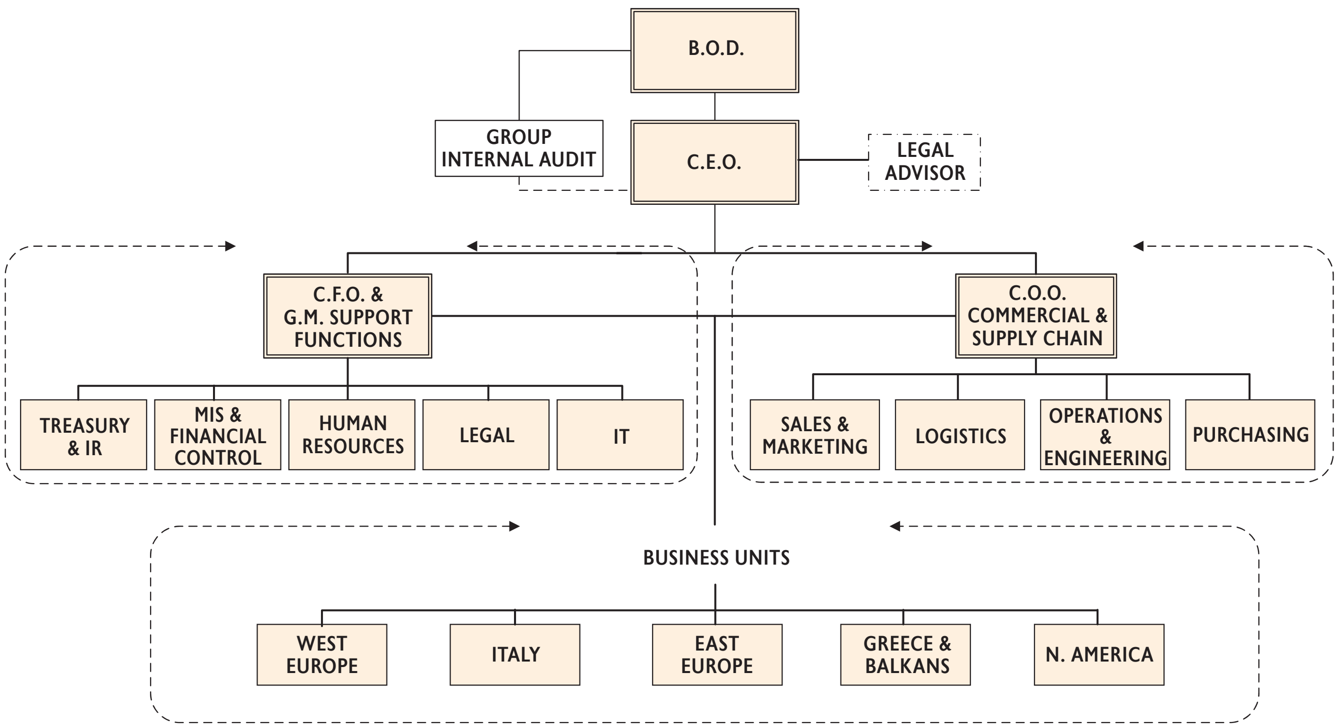
4.1 ORGANIZATIONAL STRUCTURE

The organizational structure of M.J.MAILLIS S.A. and the Group is depicted in the following organization charts:

M.J.MAILLIS S.A. ORGANIZATION CHART



M.J.MAILLIS GROUP ORGANIZATION CHART



4.2 MANAGEMENT

According to article 9 of the Charter, the Company is managed by a Board of Directors consisting of a minimum of three (3) and a maximum of seven (7) members.

The present Board of Directors has five members and was elected by resolution of the Ordinary General Meeting of Shareholders on 06/06/2002 for a term ending at the time of the Ordinary General Meeting of Shareholders to be held in 2006. At the meeting held on 26/05/2003 the Board of Directors of the Company appointed its executive and non-executive members and the Ordinary General Meeting of Shareholders of 28/05/2003 appointed the independent members of the Board of Directors subject to the provisions of L. 3016/2002 on Corporate Governance.

Following the resignation of Mr. Michael Panagis who held the post of Member, the Board of Directors assembled at 31.1.2005 and elected Mr. Ioannis Kourouglos to fill in the post. Further to the above, the Board of Directors of the Company is composed of:

Michael J. Maillis,	**Chairman of the Board and Managing Director**
Charalambos Stavrinoudakis,	**Vice-Chairman of the Board**
Ioannis Kourouglos,	**Member**
Sotirios Orestides,	**Independent non-executive Member**
Pier Matteo Guella,	**Independent non-executive Member**

The curricula vitae of the members of the Board of Directors of the company are as follows:

Executive Members of the Board of Directors

- **Michael J. Maillis**
  Chairman of the Board of Directors, Group Managing Director and Chief Executive Officer. An Iron Metallurgy Engineer with past experience in German Steelworks having specialized in the development of new steel types.

- **Charalambos Stavrinoudakis**
  Vice-Chairman of the Board of Directors & Group CFO and Support Functions General Manager. A graduate of the Athens University of Economics and Business holding an MBA from the Athens University of Economics and Business and the Erasmus University, Rotterdam. A former executive at Shell-Hellas S.A. and Shell International, London.

- **Ioannis Kourouglos**
  Group Sales, Marketing, Production and Logistics Director. A graduate of the New Jersey Institute of Technology with M.S in Management and B.S. in Chemical Engineering. A former executive in large companies in the USA such as E.I. Dupont, Cookson Plc Group and Tredegar Film Products.

Independent non-executive Members of the Board of Directors

- **Sotirios Orestides**
  A graduate from the Higher School of Commerce with several years of managerial experience in the Finance Departments of big companies such as Johnson & Son Ltd and Hellenic Steel. A BoD member and an associate of Solid SA.

- **Pier Matteo Guella**
  A University graduate in Engineering and a former Sales and Commercial Manager for SIAT S.p.A. and General Manager for the same company as well as for Gramegna S.p.A through 2001.

The management of the Company is carried out by experienced managers, as presented below:

- **Avarli Kiriaki-Georgia**
  Group Internal Audit Director. Ms Avarli holds a degree in Business Administration from the University of Macedonia and is a Certified Internal Auditor. Her previous experience includes being Chief Accountant in Nestle Hellas S.A and Internal Auditor in Lavipharm Group.

- **Botsi Paraskevi**
  Group IT Director. A physics graduate of Athens University having specialized in Information Technology. Past experience includes 10 years as IT Manager at Seagram.

- **Capiaghi Karl**
  Regional Director- West Europe. Mr Capiaghi has a long and successful career in the packaging industry, holding management positions in Orgapak, Switzerland, where his last position was Managing Director.

- **Demolitsa –Theodoropoulou Ioanna**
  Legal Consultant to the Company with several years of experience in commercial and corporate affairs and in International Commerce. Formerly an Attorney and Legal Consultant to the BODOSAKIS and PAPASTRATOS S.A. Group of Companies.

- **Despotis George**
  Plant Manager Inofita. Mr Despotis is a Mechanical Engineer with a degree from the National Technical University of Athens. . He has a long experience in the area of production in companies such as Yula S.A and Kronos S.A. where his last position was Production Manager.

- **Evans Paul**
  Group Sales & Marketing Director. Mr Evans holds a Business Administration degree and has a fifteen year previous experience in the area of packaging in Signode, where his last position was General Manager – UK machines division.

- **Gerardou Angeliki**
  Group Logistics Director. A Mechanical Engineering graduate of the University of Patras. Also holder of an MSc in Logistics from the Athens Technical University. Formerly an executive with several years of experience in Logistics at Bosch/Siemens Hellas S.A.

- **Grigoris Ilias**
  Regional Director – East Europe. Mr Grigoris is a Mechanical Engineer with an MBA from Manchester Business School. Before joining M.J.Maillis S.A he was employed for eighteen years by PZ Cussons Ltd and held various managerial positions in different countries such as Thailand, Malaysia, China, Kenya and the UK.

- **Karavias Ioannis**
  General Manager Greece and Balkans. Mr Karavias is an economist with a degree from A.S.O.E.E with a long experience in financial and general management in companies such as S.C. Johnson Ltd, A.G. Petzetakis, Karenta S.A and Group Pazaropoulos.

- **Konida Alexandra**
  Group Treasury and Investor Relations Director. Ms Konida has a degree in Electrical and Computer Engineering from the National Technical University of Athens and also an MBA from INSEAD in France. Her previous experience was gained in Citibank where she remained for nine years and her last position was President of Corporate and Private Banking.

- **Lentzos Ioannis**
  Group Engineering Director. He has obtained of PhD from the department of Mechanical Engineering from the University of Patras. His previous experience was gained in Neoset S.A where he was responsible for the Mechanical Design, Mr Lentzos has written and published numerous technical reports.

- **Maroulis Nikolaos**
  Deputy Finance Manager Greece. Mr Maroulis is a graduate of ASOEE and has obtained his previous experience in large companies such as HALKOR (Viohalko Group) and Zara Hellas, where he was Chief Accountant.

- **Mitsali Athanasia**
  Group Human Resources Director. Ms Mitsali Is a graduate of the Aristotelio University of Thessaloniki with a degree in French Literature. Her previous experience in the Human Resources function has been obtained in companies like Continent Hellas and Club Med as well as in the industrial sector in companies such as Famar AVE and Aluminum of Greece.

- **Nikolakopoulos Ioannis**
  Legal Consultant to the Company with a long experience in the International Trade and Steel Industry and generally in commercial and corporate affairs.

- **Stavropoulos Panagiotis**
  Group Purchasing Director. Mr Stavropoulos is an aeronautical and mechanical engineer, graduate of the National Technical University of Athens. He has also obtained an MBA from ALBA. His previous working experience was gained in the Airforce where he was responsible for Purchasing and in the Aluminum of Greece where he remained for four years as Regional Purchasing Manager.

- **Tsitlaidis Lazaros**
  Plant Manager Alexandrouplolis. Mr Tsitlaidis holds a degree in Information Technology from the Friedrich-Alexander University of Nuremberg. His previous experience was gained in Siemens in Germany where he was employed for two years.

- **Yiannoulakis Konstantinos**
  Group Financial Controller. Mr Yiannoulakis has a degree in Accounting from the University of South Africa and is a Qualified Chartered Accountant. His previous experience involves five years in Coopers & Lybrand and five in Endress & Hauser in South Africa and six years in PriceWaterhouse Coopers in Greece.

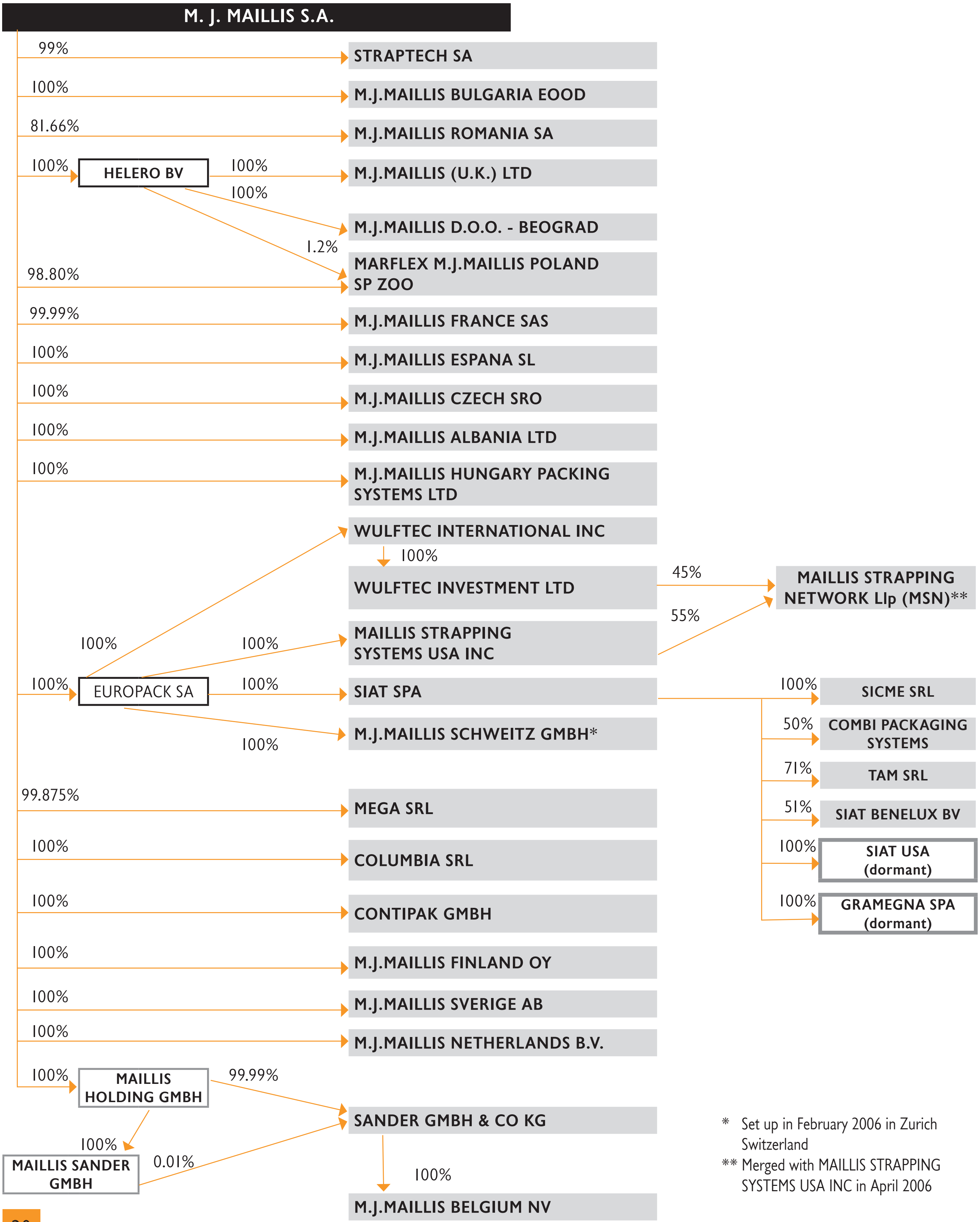
The correspondence address of the members of the Board of Directors and the Company Managers is the address of the head offices of the Company at 5, Xenias & Charilaou Trikoupi St., GR- 145 62, Kifissia.

All members of the Board of Directors and all Company Managers are Greek except for Mr. Pier Matteo Guella who is an Italian national, Mr. Karl Capiaghi who is Swiss national and Mr. Paul Evans, who is British national. There is no affinity up to the second line of kinship among the members of the Board of Directors or Company Managers.

5. AFFILIATED COMPANIES

5.1 Companies Affiliated with M.J.MAILLIS S.A.

The following chart shows all affiliated companies with M.J.MAILLIS S.A.



* Set up in February 2006 in Zurich Switzerland

** Merged with MAILLIS STRAPPING SYSTEMS USA INC in April 2006

5.2 Report of Company's Transactions with Affiliated Companies for the year 2005

• STRAPTECH S.A.

Sales :	€	7,029,453.31
Purchases :	€	2,104,428.18
Collections :	€	6,932,266.52
Payments :	€	1,866,304.98

• M.J.MAILLIS BULGARIA EOOD

Sales :	€	2,137,467.29
Others Charges :	€	101,252.23
Collections :	€	2,235,026.68

• M.J.MAILLIS ROMANIA S.A.

Sales :	€	4,019,207.81
Others Charges :	€	13,196.54
Asset Sales :	€	390,000.00
Collections :	€	3,973,607.45
Payments :	€	11,610.00
Loan Repayment :	€	300,000.00
Interest Expense :	€	6,288.24
Dividends :	€	241,003.00

• HELERO B.V.

Interest Expense :	€	79,604.26
Collections :	€	581,564.25
Loan Repayment :	€	3,847,898.40
Loan Extension :	€	620,000.00

• MARFLEX – M.J.MAILLIS POLAND SPZOO

Sales:	€	3,162,247.01
Others Charges :	€	760,363.68
Asset Sales:	€	128,600.00
Purchases :	€	2,121.60
Collections :	€	3,903,140.88
Loan Extension :	€	2,500,000.00
Interest Expense :	€	4,723.40

• M.J.MAILLIS ESPANA SL

Sales:	€	5,662,530.98
Others Charges :	€	163,303.29
Asset Sales :	€	152,825.00
Purchases :	€	2,963.13
Collections :	€	5,394,255.99
Payments :	€	8,759.63
Loan Extension :	€	1,500,000.00
Interest Expense :	€	2,834.04
Share Capital Increase :	€	1,926,000.00

• M.J.MAILLIS CZECH SRO

Sales :	€	216,187.23
Other Charges :	€	105,000.00
Collections :	€	347,883.49

• Slovakia Branch

Sales :	€	253,430.51
Other Charges :	€	200,001.53
Collections :	€	1,006,745.20
Payments :	€	164.20

• M.J.MAILLIS ALBANIA LTD

Sales :	€	818,009.37
Other Charges :	€	50,000.00
Purchases :	€	650.00
Collections :	€	702,356.53
Payments :	€	650.00
Dividends :	€	161,500.00

• M.J.MAILLIS HUNGARY PACKING SYSTEMS LTD

Sales :	€	401,939.55
Other Charges:	€	210,000.00
Purchases :	€	334.95
Collections :	€	746,474.11
Payments :	€	75.81

• EUROPACK SA

Collections :	€	277,786.86
Interest Expense :	€	132,902.40
Loan Repayment :	€	3,987,907.09
Loan Extension :	€	30,500,000.00
Dividends :	€	806,969.75

• COLUMBIA SRL

Other Charges :	€	170,000.00
Purchases :	€	4,911.28
Payments :	€	1,524.00
Paid-in Share Capital :	€	726,049.36
Dividends :	€	150,000.00

• CONTIPAK GMBH

Sales :	€	14,293,141.48
Other Charges :	€	120,000.00
Collections :	€	11,421,544.86
Interest Expense :	€	12,269.59
Loan Repayment :	€	650,000.00

• M.J.MAILLIS SVERIGE AB

Sales :	€	1,136,421.25
Other Charges :	€	1,723.08
Purchases :	€	490.00
Collections :	€	929,364.74
Interest Expense :	€	3,105.05
Loan Repayment :	€	164,494.90

• MAILLIS HOLDING GMBH

Collections :	€	1,067,486.98
Interest Expense :	€	29,919.06
Loan Repayment :	€	1,585,007.48

• M.J.MAILLIS U.K. LTD

Sales :	€	15,722,302.81
Other Charges :	€	839,992.26
Purchases :	€	3,183.33
Collections :	€	18,253,813.00
Payments :	€	16,625.25

• SIAT SPA

Sales :	€	515,244.92
Other Charges :	€	244,536.67
Collections :	€	2,217,445.19
Interest Expense :	€	175,669.27
Loan Repayment :	€	9,013,546.46
Loan Extension :	€	1,500,000.00

• M.J.MAILLIS NETHERLANDS B.V.

Sales :	€	346,705.55
Other Charges :	€	75,843.46
Collections :	€	624,523.28

• WULFTEC INTERNATIONAL INC

Sales :	€	1,495,031.72
Other Charges :	€	544,523.12
Collections :	€	1,771,916.60

• SANDER GMBH & CO KG

Sales :	€	5,667,899.58
Other Charges :	€	640,118.92
Purchases :	€	86,540.11
Collections :	€	3,744,462.87
Interest Expense :	€	35,984.28
Loan Repayment :	€	2,000,000.00
Loan Extension :	€	4,000,000.00

• M.J.MAILLIS BELGIUM NV

Sales :	€	1,495,365.69
Other Charges :	€	74,043.36
Collections :	€	1,981,941.74

• M.J.MAILLIS FRANCE SAS

Sales :	€	5,410,994.57
Other Charges :	€	154,423.27
Purchases :	€	218,669.75
Collections :	€	4,756,796.47
Payments :	€	19,191.31

• SIAT BENELUX B.V.

Sales :	€	69,549.61
Collections :	€	102,288.71

• MAILLIS STRAPPING SYSTEMS USA INC

Sales :	€	651,248.00
Other Charges :	€	250,000.00

• M.J.MAILLIS D.O.O-BEOGRAD

Sales :	€	89,243.74
Interest Expense :	€	786.60
Loan Extension :	€	50,000.00

6. Information on the Assets, the Financial Position and the Operating Results of the Company

6.1 Summary Annual Financial Statements

M.J. MAILLIS S.A.
PACKING SYSTEMS

SUMMARY FINANCIAL STATEMENTS for the year ended 31 December 2005 (Amounts in EUROS)

(In terms of article 135 of Law 2190, for the companies publishing annual financial statements in accordance with IAS/IFRS)

The following information aims to provide a broad overview of the financial position and results of M.J.MAILLIS SA and its subsidiaries. We advise the reader, before entering into any investment or other transaction with the company, to visit the company's site where the financial statements and notes for the year,prepared in accordance with IFRS, together with the auditor's report can be found.

COMPANY's STATUTORY INFORMATION	
Head Office and Registered Address:	**Xenias 5 & Charilaou Trikoupi, 145 62 Kifissia, Athens**
Company's Number in the Register of Societes Anonymes:	**2716/06/B/86/43**
Supervising Authority:	**Ministry of Commerce**
Board of Directors:	**President: M.J.Maillis, Vice President: Charalambos Stavrinoudakis Members: John Kourouglos, Sotiris Orestidis, Pier Matteo Guella**
Date of Approval of the Financial Statements:	**23 February 2006**
Auditor's Firm:	**DRM STYLIANOU SA Member of RSM International**
Auditor's Name:	**Athos Stylianou**
Report of the Auditors:	**Non Modified with Emphasis:** "Based on the Fact that the Group companies have not been audited by the tax authorities for some of their financial years as per Note 26"
Company's web adress:	**www.maillis.gr**

BALANCE SHEET AS AT 31 DECEMBER 2005

	GROUP		COMPANY	
	31.12.2005	31.12.2004	31.12.2005	31.12.2004
ASSETS				
Long Term Assets	270,275,856	268,481,101	242,870,261	242,022,305
Inventories	87,057,494	77,796,211	19,115,121	21,522,254
Trade Receivables	84,806,442	77,793,612	79,669,305	73,895,793
Other Current Assets	39,345,013	41,376,940	50,338,854	31,212,587
TOTAL ASSETS	**481,484,805**	**465,447,864**	**391,993,541**	**368,652,939**
EQUITY AND LIABILITIES				
Long Term Liabilities	146,690,067	131,814,270	121,072,334	99,824,130
Short Term Borrowings	55,031,708	71,197,548	12,400,000	21,005,000
Other Short Term Liabilities	88,383,877	83,515,607	34,833,572	35,423,315
Total Liabilities (a)	**290,105,652**	**286,527,425**	**168,305,906**	**156,252,445**
Share Capital	55,379,263	55,317,995	55,379,263	55,317,995
Other Equity Attributable to Company's Shareholders	134,328,396	122,319,233	168,308,372	157,082,499
Equity Attributable to Company's Shareholders	**189,707,659**	**177,637,228**	**223,687,635**	**212,400,494**
Minority Interest	1,671,494	1,283,211	0	0
Total Equity (b)	**191,379,153**	**178,920,439**	**223,687,635**	**212,400,494**
TOTAL EQUITY AND LIABILITIES (a) + (b)	**481,484,805**	**465,447,864**	**391,993,541**	**368,652,939**

INCOME STATEMENT FOR THE PERIOD 01.01-31.12.2005				
	GROUP			
	01/01-31/12/05	01/01-31/12/04	01/10-31/12/05	01/10-3/12/04
Turnover	361,457,582	341,577,284	84,977,875	83,195,576
Gross Margin	96,274,418	100,471,947	23,381,945	25,514,140
Earnings before taxes and financial expense	32,270,097	36,614,739	4,067,413	9,071,986
Earnings before taxes, financial expense, depreciation, amortisation and restructuring cost	**57,586,167**	**59,118,730**	**12,458,923**	**15,160,608**
Earnings before taxes, financial expense, depreciation and amortisation (EBITDA)	**53,504,449**	**57,015,146**	**9,418,716**	**14,391,411**
Earnings before Tax	**22,103,457**	**27,065,766**	**2,477,175**	**7,142,661**
Less Tax for the period	5,601,207	7,307,687	803,918	2,306,988
Earnings after Tax for the period	**16,502,250**	**19,758,079**	**1,673,257**	**4,835,673**
Less Tax Audit Differences	2,346,365	0	785,810	0
Earnings after Tax and Tax Audit Differences	**14,155,885**	**19,758,079**	**887,447**	**4,835,673**
Less Deferred tax	1,515,806	-780,617	1,515,806	-780,617
Earnings after Tax, Tax Audit Differences and Deferred tax	**12,640,079**	**20,538,696**	**-628,359**	**5,616,290**
Distributed as follows:				
Company Shareholders	12,393,841	20,294,302	-698,415	5,551,203
Minority Interest	246,238	244,394	70,056	65,087
Earnings per Share	**0.17**	**0.29**	**0.00**	**0.08**

INCOME STATEMENT FOR THE PERIOD 01.01-31.12.2005				
	COMPANY			
	01/01-31/12/05	01/01-31/12/04	01/10-31/12/05	01/10-31/12/04
Turnover	134,834,069	130,042,446	33,136,060	37,118,104
Gross Margin	33,205,759	32,329,196	10,066,856	7,982,483
Earnings before taxes and financial expense	16,051,078	16,496,500	4,875,773	4,922,251
Earnings before taxes, financial expense, depreciation and amortisation (EBITDA)	**22,736,892**	**23,543,850**	**6,589,960**	**6,930,090**
Earnings before Tax	**10,940,254**	**10,389,250**	**4,335,221**	**3,338,172**
Less Tax for the period	1,819,681	674,793	1,417,802	-670,084
Earnings after Tax for the period	**9,120,573**	**9,714,457**	**2,917,419**	**4,008,256**
Less Tax Audit Differences	1,560,555	0	0	0
Earnings after Tax and Tax Audit Differences	**7,560,018**	**9,714,457**	**2,917,419**	**4,008,256**
Less Deferred tax	1,743,731	1,193,000	0	0
Earnings after Tax, Tax Audit Differences and Deferred tax	**5,816,287**	**8,521,457**	**2,917,419**	**4,008,256**
Distributed as follows:				
Company Shareholders	5,816,287	8,521,457	2,917,419	4,008,256
Minority Interest				
Earnings per Share	**0.08**	**0.12**	**0.04**	**0.06**

STATEMENT OF CHANGES IN EQUITY 01.01 - 31.12.2005

	GROUP		COMPANY	
	31/12/2005	31/12/2004	31/12/2005	31/12/2004
Net Equity Opening Balance (01.01.2005 and 01.01.2004)	**177,637,228**	**160,588,190**	**212,400,494**	**203,244,043**
Increase / (Decrease) of Share Capital	61,267	-68,099	61,267	-68,099
Increase / (Decrease) of Share Premium	-1,899,264	-1,905,094	-1,899,264	-1,905,094
Dividends	-3,692,232	0	-3,614,232	0
Translation Differences	-3,309,208	-1,087,318	0	0
Profit after Tax and Minority Interest	12,393,841	20,294,302	5,522,764	8,521,457
Sale of Treasury Shares	10,335,486	0	10,335,486	0
Cancellation of Treasury Shares	587,597	2,123,830	587,597	2,123,830
Reserves Movement	-2,407,056	-2,308,583	293,523	484,357
Net Equity Closing Balance (31.12.2005 and 31.12.2004)	**189,707,659**	**177,637,228**	**223,687,635**	**212,400,494**

CASH FLOW STATEMENT

	GROUP		COMPANY	
	01.01 - 31.12.05	01.01 - 31.12.04	01.01 - 31.12.05	01.01 - 31.12.04
Cash Flows from Operating Activities				
Profit before Tax	22,103,458	27,065,766	10,940,254	10,389,250
Adjustments for:				
Depreciation and Amortisation	21,234,352	20,400,407	6,685,814	7,047,750
Provisions	-4,193,203	2,821,912	421,645	-435,300
Exchange Differences	-1,460,604	-1,132,824	-1,718,271	442,589
(Gain) or Loss from investing activities	-1,060,101	-2,322,414	-2,421,356	-1,948,674
Interest Payable	11,138,012	10,951,606	5,831,223	7,027,054
Profit from Operations before working capital changes:				
Decrease/(Increase) in Inventories	-9,261,283	-14,196,261	2,407,133	-6,827,262
Decrease/(Increase) in Trade Receivables	-469,165	-9,136,203	-23,871,945	-12,124,562
Increase/(Decrease) in Trade Payables (except banks)	-2,372,683	5,423,854	7,497,346	16,510,785
Less:				
Interest Paid	-10,477,175	-10,484,621	-6,948,055	-7,301,324
Tax Paid	-6,850,736	-6,126,304	-1,690,616	-1,267,191
Net Cash from operating activities	**18,330,872**	**23,264,918**	**-2,866,828**	**11,513,115**
Cash Flows from Investing Activities				
Acquisition of Subsidiary	-700,000	-1,440,852	-2,652,049	-5,541,870
Purchase of Intangible Assets,Property,Plant and Equipment	-18,146,132	-24,639,614	-4,696,950	-7,141,000
Proceeds of sale of Equipment	9,384,728	2,244,838	540,500	1,838,496
Interest Received	896,156	1,314,832	695,741	891,371
Dividends Received	0	0	24,658	1,422,956
Net Cash used in investing activities	**-8,565,248**	**-22,520,796**	**-6,088,100**	**-8,530,047**

Cash Flows form Financing Activities				
Proceeds of issuance of Share Capital	179,225	150,636	179,225	150,636
Proceeds from Borrowings	11,193,078	0	15,088,343	0
Payments of Borrowings	0	-2,073,226	0	-3,175,000
Payments of Finance Lease Liabilities	-6,629,728	-2,188,421	0	0
Dividends Paid	-3,644,535	0	-3,566,535	-44,318
Net Cash used in Financing Activities	**1,098,040**	**-4,111,011**	**11,701,033**	**-3,068,682**
Net increase/(decrease) in Cash and Cash Equivalents	**10,863,664**	**-3,366,889**	**2,746,105**	**-85,614**
Cash and Cash Equivalents in Beginning of Period	**9,000,460**	**14,130,181**	**1,945,360**	**2,030,974**
Exchange Differences Adjustment	**1,076,512**	**-1,762,832**	**0**	**0**
Cash and Cash Equivalents at End of Period	**20,940,636**	**9,000,460**	**4,691,465**	**1,945,360**

ADDITIONAL INFORMATION

1.Below are listed the Group subsidiary companies with their respective adresses and the percentage of ownership:

Directly Controlled

M.J.MAILLIS SA ,Athens	Parent
STRAPTECH SA, Athens	99%
M.J.MAILLIS BULGARIA EOOD, Sofia,Bulgaria	100%
M.J.MAILLIS ROMANIA S.A., Bucurest,Romania	81.7%
HELERO BV, Amsterdam, Holland	100%
M.J.MAILLIS FRANCE SAS, Souassi, France	99.9%
MARFLEX M.J.MAILLIS POLAND SP ZOO, Warsaw, Poland	100%
M.J.MAILLIS ESPANA SL, Barcelona,Spain	100%
M.J.MAILLIS CZECH SRO, Prague, Czech	100%
M.J.MAILLIS ALBANIA LTD, Tirana, Albania	100%
EUROPACK SA, Luxembourg	100%
COLUMBIA SRL, Milan, Italy	100%
M.J.MAILLIS HUNGARY PACKING SYSTEMS LTD, Budapest, Hungary	100%
CONTIPAK GMBH, Vienna, Austria	100%
M.J.MAILLIS FINLAND OY, Vantaa, Finland	100%
M.J.MAILLIS SVERIGE AB, Stockholm, Sweden	100%
MAILLIS HOLDING GMBH, Wuppertal,Germany	100%
MJ.MAILLIS NETHERLANDS B.V., Leusden, Holland	100%
MEGA SRL, Gamoblo, Italy	99.9%
M.J.MAILLIS UK LTD, Nottingham, UK	100%
SIAT SPA, Como,Italy	100%
SICME SRL, Varese,Italy	100%
SIAT BENELUX, Wvaalwijk, Holland	51%
TAM SRL, Milan, Italy	71%
SIAT USA, Delaware, USA	100%
MAILLIS SANDER GMBH, Wuppertal, Germany	100%
SANDER GMBH &CO KG, Wuppertal, Germany	100%
M.J.MAILLIS BELGIUM N.V., Dendermonde, Belgium	100%
WULFTEC INTERNATIONAL INC, Ayer's Cliff,Canada	100%
M.J.MAILLIS d.o.o. - Beograd, Serbia Montenegro	100%
MAILLIS STRAPPING NETWORKS INC, Marrietta, Η.Π.Α	100%
MAILLIS STRAPPING SYSTEMS USA INC, Fountain Inn, Η.Π.Α	100%

Joint Venture

COMBI PACKAGING SYSTEMS LLC, Canton, USA	50%

2. The accounting principles followed as at 31/12/2005 are in accordance with the IFRS's and with those that the company has followed at 31/12/2004 as published for information purposes, through the company's internet site.

3. The company has been audited by the tax authorities up to and including the year 2004. The unaudited tax years for the Group subsidiaries are detailed in Note (26) in the Annual Financial Statements Report.

4. As at 31 December, 2005 no encumbrances exist on company's and Group's fixed assets.

5. There are no contested or doubtful legal cases which might influence materially the financial position of the Company and the Group.

6. The number of employees as at 31/12/2005 was 2.048 for the Group and 314 for the Company.

7. The amounts of sales and purchases of the Company to and from its related parties (according to the provisions of IAS 24) for the period 01/01/2005 to 31/12/2005 were € 70.6 mil. and € 2.4 mil. respectively. The outstanding balances of receivables and payables of the Company from and to its related parties as at 31/12/2005 (according to the provisions of IAS 24) were € 103.5 mil. and € 1.4 mil. respectively.

8. The General Annual Shareholders Meeting at 14/06/2005 has decided the distribution of dividends amounting to € 3.584.232.

9. By decision of the A' Adjourned General Shareholders Meeting at 04.07.2005, 98.610 common shares were canceled as they were not disposed during three years from acquisition as provided by Law 2190/1920 art. 16 para. 12. Theses shares were part of the own shares acquired by the company based on the decision of the Extraordinary General Shareholders Meeting at 21.12.2000. The par value of the canceled shares was 0.76 Euros and their cancellation reduced Share Capital by 74.944 Euros, Share Premium Reserve by 512.655 Euros and Own Shares balance by 587.597 Euros.

10. MAILLIS STRAPPING NETWORKS Inc. since 1st October 2005 belongs 100% to the Group as the remaining 55% was acquired by the Group's subsidiary MAILLIS STRAPPING SYSTEMS USA Inc. The initial 45% of the aforementioned company remains still in the ownership of the Group's subsidiary Wulftec Investments Ltd. MAILLIS STRAPPING SYSTEMS USA Inc and M.J.MAILLIS Doo- Beograd are consolidated for the first time as at 31/12/2005.

Kifissia, February 23, 2006

CHAIRMAN OF THE BOARD OF DIRECTORS	CHIEF OPERATIONS OFFICER & VICE PRESIDENT OF THE BOARD OF DIRECTORS	GROUP FINANCIAL CONTROLLER	OPERATION OFFICER OF GREECE	ACCOUNTING MANAGER
MICHAEL J. MAILLIS Id.N. Φ 020207	CHARALAMBOS A. STAVRINOUDAKIS Id.N. Σ 208194	KONSTANTINOS E. YIANNOULAKIS Id.N. T 151379	PETROS I. DELIS Id.N. P 578226	NIKOLAOS B. MAROULIS Reg. No. 46629-A CLASS

6.2 Group Annual Financial Statements Based on International Financial Reporting Standards for the year ended 31 December 2005

6.2.1 Auditors' Report

DRM Stylianou SA

Certified Public Accountants
Management Consultants

RSM

To the Shareholders of "M.J. MAILLIS S.A"

We have audited the accompanying financial statements as well as the consolidated financial statements of M.J .MAILLIS SA, as of and for the year ended 31 December 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. These 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 31 December 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 26 of the Notes to the Financial Statements to which reference is made to the fact that for the parent Company M.J.MAILLIS SA, the subsidiary STRAPTECH SA and some of the overseas subsidiaries have not been audited by the tax authorities for some of their financial years and that additional taxes and penalties may therefore be imposed when the tax audits are performed and finalised. The outcome of the tax audits cannot be estimated at present and, consequently, no provision has been made in the financial statements.

27 February 2006
For DRM Stylianou SA (SOEL Reg. no: 104)

Athos Stylianou, FCCA
Certified Public Accountant
SOEL Reg. no: 12311

Kifissias & Ethnikis Antistaseos 84 A, GR 152 31 Athens

DRM Stylianou SA is a
Member of the Institute of
Certified Public Accountants
of Greece

Tel.: (30 210) 6717733
6747819
Fax: (30 210) 6726099

e-mail:
drmstyl@otenet.gr
http://www.drm.gr

DRM Stylianou SA is a correspondent
member firm of RSM International,
an affiliation of
independent accounting
and consulting firms

6.2.2 Balance Sheet

Amounts in Euro '000		GROUP		COMPANY	
ASSETS	**Note**	**31/12/2005**	**31/12/2004**	**31/12/2005**	**31/12/2004**
Non Current Assets					
Tangible Assets	8	131,346	138,414	69,169	73,755
Intangible Assets	9	116,429	113,189	3,631	1,450
Investments in Associates	13			165,073	163,121
Investments in Associates (equity method)	10	0	196		
Deferred Tax Assets	12	16,236	16,682	4,765	3,458
Other Receivables	15	6,264	0	232	239
		270,275	**268,481**	**242,870**	**242,023**
Current Assets					
Inventories	14	87,057	77,796	19,115	21,523
Trade and Other Receivables	15	98,647	105,132	124,552	100,745
Deferred Tax Assets	12	4,564	5,039	765	2,419
Cash and Cash Equivalents	16	20,941	9,000	4,691	1,945
		211,209	**196,967**	**149,123**	**126,631**
Total Assets		**481,484**	**465,448**	**391,993**	**368,654**
EQUITY					
Equity Attributable to Company's Shareholders					
Share Capital	17	55,379	55,318	55,379	55,318
Share Premium	17	139,138	141,038	139,138	141,038
Own Shares	17	0	-10,923	0	-10,923
Fair Value Reserves		0	0	0	0
Reserves	18	18,433	22,180	17,511	17,218
Retained Losses / Earnings		-27,013	-35,147	11,659	9,749
Translation Differences Reserve		3,770	5,172		
		189,707	**177,638**	**223,687**	**212,400**
Minority Interest		1,672	1,283		
Total Equity		**191,379**	**178,921**	**223,687**	**212,400**
LIABILITIES					
Non Current Liabilities					
Loans	19	128,532	107,353	113,047	89,358
Deferred Tax Liabilities	12	3,040	6,047	1,918	4,022
Retirement and Termination Benefit Obligations	21	6,076	8,557	429	407
Government Grants	22	8,171	9,358	5,344	6,305
Financial Instruments		0	0	0	0
Other Non Current Liabilities		870	499	334	139
		146,689	**131,814**	**121,072**	**100,231**
Current Liabilities					
Trade and Other Payables	23	69,201	71,912	28,091	33,977
Deferred Tax Liabilities	12	7,125	1,566	3,894	393
Current Tax Liabilities		9,714	8,456	2,849	643
Loans	19	55,032	71,198	12,400	21,005
Provisions	24	2,344	1,581	0	5
		143,416	**154,713**	**47,234**	**56,023**
Total Liabilities		**290,105**	**286,527**	**168,306**	**156,254**
Total Equity and Liabilities		**481,484**	**465,448**	**391,993**	**368,654**

6.2.3 Income Statement

Amounts in Euro '000	GROUP				
	Note	01/01/2005-31/12/2005	01/10/2005-31/12/2005	01/01/2004-31/12/2004	01/10/2004-31/12/2004
Sales		361,457	84,978	341,577	83,196
Cost of Sales	**28**	-265,183	-61,596	-241,105	-57,681
Gross Profit		96,274	23,382	100,472	25,515
Other Operating Income		10,241	4,336	9,089	4,704
Administrative Expenses	**28**	-23,155	-6,861	-22,602	-6,282
Distribution Costs	**28**	-41,868	-11,153	-38,865	-9,688
Other Operating Expenses	**28**	-5,140	-2,597	-9,376	-4,408
Restructuring Costs	**28**	-4,082	-3,040	-2,104	-769
Earnings before Tax, Financial Expenses and Restructuring Costs		32,270	4,067	36,614	9,072
Financial Expenses	**29**	-10,167	-1,590	-9,549	-1,929
Earnings before Tax		**22,103**	**2,477**	**27,065**	**7,143**
Tax for the period		-5,601	-804	-7,307	-2,307
Earnings after Tax for the period		**16,502**	**1,673**	**19,758**	**4,836**
Tax audit adjustments		-2,346	-786		
Earnings after Tax for the period and Tax audit adjustments		**14,156**	**887**	**19,758**	**4,836**
Deferred tax	**12**	-1,516	-1,516	781	781
Earnings after Tax for the period, Tax audit adjustments and Deferred tax		**12,640**	**-629**	**20,539**	**5,617**
Depreciation		21,234	5,351	20,400	5,319
Earnings before Tax, Financial expenses, Amortisation, Depreciation and Restructuring costs (EBITDA)		**57,586**	**12,458**	**59,118**	**15,160**
Earnings before Tax, Financial expenses, Amortisation and Depreciation (EBITDA)		**53,504**	**9,418**	**57,014**	**14,391**
Earnings after Tax distributed as follows:					
Company Shareholders		12,394	-699	20,295	5,552
Minority Interest		246	70	244	65
Earnings after Tax per share (expressed in €)	**30**	0.17	0.00	0.29	0.08

Amounts in Euro '000

	COMPANY				
	Note	01/01/2005-31/12/2005	01/10/2005-31/12/2005	01/01/2004-31/12/2004	01/10/2004-31/12/2004
Sales		134,834	33,136	130,042	37,117
Cost of Sales	**28**	-101,628	-23,069	-97,713	-29,135
Gross Profit		33,206	10,067	32,329	7,982
Other Operating Income		3,441	1,522	2,087	1,176
Administrative Expenses	**28**	-8,654	-2,604	-6,779	-941
Distribution Costs	**28**	-10,825	-3,108	-10,448	-2,871
Other Operating Expenses	**28**	-1,117	-1,001	-693	-424
Earnings before Tax and Financial Expenses		16,051	4,876	16,496	4,922
Financial Expenses	**29**	-5,111	-541	-6,107	-1,584
Earnings before Tax		**10,940**	**4,335**	**10,389**	**3,338**
Tax for the period		-1,820	-1,418	-675	671
Earnings after Tax for the period		**9,120**	**2,917**	**9,714**	**4,009**
Tax audit adjustments		-1,561			
Earnings after Tax for the period and Tax audit adjustments		**7,559**	**2,917**	**9,714**	4,009
Deferred tax	**12**	-1,743	0	-1,193	
Earnings after Tax for the period, Tax audit adjustments and Deferred tax		**5,816**	**2,917**	**8,521**	4,009
Depreciation		6,686	1,714	7,048	2,008
Earnings before Tax, Financial expenses, Amortisation and Depreciation (EBITDA)		**22,737**	**6,590**	**23,544**	**6,930**
Earnings after Tax distributed as follows:					
Company Shareholders		5,816	2,917	8,521	4,009
Minority Interest					
Earnings after Tax per share (expressed in €)	**30**	0.08	0.04	0.12	0.06

6.2.4 Statement of Changes in Equity

Amounts in Euro '000	GROUP					
	Attributable to the Mother Company's Shareholders					
	Share Capital	Share Premium	Treasury Shares	Other Reserves	Currency Translation Reserve	Retained Losses
Balance at 01/01/2004	**55,386**	**142,943**	**-13,047**	**22,723**	**5,477**	**-52,894**
Income from Share Issue	115	36				
Cancellation of Treasury Shares	-183	-1,941	2,124			
Net Loss Directly Attributable to Net Equity				-543		-1,460
Exchange Difference Adjustments						-1,087
Reserves Movement					-305	
Earnings / (Losses) per Income Statement						20,294
Balance at 31/12/2004	**55,318**	**141,038**	**-10,923**	**22,180**	**5,172**	**-35,147**
Balance at 01/01/2005	**55,318**	**141,038**	**-10,923**	**22,180**	**5,172**	**-35,147**
Income from Share Issue	136	41				
Selling of Treasury Shares		-1,428	10,335			
Cancellation of Treasury Shares	-75	-513	588			
Net Loss Directly Attributable to Net Equity						-4,725
Exchange Difference Adjustments					-1,402	-1,907
Reserves Movement				-3,747		2,372
Earnings / (Losses) per Income Statement						12,394
Balance at 31/12/2005	**55,379**	**139,138**	**0**	**18,433**	**3,770**	**-27,013**

GROUP		COMPANY					
Minority Interest	Total Equity	Attributable to the Mother Company's Shareholders					Total Equity
		Share Capital	Share Premium	Treasury Shares	Other Reserves	Retained Losses	
1,430	**162,018**	**55,386**	**142,943**	**-13,047**	**16,869**	**1,093**	**203,244**
	151	115	36				151
	0	-183	-1,941	2,124			0
	-2,003				194	135	329
-391	-1,478						0
	-305				155		155
244	20,538					8,521	8,521
1,283	**178,921**	**55,318**	**141,038**	**-10,923**	**17,218**	**9,749**	**212,400**
1,283	**178,921**	**55,318**	**141,038**	**-10,923**	**17,218**	**9,749**	**212,400**
	177	136	41				177
	8,907		-1,428	10,335			8,907
	0	-75	-513	588			0
	-4,725				293	-3,614	-3,321
143	-3,166						0
	-1,375						0
246	12,640					5,524	5,524
1,672	**191,379**	**55,379**	**139,138**	**0**	**17,511**	**11,659**	**223,687**

6.2.5 Cash Flow Statement

Amounts in Euro '000		GROUP		COMPANY	
	Note	31/12/2005	31/12/2004	31/12/2005	31/12/2004
Cash Flows from Operating Activities					
Earnings before Tax		22,103	27,066	10,940	10,389
Adjustments for:					
Depreciation and Amortisation	**8.9**	21,234	20,400	6,685	7,048
Provisions		-4,193	2,822	422	-435
Exchange Differences		-1,461	-1,133	-1,719	443
(Gain) / Loss from Investing Activities		-1,060	-2,322	-2,421	-1,949
Interest Payable and related expenses		11,138	10,952	5,831	7,027
Profit from Operations before Working Capital changes					
Decrease / (Increase) in Inventories		-9,261	-14,196	2,407	-6,827
Decrease / (Increase) in Receivables		-469	-9,136	-23,872	-12,125
Increase / (Decrease) in Payables (excluding Banks)		-2,373	5,423	7,497	16,511
Less:					
Interest Paid and other related expenses		-10,477	-10,485	-6,948	-7,301
Tax Paid		-6,851	-6,126	-1,690	-1,267
Total Cash Inflows / (Outflows) from Operating Activities (a)		**18,330**	**23,265**	**-2,868**	**11,514**
Cash Flows from Investing Activities					
Acquisition of Subsidiary, Related companies, Joint ventures and other Investments		-700	-1,441	-2,652	-5,541
Purchase of Intangible Assets, Property, Plant and Equipment	**8.9**	-18,146	-24,640	-4,697	-7,141
Proceeds of sale of Tangible and Intangible Assets		9,385	2,245	541	1,838
Interest Received		896	1,315	696	891
Dividends Received				25	1,423
Total Cash Inflows / (Outflows) from Investing Activities (b)		**-8,565**	**-22,521**	**-6,087**	**-8,530**
Cash Flows from Financing Activities					
Proceeds of issuance of Share Capital	**17**	179	150	179	150
Proceeds from Borrowings		11,193		15,088	
Payments of Borrowings			-2,073		-3,175
Payments of Finance Lease Liabilities		-6,629	-2,188		
Dividends Paid		-3,644	0	-3,566	-44
Total Cash Inflows / (Outflows) from Financing Activities (c)		**1,099**	**-4,111**	**11,701**	**-3,069**
Net increase/(decrease) in Cash and Cash Equivalents (a) + (b) + (c)		**10,864**	**-3,367**	**2,746**	**-85**
Cash and Cash Equivalents in Beginning of Period		9,000	14,131	1,945	2,031
Exchange Differences Adjustment		1,077	-1,763		
Cash and Cash Equivalents at End of Period	**16**	**20,941**	**9,001**	**4,691**	**1,946**

6.2.6 Notes to the Consolidated Financial Statements

1. GENERAL INFORMATION

M.J.Maillis SA (the "Company") and its subsidiaries (together the "Group") are involved in the manufacture and distribution of end of line industrial solutions. This includes strapping, wrapping and taping packaging material, strapping tools and machines, wrapping, shrinking and carton sealing machines and special bands. It offers complete solutions, covering both the heavy-duty and light packaging markets and serves all industrial applications. Maillis Group serves customers in more than 52 countries worldwide, through a network of 31 owned Affiliate companies and more than 350 independent distributors. The company is domiciled in Greece. The address of its registered office is Xenias 5 & Charilaou Trikoupi Kifissia 145 62 and its internet site is www.maillis.gr

The Company's shares are listed in the Athens Stock Exchange.
In 2006 the Group posted 6% top line organic growth and achieved its target for cash flow improvement reducing net debt by € 7 mln to € 162.6 mln from € 169.6 mln in 2004.
The financial results of the last two years were affected by the unprecedented abnormalities in supply and demand in steel but also in plastics raw materials –due to China- which led to overstocking and huge volatility in prices, with the well-known adverse consequences in the steel related industries. 2004 was characterised by rising prices and high levels of demand whereas in 2005 the situation was reversed with declining prices and demand –as a result of the overstocking- leading to pressures on gross profit margin. Despite these adverse market conditions, the Group decided to accelerate in the 4th quarter its restructuring efforts, assuming the relative cost.
It should be noted that the tax audits of M.J. MAILLIS S.A. and STRAPTECH S.A. for the years 2002, 2003 and 2004 were completed within 2005 and the resulting tax differences of € 2.3 mln were included in the 2005 FY results.
The adverse market conditions associated with the lag in demand in 2005 are not present today and the industry analysts forecast stabilisation in supply and demand as well as in raw material prices for steel and plastics. Therefore, the 2006 prospects for the Group are quite optimistic, with the primary targets being organic growth and further improvement in cash flow and reduction in net debt. It is expected that the growth of the US operations will have a substantial positive impact on the Group results, especially after the completion of the investment within the 1st half of 2006.
At the same time, the Group will continue to invest especially in the production of packaging materials that currently run at close-to-capacity levels, so that beginning 2007 it will be in a position to meet the anticipated increase in sales, which, on a consolidated level, are expected to significantly exceed the € 400 mln mark.
In 2006, the Group will continue its restructuring and production rationalisation efforts, which are necessary under the current environment of intense competition.
The management of M.J. MAILLIS Group will propose a dividend payment of €0.06 per share for 2005.

2. BASIS OF PREPARATION

The Annual Financial Statements 2005 of the Company and the Group have been audited and have been prepared in accordance with the International Financial Reporting Standards (IFRS) and specifically in accordance with IFRS 1 "First-time Adoption of International Financial Reporting Standards" with effect from 1st January 2004.

The accounting principles that have been used in the preparation of the Annual Financial Statements are in accordance with those used for the preparation of the Company and Group Financial Information as at 31/12/2004. This information was published in the internet site of the company.

Certain prior year amounts have been reclassified to conform to the current year presentation.

According to the provisions of IFRS 1 "First Time Adoption of International Financial Reporting Standards" and the other standards, the Group has applied IFRS from the 1st of January 2004 with exception the standards relating to financial instruments. As a result the effect of IAS 39 and IAS 32 which are applied from 1st January 2005, according to IFRS 1, are not included in the comparison of 2004. The effect of these standards is shown in the Financial Statements as at 31 December 2005.

The preparation of the Financial Statements according to the general accepted accounting principles demands for the use of calculations and assumptions which affect the above mentioned balances of the assets and liabilities, the acknowledgment of contingencies and the amounts of the income and expenses relating to the period from 1st January 2005 to 31st December 2005. The calculations are based to the best knowledge of the Company and the Group in relation to the current situation.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1 Consolidation

(a) Subsidiaries

Subsidiaries are all entities (including special purpose entities) over which the Group has the power to govern the financial and operating policies generally accompanying a shareholding of more than one half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date on which control ceases.

The purchase method of accounting is used to account for the acquisition of subsidiaries by the Group.
The cost of an acquisition is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date, irrespective of the extent of any minority interest. The excess of the cost of acquisition over the fair value of the Group's share of the identifiable net assets acquired is recorded as goodwill. If the cost of acquisition is less than the fair value of the group's share of the net assets of the subsidiary acquired, the difference is recognised directly in the income statement.

Inter-company transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Subsidiaries' accounting policies have been changed where necessary to ensure consistency with the policies adopted by the Group.

(b) Associates

Associates are all entities over which the Group has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Investments in associates are accounted for by the equity method of accounting and are initially recognised at cost.

The Group's investment in associates includes goodwill (net of any accumulated impairment loss) identified on acquisition.
The Group's share of its associates' post-acquisition profits or losses is recognised in the income statement, and its share of post-acquisition movements in reserves is recognised in reserves. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. When the Group's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

Unrealised gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in the associates. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Associates' accounting policies have been changed where necessary to ensure consistency with the policies adopted by the Group.

(c) Joint ventures

The Group's interests in jointly controlled entities are accounted for by proportionate consolidation.
The Group combines its share of the joint ventures' individual income and expenses, assets and liabilities and cash flows on a line-by-line basis with similar items in the Group's Financial Statements.

The Group recognises the portion of gains or losses on the sale of assets by the Group to the joint venture that is attributable to the other venturers. The Group does not recognise its share of profits or losses from the joint venture that result from the Group's purchase of assets from the joint venture until it resells the assets to an independent party. A loss on the transaction is recognised immediately if it provides evidence of a reduction in the net realisable value of current assets, or an impairment loss. Joint ventures' accounting policies have been changed where necessary to ensure consistency with the policies adopted by the Group.

3.2 Segment reporting

A business segment is a group of assets and operations engaged in providing products or services that are subject to risks and returns that are different from those of other business segments. A geographical segment is the location of an entity's production or services facilities and other assets that is subject to risks and returns that are different from those of segments operating in other economic environments.

3.3 Foreign currency translation

(a) Functional and presentation currency

Items included in the Financial Statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the 'functional currency'). The consolidated Financial Statements are presented in euros, which is the Company's functional and presentation currency.

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at the year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement. Foreign exchange gains and losses resulting from the settlement of foreign currency transactions and from the translation at year-end exchange rate of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement, except where hedge accounting is applied.
Translation differences on non-monetary items, such as equities held at fair value through profit or loss, are reported as part of their fair value gain or loss. Translation differences on non-monetary items, such as equities classified as available-for-sale financial assets, are included in the fair value reserve in equity from 1 January 2005.

(c) Group companies

The results and financial position of all group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet;
- income and expenses for each income statement are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions); and
- all resulting exchange differences are recognised as a separate component of equity (cumulative translation adjustment).

Exchange differences arising from the translation of the net investment in foreign entities, and of borrowings and other currency instruments designated as hedges of such investments, are taken to shareholders' equity on consolidation. When a foreign operation is sold, such exchange differences are recognised in the income statement as part of the gain or loss on sale.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate.

3.4 Property, plant and equipment

Land and buildings comprise mainly factories and offices. All property, plant and equipment (PPE) is shown at cost less subsequent depreciation and impairment, except for land, which is shown at cost. Cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

Buildings	30-80	years
Plant and machinery	6-15	years
Equipment and motor vehicles	4-7	years

Major renovations are depreciated over the remaining useful life of the related asset or to the date of the next major renovation, whichever is sooner.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the income statement. Borrowing costs incurred for the construction of any qualifying assets are capitalised during the period of time that is required to complete and prepare the asset for its intended use. Other borrowing costs are expensed.

3.5 Intangible assets

(a) Goodwill

Goodwill represents the excess of the cost of an acquisition over the fair value of the Group's share of the net identifiable assets of the acquired subsidiary/associate at the date of acquisition. Goodwill on acquisitions of subsidiaries is included in intangible assets. Goodwill on acquisitions of associates is included in investments in associates. Goodwill is tested annually for impairment and carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units for the purpose of impairment testing.

(b) Trademarks and licences

Trademarks and licences are recognised at cost. They have a definite useful life and are carried at cost less accumulated amortisation. Amortisation is calculated using the straight-line method to allocate the cost of trademarks and licences over their estimated useful lives (10-20 years).

(c) Computer software

Acquired computer software licences are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortised over their estimated useful lives (three to five years).
Costs associated with developing or maintaining computer software programs are recognised as an expense as incurred. Costs that are directly associated with the production of identifiable and unique software products controlled by the Group, and that will probably generate economic benefits exceeding costs beyond one year, are recognised as intangible assets. Direct costs include the costs of software development employees and an appropriate portion of relevant overheads.
Computer software development costs recognised as assets are amortised over their estimated useful lives (not exceeding three years).

(d) Research and development

Research expenditure is recognised as an expense as incurred. Costs incurred on development projects (relating to the design and testing of new or improved products) are recognised as intangible assets when it is probable that the project will be a success, considering its commercial and technological feasibility, and costs can be measured reliably. Other development expenditures are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period. Development costs that have a finite useful life and that have been capitalised are amortised from the commencement of the commercial production of the product on a straight-line basis over the period of its expected benefit, not exceeding five years.

3.6 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined using the weighted average method. The cost of finished goods and work in progress comprises design costs, raw materials, direct labour, other direct costs and related production overheads (based on normal operating capacity). It excludes borrowing costs. Net realisable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses.

3.7 Trade receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for impairment of trade receivables is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of the receivables. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. The amount of the provision is recognised in the income statement.

3.8 Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less.

3.9 Share capital

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction from the proceeds, net of tax.

Where any Group company purchases the Company's equity share capital (treasury shares), the consideration paid, including any directly attributable incremental costs (net of income taxes), is deducted from equity attributable to the Company's equity holders until the shares are cancelled, reissued or disposed of. Where such shares are subsequently sold or reissued, any consideration received, net of any directly attributable incremental transaction costs and the related income tax effects, is included in equity attributable to the Company's equity holders.

3.10 Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the income statement over the period of the borrowings using the effective interest method.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

3.11 Deferred income tax

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated Financial Statements. The deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction, other than a business combination, that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred income tax is provided on temporary differences arising on investments in subsidiaries, joint ventures and associates, except where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

3.12 Employee benefits

(a) Current obligations

The current obligations of the Group towards its personnel, in monetary terms, are recognised directly as an expense as soon as they accrue

(b) Pension obligations

The Group has both defined benefit and defined contribution plans. A defined benefit plan is a pension plan that defines an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation. The post-employment benefit paid to all employees in the Group's home country qualifies as a post-employment defined benefit plan.

A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. The Group has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

The liability recognised in the balance sheet in respect of defined benefit pension plans is the present value of the defined benefit obligation at the balance sheet date less the fair value of plan assets, together with adjustments for unrecognised actuarial gains or losses and past service costs. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension liability.

Cumulative actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions in excess of the greater of 10% of the value of plan assets or 10% of the defined benefit obligation are spread to income over the employees' expected average remaining working lives.

Past-service costs are recognised immediately in income, unless the changes to the pension plan are conditional on the employees remaining in service for a specified period of time (the vesting period). In this case, the past-service costs are amortised on a straight-line basis over the vesting period.

For defined contribution plans, the Group pays contributions to publicly or privately administered pension insurance plans on a mandatory, contractual or voluntary basis. The Group has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

3.13 Government Grants

Government grants are recognized at their fair value when it is certain that the grant will be received and that the Group has covered all relevant prerequisites.

Government grants that relate to expenses are recognized as income in the income statement in order to match the relevant expense.

Investment grants are recognized as long term liabilities and are transferred to the income statement under the straight method based on the respective asset's useful life.

3.14 Provisions

Provisions for restructuring costs and legal claims are recognised when: the Group has a present legal or constructive obligation as a result of past events; it is more likely than not that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Restructuring provisions comprise lease termination penalties and employee termination payments. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

(a) Warranties

The Group provides for the liability occurring for the service of replacement of machines that have a guarantee at the balance sheet date. This provision is based on similar historical estimates.

(b) Holiday Bonus

The Group provides for the employees summer bonus as it accrues.

(c) Restructuring Costs

The provisions for restructuring costs include mainly fines concerning the premature ending of rentals and personnel redundancies. These costs are recognised when the Group has a present legal or constructive obligation. Personnel redundancies are expensed only when an agreement with the personnel representatives is in place or when employees have been informed in advance for their redundancy

3.15 Revenue recognition

Revenue comprises the fair value of the sale of goods and services, net of value-added tax, rebates and discounts and after eliminating sales within the Group. Revenue is recognised as follows:

(a) Sales of goods – wholesale

Sales of goods are recognised when a Group entity has delivered products to the customer; the customer has accepted the products; and collectibility of the related receivables is reasonably assured.

(b) Sales of services

Sales of services are recognised in the accounting period in which the services are rendered, by reference to completion of the specific transaction assessed on the basis of the actual service provided as a proportion of the total services to be provided.

(c) Interest income

Interest income is recognised on a time-proportion basis using the effective interest method. When a receivable is impaired, the Group reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at original effective interest rate of the instrument, and continues accreting the discount as interest income. Interest income on impaired loans is recognised either as cash is collected or on a cost–recovery basis as conditions warrant.

(d) Royalty income

Royalty income is recognised on an accruals basis in accordance with the substance of the relevant agreements.

(e) Dividend income

Dividend income is recognised when the right to receive payment is established.

3.16 Leases

The Group is the lessee

Leases of property, plant and equipment where the Group has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lease's inception at the lower of the fair value of the leased property and the present value of the minimum lease payments. Each lease payment is allocated between the liability and finance charges so as to achieve a constant rate on the finance balance outstanding. The corresponding rental obligations, net of finance charges, are included in other long-term payables. The interest element of the finance cost is charged to the income statement over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The property, plant and equipment acquired under finance leases is depreciated over the shorter of the asset's useful life and the lease term.

Leases where the lessor retains substantially all the risks and rewards of ownership are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the income statement on a straight-line basis over the period of the lease.

3.17 Dividend distribution

Dividend distribution to the Company's shareholders is recognised as a liability in the Group's Financial Statements in the period in which the dividends are approved by the Company's shareholders.

3.18 New accounting standards and IFRIC interpretations

Certain new accounting standards and IFRIC interpretations have been published that are mandatory for accounting periods beginning on or after 1 January 2006. The Group's assessment of the impact of these new standards and interpretations is set out below.

(a) IFRS 6, Exploration for and Evaluation of Mineral Resources

The Group does not have any exploration and evaluation assets. This standard will not affect the Group's Financial Statements.

(b) IFRIC 3, Emission Rights

The Group does not participate in an emission rights scheme. This interpretation will not affect the Group's Financial Statements.

(c) IFRIC 4, Determining whether an Asset Contains a Lease

This standard will not affect the Group's Financial Statements.

(d) IFRIC 5, Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds

The Group does not have interests in decommissioning, restoration and environmental rehabilitation funds. This interpretation will not affect the Group's Financial Statements.

4. FINANCIAL RISK MANAGEMENT

4.1 Financial risk factors

As a result of its international activities, the Group is exposed to certain financial risks, i.e.: market risk (including foreign exchange risk and price risk), credit risk, cash flow risk and fair value interest-rate risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance. The Group uses derivative financial instruments, such as futures, forwards, interest rate swaps and cross-currency swaps to hedge certain risk exposures.

Risk management is carried out by Group Treasury Department, which identifies, evaluates and hedges financial risks in close co-operation with the Group's operating units. The Board of Directors provides principles and guidance for overall risk management, such as foreign exchange risk, interest-rate risk and credit risk.

(a) Market risk

Foreign exchange risk

The Group operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the US dollar, the UK pound, the Polish Zloty and the Romanian Lei. Foreign exchange risk arises from future commercial transactions, recognised assets and liabilities and net investments in foreign operations.

Entities in the Group use forward contracts to manage their foreign exchange risk arising from future commercial transactions, recognised assets and liabilities according to the policies set forth by the Group Treasury Department. Foreign exchange risk arises when future commercial transactions, recognised assets and liabilities are denominated in a currency that is not the entity's functional currency. Group Treasury is responsible for monitoring the net position in each foreign currency.

For segment reporting purposes, each subsidiary designates forward contracts as hedges of foreign exchange risk on specific assets, liabilities or future transactions on a gross basis.

The Group's risk management policy is to hedge anticipated transactions (mainly raw material imports and export sales) in each major currency for the subsequent 6 months. With respect to the US dollar there is a degree of natural hedge as exports in this currency are offset by imports of raw material in the same currency, and any resulting differences are hedged with forward contracts.

(b) Credit risk

The Group has no significant concentrations of credit risk. Sales have a high degree of diversification with respect to geography and industry sector and there are policies in place to ensure that sales of products are made to customers with an appropriate credit history

(c) Liquidity risk

Liquidity risk is kept at low levels, as the Group maintains sufficient cash and credit lines available.

(d) Cash flow and fair value interest rate risk

The Group's income and operating cash flows are substantially independent of changes in market interest rates. The Group does not have material interest bearing assets on its balance-sheet, whereas the Group's policy is to maintain approximately 50% of its borrowings in fixed rate instruments. At December 2004, 53% of borrowings were at fixed rates.

The Group manages its cash flow interest rate risk by using floating-to-fixed interest rate swaps. Such interest rate swaps have the economic effect of converting borrowings from floating rates to fixed rates. The Group raises long-term borrowings at floating rates and swaps them into fixed rates in order to hedge against the potential rise in interest rates.

The Group's cash flow interest rate risk arises from long-term borrowings. Borrowings issued at variable rates expose the Group to cash flow interest rate risk. Borrowings issued at fixed rates expose the Group to fair value interest rate risk.

4.2 Accounting for derivative Financial Instruments and hedging activities

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. The method of recognising the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged. The Group designates certain derivatives as either: hedges of the fair value of recognised assets or liabilities or a firm commitment (fair value hedge); hedges of highly probable forecast transactions (cash flow hedge); or hedges of net investments in foreign operations.

The Group documents at the inception of the transaction the relationship between hedging instruments and hedged items, as well as its risk management objective and strategy for undertaking various hedge transactions. The Group also documents its assessment, both at hedge inception and on an ongoing basis, of whether the derivatives that are used in hedging transactions are highly effective in offsetting changes in fair values or cash flows of hedged items.

The fair values of various derivative instruments used for hedging purposes are disclosed in Note 11. Movements on the hedging reserve in shareholders' equity are shown in Note 20.

a) Fair Value Hedge

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recorded in the income statement, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

b) Cash Flow Hedge

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges are recognised in equity. The gain or loss relating to the ineffective portion is recognised immediately in the income statement.

Amounts accumulated in equity are recycled in the income statement in the periods when the hedged item will affect profit or loss (for example, when the forecast sale that is hedged takes place). However, when the forecast transaction that is hedged results in the recognition of a non-financial asset (for example, inventory) or a liability, the gains and losses previously deferred in equity are transferred from equity and included in the initial measurement of the cost of the asset or liability.

When a hedging instrument expires or is sold, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss existing in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in the income statement. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in equity is immediately transferred to the income statement.

c) Net Investment Hedge

Hedges of net investments in foreign operations are accounted for similarly to cash flow hedges.
Any gain or loss on the hedging instrument relating to the effective portion of the hedge is recognised in equity; the gain or loss relating to the ineffective portion is recognised immediately in the income statement.

Gains and losses accumulated in equity are included in the income statement when the foreign operation is disposed of.

d) Derivatives that do not qualify for hedge accounting

Certain derivative instruments do not qualify for hedge accounting. Such derivatives are classified as at fair value through profit or loss, and changes in the fair value of any derivative instruments that do not qualify for hedge accounting are recognised immediately in the income statement.

4.3 Fair Value Estimation

The fair value of financial instruments traded in active markets (such as publicly traded derivatives, and trading and available-for-sale securities) is based on quoted market prices at the balance sheet date. The quoted market price used for financial assets held by the Group is the current bid price; the appropriate quoted market price for financial liabilities is the current ask price.

The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined by using valuation techniques. The Group uses a variety of methods and makes assumptions that are based on market conditions existing at each balance sheet date. Quoted market prices or dealer quotes for similar instruments are used for long-term debt. Other techniques, such as estimated discounted cash flows, are used to determine fair value for the remaining financial instruments. The fair value of interest-rate swaps is calculated as the present value of the estimated future cash flows. The fair value of forward foreign exchange contracts is determined using forward exchange market rates at the balance sheet date.

The nominal value less estimated credit adjustments of trade receivables is assumed to approximate their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Group for similar financial instruments.

5. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

5.1 Critical accounting estimates and assumptions

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

(a) Income taxes

The Group is subject to income taxes in numerous jurisdictions. Significant judgement is required in determining the worldwide provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

6. TRANSITION TO IFRS

6.1 Application of IFRS 1

The Group's Financial Statements for the year ended 31 December 2005 are the first Annual Financial Statements that comply with IFRS. These Annual Financial Statements have been prepared as described in Note 2. The Group has applied IFRS 1 in preparing these consolidated annual Financial Statements.

In preparing these Annual Consolidated Financial Statements in accordance with IFRS 1, the Group has applied the mandatory exceptions and certain of the optional exemptions from full retrospective application of IFRS.

(a) Fair value as deemed cost exemption
The Group has elected to measure certain items of property, plant and equipment at fair value as at 1 January 2004. The application of this exemption is detailed in Note 8.

(b) Employee benefits exemption
The Group has elected to recognise all cumulative actuarial gains and losses as at 1 January 2004.

(c) Cumulative translation differences exemption
The Group has elected to set the previously accumulated cumulative translation to zero at 1 January 2004. This exemption has been applied to all subsidiaries in accordance with IFRS 1.

(d) Compound financial instruments exemption
The Group has not issued any compound instruments; this exemption is not applicable.

(e) Exemption from restatement of comparatives for IAS 32 and IAS 39.
The Group elected to apply this exemption. It applies previous GAAP rules to derivatives, financial assets and financial liabilities and to hedging relationships for the 2004 comparative information. The adjustments required for differences between GAAP and IAS 32 and IAS 39 are determined and recognised at 1 January 2005. The adjustments are detailed in Note 20.

(f) Exemption from share based payment (IFRS 2)
The Group did not apply retrospectively IFRS 2. The share options were granted before the 2nd November 2002. The application of this exemption is explained in detail in note 17.

6.2 Exception from full retrospective application followed by the Group

(a) Estimates exception

Estimates under IFRS at 1 January 2004 should be consistent with estimates made for the same date under previous GAAP, unless there is evidence that those estimates were in error.

6.3 Reconciliations between IFRS and GAAP

The following reconciliations provide a quantification of the effect of the transition to IFRS. The first reconciliation provides an overview of the impact on equity of the transition at 1 January 2004 and 31 December 2004. the following six reconciliations provide details of the impact of the transition on:

Balance Sheet as at 1 January 2004 (Note 6.3.1)
Balance Sheet as at 31 December 2004 (Note 6.3.2)
Company Equity Reconciliation (Note 6.3.3)
Group Equity Reconciliation (Note 6.3.4)
Income Statement 31 December 2004 (Note 6.3.5)
Reconciliation of Net Income 31 December 2004 (Note 6.3.6)

6.3.1 Balance Sheet Reconciliation 1 January 2004

Amounts in Euro '000	GROUP			COMPANY		
	GREEK GAAP 1/1/2004	Difference	IFRS 1/1/2004	GREEK GAAP 1/1/2004	Difference	IFRS 1/1/2004
ASSETS						
Non Current Assets						
Tangible Assets	101,246	27,042	128,288	52,376	20,381	72,757
Intangible Assets	182,800	-69,497	113,303	20,895	-18,920	1,975
Investments in Associates	183	-110	73	153,673	2,533	156,206
Deferred Tax Assets	0	14,427	14,427	0	8,559	8,559
Other Receivables	5,964	-5,964	0	142	0	142
	290,193	**-34,102**	**256,091**	**227,086**	**12,553**	**239,639**
Current Assets						
Inventories	64,371	1,027	65,398	12,940	1,754	14,694
Trade and Other Receivables	101,791	-3,268	98,523	93,474	-1,754	91,720
Deferred Tax Assets	0	4,358	4,358	0	0	0
Cash and Cash Equivalents	14,101	29	14,130	2,060	0	2,060
	180,263	**2,146**	**182,409**	**108,474**	**0**	**108,474**
Total Assets	**470,456**	**-31,956**	**438,500**	**335,560**	**12,553**	**348,113**
EQUITY						
Equity Attributable to Company's Shareholders						
Share Capital	55,386	0	55,386	55,386	0	55,386
Share Premium	144,932	-1,989	142,943	144,932	-1,989	142,943
Own Shares	-13,047	0	-13,047	-13,047	0	-13,047
Reserves	27,875	-5,152	22,723	21,606	-4,737	16,869
Retained Losses / earnings	26,087	-78,981	-52,894	-3,722	4,815	1,093
Translation Differences	27	5,450	5,477	0	0	0
	241,260	**-80,672**	**160,588**	**205,155**	**-1,911**	**203,244**
Minority Interest	1,512	-82	1,430	0	0	0
Total Equity	**242,772**	**-80,754**	**162,018**	**205,155**	**-1,911**	**203,244**
LIABILITIES						
Non Current Liabilities						
Loans	101,294	7,892	109,186	89,358	0	89,358
Deferred Tax Liabilities	0	7,008	7,008	0	5,903	5,903
Retirement and Termination Benefit Obligations	0	7,242	7,242	0	366	366
Government Grants	0	10,317	10,317	0	7,264	7,264
Other Non Current Liabilities	690	0	690	0	0	0
	101,984	**32,459**	**134,443**	**89,358**	**13,533**	**102,891**
Current Liabilities						
Trade and Other Payables	50,215	13,933	64,148	15,022	0	15,022
Deferred Tax Liabilities	0	1,833	1,833	0	0	0
Current Tax Liabilities	8,555	-247	8,308	1,023	0	1,023
Loans	64,343	1,744	66,087	24,180	0	24,180
Provisions	2,587	-923	1,664	822	931	1,753
	125,700	**16,340**	**142,040**	**41,047**	**931**	**41,978**
Total Liabilities	**227,684**	**48,799**	**276,483**	**130,405**	**14,464**	**144,869**
Total Equity and Liabilities	**470,456**	**-31,955**	**438,500**	**335,560**	**12,553**	**348,113**

6.3.2 Balance Sheet Reconciliation 31 December 2004

Amounts in Euro '000	GROUP			COMPANY		
	GREEK GAAP	Difference	IFRS	GREEK GAAP	Difference	IFRS
ASSETS	**31/12/04**		**31/12/04**	**31-Δεκ-04**		**31/12/04**
Non Current Assets						
Tangible Assets	103,829	34,585	138,414	53,986	19,769	73,755
Intangible Assets	184,435	-71,246	113,189	16,768	-15,318	1,450
		0		159,189	3,932	163,121
Investments in Associates	443	-247	196			
Deferred Tax Assets	0	16,682	16,682	0	3,458	3,458
Other Receivables	7,728	-7,728	0	239	0	239
	296,435	**-27,954**	**268,481**	**230,182**	**11,841**	**242,023**
Current Assets						
Inventories	73,268	4,528	77,796	14,468	7,054	21,522
Trade and Other Receivables	115,508	-10,376	105,132	109,163	-8,448	100,715
Deferred Tax Assets	0	5,039	5,039	0	2,419	2,419
Cash and Cash Equivalents	8,867	133	9,000	1,975	0	1,975
	197,643	**-676**	**196,967**	**125,606**	**1,025**	**126,631**
Total Assets	**494,078**	**-28,630**	**465,448**	**355,788**	**12,866**	**368,654**
EQUITY						
Equity Attributable to Company's Shareholders						
Share Capital	55,318	0	55,318	55,318	0	55,318
Share Premium	143,027	-1,989	141,038	143,027	-1,989	141,038
Own Shares	-10,923	0	-10,923	-10,923	0	-10,923
Reserves	29,580	-7,400	22,180	21,365	-4,147	17,218
Retained Losses / earnings	38,793	-73,940	-35,147	243	9,506	9,749
Translation Differences	65	5,107	5,172			
	255,860	**-78,222**	**177,638**	**209,030**	**3,370**	**212,400**
Minority Interest	1,369	-86	1,283	0	0	0
Total Equity	**257,229**	**-78,308**	**178,921**	**209,030**	**3,370**	**212,400**
LIABILITIES						
Non Current Liabilities						
Loans	94,751	12,602	107,353	89,358	0	89,358
Deferred Tax Liabilities	0	6,047	6,047	0	4,022	4,022
Retirement and Termination Benefit Obligations	0	8,557	8,557	0	407	407
Government Grants	0	9,358	9,358	0	6,305	6,305
Other Non Current Liabilities	499	0	499	144	-5	139
	95,250	**36,564**	**131,814**	**89,502**	**10,729**	**100,231**
Current Liabilities						
Trade and Other Payables	61,468	10,444	71,912	34,386	-409	33,977
Deferred Tax Liabilities	0	1,566	1,566	0	393	393
Current Tax Liabilities	8,537	-81	8,456	643	0	643
Loans	68,813	2,385	71,198	21,005	0	21,005
Provisions	2,781	-1,200	1,581	1,222	-1,217	5
	141,599	**13,114**	**154,713**	**57,256**	**-1,233**	**56,023**
Total Liabilities	**236,849**	**49,678**	**286,527**	**146,758**	**9,496**	**156,254**
Total Equity and Liabilities	**494,078**	**-28,630**	**465,448**	**355,788**	**12,866**	**368,654**

6.3.3 Company Equity Reconciliation

Amounts in Euro '000	COMPANY 31/12/2004	COMPANY 31/12/2003
Equity as previously reported in Greek statutory financial statements	**209,029**	**205,156**
Adjusted, according to IFRS, for:		
Share Premium reduction due to share capital increase fees, previously capitalised	-1,990	-1,990
Revision to amortisation of government grants based on IFRS revised economic useful lives of appropriate assets and reclassification of government grants from equity to deferred income (non current liabilities)	-6,305	-7,264
Change in economic useful lives of property, plant and equipment and restatement of historical cost basis	15,815	16,517
Derecognition of part of Goodwill according to IFRS 3	-1,511	-1,511
Derecognition of previously capitalised expenses for restructuring, research and development of new products and expansion of commercial networks	-5,914	-9,023
Recognition of additional long term liability related to staff termination and post retirement benefits	-407	-366
Adjustment of Provision Accounts according to IAS	-1,393	-930
Recognition of Deferred Taxation	1,462	2,655
Derecognition of dividends as a liability until approved by the General Annual Shareholders Meeting	3,584	
Derecognition of Board of Directors fees as a liability until approved by the General Annual Shareholders Meeting	30	
Total Adjustments	**3,371**	**-1,912**
Equity, as restated to conform with the requirements of IFRS	**212,400**	**203,244**

6.3.4 Group Equity Reconciliation

Amounts in Euro '000	GROUP	
	31/12/2004	31/12/2003
Equity as previously reported in Greek statutory financial statements	**255,860**	**241,261**
Adjusted, according to IFRS, for:		
Share Premium reduction due to share capital increase fees, previously capitalised	-1,990	-1,990
Revision to amortisation of government grants based on IFRS revised economic useful lives of appropriate assets and reclassification of government grants from equity to deferred income (non current liabilities)	-9,358	-10,317
Change in economic useful lives of property, plant and equipment and restatement of historical cost basis	15,515	16,217
Derecognition of part of Goodwill according to IFRS 3	-27,349	-27,349
Derecognition of previously capitalised expenses for restructuring, research and development of new products and expansion of commercial networks	-43,897	-46,300
Recognition of additional long term liability related to staff termination and post retirement benefits	-8,557	-7,242
Adjustment of Provision Accounts according to IAS	-6,754	-5,247
Recognition of Deferred Taxation	14,109	9,959
Exchange Differences occuring from the currency translation of foreign currency subsidiaries Financial Statements	5,172	5,477
Exchange Differences occuring in consolidation of foreign currency subsidiaries	-12,568	-10,021
Effect from the recognition of financial instruments under IFRS	-5,911	-3,507
Derecognition of dividends as a liability until approved by the General Annual Shareholders Meeting	3,584	
Derecognition of Board of Directors fees as a liability until approved by the General Annual Shareholders Meeting	30	
Other adjustments	-249	-353
Total Adjustments	**-78,223**	**-80,673**
Equity, as restated to conform with the requirements of IFRS	**177,637**	**160,588**

6.3.5 Income Statement 31 December 2004

Amounts in Euro '000	GROUP			COMPANY		
	GREEK GAAP 31/12/04	Difference	IFRS 31/12/04	GREEK GAAP 31/12/04	Difference	IFRS 31/12/04
Sales	341,124	453	341,577	130,042	0	130,042
Cost of Sales	-243,254	2,149	-241,105	-99,393	1,680	-97,713
Gross Profit	97,870	2,602	100,472	30,649	1,680	32,329
Other Operating Income	8,007	1,082	9,089	3,115	-1,028	2,087
Administrative Expenses	-24,977	2,375	-22,602	-12,959	6,180	-6,779
Distribution Costs	-40,682	1,817	-38,865	-10,448	0	-10,448
Other Operating Expenses	-6,485	-2,891	-9,376	-651	-42	-693
Earnings before Tax, Financial Expenses and Restructuring Costs	33,733	4,985	38,718	9,706	6,790	16,496
Restructuring Costs	0	-2,104	-2,104	0	0	0
Earnings before Tax, Depreciation, Amortisation and Interest (EBITDA)	33,733	2,882	36,615	9,706	6,790	16,496
Financial Expenses	-7,791	-1,758	-9,549	-4,427	-1,680	-6,107
Earnings before Tax	25,942	1,124	27,066	5,279	5,110	10,389
Tax	-6,144	-383	-6,527	-1,267	-601	-1,868
Earnings after Tax	**19,798**	**741**	**20,539**	**4,012**	**4,509**	**8,521**
Depreciation	25,869	-5,469	20,400	14,780	-7,732	7,048
Earnings before Tax, Financial expenses, Amortisation, Depreciation and Restructuring costs (EBITDA)	**59,602**	**-483**	**59,119**	**24,486**	**-942**	**23,544**
Earnings after Tax distributed as follows:						
Company Shareholders	19,560	734	20,294	4,012	4,509	8,521
Minority Interest	238	6	244			
Earnings after Tax per share (expressed in €)	**0.28**	**0.01**	**0.29**	**0.06**	**0.06**	**0.12**

6.3.6 Reconciliation of Net Income 31 December 2004

Amounts in Euro '000	GROUP	COMPANY
	01-01-31/12/2004	01-01-31/12/2004
Earnings Before tax, Minority interest under Greek GAAP	**25,940**	**5,279**
IFRS Adjustments		
Decrease in Depreciation and Amortisation	5,468	7,732
Employee Benefit Provision	-1,315	-41
Other Provisions	-1,507	0
Restructuring Costs	-2,104	-2,581
Recognition of Exchange Gains	583	0
Total Adjustments	1,125	5,110
Earnings as per IFRS	**27,065**	**10,389**

7. SEGMENT INFORMATION

Primary Segment Information – Business Segments

At 31st December 2005 the Group is divided in 3 major Business Segments:

(1) Production and sale of packaging consumables

(2) Production and sale of packaging machines

(3) Merchandise and other non core products

The Company produces and sells only packaging consumables.

The segment results for the 12 months ended at 31st December 2005 and 31st December 2004 respectively are as follows:

12 months to 31st December 2005

Amounts in Euro '000	Consumables	Machines	Other	Non Classified	Total
Total Sales	219,405	133,378	8,675		**361,458**
Operating Income	12,859	13,757	146	5,359	32,121
Financial Cost - Net				10,167	**10,167**
Associate Share	113	37			150
Earnings before Tax	**12,972**	**13,794**	**146**	**-4,808**	**22,104**
Income Tax					9,463
Net Profit					**12,641**

12 months to 31st December 2004

Amounts in Euro '000	Consumables	Machines	Other	Non Classified	Total
Total Sales	209,455	122,934	9,188		**341,577**
Operating Income	16,838	12,934	257	6,486	36,515
Financial Cost - Net				9,549	**9,549**
Associate Share	64	36			100
Profit before Tax	**16,902**	**12,970**	**257**	**-3,063**	**27,066**
Income Tax					6,527
Net Profit					**20,539**

Other segment items included in the Income Statement are as follows:

12 months to 31st December 2005

Amounts in Euro '000	Consumables	Machines	Other	Non Classified	Total
Depreciation of Tangible Assets	9,566	6,103	529	296	**16,494**
Depreciation of Intangible Assets	2,748	1,755	95	142	**4,740**

12 months to 31st December 2004

Amounts in Euro '000	Consumables	Machines	Other	Non Classified	Total
Depreciation of Tangible Assets	9,722	6,369	436	235	**16,762**
Depreciation of Intangible Assets	2,110	1,383	55	91	**3,639**

Inter-segment transfers or transactions are entered into under the normal commercial terms and conditions that would also be available to unrelated third parties.

The Assets and Liabilities of the Segments for the 12 months ended at 31st December 2005 and 31st December 2004 respectively are as follows:

31st December 2005

Amounts in Euro '000	Consumables	Machines	Other	Non Classified	Total
Assets	367,494	93,676	4,927	15,388	481,485
Related Companies	0	0	0		0
Total Assets	**367,494**	**93,676**	**4,927**	**15,388**	**481,485**
Liabilities	**204,872**	**78,255**	**3,524**	**3,454**	**290,105**

31st December 2004

Amounts in Euro '000	Consumables	Machines	Other	Non Classified	Total
Assets	337,330	101,370	7,754	18,797	465,251
Related Companies	126	70			196
Total Assets	**337,456**	**101,440**	**7,754**	**18,797**	**465,447**
Liabilities	**185,406**	**77,729**	**3,465**	**19,927**	**286,527**

Segment assets consist primarily of property, plant and equipment, intangible assets, inventories, receivables and operating cash.
Segment liabilities comprise operating liabilities.

Secondary Segment Information – Geographical Segments

Sales refer to the geographical area in which the production or services and fixed assets of the company are located. The assets refer to the location of the companies.

The results by segment for the 12 months ended at 31st December 2005 and 31st December 2004 respectively are as follows:

12 months to 31st December 2005

Amounts in Euro '000	E.U. Countries	European Non E.U. Countries	North America	Total
Total Sales	316,798	14,458	30,202	**361,458**
Operating income	25,272	1,246	5,752	**32,270**

12 months to 31st December 2004

Amounts in Euro '000	E.U. Countries	European Non E.U. Countries	North America	Total
Total Sales	301,355	13,318	26,904	**341,577**
Operating income	33,371	1,240	2,004	**36,615**

The Assets of the segments as at 31st December 2005 and 31st December 2004 respectively are as follows:

31st December 2005

Amounts in Euro '000	E.U. Countries	European Non E.U. Countries	North America	Total
Assets	442,996	9,424	29,065	**481,485**

31st December 2004

Amounts in Euro '000	E.U. Countries	European Non E.U. Countries	North America	Total
Assets	443,821	7,060	14,566	**465,447**

8. PROPERTY PLANT AND EQUIPMENT

Amounts in Euro '000	GROUP						
	Land	Buildings	Machinery	Vehicles	Furniture and Fittings	Fixed Assets Under Construction	Total
Cost or Fair Value							
Balance at 1 January 2004	**7,378**	**58,820**	**126,543**	**3,990**	**14,166**	**7,657**	**218,555**
Exchange Differences	23	679	3,152	103	47	55	**4,059**
Additions	96	8,246	14,097	178	333	5,308	**28,257**
Disposals / Write offs	0	-21	-7,542	-237	-284	297	**-7,787**
Revaluation	0	0	0	0	0	0	**0**
Impairment Charges	0	0	0	0	0	0	**0**
Subsidiary Purchased	0	0	0	0	0	0	**0**
Reclassifications of Assets	0	0	345	0	2	-4,574	**-4,226**
Subsidiary Disposed	0	0	0	0	0	0	**0**
Balance at 31 December 2004	**7,497**	**67,724**	**136,596**	**4,034**	**14,264**	**8,743**	**238,859**
Accumulated Depreciation							
Balance at 1 January 2004	**0**	**-20,527**	**-58,906**	**-2,228**	**-8,606**	**0**	**-90,267**
Exchange Differences	0	-57	-776	-72	-2	0	**-907**
Depreciation Charge for the period	0	-5,092	-10,019	-362	-1,289	0	**-16,762**
Disposals / Write offs	0	-1	6,476	87	85	0	**6,647**
Revaluation	0	0	848	0	0	0	**848**
Subsidiary Purchased	0	0	0	0	0	0	**0**
Reclassifications of Assets	0	0	-4	1	0	0	**-3**
Subsidiary Disposed	0	0	0	0	0	0	**0**
Balance at 31 December 2004	**0**	**-25,678**	**-62,381**	**-2,574**	**-9,812**	**0**	**-100,445**
Net Book Value at 31 December 2004	**7,497**	**42,046**	**74,215**	**1,460**	**4,452**	**8,743**	**138,414**
Cost or Fair Value							
Balance at 1 January 2005	**7,497**	**67,724**	**136,596**	**4,034**	**14,264**	**8,743**	**238,859**
Exchange Differences	55	1,143	2,977	48	203	0	**4,426**
Additions	131	3,023	4,650	473	580	5,950	**14,807**
Disposals / Write offs	-429	-10,774	-13,653	-592	-522	622	**-25,348**
Revaluation	901	-772	0	0	1	0	**130**
Impairment Charges	0	0	0	0	0	0	**0**
Subsidiary Purchased	0	0	0	0	0	0	**0**
Reclassifications of Assets	10	143	6,308	-73	60	-9,606	**-3,158**
Subsidiary Disposed	0	0	0	0	0	0	**0**
Balance at 31 December 2005	**8,165**	**60,487**	**136,878**	**3,890**	**14,586**	**5,709**	**229,716**
Accumulated Depreciation							
Balance at 1 January 2005	**0**	**-25,678**	**-62,381**	**-2,574**	**-9,812**	**0**	**-100,445**
Exchange Differences	0	588	1,534	-49	-117	0	**1,956**
Depreciation Charge for the period	0	-4,369	-10,138	-501	-1,486	0	**-16,494**
Disposals / Write offs	0	10,513	5,088	515	497	0	**16,613**
Revaluation	0	0	0	0	0	0	**0**
Subsidiary Purchased	0	0	0	0	0	0	**0**
Reclassifications of Assets	0	0	0	0	0	0	**0**
Subsidiary Disposed	0	0	0	0	0	0	**0**
Balance at 31 December 2005	**0**	**-18,946**	**-65,897**	**-2,609**	**-10,918**	**0**	**-98,370**
Net Book Value at 31 December 2005	**8,165**	**41,541**	**70,981**	**1,281**	**3,668**	**5,709**	**131,346**

Amounts in Euro '000	COMPANY						
	Land	Buildings	Machinery	Vehicles	Furniture and Fittings	Fixed Assets Under Construction	Total
Cost or Fair Value							
Balance at 1 January 2004	**4,936**	**26,278**	**70,524**	**993**	**4,893**	**6,933**	**114,557**
Additions	0	671	0	139	7	6,142	**6,959**
Disposals / Write offs	0	0	-1,072	-87	0	-1,604	**-2,763**
Revaluation	0	0	0	0	0	0	**0**
Impairment Charges	0	0	0	0	0	0	**0**
Reclassifications of Assets	0	0	3,466	0	0	-3,596	**-130**
Balance at 31 December 2004	**4,936**	**26,949**	**72,918**	**1,045**	**4,900**	**7,875**	**118,623**
Accumulated Depreciation							
Balance at 1 January 2004	**0**	**-12,386**	**-22,820**	**-602**	**-2,406**	**0**	**-38,214**
Depreciation Charge for the period	0	-110	-5,723	-134	-687	0	**-6,654**
Disposals / Write offs	0	0	705	0	0	0	**705**
Revaluation	0	0	0	0	0	0	**0**
Reclassifications of Assets	0	0	0	0	0	0	**0**
Balance at 31 December 2004	**0**	**-12,496**	**-28,543**	**-736**	**-3,093**	**0**	**-44,868**
Net Book Value at 31 December 2004	**4,936**	**14,453**	**44,375**	**309**	**1,807**	**7,875**	**73,755**
Cost or Fair Value							
Balance at 1 January 2005	**4,936**	**26,949**	**72,918**	**1,045**	**4,900**	**7,875**	**118,623**
Additions	0	6	181	2	76	4,287	**4,552**
Disposals / Write offs	0	0	-460	-54	-27	0	**-541**
Revaluation	0	0	0	0	0	0	**0**
Impairment Charges	0	0	0	0	0	0	**0**
Reclassifications of Assets	0	114	5,694	0	0	-8,354	**-2,546**
Balance at 31 December 2005	**4,936**	**27,069**	**78,333**	**993**	**4,949**	**3,808**	**120,088**
Accumulated Depreciation							
Balance at 1 January 2005	**0**	**-12,496**	**-28,543**	**-736**	**-3,093**	**0**	**-44,868**
Depreciation Charge for the period	0	-233	-5,221	-71	-652	0	**-6,177**
Disposals / Write offs	0	0	55	46	25	0	**126**
Revaluation	0	0	0	0	0	0	**0**
Reclassifications of Assets	0	0	0	0	0	0	**0**
Balance at 31 December 2005	**0**	**-12,729**	**-33,709**	**-761**	**-3,720**	**0**	**-50,919**
Net Book Value at 31 December 2005	**4,936**	**14,340**	**44,624**	**232**	**1,229**	**3,808**	**69,169**

At the date of transition to IFRS, the Company and its subsidiary Straptech SA have valued their land, buildings and machinery at their fair values. The valuation for land and buildings has been made by independent valuators. The fair values have been considered as cost according to IFRS 1 as at 1st January 2004 and the difference that has occurred has been transferred to retained earnings.
Included in the Group Income Statement for the 12 months to 31 December 2005 is depreciation expense € 13,395 th. charged to Cost of Sales (€ 13,422 th. at 31/12/2004), € 602 th. charged to distribution expenses (€ 612 th. at 31/12/2004) and € 2,497 th. charged to administrative expenses (€ 2,727 th. at 31/12/2004).

Included in Company's Income Statement for the 12 months to 31 December 2005 is depreciation expense € 5,533 th. charged to Cost of Sales (€ 5,967 th at 31/12/2004), € 17 th. charged to distribution expenses (€ 76 th. at 31/12/2004) and € 628 th. charged to administrative expenses (€ 611 th. at 31/12/2004).

There are no encumbrances on the Group's fixed assets.

In the above table are included leased assets as follows:

Amounts in Euro '000	31/12/2005	31/12/2004
Cost of Capitalised Financial Leases	15,824	19,920
Accumulated Depreciation	3,861	5,189
Repayments	3,862	0
Net Book Value of Financial Leases	**8,101**	**14,730**

9. INTANGIBLE ASSETS

	GROUP			
Amounts in Euro '000	Goodwill	Development Costs	Other Intangible Assets	Total
Cost or Fair Value				
Balance at 1 January 2004	**99,280**	**4,040**	**19,216**	**122,536**
Exchange Differences	2,460	9	214	**2,683**
Additions	0	87	521	**608**
Disposals / Write offs	0	0	0	**0**
Impairment Charges	0	3	0	**3**
Subsidiary Purchased	357	0	0	**357**
Reclassifications of Assets	0	0	0	**0**
Subsidiary Disposed	0	0	0	**0**
Balance at 31 December 2004	**102,097**	**4,139**	**19,951**	**126,187**
Accumulated Depreciation				
Balance at 1 January 2004	**0**	**-1,244**	**-7,989**	**-9,233**
Exchange Differences	0	5	-131	**-126**
Depreciation Charge for the period	0	-1,221	-2,418	**-3,639**
Disposals / Write offs	0	0	0	**0**
Subsidiary Purchased	0	0	0	**0**
Reclassifications of Assets	0	0	0	**0**
Subsidiary Disposed	0	0	0	**0**
Balance at 31 December 2004	**0**	**-2,460**	**-10,538**	**-12,998**
Net Book Value at 31 December 2004	**102,097**	**1,678**	**9,413**	**113,189**

Amounts in Euro '000	Goodwill	Development Costs	Other Intangible Assets	Total
Cost or Fair Value				
Balance at 1 January 2005	**102,097**	**4,139**	**19,951**	**126,187**
Exchange Differences	694	109	978	**1,781**
Additions	0	1,548	1,791	**3,339**
Disposals / Write offs	0	0	0	**0**
Impairment Charges	0	0	0	**0**
Subsidiary Purchased	0	0	0	**0**
Reclassifications of Assets	0	594	2,564	**3,158**
Subsidiary Disposed	0	0	0	**0**
Balance at 31 December 2005	**102,791**	**6,390**	**25,284**	**134,465**
Accumulated Depreciation				
Balance at 1 January 2005	**0**	**-2,460**	**-10,538**	**-12,998**
Exchange Differences	0	-46	-252	**-298**
Depreciation Charge for the period	0	-1,234	-3,506	**-4,740**
Disposals / Write offs	0	0	0	**0**
Subsidiary Purchased	0	0	0	**0**
Reclassifications of Assets	0	-127	127	**0**
Subsidiary Disposed	0	0	0	**0**
Balance at 31 December 2005	**0**	**-3,867**	**-14,169**	**-18,036**
Net Book Value at 31 December 2005	**102,791**	**2,523**	**11,115**	**116,429**

Amounts in Euro '000	COMPANY Goodwill	Development Costs	Other Intangible Assets	Total
Cost or Fair Value				
Balance at 1 January 2004	**0**	**118**	**1,612**	**1,730**
Additions	0	4	290	**294**
Disposals / Write offs	0	0	0	**0**
Impairment Charges	0	0	0	**0**
Reclassifications of Assets	0	0	0	**0**
Balance at 31 December 2004	**0**	**122**	**1,902**	**2,024**
Accumulated Depreciation				
Balance at 1 January 2004	**0**	**-110**	**-71**	**-181**
Depreciation Charge for the period	0	-3	-391	**-394**
Disposals / Write offs	0	0	0	**0**
Reclassifications of Assets	0	0	0	**0**
Balance at 31 December 2004	**0**	**-113**	**-462**	**-575**
Net Book Value at 31 December 2004	**0**	**9**	**1,440**	**1,449**
Cost or Fair Value				
Balance at 1 January 2005	**0**	**122**	**1,902**	**2,024**
Additions	0	5	139	**144**
Disposals / Write offs	0	0	0	**0**
Impairment Charges	0	0	0	**0**
Reclassifications of Assets	0	0	2,546	**2,546**
Balance at 31 December 2005	**0**	**127**	**4,587**	**4,714**
Accumulated Depreciation				
Balance at 1 January 2005	**0**	**-113**	**-462**	**-575**
Depreciation Charge for the period	0	-3	-505	**-508**
Disposals / Write offs	0	0	0	**0**
Reclassifications of Assets	0	0	0	**0**
Balance at 31 December 2005	**0**	**-116**	**-967**	**-1,083**
Net Book Value at 31 December 2005	**0**	**11**	**3,620**	**3,631**

The amortization charge for the Group € 4,740 th. is included in administrative expenses (€ 3,639 th. at 31/12/2004).

The amortization charge for the Company € 508 th. is included in administrative expenses (€ 394 th. at 31/12/2004).

Goodwill Impairment Test

Goodwill is allocated to the Group's cash-generating units (CGUs) identified according to country of operation and business segment. This allocation is as follows:

Amounts in Euro '000	Goodwill 31/12/2005	Goodwill 31/12/2004
EU countries	89,195	88,501
North America	13,596	13,596
Total	**102,791**	**102,097**

Key assumptions used for value-in-use calculations

Gross Margin	20%-30%
Growth Rate	3%-10%
Discount Rate	6%-10%

10. INVESTMENT IN ASSOCIATES

MSN

	GROUP
Amounts in Euro '000	31/12/2004
Balance at 1 January	**126**
Share of Profit (Loss) after Tax	100
Exchange Differences	-15
Other Changes in Equity	-15
Balance at 31 December	**196**

Maillis Strapping Networks Inc. since 1st October 2005 belongs 100% to the Group as the remaining 55% was acquired by the Group's subsidiary Maillis Strapping Systems USA Inc. The initial 45% of the aforementioned company remains still in the ownership of the Group's subsidiary Wulftec Investments Ltd.

11. JOINT VENTURES

	GROUP	
Amounts in Euro '000	31/12/2005	31/12/2004
Receivables		
Non Current Assets	888	890
Current Assets	3,487	3,158
	4,375	**4,048**
Liabilities		
Non Current Liabilities	0	0
Current Liabilities	1,709	1,652
	1,709	**1,652**
Net Equity	**2,666**	**2,396**
Income	7,034	9,069
Expenses	-7,087	-8,315
Profit / (Losses) after tax	**-53**	**754**

Combi Packaging Systems Ltd belongs by 50% to the subsidiary of the Group, Siat Spa, and the remaining 50% belongs to 3M. The Company is located in USA and produces packaging machines.

12. DEFERRED TAX

The deferred tax Assets and Liabilities for the period are as follows:

	GROUP			
Deferred Tax Liabilities				
Amounts in Euro '000	Accelerated tax depreciation	Fair Value of Earnings	Other	Total
Balance at 1 January 2004	**7,631**	**708**	**502**	**8,841**
Charged / (Credited) to Income Statement	-2,160	0	2,044	**-116**
Charged to Equity	-215	-686	-421	**-1,322**
Exchange Differences	160	22	28	**210**
Balance at 31 December 2004	**5,416**	**44**	**2,153**	**7,613**
Deferred Tax Liabilities to be recovered after more than 12 months	6,047			
Deferred Tax Liabilities to be recovered within 12 months	1,566			
Balance at 1 January 2005	**5,416**	**44**	**2,153**	**7,613**
Charged / (Credited) to Income Statement	924	94	375	**1,393**
Charged to Equity	407	-10	528	**925**
Exchange Differences	182		52	**234**
Balance at 31 December 2005	**6,929**	**128**	**3,108**	**10,165**
Deferred Tax Liabilities to be recovered after more than 12 months	3,040			
Deferred Tax Liabilities to be recovered within 12 months	7,125			
Deferred Tax Assets				
Amounts in Euro '000	Provisions	Impairment and Tax Losses	Other	Total
Balance at 1 January 2004	**-4,276**	**-14,096**	**-413**	**-18,785**
Charged / (Credited) to Income Statement	-192	0	-473	**-665**
Charged / (Credited) to Equity	-682	-785	-988	**-2,455**
Exchange Differences	84	100		**184**
Balance at 31 December 2004	**-5,066**	**-14,781**	**-1,874**	**-21,721**
Deferred Tax Assets to be recovered after more than 12 months	-16,682			
Deferred Tax Assets to be recovered within 12 months	-5,039			
Balance at 1 January 2005	**-5,066**	**-14,781**	**-1,874**	**-21,721**
Charged / (Credited) to Income Statement	490	-282	-85	**123**
Charged / (Credited) to Equity	1,319	-341	-198	**780**
Exchange Differences	110	-93		**17**
Balance at 31 December 2005	**-3,147**	**-15,497**	**-2,157**	**-20,801**
Deferred Tax Assets to be recovered after more than 12 months	-16,237			
Deferred Tax Assets to be recovered within 12 months	-4,564			

	COMPANY			
Deferred Tax Liabilities				
Amounts in Euro '000	Accelerated tax depreciation	Fair Value of Earnings	Other	Total
Balance at 1 January 2004	**5,903**	**0**	**0**	**5,903**
Charged / (Credited) to Income Statement	-1,488	0	0	**-1,488**
Charged to Equity			0	**0**
Exchange Differences	0	0	0	**0**
Balance at 31 December 2004	**4,415**	**0**	**0**	**4,415**
Deferred Tax Liabilities to be recovered after more than 12 months	4,022			
Deferred Tax Liabilities to be recovered within 12 months	393			
Balance at 1 January 2005	**4,415**	**0**	**0**	**4,415**
Charged / (Credited) to Income Statement	1,397			**1,397**
Charged to Equity				**0**
Exchange Differences				**0**
Balance at 31 December 2005	**5,812**	**0**	**0**	**5,812**
Deferred Tax Liabilities to be recovered after more than 12 months	1,918			
Deferred Tax Liabilities to be recovered within 12 months	3,894			
Deferred Tax Assets				
Amounts in Euro '000	Provisions	Impairment and Tax Losses	Other	Total
Balance at 1 January 2004	**-650**	**-7,220**	**-688**	**-8,558**
Charged / (Credited) to Income Statement	42	2,688	-49	**2,681**
Exchange Differences	0	0		**0**
Balance at 31 December 2004	**-608**	**-4,532**	**-737**	**-5,877**
Deferred Tax Assets to be recovered after more than 12 months	-3,458			
Deferred Tax Assets to be recovered within 12 months	-2,419			
Balance at 1 January 2005	**-608**	**-4,532**	**-737**	**-5,877**
Charged / (Credited) to Income Statement	499	-131	-21	**347**
Exchange Differences				**0**
Balance at 31 December 2005	**-109**	**-4,663**	**-758**	**-5,530**
Deferred Tax Assets to be recovered after more than 12 months	-4,765			
Deferred Tax Assets to be recovered within 12 months	-765			

The Group does not account for deferred tax during the year, except for the instances in which there is a reversal of a temporary difference. The whole amount of deferred tax expense for the year has been included in the results of the 4th quarter of 2005 and 2004 respectively.

13. INVESTMENTS IN SUBSIDIARIES

Directly Controlled	Investment %
M.J.MAILLIS SA, Athens	Parent
STRAPTECH SA, Athens	99%
M.J.MAILLIS BULGARIA EOOD, Sofia,Bulgaria	100%
M.J.MAILLIS ROMANIA S.A., Bucurest,Romania	81.7%
HELERO BV, Amsterdam, Holland	100%
M.J.MAILLIS FRANCE SAS, Souassi, France	99.9%
MARFLEX M.J.MAILLIS POLAND SP ZOO, Warsaw, Poland	100%
M.J.MAILLIS ESPANA SL, Barcelona,Spain	100%
M.J.MAILLIS CZECH SRO, Prague, Czech	100%
M.J.MAILLIS ALBANIA LTD, Tirana, Albania	100%
EUROPACK SA, Luxembourg	100%
COLUMBIA SRL, Milan, Italy	100%
M.J.MAILLIS HUNGARY PACKING SYSTEMS LTD, Budapest, Hungary	100%
CONTIPAK GMBH, Vienna, Austria	100%
M.J.MAILLIS FINLAND OY, Vantaa, Finland	100%
M.J.MAILLIS SVERIGE AB, Stockholm, Sweden	100%
MAILLIS HOLDING GMBH, Wuppertal, Germany	100%
M.J MAILLIS NETHERLANDS BV, Leusden, Holland	100%
MEGA SRL, Gamoblo, Italy	99.9%
Indirectly Controlled	
M.J.MAILLIS UK LTD, Nottingham, UK	100%
SIAT SPA, Como, Italy	100%
SICME SRL, Varese, Italy	100%
SIAT BENELUX, Wvaalwijk, Holland	51%
TAM SRL, Milan, Italy	71%
SIAT USA, Delaware, USA	100%
MAILLIS SANDER GMBH, Wuppertal, Germany	100%
SANDER GMBH &CO KG, Wuppertal, Germany	100%
M.J. MAILLIS BELGIUM NV, Dendermonde, Belgium	100%
WULFTEC INTERNATIONAL INC, Ayer's Cliff, Canada	100%
M.J.MAILLIS d.o.o- Beograd, Serbia Montenegro	100%
MAILLIS STRAPPING NETWORKS LLP, Marrietta, USA	100%
MAILLIS STRAPPING SYSTEMS USA Inc. Fountain Inn, USA	100%
Joint Venture	
COMBI PACKAGING SYSTEMS, Canton, USA	50%

MAILLIS STRAPPING NETWORKS Inc. since 1st October 2005 belongs 100% to the Group as the remaining 55% was acquired by the Group's subsidiary MAILLIS STRAPPING SYSTEMS USA Inc. The initial 45% of the aforementioned company remains still in the ownership of the Group's subsidiary Wulftec Investments Ltd. MAILLIS STRAPPING SYSTEMS USA Inc and M.J.MAILLIS Doo- Beograd are consolidated for the first time as at 31/12/2005.

According to German legislation for Societe Anonymes (article 264 b HGB) the companies Sander Gmbh & Co.KG, Wuppertal, Maillis Holding Gmbh, Wuppertal, Maillis Sander Verwaltungsgellshaft Gmbh, Wuppertal, are not required to publish and audit their Annual Financial Statements (Balance Sheet, Income Statement and Notes to the Financial Statements).
The values of the Investments of the parent company in the aforementioned table as at 31 December 2005 are as follows:

		31/12/2004	31/12/2005	
Amounts in Euro '000		Cost	Cost	Investment %
Straptech S.A.	Greece	4,922	4,922	99.0%
M.J. Maillis Espana S.A.	Spain	6,588	8,514	100%
Helero B.V.	Netherlands	28,176	28,176	100%
Europack S.A.	Luxembourg	50,739	50,739	100%
Contipak GMBH	Austria	3,448	3,448	100%
Columbia SRL	Italy	5,889	5,915	100%
M.J.M.Finland	Finland	2,388	2,388	100%
M.J.Maillis Albania LTD	Albania	53	53	100%
M.J.M.Sverige AB	Sweden	1,949	1,949	100%
M.J.M.Bulgaria EOOD	Bulgaria	325	325	100%
M.J.M.Romania S.A.	Romania	2,693	2,693	81.7%
M.J.Maillis Poland SP ZOO	Poland	21,959	21,959	100%
M.J.Maillis Czech SRO	Czech	1,984	1,984	100%
M.J.Maillis France SAS	France	5,425	5,425	99.9%
M.J.Maillis Hungary LTD	Hungary	2,130	2,130	100%
Maillis Holding GMBH	Germany	22,862	22,862	100%
M.J.Maillis Netherlands BV	Netherlands	699	699	100%
Mega SRL	Italy	2,402	2,402	100%
Impairment charge M.J.Maillis Spain		-1,511	-1,511	
		163,121	**165,073**	

The above investments in subsidiaries are directly controlled and have been included in the Consolidated Financial Statements.

14. INVENTORIES

Amounts in Euro '000	GROUP 31/12/2005	GROUP 31/12/2004	COMPANY 31/12/2005	COMPANY 31/12/2004
Merchandise	25,635	21,490	101	102
Finished and Semi - Finished products, By products	28,287	22,925	6,428	3,548
Raw and Auxiliary Materials - Spare Parts and Packaging Materials	30,119	27,696	8,417	10,116
Advances for Inventories Purchases	5,238	8,212	4,169	7,756
Total	**89,279**	**80,323**	**19,115**	**21,522**
Less: Provisions for Impairment of Inventories	-2,222	-2,526	0	0
Net Value of Inventories	**87,057**	**77,796**	**19,115**	**21,522**

15. TRADE AND OTHER RECEIVABLES

Amounts in Euro '000	GROUP 31/12/2005	GROUP 31/12/2004	COMPANY 31/12/2005	COMPANY 31/12/2004
Trade Receivables	88,605	83,221	81,808	73,786
Less: Provisions for Impairment of Receivables	-3,799	-5,427	-2,138	-1,738
Trade Receivables- Net	**84,806**	**77,794**	**79,670**	**72,048**
Advances	104	1,526	94	92
Receivables from Related Parties	0	1,848	40,432	1,848
Receivables from the Greek State	1,492	2,984	1,425	2,020
Other Receivables	6,396	10,020	71	10
Other Receivables and Prepayments	12,113	10,960	2,860	24,728
Total	**104,911**	**105,132**	**124,552**	**100,746**
Non Current Assets	6,264	0	0	0
Current Assets	98,647	105,132	124,552	100,746
Total	**104,911**	**105,132**	**124,552**	**100,746**

There is no concentration of credit risk with respect to trade receivables, as the Group has a large number of internationally dispersed customers.

16. CASH AND CASH EQUIVALENTS

	GROUP		COMPANY	
Amounts in Euro '000	31/12/2005	31/12/2004	31/12/2005	31/12/2004
Cash at bank and in hand	58	62	4	5
Short term bank deposits	20,883	8,938	4,687	1,940
Total	**20,941**	**9,000**	**4,691**	**1,945**

Amounts in Euro '000				
Cash and Cash Equivalents	20,941	9,000	4,691	1,945
Bank Overdrafts	0	0	0	0
Total	**20,941**	**9,000**	**4,691**	**1,945**

17. SHARE CAPITAL

Amounts in Euro '000	Number of Shares	Common Shares	Share Premium	Treasury Shares	Total
Balance 1 January 2004	**72,876,440**	**55,386**	**142,943**	**-13,047**	**185,282**
Cancellation of Treasury Shares	-240,240	-183	-1,941	2,124	0
Selling of Treasury Shares	150,636	115	36	0	151
Balance 31 December 2004	**72,786,836**	**55,318**	**141,038**	**-10,923**	**185,433**

Amounts in Euro '000	Number of Shares	Common Shares	Share Premium	Treasury Shares	Total
Balance 1 January 2005	**72,786,836**	**55,318**	**141,038**	**-10,923**	**185,433**
Selling of Treasury Shares	2,303,590	0	-1,428	10,335	8,907
Cancellation of Treasury Shares	-98,610	-75	-513	588	0
Issuance of new shares	179,225	136	41	0	177
Balance 31 December 2005	**72,867,451**	**55,379**	**139,138**	**0**	**194,517**

During the year the company cancelled 240,240 own shares according to the provisions of law 2190/1920 art. 16 Para 12 and the decision of the general shareholders meeting of 22.06.2004. These shares were purchased following a decision by the extraordinary general shareholders meeting of 21.12.2000 and were not sold within 3 years as provided by CL 2190/1920 article 16 paragraph 12. As at 31/12/2004 the total number of own shares was 2,402,200.

On 4.07.2005 the annual shareholders meeting decided to cancel 98,610 shares that were purchased following the decision of the extraordinary shareholders meeting of 21.12.2000 and were not sold within 3 years as provided by CL 2190/1920 article 16 paragraph 12. The cancellation of these shares of nominal value € 0.76 each: a) decreased share capital by € 74,944, b) decreased treasury shares by the original purchase amount of € 587,597 and c) the difference of € 512,655 was netted off with Share premium.

During the period 1 January 2005 to 31 December 2005 the company sold 2,303,590 treasury shares valued at € 8,907 th. These treasury shares were purchased during the period 26/6/2001 to 30/4/2002 at a price of € 10,335 th. The Company as at 31/12/2004 does not own any treasury shares.

Pursuant to the decision of 06.06.2002 of the Annual Ordinary General Meeting of the Shareholders of M.J. Maillis S.A., the Company has introduced a plan to offer shares to the members of the Board of Directors and to top executives of the Company and its subsidiaries by way of stock options. The duration of the Plan 3 is years and expired on 31.12.2005.
In the framework of the implementation of the aforementioned Stock Option Plan for the years 2002, 2003, 2004 and 2005 have been exercised in total and correspondingly have been issued 772,421 new shares.

18. RESERVES

Amounts in Euro '000	GROUP 31/12/2005	GROUP 31/12/2004	COMPANY 31/12/2005	COMPANY 31/12/2004
Reserves				
Legal Reserve	2,309	2,341	448	155
Special Reserve	0	2,615	14	14
Revaluation reserves	438	408		
Tax Free Reserves	15,686	16,815	17,049	17,049
	18,433	**22,179**	**17,511**	**17,218**

19. BORROWINGS

Amounts in Euro '000	GROUP 31/12/2005	GROUP 31/12/2004	COMPANY 31/12/2005	COMPANY 31/12/2004
Long Term Borrowings				
Bank Borrowings	121,214	94,751	113,047	89,358
Loans from Parent Company	0	0	0	0
Finance Lease Liabilities	7,317	12,602	0	0
Bonds	0	0	0	0
Other	0	0	0	0
Total Long Term Borrowings	**128,531**	**107,353**	**113,047**	**89,358**
Short Term Borrowings				
Bank Overdrafts	4,612	20,912	0	0
Short Term Bank Borrowings	48,930	47,901	12,400	21,005
Bonds	0	0	0	0
Finance Lease Liabilities	1,489	2,385	0	0
Guaranteed loans	0	0	0	0
Other	0	0	0	0
Total Short Term Borrowings	**55,031**	**71,198**	**12,400**	**21,005**
Total Borrowings	**183,562**	**178,551**	**125,447**	**110,363**

The exposure of the Group's borrowings to interest-rate changes and the contractual repricing dates are as follows:

Contractual Repricing Dates

Amounts in Euro '000	6 Months or Less	6 - 12 Months	1 - 5 Years	Over 5 Years	Total
31 December 2005					
Total Borrowings	183,562				183,562
Effect from Interest Rates Swaps					0
	183,562	**0**	**0**	**0**	**183,562**

The maturity of long term borrowings is as follows:

Maturity dates of Long Term Borrowings

Amounts in Euro '000	GROUP 31/12/2005	GROUP 31/12/2004	COMPANY 31/12/2005	COMPANY 31/12/2004
Between 1 and 2 Years	17,978	107,353	2,494	89,358
Between 2 and 5 Years	0	0	0	0
Over 5 Years	110,553	0	110,553	0
	128,531	**107,353**	**113,047**	**89,358**

The carrying amounts of the Group's borrowings are denominated in the following currencies:

Currency Denominations of Loans

Amounts in Euro '000	GROUP 31/12/2005	GROUP 31/12/2004	COMPANY 31/12/2005	COMPANY 31/12/2004
Euro	78,549	134,852	28,912	70,500
$ USD	104,379	40,833	96,535	39,863
£	634	1,236	0	0
Other	0	1,630	0	0
Total	**183,562**	**178,551**	**125,447**	**110,363**

Finance Leases

The present value of the finance leases are as follows:

Present Value of Finance Lease Liabilities

31 December 2005	GROUP
Amounts in Euro '000	
Later than 1 Year and not later than 2 Years	1,489
Later than 2 Year and not later than 5 Years	5,042
Later than 5 Years	2,274
	8,805

20. DERIVATIVE FINANCIAL INSTRUMENTS AT FAIR VALUE

Amounts in Euro '000	31/12/2005
Opening Balance	
First Time Adoption of IAS 32 & 39	3,816
	3,816
Additions	0
Disposals	-3,816
Fair Value Adjustments	0
Exchange Differences	0
Closing Balance	**0**

21. RETIREMENT BENEFIT OBLIGATIONS

The provision for retirement benefits obligations has been calculated based on IAS 19 and is based on an actuarist's report The relevant provision for the years 2005 and 2004 have been calculated as follows:

	GROUP		COMPANY	
	31/12/2005	31/12/2004	31/12/2005	31/12/2004
Amounts in Euro '000				
Present Value of Obligations	37,365	36,755	801	491
Fair Value of Plan Assets	-25,981	-25,543	0	0
	11,384	**11,212**	**801**	**491**
Unrecognised Gain /(Loss)	-5,307	-2,655	-373	-84
Unrecognised Past Service Cost				
Net Liability / (Asset) in BS	**6,077**	**8,557**	**428**	**407**

Amounts in Euro '000				
Service Cost	757	889	77	55
Interest Cost	1,275	1,788	24	18
Expected Return on Plan Assets	1,766		4	
Past Service Cost	0	-1,654	0	0
Regular P&L Charge	**3,798**	**1,023**	**105**	**73**
Additional Cost of Termination Benefits	297	250	297	215
Restructuring Expense				
Other Expense/(Income)	58	241		-10
Total P&L Charge	**4,153**	**1,514**	**402**	**278**

Principal actuarial assumptions

Discount Rate	4.10%	5.00%	4.10%	4.60%
Expected Return on Plan Assets	6.10%	6.50%		
Rate of Compensation Increase	3.00%	4.50%	4.50%	4.50%
Rate of Inflation	2.50%	2.50%	2.50%	2.50%
Pension Increases	2.80%	2.50%		

The total charge, € 4,513 th.,has been included in the administrative expenses.

22. GOVERNMENT GRANTS

Amounts in Euro '000	GROUP 31/12/2005	GROUP 31/12/2004	COMPANY 31/12/2005	COMPANY 31/12/2004
Beginning of period	9,358	10,317	6,305	7,264
Additions	65		65	
Transfer to Income Statement	-1,252	-960	-1,026	-959
End of period	**8,171**	**9,357**	**5,344**	**6,305**

The above grants are related to capital expenditure realized by the Company and its subsidiary Strpatech SA in the plants of Inofita and Alexandroupoli. The specific capital expenditure was incorporated in governmental development laws that had to do with the plastic strapping, stretch film and tapes.

Other Grants

During year 2005 the parent company received from OAED amount € 227 th. as grant for the payroll cost of Alexandroupoli and Straptech S.A. received an amount € 174 th. as grant for payroll cost in Alexandroupolis.

23. TRADE AND OTHER PAYABLES

Amounts in Euro '000	GROUP 31/12/2005	GROUP 31/12/2004	COMPANY 31/12/2005	COMPANY 31/12/2004
Trade Payables	50,643	50,720	25,549	29,015
Payables to Related Companies	0	0	0	0
Accrued Expenses	8,675	9,347	507	1,802
Social Security and other Taxes / Duties	620	566	499	469
Other Payables	9,263	11,279	1,535	2,690
Total	**69,201**	**71,912**	**28,090**	**33,976**

24. PROVISIONS

	GROUP			
Amounts in Euro '000	Pending Litigation	Warranty	Other	Total
Balance 1 January 2004	**905**	**759**	**0**	**1,664**
Additional Provisions for the period	185	12		197
Unused provisions Reversed	-280	0	0	-280
Exchange Differences			0	
Utilised Provisions during the period			0	
Balance 31 December 2004	**810**	**771**	**0**	**1,581**

Amounts in Euro '000	Pending Litigation	Warranty	Other	Total
Balance 1 January 2005	**810**	**771**	**0**	**1,581**
Additional Provisions for the period	1,023	368	59	1,391
Unused provisions Reversed	0	0	0	0
Exchange Differences	-7	-76		-83
Utilised Provisions during the period		-545	-59	-545
Balance 31 December 2005	**1,826**	**518**	**0**	**2,344**

COMPANY

N/A

(a) Legal Cases

The above amount relates to the total provision existing regarding all the legal cases of the Group towards its clients.

(b) Warranties

The above amount relates to the total provision existing regarding the warrantees accompanying the sale of a machine.

25. RELATED PARTY TRANSACTIONS

The ultimate parent of the Group is M.J.MAILLIS SA (incorporated in Greece) whose shares are controlled by 45.18 % by Mr.M.J.Mailli and the rest of the shares are widely held.

The following transactions are with Related Parties in the year 2004. As at 31/12/2005 there are no longer related parties with the Group.

	GROUP		COMPANY	
Amounts in Euro '000	01/01/05 - 31/12/2005	01/01/04 - 31/12/2004	01/01/05 - 31/12/2005	01/01/04 - 31/12/2004
Sales of goods and services				
Sales of goods				
- Associate		3,145		3,145
Year End Balances arising from purchases - sales of goods and services				
Receivables from Associate		1,848		1,848
Payables to Associate		0		0
Key Management compensation				
Salaries and other short term employee benefits		1,809		1,809

26. INCOME TAX

During the period, the Company, M.J. MAILLIS SA and its subsidiary STRAPTECH S.A. were audited by the tax authorities for the years 2002, 2003 and 2004. The tax audit imposed additional tax audit differences amounting to € 1,561 th. and € 786 th. respectively which have been included in the tax for the period.

The weighted average tax rate for the Group is 25% for the year 2005.

The unaudited tax years of the remaining companies of the Group are analysed as follows:

a) BALKAN EOOD has been audited until FY 2000
b) M.J.MAILLIS ROMANIA SA has been audited until FY 2002
c) STRAPTECH SA has been audited until FY 2004
d) M.J.MAILLIS ESPANA SL has been audited until FY 1998
e) MARFLEX M.J.MAILLIS GROUP Sp Zoo has not been tax audited since incorporation in 1997
f) M.J.MAILLIS ALBANIA LTD has been audited until FY 2002
g) SANDER GMBH & CO KG has been audited until FY 2004
h) M.J.MAILLIS FRANCE SAS has been audited until FY 2002
i) SIAT SPA has been audited until FY 1998
j) CONTIPAK GMBH has been audited until FY 1999
k) M.J.MAILLIS HUNGARY PACKING SYSTMES LTD has been audited until FY 2002
l) M.J.MAILLIS CZECH SRO has been audited until FY 2004
m) SANDER NV has been audited until FY 2001
n) WULFTEC INTERNATIONAL INC has been audited until FY 2000
o) M.J.MAILLIS SVERIGE AB has been audited until FY 2002
p) COLUMBIA has been audited until FY 2004
q) M.J.MAILLIS NETHERLANDS BV has not been tax audited since incorporation
r) M.J.MAILLIS UK has been audited until FY 2003

27. EMPLOYEE BENEFIT PLANS

	GROUP		COMPANY	
	31/12/2005	31/12/2004	31/12/2005	31/12/2004
Amounts in Euro '000				
Payroll Cost & Severance payments cost	42,633	39,030	9,800	9,094
Social Security Costs	8,050	7,565	2,143	2,015
Cost of Employee private pension plan - Defined Contribution pension plan	803	1,933	0	0
Other Benefits	452	815	377	307
Total	**51,938**	**49,343**	**12,320**	**11,416**

28. EXPENSES BY NATURE

	GROUP		COMPANY	
	2005	2004	2005	2004
Changes in Inventory and Cost of Sales	226,658	205,356	84,789	80,601
Depreciation and Amortisation	21,234	20,401	6,686	7,048
Salaries and Social security costs	51,938	49,343	12,320	11,416
Transportation expenses	16,090	16,324	8,979	8,783
Travelling expenses	3,104	1,848	53	35
Selling expenses	3,737	4,489	523	483
Legal and Consulting costs	2,996	2,076	61	58
Rents and Operating lease rentals	3,324	3,359	212	200
Utilities, maintenance	2,917	2,972	298	0
Other expenses	7,430	7,884	8,303	7,009
	339,428	**314,052**	**122,224**	**115,633**
Classified as				
Cost of sales	265,183	241,105	101,628	97,713
Administrative expenses	23,155	22,602	8,654	6,779
Selling expenses	41,868	38,865	10,825	10,448
Other expenses	5,140	9,376	1,117	693
Restructuring costs	4,082	2,104	0	0
	339,428	**314,052**	**122,224**	**115,633**

29. FINANCIAL EXPENSE

	GROUP		COMPANY	
Amounts in Euro '000	31/12/2005	31/12/2004	31/12/2005	31/12/2004
Long term interest expense	4,750	3,770	4,372	5,538
Short term interest expense	2,803	2,658	910	1,112
Finance lease interest	1,155	2,465	0	0
Bank charges	2,430	2,059	549	377
Total	**11,138**	**10,952**	**5,831**	**7,027**
Interest income	971	1,403	720	920
Net financial expense	**10,167**	**9,549**	**5,111**	**6,107**

30. EARNINGS PER SHARE

Continuing Operations

Basic
Basic earnings per share is calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the period, excluding ordinary shares purchased by the Company and held as own shares.

	GROUP		COMPANY	
Amounts in Euro '000	**31/12/2005**	**31/12/2004**	**31/12/2005**	**31/12/2004**
Earnings attributable to the Company's shareholders	12,394	20,294	5,816	8,521
Weighted Average number of shares	71,800,449	70,246,381	71,800,449	70,246,381
Basic Earnings per share (expressed in Euro)	**0.17**	**0.29**	**0.08**	**0.12**

31. CONTINGENCIES

The Group has contingent liabilities in respect of bank and other guarantees and other matters arising in the ordinary course of business. It is not anticipated that any material liabilities will arise from the contingent liabilities. The Group has given guarantees in the ordinary course of business amounting to € 96 million.

32. DIVIDENDS PER SHARE

In year 2004 dividends amounting to € 3,566 th. have been paid by the Company, following the approval by the General Annual Shareholder's Meeting at 14 June 2005.

33. DISTRIBUTION OF PROFIT

The proposed dividend from the Company's profits is € 0,06 per share and the proposed Board of Directors' fees are € 30 th.

The Company has transferred amount 294 th from the profits for the year to legal reserve.

Of the remaining profit amounting to € 1,120,717 after the deduction of income tax, legal reserve, dividends and Board of Directors fees, we propose the formation of a reserve in order for the Company to contribute by 25% in the two new investment plans that have been included in Investment law 3299/2004. These investments relate to the improvement of the quality of the products produced at Inofita and the purchase of sophisticated production systems for the plant of Alexandroupolis.
We also propose that the earnings carried forward from the previous year amounting to € 242,558, already fully taxed, should be added to this reserve, so that the total reserve will amount to € 1,363,275.

34. AFTER BALANCE SHEET EVENTS

In February 2006 the Group announced the conclusion of the set up of a new company under the name of M.J. MAILLIS Schweitz Gmbh (M.J. Maillis Switzerland LLC) which is a subsidiary of Europack S.A., a subsidiary of the Group.

6.2.7 Board of Directors Management Report

M.J. MAILLIS' BOARD OF DIRECTORS MANAGEMENT REPORT ON THE ANNUAL FINANCIAL STATEMENTS OF 2005 TO THE SHAREHOLDERS OF THE COMPANY

Dear Shareholders,

According to article 107 paragraph 3 of CL 2190/1920, as replaced by article 35 of P.D. 409/86, we are submitting to you the consolidated Financial Statements for the period 1/1/2005 to 31/12/2005 accompanied by our comments on these, for your approval.

	In 000 Euros			
1. BALANCE SHEET		**2005**		**2004**
ASSETS				
The Assets amount to		481,484		465,448
LIABILITIES				
The Liabilities amount to				
Equity		191,379		178,921
Provisions and Liabilities		290,105		286,527
		481,484		465,448
ANALYSIS OF ASSETS				
Non Current Assets				
Intangible Assets	134,465		145,031	
Less: Depreciation	18,036	116,429	31,842	113,189
Tangible Assets	229,716		238,858	
Less: Depreciation	98,370	131,346	100,444	138,414
Other Non - Current Assets		22,500		16,878
Current Assets				
Inventory		87,057		77,796
Trade receivables		84,806		77,794
Cash and cash equivalents		20,941		9,000
Other receivables		18,405		32,377
TOTAL ASSETS		**481,484**		**465,448**
ANALYSIS OF LIABILITIES				
EQUITY				
Share Capital		55,379		55,318
Share Premium		139,138		141,038
Reserves		18,434		22,180
Own Shares		0		-10,923
Retained Losses / Earnings		-23,243		-29,975
Minority interest		1,671		1,283
TOTAL EQUITY		**191,379**		**178,921**
LIABILITIES				
I. Non Current		146,689		131,814
II. Current		143,416		154,713
TOTAL LIABILITIES		**290,105**		**286,527**
TOTAL EQUITY AND LIABILITIES		**481,484**		**465,448**

2. INCOME STATEMENT

A. TURNOVER		**2005**		**2004**
Sales		361,457		341,577
Less: Cost of Sales		265,183		241,105
Gross Profit		96,274		100,472
Earnings before tax		**22,103**		**27,066**

97% of the above sales were export sales.

NOTES

1) Depreciation for the year amounted to Euros 21,234 thousand, which was included in operating cost.

2) At the end of 2005, there are no pledges on the fixed assets of the company.

3) The Share Capital of the company as at 31st December 2005 amounts to Euros 55,379 thousand and the total number of shares to 72,867,451 ordinary shares.

3. RATIO ANALYSIS

	In 000 Euros			
	2005		2004	
a. Fixed over Total Assets ratio				
Fixed Assets	131,346		138,414	
Total Assets	481,484	27.3%	465,448	29.7%
Current Assets	211,209		196,967	
Total Assets	481,484	43.9%	465,448	42.3%
b. Equity over Equity and Liabilities ratio				
Equity	191,379		178,921	
Total Equity and Liabilities	290,105	66.0%	286,527	62.4%
c. Equity over Fixed Assets ratio				
Equity	191,379		178,921	
Total Fixed Assets	131,346	145.7%	138,414	129.3%
d. Current ratio				
Current Assets	211,209		196,967	
Current Liabilities	143,416	147.3%	154,713	127.3%
e.Gross Profit over Sales ratio				
Gross Profit	96,274		100,472	
Sales	361,457	26.6%	341,577	29.4%
f. Gross Profit over Cost of Sales ratio				
Gross Profit	96,274		100,472	
Cost of Sales	265,183	36.3%	241,105	41.7%
g. Sales over Equity ratio				
Sales	361,457		341,577	
Equity	191,379	188.9%	178,921	190.9%
h. Trade Receivables Days (DSO)				
Trade Receivabes x 365	84,806		77,794	
Sales	361,457	86	341,577	83
i. Stock Recycling Days				
Cost of Sales	265,183		241,105	
Inventory 31/12	87,057	3.05	77,796	3.10

4. PROGRESS OF THE GROUP

The main points regarding the activities and the results of the Group for 2005 are as follows:

Consolidated Group Turnover of Euros 361 million vs Euros 341 million in 2004.

Consolidated Earnings before Tax, Financial Expenses, Depreciation and Amortisation (E.B.I.T.D.A.) Euros 32.3 million vs Euros 38.7 million in 2004, that represents 8.9% of Turnover.

Consolidated Earnings before tax Euros 22.1 million vs Euros 27.1 million in 2004.

In 2005 the Group has experienced organic growth of 6% and has succeeded its goal of improving its cash flow by decreasing net debt by Euros 7 million, from Euros 169.6 million at the end of 2004 to Euros 162.6 million at the end of 2005.

The Sales of the parent company of the Group were Euros 135 million vs sales of Euros 130 million in 2004, a growth of 4%. Earnings before tax,

Financial expenses, depreciation and amortisation (EBITDA) amounted to Euros 22.7 million in 2005 vs Euros 23.5 million in 2004 and Earnings before tax increased by 5% to Euros 10.9 million from Euros 10.4 in 2004.
The results of the last two years have been affected by significant and unexpected price volatility especially in Steel but also plastic, which led to overstocking and disruptions in demand. 2004 was characterised by price increases & rise in demand, whereas in 2005 the prices decreased and demand levels were below normal, adversely affecting gross margin. During the 4th quarter of 2005 the Group accelerated the implementation of the restructuring projects already planned, in order to reduce the cost base.
It should be noted that during the year the tax audits of MJ MAILLIS SA and STRAPTECH SA for the years 2002, 2003 and 2004 were concluded. Tax audit differences amounting to Euros 2.3 million have been included in the consolidated results of the Group.

B) OUTLOOK FOR 2006

The main targets of the company for 2006 will be its further organic growth and to further improve its cash flow and decrease net debt. A main factor towards achieving these goals will be the growth in North America, especially following the conclusion of the investment during the first six months of 2006.

At the same time the Group will increase production levels in some products which are already low, which is expected to further improve the organic growth of the Group and to overcome the sales target of Euros 400 million from 2007 onwards.

Within 2006 the Group will continue the re-organisation and rationalisation of the production process, which is necessary in order to be competitive.

Athens February 23rd 2006

M.J. MAILLIS	**CHAR. STAVRINOUDAKIS**	**KONST. E.YIANNOULAKIS**	**PETROS I. DELIS**	**NIK.B. MAROULIS**
CHAIRMAN OF THE BOARD OF DIRECTORS	**CHIEF OPERATIONS OFFICER & VICE PRESIDENT OF THE BOARD OF DIRECTORS**	**GROUP FINANCIAL CONTROLLER**	**OPERATION OFFICER OF GREECE**	**ACCOUNTING MANAGER**
Id.N. Φ 020207	**Id.N. Σ 208194**	**Id.N. T 151379**	**Id.N. P 578226**	**Reg.No 46629 - A CLASS**

AUDITORS' CERTIFICATION

It is certified that the above Management Report of the Board of Directors to the Shareholders of the Company, comprising 3 pages, is the one mentioned in the Auditors report in the consolidated Financial Statements, issued on February 27th 2006.

Athens, February 27th 2006

THE CERTIFIED AUDITOR - ACCOUNTANT

Athos Stylianou
SOEL R.N. 12311
For DRM Stylianou S.A.
Member of RSM International

7. Announcements to the Athens Exchange according to article 10 of L.3401/2005

Announcements to the Athens Exchange according to article 10 of L.3401/2005 for the year 2005 are presented in the following table :

REGULATORY ANNOUNCEMENTS		
DATE	ANNOUNCEMENT	WEB ADDRESS
20/1/2005	Trading of new shares due to Stock Options Plan	http://www.maillis.gr/ecportal.asp?id=1046&nt=106&lang=2
24/1/2005	Ex-dividend announcement	http://www.maillis.gr/ecportal.asp?id=1047&nt=106&lang=2
28/1/2005	Change of a member of the Management team	http://www.maillis.gr/ecportal.asp?id=1460&nt=106&lang=2
30/1/2005	Change in the Board Of Directors	http://www.maillis.gr/ecportal.asp?id=1459&nt=106&lang=2
9/2/2005	Sale of shares	http://www.maillis.gr/ecportal.asp?id=1052&nt=106&lang=2
11/2/2005	Insider Transactions	http://www.maillis.gr/ecportal.asp?id=1053&nt=106&lang=2
24/2/2005	Corporate Actions Schedule	http://www.maillis.gr/ecportal.asp?id=1055&nt=106&lang=2
14/4/2005	Sale of Treasury Shares	http://www.maillis.gr/ecportal.asp?id=1874&nt=106&lang=2
22/4/2005	Insider Transactions	http://www.maillis.gr/ecportal.asp?id=1278&nt=106&lang=2
19/5/2005	Invitation to the Annual Ordinary General Meeting 14th June 2005	http://www.maillis.gr/ecportal.asp?id=1333&nt=106&lang=2
1/6/2005	Sale of Treasury Shares	http://www.maillis.gr/ecportal.asp?id=1383&nt=106&lang=2
6/6/2005	Expiry of Purchase period for Treasury Shares	http://www.maillis.gr/ecportal.asp?id=1384&nt=106&lang=2
14/6/2005	Invitation to First (1st) Adjourned General Meeting 4th July 2005	http://www.maillis.gr/ecportal.asp?id=1400&nt=106&lang=2
15/6/2005	Resolutions of the Annual General Shareholders' Meeting	http://www.maillis.gr/ecportal.asp?id=1385&nt=106&lang=2
15/6/2005	Announcement for the Dividend of the Year 2004	http://www.maillis.gr/ecportal.asp?id=1386&nt=106&lang=2
16/6/2005	Dividend Payment for the Fiscal Year 2004	http://www.maillis.gr/ecportal.asp?id=1387&nt=106&lang=2
4/7/2005	Resolutions of First Adjourned General Meeting	http://www.maillis.gr/ecportal.asp?id=1414&nt=106&lang=2
15/7/2005	Sale of Treasury Shares	http://www.maillis.gr/ecportal.asp?id=1413&nt=106&lang=2
29/7/2005	Announcement Date of 1st Half 2005 Results	http://www.maillis.gr/ecportal.asp?id=1471&nt=106&lang=2
4/8/2005	Cancellation of Treasury Shares	http://www.maillis.gr/ecportal.asp?id=1419&nt=106&lang=2
7/10/2005	Invitation to the Extraordinary General Meeting 26th October 2005	http://www.maillis.gr/ecportal.asp?id=1448&nt=106&lang=2
26/10/2005	Resolutions of Extraordinary General Meeting	http://www.maillis.gr/ecportal.asp?id=1455&nt=106&lang=2
3/11/2005	Comment on Press Article	http://www.maillis.gr/ecportal.asp?id=1461&nt=106&lang=2
16/11/2005	Nine Months 2005 Financial Results' Announcement Date	http://www.maillis.gr/ecportal.asp?id=1468&nt=106&lang=2
30/11/2005	Document for the provision of information under Law 3401/2005 (article 4 par.1.e)	http://www.maillis.gr/ecportal.asp?id=1504&nt=106&lang=2
12/12/2005	Acquisition of the 55% of MSN	http://www.maillis.gr/ecportal.asp?id=1529&nt=106&lang=2
15/12/2005	Document for the provision of Information Under Law 3401/2005 (article 4 par.2.f.)	http://www.maillis.gr/ecportal.asp?id=1547&nt=106&lang=2
22/12/2005	Trading of new shares due to Stock Options Plan	http://www.maillis.gr/ecportal.asp?id=1603&nt=106&lang=2

PRESS RELEASES		
DATE	PRESS RELEASE	WEB ADDRESS
4/2/2005	M.J MAILLIS GROUP is participating on the Interpack Exhibition,21-27 April 2005, in Dusseldorf Germany	http://www.maillis.gr/ecportal.asp?id=1667&nt=106&lang=2
28/2/2005	M.J.MAILLIS GROUP: Full Year 2004 Financial Results (for the period 01.01.2004 - 31.12.2004): Sales Growth of 15.3% - EBT Growth of 21.6%.	http://www.maillis.gr/ecportal.asp?id=1666&nt=106&lang=2
7/3/2005	Presentation of M.J.Maillis Group at the Association of Greek Institutional Investors	http://www.maillis.gr/ecportal.asp?id=1665&nt=106&lang=2
14/4/2005	Start Up of a New Manufacturing Facility in the US	http://www.maillis.gr/ecportal.asp?id=1664&nt=106&lang=2
21/4/2005	First Quarter 2005 Sales Preview	http://www.maillis.gr/ecportal.asp?id=1663&nt=106&lang=2
4/5/2005	First Quarter 2005 Financial Results' Announcement Date	http://www.maillis.gr/ecportal.asp?id=1662&nt=106&lang=2
19/5/2005	Presentation to the Association of Members of the Athens Stock Exchange	http://www.maillis.gr/ecportal.asp?id=1661&nt=106&lang=2
30/5/2005	M.J.MAILLIS GROUP: 1st Quarter 2005 Financial Results (for the period 01.01.2005 - 31.03.2005): Increase in Sales by 9.25% and Profits (EBT) BY 18.9%	http://www.maillis.gr/ecportal.asp?id=1660&nt=106&lang=2
14/6/2005	M.J. MAILLIS S.A. Annual Ordinary General Shareholders´ Meeting	http://www.maillis.gr/ecportal.asp?id=1659&nt=106&lang=2
29/7/2005	M.J. MAILLIS Group sets up a subsidiary in Serbia and strengthens its presence in Spain	http://www.maillis.gr/ecportal.asp?id=1658&nt=106&lang=2
31/8/2005	M.J.MAILLIS GROUP: 1st Half 2005 Financial Results: Increase in Sales by 8% and Profits (EBT) by 9%	http://www.maillis.gr/ecportal.asp?id=1657&nt=106&lang=2
25/11/2005	M.J.MAILLIS GROUP: 9 Month 2005 Financial Results (for the period 01.01.2005 - 30.09.2005)	http://www.maillis.gr/ecportal.asp?id=1656&nt=106&lang=2
20/12/2005	Successful refinancing through US Private Placement	http://www.maillis.gr/ecportal.asp?id=1655&nt=106&lang=2

FINANCIAL STATEMENTS		
DATE	M.J.MAILLIS GROUP	WEB ADDRESS
28/2/2006	Twelve Months 2005 Financial Statements Group and Parent Company	http://www.maillis.gr/Documents/maillis_FY05_en.pdf
28/2/2006	Twelve Months 2005 Full Year Financial Statements	http://www.maillis.gr/Documents/maillis_notes_FY05_en.pdf
25/11/2005	Nine Months 2005 Financial Statements Group and Parent Company	http://www.maillis.gr/Documents/maillis_9M05_en.pdf
25/11/2005	Nine Months 2005 Interim Financial Statements	http://www.maillis.gr/Documents/maillis_notes9M05_en.pdf
31/8/2005	First Half 2005 Financial Statements Group and Parent Company	http://www.maillis.gr/documents/H105_en(IFRS)_final.pdf
31/8/2005	First Half 2005 Interim Financial Statements	http://www.maillis.gr/documents/NotesH105(en).pdf
30/5/2005	First Quarter 2005 Financial Statements Group and Parent Company	http://www.maillis.gr/documents/Q105_par+cons(IFRS)2.pdf
30/5/2005	First Quarter 2005 Interim Financial Statements	http://www.maillis.gr/images/NotesQ105_par+cons(en).pdf

DATE	M.J.MAILLIS S.A	WEB ADDRESS
28/2/2006	Twelve Months 2005 Financial Statements Group and Parent Company	http://www.maillis.gr/Documents/maillis_FY05_en.pdf
28/2/2006	Twelve Months 2005 Full Year Financial Statements	http://www.maillis.gr/Documents/maillis_notes_FY05_en.pd
25/11/2005	Nine Months 2005 Financial Statements Group and Parent Company	http://www.maillis.gr/Documents/maillis_9M05_en.pdf
25/11/2005	Nine Months 2005 Interim Financial Statements	http://www.maillis.gr/Documents/maillis_notes9M05_en.pdf
31/8/2005	First Half 2005 Financial Statements Group and Parent Company	http://www.maillis.gr/documents/H105_en(IFRS)_final.pdf
31/8/2005	First Half 2005 Interim Financial Statements	http://www.maillis.gr/documents/NotesH105(en).pdf
30/5/2005	First Quarter 2005 Financial Statements Group and Parent Company	http://www.maillis.gr/documents/Q105_par+cons(IFRS)2.pdf
30/5/2005	First Quarter 2005 Interim Financial Statements	http://www.maillis.gr/images/NotesQ105_par+cons(en).pdf

ANNUAL REPORTS		
DATE	ANNUAL REPORT	WEB ADDRESS
30/5/2005	Summary Annual Report 2004	http://www.maillis.gr/documents/Annual%20Report%202004_eng.pdf

ANNOUNCEMENTS OF TRANSACTIONS		
DATE	ANNUAL REPORT	WEB ADDRESS
2005	Announcements of Transactions according to Law 3340/2005, article 13 and Directive 3/347/2005, article 6 of the Board of Directors of the Capital Market Commission	http://www.ase.gr/content/gr/Companies/ListedCo/trakn/

8. Annual Financial Statements of Subsidiaries

The Financial Statements of the Companies included in the Consolidated Financial Statements of M.J.MAILLIS S.A., accompanied by their Audit Report and the Director's Report, will be available at the website : http://www.maillis.gr as soon as they are finalized.

M.J. MAILLIS GROUP OF COMPANIES

M.J. MAILLIS SA
HEADQUARTERS
5, Xenias & Harilaou Trikoupi str.
145 62 Kifissia
Athens, Greece
Tel: +30 210 6285000
Fax: +30 210 8080301
E-Mail: info@maillis.gr
Web-site: www.maillis.gr

M.J.MAILLIS S.A. film plant
Alexandroupolis industrial area
68100 Avantas Greece
Tel: +30 25510 38080
Fax: +30 25510 81717

M.J.MAILLIS S.A. strapping plant
Inofyta industrial area
320 11 Inofyta Viotia Greece
Tel: +30 22620 31102
Fax: +30 22620 31400

M.J.MAILLIS ALBANIA LTD
Doro Center
M. Gjollesha Str.
Tirana, Albania
Tel: +355 4 232206
Fax: +355 4 230949
E-Mail: Maillis@albaniaonline.net

M.J.MAILLIS BULGARIA EOOD
116, Slivnitsa Blvd.
Skladova baza- Melnichen kombinat,
1309 Sofia, Bulgaria
Tel: +359 2 9201565
Fax: +359 2 9209415
E-Mail : Maillis@maillisbg.com

M.J.MAILLIS CZECH S.R.O
Sterboholskà 571, 102 19 Praha 10
Hostivar, Czech Republic
Tel: +420 272 011341
Fax: +420 272 011342
E-Mail: Maillis@maillis.cz
Site : www.maillis.cz

M.J.MAILLIS CZECH S.R.O
Povazskè Podhradie 346, Slovakia
Tel: +421 42 4329975
Fax:+421 42 4329976
E-Mail: Maillis@maillis.sk

M.J.MAILLIS D.O.O. - BEOGRAD
Vojvodjanska 370
11271 Surcin
SERBIA & MONTENEGRO
Tel : +381 11 8443462
Fax : +381 11 8442970

M.J.MAILLIS ESPANA SL
P. Sanllehy esq.Pintor Goya –
Pol Ind.Sureste 08213 Polinyà
Barcelona, Spain
Tel: +34 93 7133222
Fax: +34 93 7133324
E-Mail:info@maillis.se

M.J. MAILLIS FRANCE SAS
3, rue du Compas – ZA des Béthunes
95310 Saint-Ouen-l'Aumône, France
Tel: + 33 1 34407080
Fax: + 33 1 34407090
E-Mail : info@maillis.fr

M.J.MAILLIS HUNGARY PACKING SYSTEMS LTD
1183 Budapest,
Akadàly u. 15., Hungary
Tel: +36 1 2906385, 2914673
Fax: +36 1 2905063
E-Mail: Maillis@maillis.hu
Site : www.maillis.hu

MARFLEX-M.J.MAILLIS POLAND SP. Z.O.O
Przemystowa 4
05-480 Karczew, Poland
Tel: +48 22 7181800
Fax: +48 22 7181818
E-Mail: info@marflex.pl
Site : www.maillis.pl

M.J.MAILLIS ROMANIA S.A.
Drumul National Bucuresti –
Targoviste km 16.5 Nr.
Buftea, Romania
Tel: +40 21 4904301 - 15
Fax: +40 21 4904300
E-Mail: office@maillis.ro
Site : www.maillis.ro

M.J.MAILLIS SCHWEITZ GMBH
Witzbergstrasse 7
CH-8330 Pfäffikon
Tel : +41 43 2886090
Fax : +41 43 2886099

M.J.MAILLIS SVERIGE AB
Hildedalsgatan 12,
417 05 Göteborg
Sweden
Tel: + 46 31 230090
Fax: + 46 31 238400

M.J.MAILLIS UK LTD
Monarch House, Chrysalis Way,
Langley Bridge,
Eastwood, Nottingham NG16 3RY,
UK
Tel: +44 1773 539000
Fax: +44 1773 539090
E-Mail: sales@maillis.co.uk
Site : www.maillis.co.uk

CONTIPAK G.M.B.H
Modecenterstrasse 22
Obj. B1/B2/1.OG/Top 9
A-1030 Wien, Austria
Tel: +43 1 5961691
Fax: +43 1 5969249
E-Mail: office@contipak.at
Site : www.contipak.at

COLUMBIA SRL
Via della Repubblica, 44
20020 Solaro (Mi) Italy
Tel: +39 02 96790381
Fax: +39 02 96790397
E-Mail: info@columbiatools.net
Site : www.columbiatools.net

SIAT S.P.A
Via G. Puecher, 22
22078 Turate
Como, Italy
Tel: +39 02 964951
Fax: +39 02 9689727
E-Mail: siat@siat.com
Site : www.siat.com

MEGA SRL
Viale Industria 80
27025 Gambolo (Pavia) Italy
Tel: +39 0381 930315
Fax: +39 0381 939215
E-Mail: megasrl@tin.it

SIAT BENELUX BV
Industrieweg 61
5145PDWAALWIJK
The Netherlands
Tel: +31 416 651365
Fax: +31 416 651565
E-Mail: info@siatbenelux.nl
Site : www.siatbenelux.nl

M.J.MAILLIS NETHERLANDS BV
't Koendert 8
3831 RB Leusden
The Netherlands
Tel: +31 33 4953326
Fax: +31 33 4951261
E-Mail: Info@maillis.nl
Site : www.maillis.nl

SANDER GMBH & CO.KG
Schwabenweg 7,
42285 Wuppertal
Germany
Tel: +49 0202 4599-0
Fax: +49 0202 4599-199
E-Mail: info@sander-online.de
Site : sander-online.de

M.J.MAILLIS BELGIUM N.V.
Zeelse Baan 83 W – B – 9200
Dendermonde, Belgium
Tel: +32 52 250350
Fax: +32 52 380286
E-Mail : info@sander.be

STRAPTECH S.A.
227, Kifissias Avenue
145 61 Kifissia
Athens, Greece
Tel: +30 210 6285000
Fax: +30 210 8080301
E-Mail: info@maillis.gr

COMBI PACKAGING SYSTEMS LLC
5365 East Center Dr. N.E.
CANTON OH 44721 USA
Tel: +1 330 4569333
Fax: +1 330 4564644
E-Mail: sales@combi.com
Site : www.combi.com

MAILLIS STRAPPING SYSTEMS USA INC
404 Wall Street
29644 Fountain Inn, SC
USA
Tel: +1 864 4090252
Fax: +1 864 4090367
Site : www.maillisstrapping.com

WULFTEC INTERNATIONAL INC.
209 Wulftec
Ayer's Cliff (Quebec)
J0B 1C0, Canada
Tel: +1 819 8384232
Fax: +1 819 8385539
E-Mail: wulftec@wulftec.com
Site : www.wulftec.com