

ANNUAL REPORT 2006

SFAKIANAKIS S.A.

YEAR 2006

**MANAGEMENT REPORT
&
ANNUAL REPORT**

DECISION 5/204/14.11.2000 (article 8) as amended by
DECISION 7/372/15.2.2006 OF THE CAPITAL MARKET COMMISSION

ATHENS, JUNE 2007
SFAKIANAKIS S.A.

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ANNUAL REPORT

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PART A'

MANAGEMENT REPORT

PRESIDENT

Nikolaos Sfakianakis

VICE-PRESIDENT

Maria Sfakianaki

CEO

Stavros Taki

EXECUTIVE MEMBER

Miranta – Efstratia Sfakianaki – Taki

EXECUTIVE MEMBER

Nikitas Pothoulakis

EXECUTIVE MEMBER

Nikolaos Patsatzis

EXECUTIVE MEMBER

Dimitris Hountas

NON-EXECUTIVE MEMBER

Aikaterini Sfakianaki – Platia

NON-EXECUTIVE MEMBER

Athanasios Platias

INDEPENDENT NON-EXECUTIVE MEMBER

Sofia Mila

INDEPENDENT NON-EXECUTIVE MEMBER

Christophoros Katsambas

Dear Shareholders,

In 2006, SFAKIANAKIS S.A. delivered its positive progress in the heavily competitive environment of the car and motorcycle market with particular success for yet another year.

More specifically, the Company realized an increase of the car classification by 7.7 % with a simultaneous margin stabilization of gross profit in high levels for the fifth consecutive year. The car sales ascended up to 13,031 units, a percentage which corresponds to 4.8% of the market. The goal of the Company for 2007 is the achievement of 15,000 car registrations that will lead the company to a holding of 5.6% of the Greek market.

During 2006, in the motorcycle sector, while continuing its efforts for a greater participation in the retail sales network, the Company completed the first phase of development of privately owned retail motorcycle sales stores, having already 9 of those in operation. The expansionary policy for retail stores shall continue in 2007 and includes the establishment of new stores for retail sales in the Athens' area and in the most significant cities of the rest of Greece.

The development course of the Company is related to investments both in fixed installations and equipment and in companies belonging to the Group. During 2006 the total investments of the Company mounted up to approximately € 34.6 million, € 11.9 million of which concerned investments of fixed assets while € 22.7 million concerned investments in affiliated companies. More specifically, in 2006 the following were purchased: 99.61% of Mirkat OOD (exclusive representative of Suzuki for Bulgaria), 15% of Alpan Electroline and 49.9% of Athoniki Techniki S.A.

In 2006, the systematic efforts aiming to the improvement of the operation and the internal procedures along with the efficiency continued not only for SFAKIANAKIS S.A. but also for the other companies of the SFAKIANAKIS Group that are actively present in the car retail sales sector as official dealers of the manufacturers OPEL, FORD, VOLVO and CADILLAC. The complicities and the economies of scale that shall result from this merge in combination with the improvement of the productivity and the efficiency, which are expected to further strengthen the business gains both for SFAKIANAKIS S.A. and the Group.

As a consequence of the company's successful commercial policy, of the internal strengthening of the Company, but also of the Administration's efforts and of the manpower that worked diligently, responsibly and with commitment, the turnover amounted to € 235.6 million, the gross profit reached € 66.9 million, the pre-tax net gains were formed in € 39.3 million and the equity capitals of the Company mounted up to € 105.8 million on 31.12.2006.

At the Group level (consolidated funds) the turnover amounted to € 407.2 million, the gross profit reached € 112.0 million, the pre-tax net gains were formed in € 35.7 million and the consolidated equity capitals mounted up to € 102.0 million by 31.12.2006.

For the fiscal year 2006, the administration of the company suggests a dividend of € 6,581,250 provided that the Company has significantly been strengthened in capital, while at the same time its activation in the business sector is both efficient and profitable. The suggested dividend per share

amounting to € 0.50 is increased by 100% in relation to the corresponding dividend of the year 2005, and corresponds to a dividend yield of 3.7% (on the basis of the share price upon 31.12.2006).

Dear Shareholders,

A particular emphasis should be given to the optimistic perspectives that can be seen for 2007 not only for SFAKIANAKIS S.A. but also for the affiliated companies of the Group.

Both commercial and business gain of the Company during 2007, are expected to exceed those of the year 2006, as a result of the development business plan that has set as its strategic aim the establishment of SFAKIANAKIS S.A. in a leading position of the car import and trade sector.

In the car retail sales sector which has already been incorporated in the parent company, it is estimated that 2,250 purchases of new cars shall be made as well as of 600 used cars for Opel in Thessaly and Attica, for Ford in Attica and Thessaloniki, 2,200 sales of new cars shall be made and 550 of used ones, for Volvo in Attica and Thessaloniki 650 sales of new cars shall be made and 200 of used ones, while for Cadillac, Corvette & Hummer 150 sales of new cars shall be made.

Personal Best S.A., which deals with the retail sales of Suzuki cars as well as with the after-sales service, shall reach approximately 4,000 cars in sales this year, which is equivalent to a percentage of 26.7% of the total sales of Suzuki cars in Greece.

Since October 2005, **Sfakianakis Emporiki S.A.** has been active as the official dealer and manufacturer of BMW cars and motorcycles, and its strategy includes the provision of innovative and high-level sales and technical services, through an ambitious investing program which includes the operation of four complete and modern groups of BMW sales and technical service stations at the National Road of Athens-Lamia, on Kifissias Ave., on Messogion Ave., and on Attica Road. This subsidiary company was absorbed by the parent from 01.03.2007.

The BMW car retail sales department of Sfakianakis S.A. aims at becoming the largest official dealer of BMW in Greece with four points of sales and technical service in Attica; in 2007 the sales of new BMW cars are estimated to amount to 750 units while the sales of the used cars to exceed 100 units.

Panergon S.A. with the Daf and Ford truck sectors, VDL Berkhof and Temsa buses and Landini and Valpadana tractors, shall continue its profitable course having established its position within the market. Moreover, Panergon, in April of 2005, undertook the exclusive representation of Celli, the Italian factory of accessories (fraises- destructors- clod-cutters).

Executive Lease S.A. has a pan-Hellenic network of 52 stations, aiming at the customer service for the international car lease company, National-Alamo, for which it holds the trademarks as an exclusive trustee for Greece. In 2006, the total fleet of Executive Lease S.A. exceeded 4,750 cars, while its aim for 2007 is to increase this fleet and to exceed 5,250 cars. Executive Lease S.A. has established its presence within the long-term leases by providing high-level services with a fleet that exceeds 2,500 cars.

Executive Insurance Brokers S.A., a company of insurance brokers, is constantly increasing its active clientele having more than 20,000 active clients today, and expands its activities by putting emphasis on the development of business insurances.

Mirkat OOD is active in Bulgaria as the official importer of Suzuki Motor Corporation in the sections of cars, motorcycles and out-board machines, in the sector of trucks as official importer of the Ford Cargo trucks. Moreover, the company is active in the sector of long-term leasing of Suzuki cars and the provision of complete programs of fleet management and short-term lease of cars as exclusive trustee of National Car Rental & Alamo Rent a Car. In 2007, the company is expected to continue its particularly successful and profitable course.

Athoniki Techniki S.A. is a technical company involved in the public works and private works of real estate development. The company's goal is for the turnover that results from the real estate development represents the 50% of the total turnover, while emphasis has been given on the development of big shopping centers, holiday residences and built-up properties within the Greek territory. The unexecuted part of the private works of the company exceeds € 150 million.

Dear Shareholders,

The development of the SFAKIANAKIS Group shall continue to be realized rapidly based on the business plan which includes:

- Its expansion within Southeastern Europe with the establishment of subsidiary companies
- The strengthening and the profitable development of the retail sales sector though complications and the economies that shall result from the merge of the subsidiary companies by the parent company, and
- The expansion of the activities of the Group in sectors which contain significant development margins, such as the sector of large shopping centers, built-up properties and holiday residences.

3.1 CAR SECTOR

In 2006, the Greek market of the new passenger cars amounted to 267,706 registrations, showing a decrease of 0.8% in comparison to the previous year.

According to the final data of the registrations for 2006, first place was occupied by TOYOTA with 25,514 registrations and a market share of 9.5%, followed by VOLKS WAGEN with 21,256 registrations and a market share of 7.9%, while the third place was occupied by FORD with 20,357 registrations and a market share of 7.6%.

CARS' REGISTRATIONS IN GREEK MARKET 2006		
MAKE	REGISTRATIONS	MARKET SHARE
1. TOYOTA	25,514	9.5%
2. VOLKS WAGEN	21,256	7.9%
3. FORD	20,357	7.6%
4. HYUNDAI	19,715	7.4%
5. OPEL	18,154	6.8%
6. PEUGEOT	13,363	5.0%
7. SUZUKI	12,651	4.7%
8. CITROEN	12,128	4.5%
9. NISSAN	11,222	4.2%
10. SEAT	10,408	3.9%

The dynamics of the Greek market in recent years remains strong as the market continues to remain in high levels of sales in comparison with the previous decade. Moreover, taking into account that the fleet of the passenger cars continues to be rather old, having an average age of 11 years, it is easily understandable that the accumulated demand of the previous decade has not yet been fully satisfied and thus it is expected that during the following years the Greek market will continue to be in high levels between 260,000 and 290,000 cars.

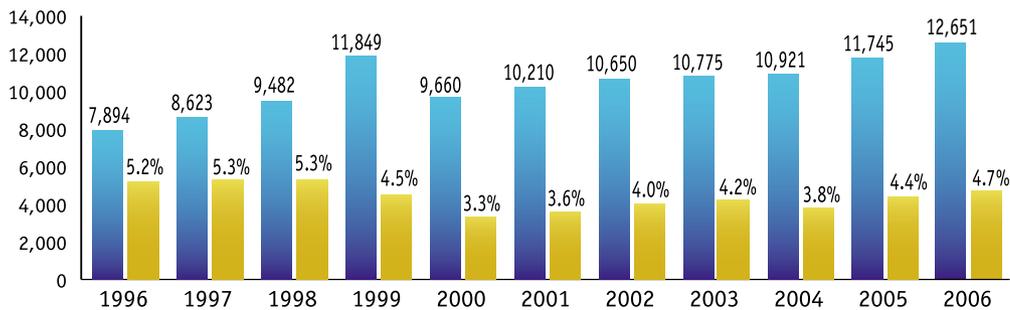


SFAKIANAKIS S.A. – WHOLESALE

In 2006, with 12,651 registrations, Suzuki achieved a market share of 4.7%, recording an increase of 8.4% at the volume of its sales against 2005, and also increased its share in the total market by 7.7% (from 4.4% in 2005 to 4.7% in 2006). The basic reason for the increase of the Suzuki sales was the successful course of both Swift, which recorded the highest sales amounting to 4,958 units, and the new Grand Vitara (first in sales in its classification), as well as the entrance in the Greek market of the new model SX-4. These three models affected played a crucial role in both the progress and the image of the said model in the car market.

The total registrations of the Japanese manufacturers in 2006 reached 71,965 units that correspond to a market share of 26.9% and are increased against 2005 by 8.8%. The basic holders of this share were Toyota, Suzuki and Nissan. The participation share of Suzuki in 2006 amounted to 17.6% of the total registrations of the Japanese models.

REGISTRATIONS OF SUZUKI CARS & MARKET SHARE 1996-2006



Suzuki SX4



Swift



Suzuki Grand Vitara



JAPANESES CARS' REGISTRATIONS IN GREEK MARKET 2006		
MAKE	REGISTRATIONS	MARKET SHARE
1. TOYOTA	25,514	35.5%
2. SUZUKI	12,651	17.6%
3. NISSAN	11,222	15.6%
4. MAZDA	6,002	8.3%
5. MITSUBISHI	5,690	7.9%
6. HONDA	5,079	7.1%
7. DAIHATSU	3,839	5.3%
8. SUBARU	1,968	2.7%
TOTAL	71,965	100.0%

SFAKIANAKIS S.A. – RETAIL SALE

In 2006 SFAKIANAKIS S.A. absorbed the subsidiary companies of the Group that are active in the car retail sales sector as official distributors of the manufacturing companies Opel, Ford, Volvo and Cadillac. SFAKIANAKIS S.A. with 2,009 registrations of Opel cars achieved a market share of 11.1% in the total market of Opel in Greece. The registrations of Ford cars amounted to 2,186 cars that correspond to a market share of 10.7% of the total Ford market within Greece. Correspondingly, the registrations of Volvo cars were formed at 692 units and the market share ascended to 24.7% in the total Volvo market. Finally, the registrations of the Cadillac cars amounted to 141 units.

Given the fact that in 2007 the Greek car market is estimated to reach the 270,000 registrations, the aim of SFAKIANAKIS S.A. is the attainment of 15,000 Suzuki car sales (wholesale) that will lead it to the achievement of a share of 5.6% of the Greek market and 6,000 registrations of cars by Opel, Ford, Volvo, Cadillac and BMW (retail sales) achieving a total market share of 7.8%.





Ford



Opel

For the attainment of the said aim, Suzuki, which is a leading company in the category of small city cars while at the same time has a lasting knowledge and experience in the 4x4 category, shall attempt a leading role within these two dynamic categories of vehicles which are expected to obtain a very significant share of the total of the sales within the Greek car market.

3.2 MOTORCYCLE SECTOR

In 2006, the motorcycle market presented an increase of 6.5% against the corresponding period (January – December) of the year 2005. The total registrations amounted to 88,480 units against 83,078 units in 2005. The motorcyclists' preferences were directed once again towards motorcycles of medium engine capacity.

In detail, all categories between 116 and 500 cc along with the big category of 701 cc and above showed an increase; the most significant of which is the category of 151-250 cc by 30.9%. A decrease was presented in the category between 51 – 115 cc by 11.2% as well as the category of 501 – 700 cc by 4.4%. In the table below, the tendency of all categories can be seen:

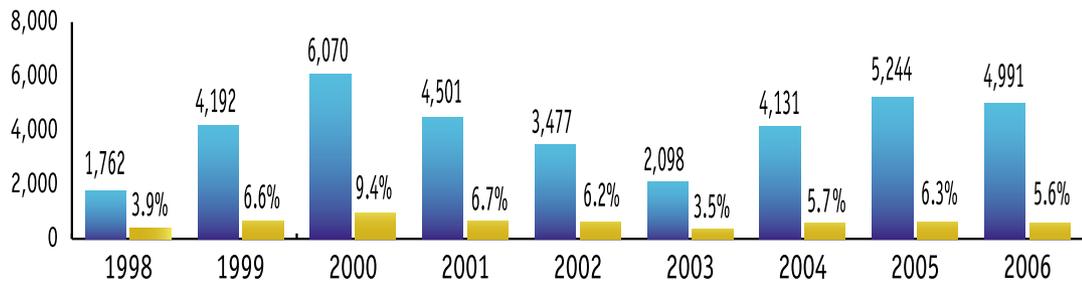
COMPARISON OF MOTORCYCLES' REGISTRATIONS IN GREEK MARKET 2005-2006					
CATEGORY	2006	(%)	2005	(%)	+/- (%)
51 - 115 cc	19,811	22.4%	22,306	25.2%	-11.2%
116 - 150 cc	32,398	36.6%	28,193	31.9%	14.9%
151 - 250 cc	14,535	16.4%	11,103	12.5%	30.9%
251 - 500 cc	3,874	4.4%	3,605	4.1%	7.5%
501 - 700 cc	10,683	12.1%	11,172	12.6%	-4.4%
> 700 cc	7,179	8.1%	6,699	7.6%	7.2%
TOTAL	88,480		83,078		6.5%

Suzuki with registrations of 4,991 units and a market share of 5.6% against 6.3% in 2005, presented a decrease of the registrations by 5.1%. However, the greatest commercial success of the V-Strom 650 model, which continued its upward progress, and of the GSX-R 1000 model that led Suzuki to the top position of the category sport 701 cc and above with a market share of 40.5% against 34.5% in 2005, had a positive effect on Suzuki motorcycle sales of medium engine capacity, resulting in a significant improvement of the economic aggregate of the Company's motorcycle filed.

Thus, in 2006, the total turnover from the activities in the motorcycle sector amounted to € 26.8 million against € 23.8 million in 2005, while the gross trading profit amounted to € 6.0 million against € 5.7 million during the previous year.

MOTORCYCLES' REGISTRATIONS IN GREEK MARKET 2006			
MAKE		REGISTRATIONS	MARKET SHARE
1.	HONDA	16,242	18.4%
2.	PIAGGIO	11,151	12.6%
3.	YAMAHA	12,525	14.2%
4.	MODENAS	6,318	7.1%
5.	SUZUKI	4,991	5.6%
6.	B.M.W.	1,311	1.5%
7.	APRILIA	1,906	2.2%
8.	KWANG YANG	3,302	3.7%
9.	SYM	1,966	2.2%
10.	KAWASAKI	2,753	3.1%

REGISTRATIONS OF SUZUKI MOTORCYCLES & MARKET SHARE 1998-2006



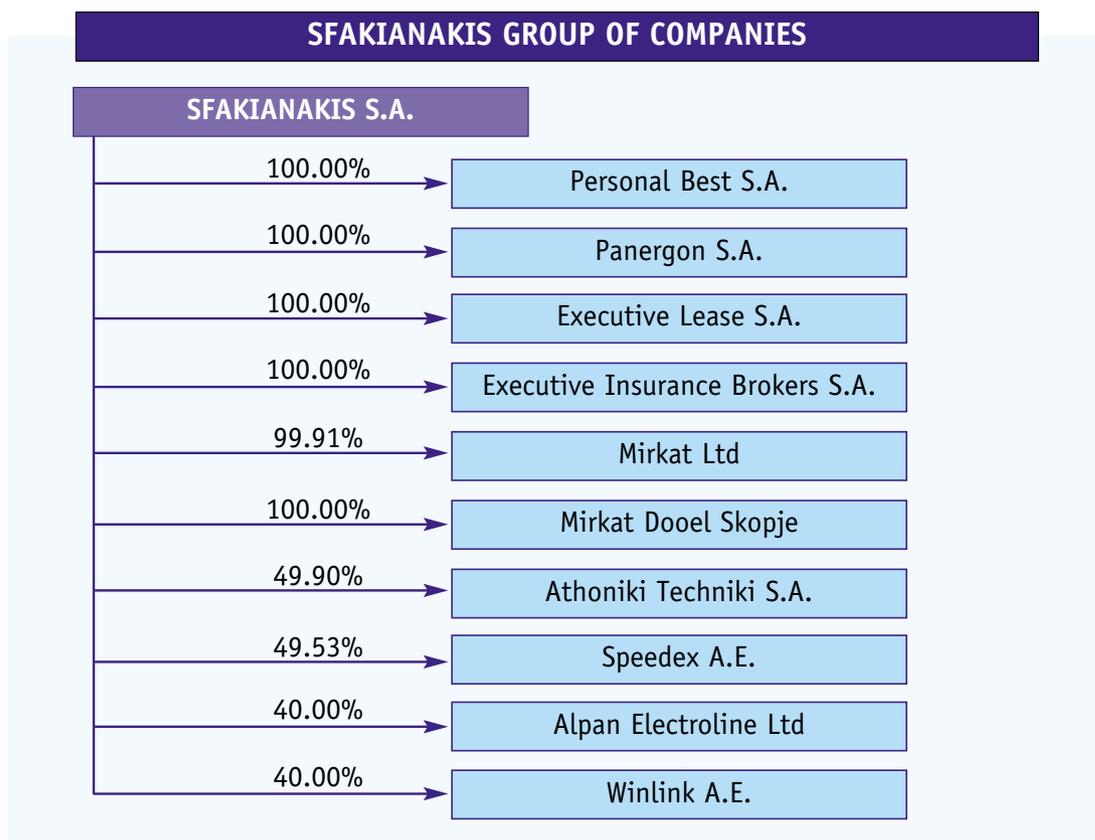
Suzuki B-King

SFAKIANAKIS Group consists of 11 companies, parent company inclusive, covering a wide scope of activities within the car sector, from automobile distribution and trading, financing, time-leasing, and insurance to other relative services.

In 2006 the absorption of the subsidiary companies of the SFAKIANAKIS Group was realized. Those companies were involved in the car retail sales sector as official traders of the manufacturers Opel, Ford, Volvo and Cadillac, from the parent company SFAKIANAKIS S.A. Moreover, in February of 2007 the merge by absorption of the Company Sfakianakis Emporiki S.A. (official BMW car and motorcycle traders) by SFAKIANAKIS S.A. was decided.

All companies of the Group are expected to contribute gradually in the profitability and the stabilization of its income, thus decreasing the risks arising from the possible circularity that the car trading sector may present significantly. At the same time, the prospect of utilizing other developing sectors not only within Greece but also in Southeastern Europe countries is preserved.

The structure of the Group is presented in detail in the following organizational chart.



4.1 Personal Best

Personal Best has operated as official trader and authorized service provider of Suzuki from 1993, while constantly increasing its activities and expanding its network within Attica. The company has established its presence in Attica with eight units in total, seven of which operate as vertical groups (sales, service, spare parts and accessories).

In 2006 the new cars sales of the company reached 3,454 units, an increase of 9.1% against 3,167 units in 2005. The used cars sales through the Autoselect program, in 2006 amounted to 723 units.

The goal for the year 2007 is for the sales of the company to exceed 4,000 new Suzuki cars and 800 used ones.

The turnover of the company for the year 2006 amounted to € 52.2 million, an increase of 30.9% against 2005 and the operation results at € 1.3 million against € 1.1 million in 2005.

For 2007 the turnover of the company is expected to exceed € 55.0 million, while its operation results are expected to amount to € 1.7 million. Personal Best employs 132 persons.

4.2 Panergon

Since late 1999, Panergon has been active in the market of professional vehicles, representing exclusively the trucks and the accessories of the Dutch house Daf Trucks N.V. in our country.

In 2006, despite the intense competition within the market of truck vehicles with mixed cargo above 6 tons, the Daf field held a market share of 5.8%. Compared to 2005, the pricing of the Daf trucks presented an increase of 20%.

In 2007, the Daf field aims at a market share of 10% in the market of truck vehicles with mixed cargo above 6 tons.

At the same time Panergon, holds the exclusiveness within the Greek market of the VDL Berkhof buses that are manufactured according to Daf's system. Panergon has already managed to establish the VDL Berkhof presence within the market, having a great number of vehicles, mainly in the interurban buses companies (Public Bus Services - KTEL) in the market, while it expands in the tourist market.

The year 2006 comprised the first year of the operation of the privately-owned service center of Panergon in Magoula. The visits for repair and maintenance fro 2007 are expected to increase by 16% with a consequent positive impact on the increase of the turnover of the accessories of the company.

The professional vehicles sector (heavy trucks and buses) along with the mechanical unit of Panergon were verified by ISO 9001:2000 by TUV Austria.

The year 2006 was the first year that Panergon held the exclusiveness within the Greek market of the TEMSA buses that are manufactured with mechanical parts from DAF and MAN. TEMSA buses cover a wide production scope, having buses of all types, from 27 up to 61 passenger seats. Panergon has already ensured the successful import of the said buses in the Greek market at the sector of the tourist and interurban buses. For the year 2007 an increase of the sales of TEMSA is expected by 40%.

The year 2006, comprises the first year of trading within the Greek market also for the Ford Heavy Trucks, which have scored a very successful progress, while for the year 2007 an increase of their sales by 10% is expected.

From December of 1999, Panergon has officially undertaken the exclusive representation of the Italian factory of tractors Landini, aiming at attaining a leading role in the Greek agricultural machinery market. Moreover, from 2004, Panergon is the exclusive distributor of the Italian factory Valpadana, while in April 2005 it undertook the exclusive distribution of Celli, the Italian factory of accessories (fraises- destructors- clod-cutters).

In 2006, Panergon for another year was at the leading position of the agricultural machinery sales with a market share of 15.1% (531 tractors) against 14.9% (495 tractors) in 2005.

The total market in 2006 was increased by 5.9% in comparison to 2005, while the sales of the Landini tractors were increased by 7.3%.

During 2006, the agricultural machinery sector of the company presented a turnover of € 21.3 million, its operational profit reached € 2.8 million, while the pre-taxation results amounted to € 1.8 million.

The goal for the year 2007 is the further increase of the high market share of Landini within the agricultural machinery sector but also the increase of the sales with simultaneous increase of the profitability.

During 2006, Panergon presented a total turnover of € 35.1 million while the operational profit amounted to € 1.5 million and the net income before taxes reached € 1.3 million. For the year 2007, it is expected that the total turnover of the company shall approach € 40.0 million, the operation results shall reach € 1.8 million while it is estimated that the pre-tax profits shall amount to € 1.5 million. Panergon employs 72 persons.

4.3 Sfakianakis Emporiki S.A.

From October 2005 Sfakianakis Emporiki S.A. has been the official distributor and service provider for BMW cars and motorcycles.

In 2006, the company successfully completed its investment program by creating three new units of BMW sales and technical service BMW in Athens. More specifically, the following were created: a) new vertical unit (sales- service) on 453, Messogion Ave in Aghia Paraskevi, b) new motor show, which expands on two floors at 53, Kifissia Ave. in Maroussi, and c) a new, modern unit of technical service on Attica Road (Exit 11 – Kifissia Ave.), which expands in 4 floors offering complete car-service station services and paint and body shop. This unit has received the certification of BMW Hellas for the repair and maintenance of armored cars.

All points of technical service have been certified by BMW Hellas as “Premium Service Centers” fulfilling the strictest of the factory specification levels. Additionally, all three points of technical service are authorized for the maintenance and repair of the MINI cars.

In 2006, the sales of the new cars of BMW Sfakianakis reached 433 units with a market share of 12.4% in the BMW market in Attica. For the year 2007 the sales of the new cars are expected to double, while certain pilot applications shall be realized in collaboration with BMW Hellas, aiming at the further upgrading of the provided services to the clients.

During the first fiscal year, Sfakianakis Emporiki S.A. presented a turnover of € 11.6 million. Sfakianaskis Emporiki S.A. employs 56 persons.

In February 2007 the merge through absorption of the Sfakianakis Emporiki S.A. from the parent company SFAKIANAKIS S.A. was decided.

4.4 Executive Lease

Executive Lease is active in the sectors of long-term lease of corporate cars, provisions of completed programs of fleet management and short-term car lease, as the exclusive trustee of National Car Rental & Alamo Rent a Car in Greece.

Executive Lease has already developed a network of 52 service stations within Greece, among which the most important airports of the country, offering a wide scope of cars of all types to more than 37,000 of its clients. At the same time in the sector of the long-term lease of corporate cars, Executive Lease serves more than 700 companies, Greek and multi-national ones.

The turnover of the company in 2006 amounted to € 25.4 million while its operational results prior to amortization reached € 13.5 million.

For the year 2007, the goals of the company include the attainment of a turnover of € 30.0 million and of the operational results prior to amortization of € 16.0 million, with a total fleet that shall exceed 5,250 cars.

Company's personnel consist of 96 persons, while, due to season demand, during the tourist period (May - October) the personnel reaches 140 persons.

4.5 Executive Insurance Brokers

Executive Insurance Brokers has been active in the insurance sector from 1999 as an independent consultant – insurance broker firm. It cooperates with a great number of Greek and foreign insurance companies and employs a 35-member staff.

The company is fully organized in three business sectors as follows:

- a) Corporate customers
- b) Private citizen customers
- c) Affinity Groups

The specialized personnel of the company promotes and supports services and insurance products for all the above mentioned sectors such as the business risks management, the provision of insurance advice, the agency and technical support in insurance services and the damage management services.

Having manpower of excellently specialized personnel, in 2006 the company managed insurances of business risks and personal insurances of total production of net charges of insurance of € 9.7 million, while in commissions it presented a turnover of € 2.1 million and operational profits of € 80.3 thousands.

In 2006 the company created its first branch in Thessaloniki through which it looks forward to a further development in Northern Greece by providing complete insurance services.

For the year 2007 the goals of the company are its expansion in Cyprus, Bulgaria and Romania, with a simultaneous development of a bigger network of independent collaborators. The insurance production that it shall manage is expected to reach € 12.0 million while in commissions the turnover is estimated to reach € 2.8 million.

4.6 Mirkat

In April 2006 SFAKIANAKIS S.A. purchased the 99.61% of Mirkat, thus increasing its share to 99.91%.

From December 1993, Mirkat has been active in Bulgaria as official importer of Suzuki Motor Corporation in the fields of cars, motorcycles and out-board machines. From June 2006, the company has been active in the sector of truck automobiles as official importer of the Ford Cargo trucks.

Mirkat is also active in the sectors of long-term Suzuki cars lease and the provision of complete programs of fleet management and short-term car lease as the official trustee of National Car Rental & Alamo Rent a Car in Bulgaria.

In 2006, the automobile registrations of the company reached 820 units, thus achieving a market share of 2.5%, the registrations of motorcycles amounted to 28 units with a market share of 9.4% and the registrations of Ford Cargo trucks amounted to 57 units which correspond to a market share of 2.3%. For the year 2007, Mirkat's registrations are expected to reach 950 cars, 44 motorcycles and 80 trucks.

The turnover of the company for the year 2006 amounted to € 19.8 million, an increase of 145.9% against 2005, while its operational results reached € 2.4 million against € 0.8 million in 2005. For the year 2007, the turnover of the company is expected to reach € 25.0 million and the operation profits to amount to € 3.0 million. Mirkat employs 43 persons.

4.7 Mirkat Skopje

In August 2006, SFAKIANAKIS S.A. established Mirkat Skopje, which is involved in the exclusive distribution of Suzuki products in Skopje. The company did not operate in 2006 as it was still being organized.

For the year 2007, the company is expected to sell 120 cars and its turnover to reach € 1.7 million. The company employs 2 persons.

4.8 Athoniki Techniki

In October 2006, SFAKIANAKIS S.A. acquired 49.9% of Athoniki Techniki.

Athoniki Techniki is a technical company that is involved in real estate development of public and private works. Until 2003, the company's main activity concerned the execution of public works. From 2003 on, the company became active in the real estate development having approximately 38 works in 15 geographical areas within Greece under full progress.

The goal of the company since 2006 has been for the turnover of the real estate to represent more than 50% of the total turnover. The program of the private works concerns the construction of approximately 640 properties, from which, and according to data from 2006, around 40% has been sold.

The turnover of the company in 2006 amounted to € 36.6 million, € 15.9 million of which concerned private real estate development works and € 20.8 million for public works, while pre- tax net profits amounted to € 1.5 million.

For the year 2007, the turnover is expected to amount to € 48.5 million, € 25.5 million of which shall concern private real estate development works and € 23 million for public works, while pre-tax net profits are expected to reach € 2.6 million.

The company occupies 92 persons, while depending on the intensity of the execution of the works and the occupation of workers and technicians, the average number of personnel reaches 465 persons.

4.9 Speedex

In 2002, the activities of the Group were expanded to the courier sector with the participation of SFAKIANAKIS S.A. in the share capital of Speedex by 49.53%. Speedex holds a leading position in its sector and has an independent pan-Hellenic presence with 170 Service Points throughout the country.

In 2006, the company entered a collaboration agreement with UPS, the largest courier company in the world. The cooperation foresees that Speedex shall comprise UPS' collaborator for the deliveries and receipts of its dispatches in Greece while UPS shall be Speedex's collaborator for the International Dispatches.

In 2006, the company's turnover amounted to € 27.0 million and presented operational profits that reached € 245 thousands. For the year 2007, the turnover is estimated to amount to € 30.0 million with a corresponding improvement of the operational profits. Speedex employs 580 persons.

4.10 Alpan Electroline

In 2006, SFAKIANAKIS S.A. acquired 15% of Alpan Electroline, participating in the increase of its share capital. This way the total participation of Sfakianakis S.A. in the company reached 40%. Alpan Electroline has its registered seat in Cyprus and deals with the import, distribution and retail sales of electrical appliances and mobile phones as well as IT and multimedia products.

Alpan Electroline is the exclusive importer of both white and black electrical appliances of the houses Samsung, Indesit, Ariston, Kuppersbusch and Korting. Furthermore, it is the exclusive importer of Samsung for mobile telephony and IT products.

Through its participation in Alpan Electroline, SFAKIANAKIS S.A. considers the expansion of its activities in the automobile sector within the Cypriot market.

Alpan Electroline has a leading position in its sector, with nine retail sale shops is the company, the largest and most complete shop network in Cyprus. In 2006, its sales amounted to € 25.8 million and its operational profit reached € 1.4 million, while for the year 2007 it is expected that the sales shall reach € 30.0 million and the operational profits shall mount up to € 1.8 million. Alpan Electroline employs 115 persons.

4.11 Winlink

Winlink is the authorized distributor of RadioShack, the largest chain shops of electronics worldwide, both for Greece and Cyprus. The company currently has 4,000 RadioShack products within the Greek market with a perspective of constant enrichment. Furthermore, Winlink is at the same time the official distributor of the following companies: Aiptek International GmbH, Jabra GN/NetCom, Medion AG, Gem Sound Corporation and Mustek Optik-Computer & Communication International GmbH.

PART B'
ANNUAL REPORT

DECISION 5/204/14.11.2000 (article 8)
as amended by
DECISION 7/372/15.2.2006
OF THE CAPITAL MARKET COMMISSION

**MANAGEMENT REPORT
OF SFAKIANAKIS S.A.
FOR THE FINANCIAL STATEMENTS
OF THE FISCAL YEAR 1/1–31/12/2006
AND NARRATIVE REPORT**

TO THE ORDINARY MEETING OF THE SHAREHOLDERS

Dear Shareholders,

The Board of Directors of the SFAKIANAKIS S.A. presents its Report for the Annual Individual and Consolidated Financial Statements of the fiscal year that expired on the 31st of December 2006, in accordance with Article 136 of the Codified Law 2190/1920 and Article 11 a of L. 3371/2005.

The Individual and Consolidated Financial Statements were drawn up according to the International Financial Reporting Standards – IFRS.

We are pleased to put under your consideration the financial statements that concern both consolidated data and corporate data on Balance Sheet, the Profit and Loss Statement, the Equity Change Statement, the Statement of the Cash Flow, as well as the annex for the fiscal year between 1st of January and 31st of December 2006.

GENERAL REMARKS

The data mentioned above concern the parent company and its subsidiaries:

- a) The subsidiary companies that were consolidated with the complete consolidation method are: Personal Best S.A., Panergon S.A., Executive Insurance Brokers S.A., Executive Lease S.A., Winlink S.A., Sfakianakis Emporiki S.A., Mirkat OOD (Registered seat in Bulgaria) and Mirkat Skopje (Registered seat in FYROM) and
- b) The subsidiary companies that were consolidated with the equity method are: Speedex S.A., Alpan Electroline Ltd. and Athoniki Techniki S.A.

In 2006 SFAKIANAKIS S.A., while successfully continuing the progress of the last years within the automobile market, realized sales process that constitute a historical high that the company and the Group are to present from its establishment.

The new SUZUKI car sales, which amounted to 13,031 units, increased by 8.4% against the respective sales of the year 2005.

The market share that SUZUKI occupied for the year 2006 amounted to 4.7%, increased by 7.7% against 2005, in contrast to the total of the automobile market that presented a decrease by 0.8%, thus proving that SFAKIANAKIS S.A. has been established as one of the leading companies in its sector.

The motorcycle market during 2006 moved upwards and reached 88.480 units. Suzuki with 4,991 registrations and with a share market of 5.6% achieved an exceptionally successful progress in the motorcycle field, taking position number three between Spanish manufacturers in the class of 126 cc and above.

In 2006, the absorption of the subsidiary companies of the Group SFAKIANAKIS, namely those companies that are active in the automobile retail sales sector as official distributors of the manufacturers Opel, Ford, Volvo and Cadillac, was realized by the parent company SFAKIANAKIS S.A.

Within the year 2007 the absorption of the rest of the subsidiary companies of the Group, namely those which are active in the retail sales field as official traders of the BMW and Suzuki shall be realized.

The results of all these is that in the car retail sales sector, SFAKIANAKIS Group shall be active with the presence of 35 units of retail sales of cars, motorcycles and provision of specialized services and paint and body shops.

The complications and the economies of scale that shall result from the merge in combination with the improvement of the productivity and efficiency, is expected to strengthen the competitiveness but also the financial results of SFAKIANAKIS S.A., and further more of the entire Group.

QUOTATION OF ECONOMIC AGGREGATE

Herein below we quote the basic economic aggregate of both parent Company and the total of the companies of the Group, as such are depicted in the published financial statements, which were drawn up in accordance with the International Financial Reporting Standards – IFRS and which can be found at the website www.sfakianakis.gr.

The fixed assets under construction of the companies of the Group SFAKIANAKIS upon 31/12/2006 amounted to € 165.9 million, and respectively those of the Company reached € 86.1 million with total investments of the Group (fields, buildings, equipment) for 2006, of € 16.3 million and of the Company amounting up to € 12.1 million.

The total equity of the companies of the Group on 31/12/2006 amounted to € 102.0 million against € 87.8 million on 31/12/2005. The total of the parent Company's equity on 31/12/2006 amounted to € 105.8 million against € 78.8 million on 31/12/2005.

The consolidated turnover was € 407.2 million and the corresponding turnover of the parent Company was formed at € 235.6 million. The consolidated gross operating profit amounted to € 112.0 million

while the gross operating profit of the parent Company amounted to the sum of € 66.9 million.

The consolidated net pre-tax profits amounted to the sum of € 35.7 million and the pre-tax net profits of the parent Company reached € 39.3 million.

The board of Directors suggests dividend per share at the price of € 0.50 which corresponds to a dividend yield of 3.7% based on the price of the share upon 31/12/2006.

Finally a special reference should be made to the fact that the development of the activities of the SFAKIANAKIS Group continues at a rapid pace not only in sectors that have significant margin for development, as that of the real estate, the holiday residence and the real estate development through Athoniki Techniki SA, in which the Group participates in its share capital by 49.90%, but also in the realization of the development in the automobile sector within the Balkans.

CONCLUSIONS

Taking into account the herein above mentioned we can say with confidence that for the fiscal year 2006 there shall be better consolidated results of the companies of the Group and we request that you consider the annex of the financial statements, which comprises an integral part of the present report for your briefing in detail.

EXPLANATORY REPORT TO THE ORDINARY GENERAL MEETING OF SHAREHOLDERS (according to article 11a of Law 3371/2005)

The current explanatory report of the Board of Directors addressed to the Ordinary General Meeting of Shareholders contains information regarding the clauses of paragraph 1 of article 11a of Law 3371/2005.

1. Structure of the Company's share capital.

The Company's share capital amounts to € 12,109,500 divided into 13,162,500 shares of a par value of € 0.92 each. According to the resolution of the Ordinary General Annual Meeting of the shareholders on 15/06/2006 the share capital of the Company was increased by € 526,500 through capitalization of reserves coming from readjustment of the value of assets and special reserves from income taxed in special way with increase of the par value of the shares from € 0.92 to € 0.96. The above mentioned increase has not been approved till today by the qualified Authorities and it is not included in the financial statements of the Company.

The Company's shares are listed for trading in the Securities Market of the Athens Stock Exchange, under the "Medium and Small Cap." classification. The Company's shares are common registered with voting rights.

2. Restrictions on the transfer of the Company's shares.

The transfer of the Company's shares is affected in accordance with the Law and there are no restrictions on their transfer pursuant to the Company's Articles of association.

3. Significant direct or indirect participations in the sense of P.D. 51/1992.

Mrs. Miranta-Efstratia Sfakianaki-Taki, holds 45.59% of the Company's share capital as of 22/03/2007. Mrs. Aikaterini Sfakianaki-Platia, holds 27.19% of the Company's share capital as of 22/03/2007. Mr. Stavros Taki, holds 5.67% of the Company's share capital as of 22/03/2007. No other physical or legal entity holds percentage larger than 5% of the share capital.

4. Holders of any type of a share that provide special rights of audit.

There are no shares of the Company that provide to their holders special rights of audit.

5. Restrictions on voting rights.

No restrictions on the voting rights deriving from the Company's shares are provided in its Articles.

6. Company's Shareholders' agreements.

The Company is not aware of any agreements between its shareholders which might result in restrictions on the transfer of the Company's shares or on the exercise of the voting rights conferred by its shares.

7. Rules of appointment and replacement of Board members and amendment of Articles of association.

The rules provided in the Company's Articles regarding the appointment and replacement of its Board members as well as the amendment of its Articles do not deviate from those provided for in Codified Law 2190/1920.

8. Competency of the Board of Directors or some of its members to issue new shares or purchase owned shares.

According to the provisions of the article 5 of the Articles of the Company, and the decision of the General Meeting, which is subject to the publication requirements of article 7b of Codified Law 2190/1920 and within five years from its relevant decision, the Board of Directors of the Company is entitled by virtue of a decision adopted by a majority of at least two thirds (2/3) of the total number of its members a) to increase the share capital of the Company through the issuance of new shares. In such case, the share capital may be increased only up to the amount of the capital which is paid-up on the date of adoption of the decision by the General Meeting and b) to issue syndicated bond loan for amount that cannot exceed half of the capital which is paid-up on the date of adoption of the decision by the General Meeting through the issuance of bonds convertible to shares. In that case provisions of paragraphs 2 and 3 of article 3a of Codified Law 2190/1920 are applied.

9. Important agreements contracted by the Company, which will enter into effect, will be amended or will expire in case of change in the Company's control following a public offer and the results of this agreement.

There is no such an existing agreement.

10. Agreements that the Company has contracted with the members of the Board of Directors or with its personnel, which provide for the payment of compensation in case of resignation or release without substantiated reason or in case of termination of their term or employment due to public offer.

There are no agreements of the Company with members of its Board of Directors or its personnel, which provide for the payment of compensation especially in case of resignation or release without substantiated reason or in case of termination of their term or employment due to a public offer.

Athens, 22nd March 2007
FOR THE BOARD OF DIRECTORS

Stavros P. Taki
CEO

It is affirmed that the above report which consists of 4 pages is that which is referred to the independent auditor's report dated 28th March 2007.

Athens, 28th March 2007



Konstantinos P. Evaggelinos
Certified Public Accountant Auditor
SOEL Reg. No. 13151

To the Shareholders of SFAKIANAKIS S.A.

Report on the Financial Statements

We have audited the accompanying individual and consolidated financial statements of SFAKIANAKIS S.A., which comprise the individual and consolidated balance sheet as at 31 December 2006, and the income statement, statement of changes in equity and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards, as adopted by the European Union (EU). This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Greek Auditing Standards, which are based on the International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the accompanying individual and consolidated financial statements present fairly, in all material respects, the financial position of the Company and of the Group as of 31 December 2006, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union (EU).

Report on Other Legal and Regulatory Requirements

The content of the Report of the Board of Directors is consistent with the aforementioned financial statements.

Athens, 28th March 2007



Konstantinos P. Evaggelinos
Certified Public Accountant Auditor
SOEL Reg. No. 13151



SFAKIANAKIS

**Annual Financial Statements
For the period 01.01.2006 - 31.12.2006
prepared in accordance with the International
Financial Reporting Standards (IFRS)**

The attached interim financial statements are those approved by the Board of Directors of SFAKIANAKIS S.A. on 22 March 2007 which have been posted to the internet on the website www.sfakianakis.gr

SFAKIANAKIS S.A.
Companies Reg. No. 483/06/B/86/10
5-7 Sidirokastrou St. & Pydnas St.,
Athens, GR-11855

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FINANCIAL STATEMENTS

BALANCE SHEET	NOTE	GROUP		COMPANY	
		31.12.2006	31.12.2005	31.12.2006	31.12.2005
ASSETS					
Non-current assets					
Tangible Assets (Property, plant & equipment)	6	165,190,196	140,672,233	85,567,968	59,950,091
Intangible assets	7	734,347	484,518	454,043	140,223
Goodwill	8	4,385,276			
Investments in subsidiaries	9.1			39,964,804	37,301,418
Investments in associates	9.2	14,270,137	1,104,583	16,292,047	1,104,583
Deferred income tax	15	3,430,809	2,213,331	1,205,065	0
Customers and other receivables	11	39,890,441	13,444,365	2,883,468	1,248,863
Total non-current assets		227,901,206	157,919,030	146,367,395	99,745,178
Current assets					
Inventories	10	78,979,717	70,900,010	47,570,066	27,836,375
Customers and other receivables	11	147,845,834	131,815,849	97,519,738	83,429,067
Available-for-sale financial assets	11.1	9,903,977	17,283,148	9,297,149	16,379,864
Cash and cash equivalents	12	28,787,980	22,127,267	19,876,283	11,765,757
		265,517,508	242,126,274	174,263,236	139,411,063
Total assets		493,418,714	400,045,304	320,630,631	239,156,241
EQUITY					
Capital and reserves attributed to parent company shareholders					
Share Capital	13.1	12,109,500	12,109,500	12,109,500	12,109,500
Premium on capital stock	13.1	10,601,614	10,601,614	10,601,614	10,601,614
Fair value reserves	13.2	1,297,753	8,093,427	7,046,277	1,961,518
Other reserves	13.3	15,998,113	15,029,306	15,693,900	14,286,589
Results carried forward	13.4	61,783,470	37,608,922	60,355,938	39,847,361
		101,790,450	83,442,769	105,807,229	78,806,582
Minority interest		218,494	4,398,054	0	0
Total equity		102,008,944	87,840,823	105,807,229	78,806,582
LIABILITIES					
Long-term liabilities					
Loans	14.1	88,740,972	90,829,224	62,800,000	72,971,922
Deferred income tax	15	14,901,479	12,840,562	11,576,223	9,017,482
Provisions for employee benefits	16	1,582,241	1,414,384	1,223,993	1,104,635
Other provisions	17	1,437,114	1,435,000	1,400,000	1,400,000
Asset subsidies		18,273	36,547	0	0
		106,680,079	106,555,717	77,000,216	84,494,039
Short-term liabilities					
Suppliers and other liabilities	18	110,555,642	88,831,801	54,619,030	37,485,508
Current Income tax	18.1	3,821,906	9,268,070	2,919,055	7,960,789
Short-term loans	14.2	170,352,143	107,548,893	80,285,101	30,409,323
		284,729,691	205,648,764	137,823,186	75,855,620
Total liabilities		391,409,770	312,204,481	214,823,402	160,349,659
Total liabilities & equity		493,418,714	400,045,304	320,630,631	239,156,241

INCOME STATEMENT					
	GROUP			COMPANY	
OPERATING RESULTS	31.12.2006	31.12.2005	31.12.2006	31.12.2005	
Sales	5	407,177,725.43	338,788,576.39	235,651,305.75	190,534,093.74
Cost of sales		295,150,055.74	243,555,614.55	168,699,904.99	134,481,637.85
Gross Profit		112,027,669.69	95,232,961.84	66,951,400.76	56,052,455.89
Selling expenses	19.1	84,839,912.06	68,971,537.98	30,427,593.03	28,429,377.14
Administrative expenses	19.1	21,209,978.02	17,242,884.50	7,606,898.26	7,107,344.28
Other operating income/(expenses) (net)	19.2	27,092,005.75	22,096,350.68	5,915,594.76	8,190,730.58
Operating income		33,069,785.36	31,114,890.04	34,832,504.23	28,706,465.05
Net financial expenses	19.3	9,090,248.59	10,560,202.94	5,098,890.99	5,391,376.04
Investing result	19.4	11,746,658.02	1,450,557.58	9,573,189.96	1,105,230.57
Earnings before tax		35,726,194.79	22,005,244.68	39,306,803.20	24,420,319.58
Income tax	20	11,981,603.41	9,277,647.70	10,912,443.71	8,373,309.73
Profits for the period		23,744,591.38	12,727,596.98	28,394,359.49	16,047,009.85
Attributable to:					
Parent company shareholders	21	25,500,579.50	13,115,159.48	28,394,359.49	16,047,009.85
Minority interest		(1,755,988.12)	(387,562.50)		
Earnings per share net of tax (in €)		1.94	1.00	2.16	1.22
Divident proposed per share (in €)				0.50	0.25
Average weighted No. of shares		13,162,500	13,162,500	13,162,500	13,162,500

STATEMENT OF CHANGES IN EQUITY

<i>amounts in euro</i>	Attributable to company shareholders				
	Share capital and premium on capital stock	Reserves	Results carried forward	Minority interest	Total equity
CONSOLIDATED FINANCIALS					
Balance on 1 January 2005	22,711,114	16,725,487	40,500,653	5,531,256	85,468,510
Adjustment		6,397,246	(13,337,612)	(745,639)	(7,686,005)
Fair value reserves			13,115,160	(387,563)	11,034,980
Net profit/loss for the period			(2,669,279)		(2,669,279)
Less: Dividends					0
Total net profit (loss) recognised for the period	0	6,397,246	(2,891,731)	(1,133,202)	2,372,313
Balance on 31 December 2005	22,711,114	23,122,733	37,608,922	4,398,054	87,840,823

<i>amounts in euro</i>	Attributable to company shareholders				
	Share capital and premium on capital stock	Reserves	Results carried forward	Minority interest	Total equity
CONSOLIDATED FINANCIALS					
Balance on 1 January 2006	22,711,114	23,122,733	37,608,922	4,398,054	87,840,823
Adjustment		968,807	2,018,622	(2,424,084)	563,345
Fair value reserves		(6,795,674)			(6,795,674)
Net profit/loss for the period			25,500,067	(1,755,476)	23,744,591
Less: Dividends			(3,344,141)		(3,344,141)
Total net profit (loss) recognised for the period	0	(5,826,867)	24,174,548	(4,179,560)	14,168,121
Balance on 31 December 2006	22,711,114	17,295,866	61,783,470	218,494	102,008,944

<i>amounts in euro</i>	Attributable to company shareholders				
	Share capital and premium on capital stock	Reserves	Results carried forward	Minority interest	Total equity
COMPANY FINANCIALS					
Balance on 1 January 2005	22,711,114	14,743,976	32,866,496	0	70,321,586
Adjustment		1,504,131	(6,433,645)		(4,929,514)
Net profit/loss for the period			16,047,010		16,047,010
Less: Dividends	0		(2,632,500)		(2,632,500)
Total net profit (loss) recognised for the period	0	1,504,131	6,980,865	0	8,484,996
Balance on 31 December 2005	22,711,114	16,248,107	39,847,361	0	78,806,582

<i>amounts in euro</i>	Attributable to company shareholders				
	Share capital and premium on capital stock	Reserves	Results carried forward	Minority interest	Total equity
COMPANY FINANCIALS					
Balance on 1 January 2006	22,711,114	16,248,107	39,847,361	0	78,806,582
Adjustment		1,160,381	(768,378)		392,004
Changes due to merger		246,930	(2,167,863)		(1,920,933)
Fair value reserves		5,084,759	(1,658,918)		3,425,841
Net profit/loss for the period			28,394,360		28,394,360
Less: Dividends			(3,290,625)		(3,290,625)
Total net profit (loss) recognised for the period	0	6,492,070	20,508,577	0	27,000,647
Balance on 31 December 2006	22,711,114	22,740,177	60,355,938	0	105,807,229

CASH FLOW STATEMENT				
(Amounts in €)				
	GROUP		COMPANY	
	31.12.2006	31.12.2005	31.12.2006	31.12.2005
Operating activities				
Earnings before tax	35,726,194.79	22,005,244.68	39,306,803.20	24,420,319.58
Plus/Minus adjustments for:				
Depreciation	19,879,763.39	13,874,531.72	3,044,733.15	1,467,906.90
Provisions	(1,819,723.05)	1,153,439.30	(1,581,303.80)	(104,258.24)
Results (income, expenses, profits & losses) from investing activities	(11,914,865.92)	(3,642,551.94)	(9,542,532.57)	(1,857,124.69)
Interest charges and related expenses	12,091,665.42	11,109,604.96	5,781,981.60	5,850,560.53
Plus / minus adjustments for changes in working capital accounts or related to operating activities				
Decrease/ (increase) in stocks	(4,862,291.58)	(21,225,890.75)	(1,590,026.80)	(7,035,973.43)
Decrease/ (increase) in receivables	(37,180,011.90)	(15,815,972.33)	(7,223,250.14)	2,596,923.74
(Decrease)/Increase in liabilities (save banks)	18,345,938.53	13,288,435.45	7,670,571.67	8,066,027.65
Less:				
Interest charges and related expenses paid	(11,953,509.62)	(9,794,959.66)	(5,869,814.04)	(5,737,293.56)
Tax paid	(9,922,022.95)	(16,859,932.92)	(8,678,472.17)	(15,127,828.91)
Total input/(output) from operating activities (a)	<u>8,391,137.11</u>	<u>(5,908,051.49)</u>	<u>21,318,690.10</u>	<u>12,539,259.57</u>
Investing Activities:				
Acquisition of subsidiaries, affiliates, joint ventures and other investments	(25,341,760.87)	(12,646,423.06)	(25,837,098.73)	(25,805,822.51)
Purchase of intangible and tangible assets	(51,835,947.92)	(22,938,949.58)	(13,399,674.03)	(3,728,532.83)
Proceeds on sale of intangible and tangible assets	22,059,829.00	9,379,247.93	1,397,635.62	499,950.51
Proceeds (payments) from sale (purchas) of investment securiteis (shares/ commercial papers)	13,856,022.12		13,225,183.06	
Interest received	1,395,475.51	509,207.46	601,429.45	420,689.11
Dividends collected	429,191.71	481,565.09	717,239.13	1,053,590.22
Total input/(output) from investing activities (b)	<u>(39,437,190.45)</u>	<u>(25,215,352.16)</u>	<u>(23,295,285.50)</u>	<u>(27,560,125.50)</u>
Financing Activities				
Proceeds from increase in share capital	0.00	0.00	0.00	0.00
Proceeds on loans issued/ taken out	72,356,630.28	109,764,743.32	8,602,388.63	80,000,000.00
Loan repayment	(23,929,838.89)	(66,191,310.38)	982,506.07	(63,778,695.85)
Leasing arrangement liabilities paid (instalments)	(7,375,884.42)	(6,464,014.45)		-
Dividends paid	(3,344,140.93)	(2,669,279.53)	(3,289,231.11)	(2,640,693.52)
Total input/ (output) from financing activities (c)	<u>37,706,766.04</u>	<u>34,440,138.96</u>	<u>6,295,663.59</u>	<u>13,580,610.63</u>
Net increase/ (decrease) in cash and cash equivalents (a) + (b) +(c)	6,660,712.70	3,316,735.31	4,319,068.19	(1,440,255.30)
Cash and cash equivalents of the merging affiliated companies			3,791,457.79	
Cash and cash equivalents at the beginning of the period	<u>22,127,267.31</u>	<u>18,810,532.00</u>	<u>11,765,757.16</u>	<u>13,206,012.46</u>
Cash and cash equivalents at the end of the period	<u>28,787,980.01</u>	<u>22,127,267.31</u>	<u>19,876,283.14</u>	<u>11,765,757.16</u>

GENERAL INFORMATION

These financial statements include the corporate financial statements of SFAKIANAKIS S.A. (the Company) and the consolidated financial statements of the Company and its subsidiaries (the Group).

The Company's main activity is the import and trade in cars, motorcycles and spare parts for Suzuki and Cadillac as well as Daf trucks, Berkhof buses and Landini farm machinery. The Group's retail activities include trade in Suzuki, Opel, Ford, Volvo and Cadillac cars and BMW cars and motorcycles. Moreover, the Group is involved in the manufacture of chasses and car bodies, car hire, trade in electronic and telecommunications materials and telecom services and insurance brokerage, IT and communications product distribution, design, implementation and support for integrated systems and technological solutions, providing all manner of telecom services and providing courier services.

The Group operates in Greece, Cyprus, Bulgaria, FYROM and Albania. Parent company's shares are traded on the Athens Stock Exchange.

The company's registered offices are in Greece in the Municipality of Athens, Attica at the junction of 5-7 Sidirokastrou St. & Pynas St. The company's website is www.sfakianakis.gr.

Merger of subsidiaries

During 2006 the subsidiaries AUTOTEAM S.A., AUTOLINK S.A., AUTOFORUM S.A. and CADILLAC HELLAS S.A. were merged by absorption with the parent company SFAKIANAKIS S.A. in line with Law 2166/1993 which operated in the retail sale of cars as official dealers for the manufacturers OPEL, FORD, VOLVO and CADILLAC.

The merger of these companies was approved by decision No. K2-18176 of the Ministry of Development on 22.12.2006. The transformation date was 31.10.2006 and the operations of the merged companies for the period 01.11 – 31.12.2006 was included in the parent company's financial statements. The consolidated results were included in the results for the period 01.01 – 31.10.2006 of the subsidiaries which were merged. This merger did not affect the consolidated financial statements.

Structure of the Group – Total Integration

The Group's structure after merger of the four subsidiaries is as follows:

COMPANY	Country	GROUP % HOLDING		Total
		Direct	Indirect	
SFAKIANAKIS S.A.	Greece	Parent company		Parent company
PERSONAL BEST S.A.	Greece	100.00%		100.00%
PANERGON S.A.	Greece	100.00%		100.00%
EXECUTIVE INSURANCE BROKERS S.A.	Greece	100.00%		100.00%
EXECUTIVE LEASE S.A.	Greece	100.00%		100.00%
MIRKAT OOD	Bulgaria	99.91%		99.91%
MIRKAT DOOEL SKOPJE	FYROM	100.00%		100.00%
SFAKIANAKIS EMPORIKI S.A.	Greece	97.00%	3.00%	100.00%
WIN LINK S.A.	Greece	40.00%		40.00%

2.1. Context within which the financial statements are drawn up

These financial statements of Sfakianakis S.A. relate to the period 01.01.2006 to 31.12.2006 and are complete. They have been prepared in accordance with the IFRS adopted by the European Union.

The accounting principles which are outlined below have been applied to all periods presented.

Preparation of the financial statements in accordance with the IFRS requires the use of accounting estimates and the exercise of judgement on how the accounting principles followed apply. These cases are outlined in Note 4.

The financial statements have been prepared on the basis of the historic cost principle amended by the adjustment in the value of real estate property to their fair (market) value in line with the exemption granted in IFRS 1, the valuation of investments in subsidiaries, affiliates and assets available for sale at fair value, and financial assets and liabilities at fair value in the income statement.

There are no changes to the accounting principles used compared to those used in preparation the financial reports for 31 December 2005.

The estimates and judgements made by Management are re-examined continuously and are based on historical data and expectations about future events which are considered reasonable in light of current circumstances.

2.1.1 Impact of newly issued accounting standards and interpretations

The IASB and the IFRIC have issued new accounting standards and interpretations. Management estimates concerning their impacts are as follows:

IAS 19 (Revision) Employee benefits: (Valid from 01.01.2006) According to this amendment, IAS 19 grants an option for new accounting of how actuarial profits and losses from certain pension plan benefits. It permits full posting of the actuarial profits and losses direct to equity. It also clarifies how economic units should take into account defined employment benefit plans in their financial statements and requires disclosure of

supplementary information. The Company did not review its current accounting principles for recognising liabilities in terms of employee benefits.

IAS 39 (Revision) Accounting offsetting of cash flows to calculate intragroup transactions:

(Valid from 01.01.2006) This revision permits a FX risk for a very likely intragroup transaction to be deemed subject to a hedge in the financial statements where: (a) the transaction is conducted in a currency other than the current currency of the entity entering into the transaction and (b) the FX risk will affect the profits or losses. On 31.12.2006 there were not expected transactions between the Company and the companies in the Sfakianakis Group which could be deemed hedges.

IAS 39 (Revision), Selection of fair value: (Valid from 01.01.2006) This revision changes the definition of financial instruments which have been presented at fair value in the income statement and limits the ability to place financial instruments in this category. The company did not use this option in its financial statements.

IAS 39 and IFRS 4 (amendment) – Financial guarantee contracts: (Valid from 01.01.2006). This revision seeks to ensure that the issuers of financial guarantee contracts include the liabilities arising in their balance sheet. In particular, the issuer of such a contract should initially recognise it at fair value (unless it is considered to be an insurance contract) and then value at either whichever of the following values is higher: (a) the amount arising on the basis of the principles in IAS 37 on Provisions and (b) the amount initially recognised less the amount already posted as income in accordance with IAS 18 on income recognition. These amendments had no impact on the Company's financial statements.

IAS 21 (Revision) The effects of changes in foreign exchange rates: (valid from 01.01.2006). This amendment permits foreign exchange difference arising from monetary assets which are part of the net investment in economic units abroad to be posted directly to consolidated equity even when those assets are expressed in a currency other than the functional currency of the Group's counterparties. These amendments do not affect the Group's financial statements.

IFRS 1 (Revision) First-time adoption of the International Financial Reporting Standards and IFRS 6 (Revision) Exploration for and evaluation of mineral resources: (Valid from 01.01.2006) These revisions are not related to company activities since it is not applying the IFRS for the first time and does not explore for and evaluate mineral resources.

IFRIC 3: Emission rights: This interpretation was withdrawn by IFRIC.

IFRIC 4: Determining whether an arrangement contains a lease: (Valid from 01.01.2006) IFRIC 4 requires a determination of whether a receivable is or includes a lease based on the substance of the receivable. It requires an assessment of whether: (a) fulfilment of the receivable depends on the use of the specific asset and (b) the receivable transfers the right to use the asset. This is not applicable to the Group and will not affect its financial statements.

IFRIC 5: Rights to Interests Arising from Decommissioning, Restoration and Environmental Funds: (Valid from 01.01.2006). This is not applicable to the Group and will not affect its financial statements.

IFRIC 6: Liabilities Arising from Participating in a Specific Market - Waste Electrical and Electronic Equipment: (Valid from 01.01.2005). This is applicable to the Group and will not affect its financial statements.

The IASB issued the following standards and interpretations which were adopted by the EU and implementation thereof is mandatory after 01.01.2006.

IFRS 7: Financial Instruments - Disclosures: This standard is mandatory for accounting periods commencing after 01.01.2007. It is not expected to have a significant impact on the financial statements. This standard primarily requires additional disclosures about financial instruments.

IFRIC 7: Applying the Restatement Approach under IAS 29 - Financial Reporting in Hyperinflationary Economies: (Valid from 01.03.2006). This is not applicable to the Group and will not affect its financial statements.

IFRIC 8: Scope of IFRS 2: (Valid from 01.05.2006). This is not applicable to the Group and will not affect its financial statements.

IFRIC 9: Reassessment of Embedded Derivatives: (Valid from 01.06.2006). This is not applicable to the Group and will not affect its financial statements.

2.2. Consolidation

Subsidiaries

The consolidated financial statements include the financial statements of the company and the business units controlled by the company (its subsidiaries) on 31.12.2006.

Control is achieved where the company has the power to determine financial and operating decisions of a business unit so as to acquire benefits from its activities.

In acquiring a business, assets, liabilities and contingent liabilities on the acquisition date are valued at fair value.

The cost of acquisition, to the extent that it exceeds the fair value of the net assets acquired (assets – liabilities – contingent liabilities) is posted as goodwill to the accounting period in which the acquisition occurred.

Where the cost of acquisition is less than the fair value the difference is posted to the results of the accounting period in which the acquisition occurred.

The results of subsidiaries acquired or sold within an accounting period are included in the consolidated income statement from or up to the date of acquisition or sale respectively.

Financial statements of subsidiaries are suitably adjusted so that they are prepared based on Group accounting principles.

Intragroup transactions, intragroup balances and intragroup income and expenses are crossed out during consolidation.

Participations in subsidiaries in the separate balance sheet of the parent company are valued at acquisition cost less impairment losses.

In the parent company's separate balance sheet they are valued at fair value with the changes posted to equity.

Investments in associates

Associates are business units over which the Group can exercise substantive influence but not control or joint control. Substantive control is exercised via participation in financial and operational decisions of the business unit.

Investments in associates are presented in the balance sheet at cost, adjusted to the later changes in the Group's holding in the net assets of the associate, taking into account any impairment to the value of individual investments. Losses of associates other than Group rights in them are not posted.

The cost of acquisition of an associate, to the extent that it exceeds the fair value of the net assets acquired (assets – liabilities – contingent liabilities) is posted as goodwill to the accounting period in which the acquisition occurred in the account 'Investments in associates'.

In the parent company's separate balance sheet investments in associates are valued at fair value with the changes posted to equity.

2.3. Segmental 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 a geographical area engaged in providing products or services that are subject to risks and returns that are different from those of other areas.

Sales in Greece are treated as one geographical segment.

The Group is divided into three business/ geographical segments:

- (1) Domestic trade which is the main segment of activity for the parent company and group which operate in Greece. The greatest part relates to wholesale and retail sale of cars and spare parts. There is also industrial activity which is minimal and this is not monitored separately.
- (2) Domestic services, which relates to all activities of the subsidiary Executive Lease (car hire) and Executive Insurance Brokers (insurance brokerage).

- (3) Foreign trade, which relates to the activities of the subsidiary MIRKAT OOD (dealer for Suzuki in Bulgaria) and MIRKAT DOOEL SKOPJE (dealer for Suzuki in Skopje).

2.4. Foreign Exchange differences from conversion

(a) Functional and presentation currency

The financial statements of the Group's entities are valued in the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in Euro, which is the parent company's functional 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.

Profits and losses from foreign exchange differences arising from conversion of currency units expressed in foreign currency during the period and on the balance sheet date at current exchange rates are posted to the results.

Foreign exchange differences from non-currency units valued at fair value are considered part of the fair value and thus are posted wherever fair value differences are posted.

(c) Companies in the Group

The conversion of the financial statements of companies in the Group which have a different functional currency than that of the parent company is done as follows:

Assets and liabilities are translated at the exchange rate at the date of that balance sheet.

Equity is translated at the exchange rate at the date on which it arose.

The foreign exchange differences arising are posted to an equity reserve and are recognised in the income statement when the businesses are sold.

Goodwill and adjustments in fair value generated during the acquisition of business units abroad are translated using exchange rates on the balance sheet date.

2.5 Tangible Assets

a) Property, plant and equipment (tangible assets) used by company itself

Tangible assets (property, plant and equipment), apart from production-related property, are valued at acquisition cost less accumulated depreciation and impairment losses. The cost of acquisition includes all directly payable expenses for acquiring assets.

Expenses incurred in later periods increase the book value of tangible assets only where it is likely that in the future they will generate financial benefits for the Group and their cost can be reliably estimated. The cost of repairs and maintenance is posted to the results when incurred.

Residual value and the useful life of tangible assets are subject to re-examination on each balance sheet date.

When the book value of property, plant and equipment exceeds the recoverable value the differences (impairment) are posted as expenses to the results (Note 2.7).

Plots – lots are not depreciated. Depreciation of other tangible assets is calculated using the straight line method over their useful life as follows:

Buildings	25-40 YEARS
Machinery & equipment	12-15 YEARS
Cars	4-6 YEARS
Other equipment	5-7 YEARS

The residual values are not recognized. When the tangible assets are sold, differences between the price received and the book value are posted as profits or losses in the income statement.

b) Investments in Property

Investments in property are valued at acquisition cost less depreciation and impairment losses.

2.6 Intangible Assets

(a) Goodwill

Goodwill represents the difference between the cost and fair value of individual assets and liabilities upon acquisition of subsidiaries, associates or jointly controlled companies. Goodwill upon acquisition of associates includes the cost of investment.

Goodwill is posted as an asset and audited at least annually for impairment.

To check goodwill, in order to ascertain if there is impairment, goodwill is allocated to the cash-generating units which represent the primary segmental reporting.

(b) Trademarks and licences

Trademarks and licences are valued at acquisition cost less depreciation. Depreciation is recorded using the straight line method over the useful life of the assets which ranges from 10 to 15 years.

(c) Software

Software licences are valued at acquisition cost less depreciation. Depreciation is recorded using the straight line method over the useful life of the assets which ranges from 3 to 5 years.

2.7 Impairment testing of tangible and intangible assets

Intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment.

Assets subject to depreciation are tested for impairment, when there are indications that their book value cannot be recovered.

The recoverable value is either the fair value less the amount required for the cost of sale or the usage value of the asset whichever is higher. The usage value is determined using discounted future cash flows with a suitable discount rate.

If the recoverable value is less than the carried value, then the carried value is reduced to the level of the recoverable value.

Impairment losses are posted as expenses in the income statement for the accounting period in which they were incurred.

When the impairment loss in a later period has to be reversed, the carried value of the asset is increased up to the level of the revised assessment of recoverable value to the extent that the new carried value does not exceed the carried value which would have been determined had the impairment loss not been posted in previous periods.

Reversal of the impairment loss is posted to income. To assess impairment losses assets are placed in the smallest possible cash-generating units.

2.8 Financial assets

The Group classifies financial assets in the following categories:

a) Receivables from customers

Receivables from customers are posted initially at fair value and later valued at carried cost using the actual interest rate less impairment losses. Impairment losses (losses from bad debt) are recognised when there are objective indications that the Group is not in a position to collect the amounts due based on contractual terms. The amount of the impairment loss is the difference between the book value of receivables and the present value of estimated future cash flows, discounted at the effective interest rate. The amount of impairment loss is recognised in the income statement as an expense.

b) Loans and other receivables

This includes non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. These are created when the Group provides money or goods and services and there is no intention to sell these assets.

c) Held-to-maturity investments

This includes non-derivative financial assets with fixed or determinable payments and a specific maturity date which the Group intends to and is capable of holding to maturity.

d) Available-for-sale financial assets

This includes non-derivative financial assets which cannot be included in any of the foregoing categories. They are included in non-current assets unless Management intends to dispose of them within 12 months of the balance sheet date.

Financial assets held for sale are valued at fair value and the relevant profits or losses posted to an equity reserve until the assets are sold or recognised as impaired. Upon sale or when recognised as impaired, the profits or losses are transferred to the results.

Fair value determination

The fair values of investments quoted on active markets are designated based on current prices. In the case of non-quoted assets, fair value is determined using valuation techniques such as discounted future cash flows and option valuation models.

On each balance sheet date the Group ascertains if there are objective indications which lead to the conclusion that the financial assets are impaired. In the case of equity investments classified as available for sale, a significant or prolonged decline in the fair value of the security below its cost is considered an indication of impairment. If impairment is identified, the cumulative loss, which is the difference between the acquisition cost and fair value, is recognised in the income statement.

2.9. Hedging activities**Cash flow hedges**

The effective proportion of change in the fair value of derivatives defined as cash flow change hedges are posted to an equity reserve. The gain or loss on the non-effective proportion is posted to the results. The amounts posted as an equity reserve are carried forward to the results of the periods where the hedged assets affect profits or losses. In cases of hedging forecast future transactions which result in recognition of a non-monetary asset, profits or losses which had been posted to equity are carried forward to acquisition cost of the non-financial asset generated.

When a hedge matures or is sold or when the hedging proportion no longer meets the hedge accounting criteria, the profits and losses accrued to equity remain as a reserve and are carried forward to the results when the hedge affects profits or losses. In the case of a hedge on a forecast future transaction which is no longer expected to be realised, the profits or losses accrued to equity are carried forward to the income statement.

2.10 Inventories

Inventory is valued at acquisition cost or net realisable value which is lower. The cost of acquisition is designated using the average weighted cost method.

Net realisable value is assessed based on current sale prices of stocks in the context of normal activities less any sales expenses which apply in the case.

2.11 Cash and cash equivalents

Cash and cash equivalents include cash in sight deposits and short-term investments of up to 3 months which are highly-realizable and low risk.

2.12 Share capital

Ordinary shares are posted as equity.

Direct costs for the issuing of shares are presented after deducting the income tax applied to reduce the proceeds of the issue. Direct costs related to the issuing of shares to acquire businesses are included in the cost of acquiring the business acquired. There were no own share transactions.

2.13 Borrowings

Accounting principles

The cost of borrowing arising from the construction of production-related assets is capitalised during the period required to complete and prepare the asset for the use for which it is intended. Other borrowing costs are posted as expenses.

Net financial cost

Loans are posted initially at fair value less any direct costs for entering into the transaction. Later they are valued at carried cost using the effective interest rate. The Group has not liabilities from convertible corporate bonds.

2.14. Deferred income tax

Deferred income tax is calculated using the liability method which arises from temporary differences between the book value and taxation basis of the assets and liabilities.

Deferred tax is calculated at the tax rates applicable on the balance sheet date or those which will apply in the accounting periods in which the assets are expected to be acquired or the liabilities settled.

Deferred tax assets are posted to the extent that there will be a future taxable profit for use of the temporary difference generated by the deferred tax assets.

2.15 Employee benefits

Short-term benefits

Short-term benefits to staff in cash and kind are posted as expenses when accrued.

Staff leaving indemnity benefits

Leaving indemnity benefits are paid when employees depart before their retirement date. The Group posts these benefits when it undertakes either to terminate the employment of current employees in line with a detailed plan which is not likely to be withdrawn or when these benefits are offered as an incentive for voluntary redundancy. Leaving indemnity benefits due 12 months after the balance sheet date are discounted.

Provisions for post-employment benefits

The liability which is posted to the financial statements for defined benefit plans is the current value of the commitment for the defined benefit.

Independent actuaries using the projected unit credit method calculate the defined benefit obligation (compensation under Law 2112/1920 in the year of departure) each year.

2.16 Provisions

Provisions are recognised when the Group has current legal or presumed commitments as a result of incidents in the past, their clearance is likely via outputs and the level of the liability can be reliably estimated. Provisions are valued on the balance sheet date and are

adjusted in order to reflect the current value of the expense which is expected to be required to settle the liability. Contingent liabilities are not recognised in the financial statements but are disclosed unless there is likelihood of a resource output incorporating financial benefits. Contingent assets are not recognised in the financial statements but are disclosed where the input of financial benefits is likely.

2.17 Income recognition

Income is recognised at fair value of the sale of goods and services, before VAT and other taxes and net of discounts and returns. Intragroup revenue is completely crossed out. Revenue is recognised as follows:

a) Sales of goods

Sales of goods are recognised where the Group delivers goods to customers, the goods are accepted by them and the collection of the receivables is reasonably secured.

b) Services

Income from services is booked based on the service completion stage compared to the total estimated cost.

c) Income from interest

Interest income is recognised on a time proportion basis using the effective or presumed interest method. When there is an indication of impairment of the receivable the book value is reduced to the recoverable amount which is the net value of expected future cash flows discounted using the initial effective interest rate.

d) Income from royalties

Income from royalties is booked based on accrued income arising from the substantive terms of the relevant contracts.

e) Dividends

Dividends are recognised as income when the right to receive payment is established.

2.18 Leasing

Leasing arrangements, where in effect the risk and rights of ownership remain with the lessor, are posted as operational leasing arrangements. Other leasing arrangements are classified as finance leases.

Lessor

The group does not function as a lessor for financial leases.

Lessee

The lease payments made for operating leases are posted as expenses to the results on a systematic basis during the lease.

Assets held under finance leases are posted as Group assets valued upon signing of the lease at fair value or, where lower, at the present value of the minimum payable lease payments. The relevant liability to the lessor is posted to the balance sheet as a finance lease liability. Lease payments are allocated to financial expenses and to payment of liability in a manner which generates a fixed interest rate from time to time. The financial cost is posted to expenses.

2.19 Dividend Distribution

Dividends distributed to shareholders in the parent company are presented in the consolidated financial statements on the date that dividend distribution is approved by the General Meeting of the Shareholders.

3.1 Financial risk factors

The Group is exposed to financial risks, primarily market risk (changes in exchange rates, interest rates, market prices), credit risk and liquidity risk. The Group's general risk management plan focuses on the unpredictability of financial markets and seeks to minimise potential negative impacts on Group financial performance.

Risk management is effected by the Group's central financial services which operate on the basis of specific rules that have been approved by the Board of Directors. The Board of Directors provides guidelines and instructions on general risk management and special instructions on managing specific risks such as exchange rate risk, interest rate risk and credit risk.

(a) Market Risk

The Group operates in Greece and thus the greater part of Group sales are generated in Euro. However, part of the Group's merchandise is purchased in Japanese Yen.

(b) Credit Risk

The greater part of sales are in cash or with customer bank financing and thus the Group is not exposed to credit risk.

(c) Liquidity risk

Liquidity risks remains low given that adequate credit limits have been obtained from financial institutions and at the same time cash is at satisfactory levels. Effect cash flow management is utilized.

(d) Interest rate fluctuation risk

The Group's borrowing liabilities are associated with floating interest rates which can either remain floating or be converted to fixed rates depending on the circumstances.

The estimates and judgements made by Management are re-examined continuously and are based on historical data and expectations about future events which are considered reasonable in light of current circumstances.

The Group makes estimates and assumptions about the development of future events. Estimates and assumptions which entail a significant risk of substantive adjustments in the book value of assets and liabilities

The Group's judgement is required to calculate:

- a) The provision for income tax. There are many transactions and calculations for which the final level of tax is uncertain. If the final tax is different from that initially recognised the difference will affect income tax and the provision for deferred taxation for that period.
- b) The useful life of assets, change in which will affect depreciation and the results of later accounting periods.
- c) Interest rate levels.

Primary information sector - business segments

The Group is divided into three business/ geographical segments:

- a) Domestic trade
- b) Domestic service provision and
- c) Foreign trade.

The results per segment on 31.12.2006 and 31.12.2005 were as follows:

31-12-2006	Domestic trade	Domestic service provision	Foreign trade	Total
<i>amounts in euro</i>				
Total gross sales per segment	408,260,042	25,390,969	16,378,272	450,029,283
Domestic sales	(44,255,558)	1,404,000		(42,851,558)
Net Sales	364,004,484	26,794,970	16,378,272	407,177,725
Operating income	41,853,358	1,315,278	1,647,807	44,816,443
Financial Expenses	(11,312,935)	2,524,886	(302,200)	(9,090,249)
Earnings before tax	30,540,423	3,840,164	1,345,607	35,726,195
Income tax and other taxes (distributed to results)				(11,981,603)
Net profit				23,744,591
31-12-2005	Domestic trade	Domestic service provision	Foreign trade	Total
<i>amounts in euro</i>				
Total gross sales per segment	353,267,919	21,478,389	0	374,746,308
Domestic sales	(34,298,391)	(1,659,341)	0	(35,957,731)
Net Sales	318,969,528	19,819,049	0	338,788,576
Operating income	29,400,124	1,839,018	0	31,239,143
Financial Expenses	(7,322,550)	(1,911,348)	0	(9,233,898)
Earnings before tax	22,077,574	(72,330)	0	22,005,245
Income tax and other taxes (distributed to results)				(9,277,648)
Net profit				12,727,597

Transfers and transactions between segments (internal sales) are made at arm's length subject to the same terms applying to transactions with third parties.

The assets and liabilities of the segments on 31.12.2006 and 31.12.2005 are as follows:

Assets and liabilities per segment on 31 December 2006

	Domestic trade	Domestic service provision	Foreign trade	Total
<i>amounts in euro</i>				
Total assets	396,499,960	65,928,597	30,990,157	493,418,714
Total liabilities	303,965,601	62,140,883	25,303,287	391,409,771

Assets and liabilities per segment on 31 December 2005

	Domestic trade	Domestic service provision	Foreign trade	Total
<i>amounts in euro</i>				
Total assets	341,624,485	58,420,820	0	400,045,304
Total liabilities	259,193,617	53,010,864	0	312,204,481

The assets of these segments primarily include tangible assets, intangible assets, inventories, receivables and cash.

Segment liabilities include operating liabilities.

Parent Company

	Land -	Buildings & installations	Machinery-Installations-Miscellaneous Equipment	Motor vehicles	Furniture and Miscellaneous Equipment	Tangible assets in course of construction	Total
31/12/2005 Cost	32,987,827.38	26,895,459.62	642,500.53	1,489,364.58	3,405,273.65	251,140.84	65,671,566.60
Accumulated depreciation		(1,460,418.97)	(572,243.10)	(867,194.00)	(2,821,619.09)		(5,721,475.16)
Net book value 31/12/2005	32,987,827.38	25,435,040.65	70,257.43	622,170.58	583,654.56	251,140.84	59,950,091.44
Year 2006 Additions	6,048,452.03	3,452,213.81	173,291.68	1,283,260.12	560,268.15	357,425.81	11,874,911.60
Reductions/Transfers of Cost	6,552,300.00	5,185,190.54	1,579,850.13	4,552,712.07	2,129,411.58	290,000.00	20,289,464.32
Depreciation of the year		946,187.63	87,360.83	300,876.84	471,876.34	0.00	1,806,301.64
Reductions of depreciation		(1,838,647.77)	(973,428.81)	(574,267.02)	(1,353,853.80)	0.00	(4,740,197.40)
31/12/2006 Cost	45,588,579.41	35,532,863.97	2,395,642.34	7,325,336.77	6,094,953.38	898,566.65	97,835,942.52
Accumulated depreciation	0.00	(4,245,254.37)	(1,633,032.74)	(1,742,337.86)	(4,647,349.23)	0.00	(12,267,974.20)
Net book value 31/12/2006	45,588,579.41	31,287,609.60	762,609.60	5,582,998.91	1,447,604.15	898,566.65	85,567,968.32

Group

	Land -	Buildings & installations	Machinery-Installations-Miscellaneous Equipment	Motor vehicles	Furniture and Miscellaneous Equipment	Tangible assets in course of construction	Total
31/12/2005 Cost	57,310,127.38	39,665,956.66	3,035,938.45	61,216,911.84	9,025,753.80	267,040.84	170,521,728.97
Accumulated depreciation		(4,296,249.72)	(1,740,845.33)	(17,431,572.98)	(6,380,827.91)		(29,849,495.94)
Net book value 31/12/2005	57,310,127.38	35,369,706.94	1,295,093.12	43,785,338.86	2,644,925.89	267,040.84	140,672,233.03
Year 2006 Additions	6,048,452.03	5,479,650.02	947,169.18	35,567,186.08	1,690,552.77	631,525.81	50,364,535.89
Reductions/Transfers of Cost	108,933.93	(423,680.90)	(83,199.43)	(10,890,129.82)	-194,932.78	13,569.42	(11,469,439.60)
Depreciation of the year	0.00	1,866,090.07	414,991.86	14,906,320.57	1,307,164.90		18,494,567.41
Reductions of depreciation	0.00	(712,383.47)	(43,091.77)	(3,247,869.03)	(114,089.56)		(4,117,433.83)
31/12/2006 Cost	63,467,513.34	44,721,925.78	3,899,908.20	85,893,968.10	10,521,373.79	912,136.07	209,416,825.27
Accumulated depreciation	0.00	(5,449,956.31)	(2,112,745.42)	(29,090,024.52)	(7,573,903.25)	0.00	(44,226,629.51)
Net book value 31/12/2006	63,467,513.34	39,271,969.46	1,787,162.78	56,803,943.58	2,947,470.54	912,136.07	165,190,195.76

The acquisition cost of plots and lots is the presumed cost of 01.01.2004.

Plots and buildings were adjusted to fair value on 01.01.2004 by independent assessors. The adjustment was based on the fair market values of the properties.

There are mortgages and mortgage liens registered on the company's property worth a total of € 35,000,000 to secure bank loans (syndicated bond). There are no liens registered in respect of the property of the subsidiaries. Group and company fixed asset purchases for the period can be broken down as follows:

FIXED ASSET ADDITIONS	GROUP	COMPANY
Land	6,048,452.03	6,048,452.03
Buildings – building facilities	3,292,094.86	2,988,628.96
Other technical works	3,585.57	3,585.57
Plots for development (depreciable)	6,998.80	6,998.80
Third party buildings - facilities	2,176,970.79	453,000.48
Machinery	419,449.39	127,209.77
Technical Installations	223,719.33	10,500.00
Manually Operated Loading Machines	29,187.83	3,916.64
Tools	244,042.92	31,663.87
Machinery-Installations-Miscell. equipment (depreciable)	0.00	1.40
Mechanical Appliances	4,750.00	0.00
Other Mechanical Equipment	13,282.71	0.00
Machinery	12,737.00	0.00
Busses	131,873.69	131,873.69
Other cars	34,956,683.85	971,872.48
Trucks - tow-trucks - special use vehicles	120,686.91	1,010.00
Indoor vehicles	41,643.00	40,847.00
Other means of transport	42,456.47	1,411.59
Means of transport	137,596.80	0.00
Motorcycles	136,245.36	136,245.36
Furniture	342,658.21	18,436.60
Appliances	2,162.18	-1,154.71
Business machines	6,687.04	100
PCs and electrical units	261,805.60	73,602.14
Telecommunications Equipment	124,924.38	49,044.44
Other Equipment	888,318.79	420,239.68
Furniture	63,996.57	0.00
Buildings-facilities-technical works under construction	631,525.81	357,425.81
Total	50,364,535.89	11,874,911.60

Intangible assets can be broken down as follows:

INTANGIBLE ASSETS	Group		Company	
	31.12.2006	31.12.2005	31.12.2006	31.12.2005
Software Applications	1,889,194.00	1,324,747.57	1,113,341.58	594,623.88
Depreciation recorded on software applications	(1,154,846.76)	(840,229.78)	(659,298.70)	(454,401.28)
Total	734,347.24	484,517.79	454,042.88	140,222.60

Software is depreciated over 3 to 5 years.

Group account transactions in the period 01.01– 31.12.2006 can be broken down as follows:

	ACQUISITION COST				DEPRECIATION				CARRIED VALUE
	Total on 31.12.2005	Additions & Purchases in 2006	Reductions in 2006	Total on 31.12.2006	Depreciation up to 2005	Depreciation Recorded in 2006	Depreciation on Sold Items	Total Depreciation.	31.12.06
Software Applications	1,324,747.57	564,446.43	0.00	1,889,194.00	840,229.78	314,616.98	0.00	1,154,846.76	734,347.24

Goodwill	Group	
	31.12.2006	31.12.2005
MIRKAT OOD	2,104,596.00	0.00
ALPAN Ltd	1,256,852.00	0.00
ATHONIKI TECHNIKI S.A.	1,023,828.00	0.00
Total	4,385,276.00	0.00

This relates to the fair value of net assets of associates and subsidiaries (less liabilities) based on the accounting statements at the date of purchase as analytically presented in paragraph 9.3.

Group holdings fall into two categories, those consolidated using total consolidation method and those consolidated using the equity method.

The Extraordinary General Meeting of the Company on 30.10.2006 decided the acquisition of the total number of shares of the affiliated companies Autolink S.A. (mega dealer of Ford) and Autoforum S.A. (mega dealer of Volvo) via the purchase of 10 and 1 share respectively on their nominal value.

The increase of the percentage of the participation of SFAKIANAKIS S.A. to Autolink S.A. by 0.0001% was approved at one with the purchase of 10 shares from the shareholder Mr. Nikolao Sfakianaki with payment in cash the amount of € 3.00 (on their nominal value) as well as the increase of 0.0001% of the participation of SFAKIANAKIS S.A. to Autoforum S.A. was approved at one with the purchase of 1 share from the shareholder Mr. Nikolao Sfakianaki with payment in cash the amount of € 2.96 (on their nominal value). After the acquisition of the above mentioned percentages SFAKIANAKIS S.A. will own the total of the share capital both of Autolink S.A. and Autoforum S.A.

With the decision taken on the Ordinary General Meeting of the Shareholders on June 15th 2006 the increase of the percentage of participation of SFAKIANAKIS S.A. to Autoteam S.A. by 19.51% was approved via the purchase of 205,816 shares with payment in cash. After this purchase SFAKIANAKIS S.A. owns the 100% of the share capital of Autoteam S.A.

In 2006 subsidiaries involved in the retail sale of cars as official dealers of the manufacturers OPEL, FORD, VOLVO and CADILLAC were merged by absorption by the parent company SFAKIANAKIS S.A.

The companies merged/ absorbed are: Autoteam S.A., Autolink S.A., Autoforum S.A. and Cadillac Hellas S.A. The synergies and economies of scale which will arise from this merger combined with the improved productivity and effectiveness will further bolster the consolidated financial results of SFAKIANAKIS S.A.

The merger of these companies was approved by decision No. K2-18176 of the Ministry of Development on 22.12.2006.

9.1. Investments in subsidiaries

The valuation of all holdings on 31.12.2006, the country where each company is established and the percentage holding per category are as follows:

TOTAL CONSOLIDATION METHOD	ACQUISITION COST	DIFFERENCE IN FAIR VALUE	FAIR VALUE	COUNTRY	DIRECT	INDIRECT	TOTAL
PERSONAL BEST S.A.	6,629,040.39	(1,172,709.53)	5,456,330.86	Greece	100.00%		100.00%
PANERGO S.A.	7,439,722.41	281,428.43	7,721,150.84	Greece	100.00%		100.00%
EXECUTIVE INSURANCE BROKERS S.A.	146,735.15	1,170,227.43	1,316,962.58	Greece	100.00%		100.00%
EXECUTIVE LEASE S.A.	10,657,651.13	(1,131,337.15)	9,526,313.98	Greece	100.00%		100.00%
MIRKAT OOD	5,994,559.63	6,834,485.41	12,829,045.04	Bulgaria	99.91%		99.91%
MIRKAT DOOEL SKOPJE	205,000.00	0.00	205,000.00	FYROM	100.00%		100.00%
SFAKIANAKIS EMPORIKI S.A.	2,910,000.00	0.00	2,910,000.00	Greece	97.00%	3.00%	100.00%
WIN LINK S.A.	0.01	0.00	0.01	Greece	40.00%		40.00%
TOTAL	33,982,708.72	5,982,094.59	39,964,803.31				

Changes to the acquisition value in the period 01.01. – 31.12.2006 can be broken down as follows:

CORPORATE NAME	ACQUISITION COST ON 31.12.2005	MERGED BY THE PARENT COMPANY	ADDITIONS FROM MERGER	ADDITIONS & CHANGES IN 2006	ACQUISITION COST ON 31.12.06
PERSONAL BEST S.A.	6,629,040.39				6,629,040.39
AUTOTEAM S.A.	13,111,739.00	(13,111,739.00)			0.00
AUTOLINK S.A.	3,142,484.81	(3,142,484.81)			0.00
AUTOFORUM S.A.	2,038,530.00	(2,038,530.00)			0.00
PANERGO S.A.	7,263,863.00		175,859.41		7,439,722.41
EXECUTIVE INSURANCE BROKERS S.A.	132,061.63		14,673.52		146,735.15
EXECUTIVE LEASE S.A.	10,341,577.33		316,073.80		10,657,651.13
CADILLAC HELLAS S.A.	980,000.00	(980,000.00)			0.00
SPEEDEX S.A.	5,118,158.00			(5,118,158.00)	0.00
MIRKAT OOD	25.63			5,994,534.00	5,994,559.63
MIRKAT DOOEL SKOPJE	0.00			205,000.00	205,000.00
SFAKIANAKIS EMPORIKI S.A.	2,910,000.00			0.00	2,910,000.00
ALPAN ELECTROLINE Ltd	3,459,609.06			(3,459,609.06)	0.00
WIN LINK S.A.	3,000,000.00			(2,999,999.99)	0.01
TOTAL	58,127,088.85	(19,272,753.81)	506,606.73	(5,378,233.05)	33,982,708.72

Company's management decided that the loss from the participation in the companies WINLINK S.A. and SPEEDEX S.A. is permanent and proceeded to the deletion both of the cost value and the fair value reserve that had been created. Regarding the participation in the company ALPAN ELECTROLINE Ltd this is presented in the affiliated enterprises.

9.2. Investments in affiliated enterprises

AFFILIATES	ACQUISITION COST	CHANGES IN FAIR VALUE	FAIR VALUE	COUNTRY	% HOLDING
SPEEDEX S.A.	0.01	0.00	0.01	Greece	49.53%
ALPAN ELECTROLINE Ltd	6,950,627.70	(3,872,428.12)	3,078,199.58	Cyprus	40.00%
ATHONIKI TECHNIKI S.A.	13,000,000.01	213,848.08	12,786,151.93	Greece	49.90%
TOTAL	19,950,627.72	(3,658,580.04)	15,864,351.52		

The financials (in thousands of €) of affiliates on 31.12 were as follows:

AFFILIATES	ASSETS	LIABILITIES	INCOME	PROFIT or LOSSES
2006				
SPEEDEX S.A.	14,543	16,329	27,049	(661)
ALPAN ELECTROLINE Ltd	19,462	9,679	25,835	89
ATHONIKI TECHNIKI S.A.	72,660	43,709	36,765	1,054
2005				
SPEEDEX S.A.	14,675	16,294	25,867	(865)
ALPAN ELECTROLINE Ltd	17,457	11,222	20,672	(213)
ATHONIKI TECHNIKI S.A.	---	---	---	---

Changes in cost value of affiliated enterprises during 2006 are as follows:

AFFILIATES	Acquisition Cost 31.12.2005	Additions in 2006	Less Transfer in Results 2006	Acquisition Cost 31.12.2006
SPEEDEX S.A.	0.01	249,999.96	(249,999.96)	0.01
ALPAN ELECTROLINE Ltd	3,459,609.06	3,491,018.64	0.00	6,950,627.70
ATHONIKI TECHNIKI S.A.	0.00	13,000,000.01	0.00	13,000,000.01
TOTAL	3,459,609.07	16,741,018.61	(249,999.96)	19,950,627.72

The holdings in affiliates which are presented in the consolidated balance sheet are as follows:

AFFILIATES	FAIR VALUE	LESS GOODWILL	ACQUISITION COST 31.12.2006
SPEEDEX S.A.	0.01	0.00	0.01
ALPAN ELECTROLINE Ltd	3,078,199.58	1,256,852.16	1,821,347.42
ATHONIKI TECHNIKI S.A.	13,472,617.88	1,023,828.62	12,448,789.26
TOTAL	16,550,817.47	2,280,680.78	14,270,136.69

9.3. Holdings acquired in the period

Shares purchased in subsidiaries and affiliates in the period 01.01.2006 – 31.12.2006 are as follows:

COMPANY	Balance on 31.12.05	Purchases in 2006	Acquisition by the merger	Balance on 31.12.06
ALPAN ELECTROLINE LTD	3,459,609.06	3,491,018.64		6,950,627.70
MIRKAT OOD	25.63	5,994,534.00		5,994,559.63
EXECUTIVE INSURANCE BROKERS S.A.	132,061.63		14,673.52	146,735.15
EXECUTIVE LEASE S.A.	10,341,577.33		316,073.80	10,657,651.13
PANERGON S.A.	7,263,863.00		175,859.41	7,439,722.41
ATHONIKI TECHNIKI S.A.	0.00	13,000,000.01		13,000,000.01
MIRKAT DOOEL SKOPJE	0.00	205,000.00		205,000.00
Total	21,197,136.65	22,690,552.65	506,606.73	44,394,296.03

1) SFAKIANAKIS S.A., according to the 1671 decision of the Board of Directors made on 01.12.2005, increased its percentage of participation in the affiliate ALPAN ELECTROLINE Ltd from 25% to 40% participating in the increase of its share capital paying the amount of 2,000,000 Cyprus pounds.

The fair values of net assets (less the amount of liabilities) at acquisition date were as follows:

BALANCE SHEET - ALPAN ELECTROLINE LTD 31.12.2005	
Assets	6,670,818.78
Receivables	9,809,450.07
Cash	1,141,410.61
Total	17,621,679.47
(-) Liabilities	11,328,088.34
(+) Share Capital Increase	3,491,018.64
Total Equity 31.03.2006	9,784,609.77
(-) Minority	(4,090,834.24)
Equity of participation	5,693,775.54
(-) Acquisition cost of participation	(6,950,627.70)
Goodwill	1,256,852.16

The company is consolidated using the equity method.

2) SFAKIANAKIS S.A., according to the 1624 decision of the Board of Directors made on 26.01.2006, increased its participation in the company MIRKAT OOD from 0.3% to 99.91% with the buy out of 3,290 company shares paying € 5,994,380. After the purchase SFAKIANAKIS S.A. owns 3,300 company shares of the above company.

The fair values of net assets (less the amount of liabilities) at acquisition date were as follows:

BALANCE SHEET - MIRKAT OOD 31.03.2006	
Assets	765,915.24
Receivables	19,256,786.12
Cash	503,622.50
Total	20,526,323.86
(-) Liabilities	16,624,655.51
Total Equity 31.03.2006	3,901,668.35
(-) Minority	(11,705.01)
Equity of participation	3,889,963.34
(-) Acquisition cost of participation	(5,994,559.63)
Goodwill	2,104,596.29

The company is consolidated using the total consolidation method from the second quarter of 2006.

3) SFAKIANAKIS S.A., according to the 1652 decision of the Board of Directors made on 18.07.2006, decided the establishment of an Incorporate Company at Skopia with the name MIRKAT DOOEL SKOPJE and share capital € 5,000 SFAKIANAKIS S.A. covered completely the share capital of the established company by € 5,000 and was owner of the 100% of the share capital of the company.

With the decision of the Board of Directors of the company on November 21st 2006, € 200,000 was paid for an increase in the share capital of the subsidiary company MIRKAT DOOEL SKOPJE. The share capital of the above mentioned company comes to € 205,000. It should be noted that the company does not yet make commercial operations and is still in the phase of organization.

The company is consolidated using the total consolidation method from the fourth quarter of 2006.

4) SFAKIANAKIS S.A., according to the decision of the Board of Directors made on 26.10.2006, acquired the 49.90% of the share capital of ATHONIKI TECHNIKI S.A. paying € 13.0 million.

The acquisition of 49.90% of the share capital of ATHONIKI TECHNIKI S.A. was made with the purchase of shares from the shareholders by 19.19% with the payment of cash € 5.0 million as well as with the participation in the share capital increase of the company by 30.71% with the payment of cash € 8.0 million.

ATHONIKI TECHNIKI S.A. is a technical company and its headquarters are in Thessaloniki.

The fair values of net assets (less the amount of liabilities) at acquisition date were as follows:

BAANCE SHEET - ATHONIKI TECHNIKI S.A. 31.10.2006	
Assets	6,349,009.91
Receivables	67,078,419.12
Cash	1,495,522.38
Total	74,922,951.41
(-) Liabilities	50,922,607.95
Total Equity 31.10.2006	24,000,343.46
(-) Minority	12,024,172.07
Equity of participation	11,976,171.39
(-) Acquisition cost of participation	(13,000,000.01)
Goodwill	1,023,828.62

The company is consolidated using the equity method. From the acquisition date till 31.12.2006 ATHONIKI TECHNIKI S.A. performed profit after tax € 452,567.48 from which 49.90% that is € 225,831 were posted in profit from participations.

INVENTORIES	Group		Company	
	31.12.2006	31.12.2005	31.12.2006	31.12.2005
Merchandise	76,867,585.59	67,604,240.62	44,757,935.04	24,503,133.09
Work in progress	2,501,637.54	3,771,438.53	2,501,637.54	3,771,438.53
Raw direct and indirect materials - consumables, spare parts and containers	910,493.68	1,099,634.01	910,493.68	837,107.07
Provisions for inventory impairment	(1,300,000.00)	(1,575,303.33)	(600,000.00)	(1,275,303.33)
Total	78,979,716.81	70,900,009.83	47,570,066.26	27,836,375.36

An impairment provision is formed at the end of each accounting period for possible loss which may arise from the sale of out-dated inventory. Group inventories with a total acquisition cost of € 2,755,437.93 were valued on 31.12.2006 at a net realisable value of € 1,455,437.93, namely a value of € 1,300,000.00 less.

RECEIVABLES FROM CUSTOMERS

Long-term financial assets (non-current assets) can be broken down as follows:

TRADE AND OTHER RECEIVABLES (non-current)	Group		Company	
	31.12.2006	31.12.2005	31.12.2006	31.12.2005
Long-term bills receivable	20,813,075.20	13,735,982.12	1,196,291.54	1,275,033.01
Non-accrued interest on long-term bills receivable	(2,773,096)	(1,839,315)	(140,464)	(120,368)
RECEIVABLES FROM CUSTOMERS	18,039,979.50	11,896,667.48	1,055,827.48	1,154,665.24
Holding derivatives	1,526,000.00	0.00	1,526,000.00	0.00
Prepaid rent	0.00	885,130.67	0.00	0.00
Long-term financial assets	3,377,594.17	0.00	0.00	0.00
Receivables from leasing	16,154,234.97	0.00	0.00	0.00
Guarantees given	792,632.15	662,567.29	301,640.44	94,197.95
OTHER ASSETS	21,850,461.29	1,547,697.96	1,827,640.44	94,197.95
TOTAL	39,890,440.78	13,444,365.44	2,883,467.92	1,248,863.19

Non-accrued interest on notes is calculated using the effective interest rate.

The derivative whose present value is € 1,526,000 relates to an option to sell to the vendor of the participation of the parent company to WINLINK S.A.

Long-term receivables from customers relate exclusively to the activities of the subsidiary MIRKAT OOD and come from the sale of cars.

Short-term (current) assets can be broken down as follows:

TRADE AND OTHER RECEIVABLES (CURRENT)	Group		Company	
	31.12.2006	31.12.2005	31.12.2006	31.12.2005
Customers	49,870,956.51	38,735,170.82	30,389,786.49	16,200,124.58
Short-term notes	14,970,105.96	12,447,284.97	1,892,990.36	3,165,449.67
Cheques receivable	37,730,587.85	27,274,948.72	28,675,245.83	19,179,802.34
Less: Provision for customer bad debt	(4,636,631.08)	(4,365,425.14)	(1,672,000.00)	(1,650,000.00)
RECEIVABLES FROM CUSTOMERS	97,935,019.24	74,091,979.37	59,286,022.68	36,895,376.59
Current asset orders	34,583,631.02	39,825,816.99	30,507,245.68	34,693,197.46
Sundry debtors	15,327,184.26	17,898,052.43	7,726,469.65	11,840,492.58
OTHER ASSETS	49,910,815.28	57,723,869.42	38,233,715.33	46,533,690.04
TOTAL	147,845,834.52	131,815,848.79	97,519,738.01	83,429,066.63

The Sundry Debtors account can be broken down as follows:

SUNDRY DEBTORS	Group		Company	
	31.12.2006	31.12.2005	31.12.2006	31.12.2005
Advances to personnel	40,505.85	83,491.28	10,693.77	(27,589.44)
Greek state - advance & withholding tax	1,118,580.03	8,663,959.16	355,441.49	7,083,871.99
Greek state - other receivables	95,929.69	63,970.00	0.00	62,920.00
Supplier guarantee accounts	2,248,096.76	1,490,240.39	1,172,834.52	1,147,145.93
Sundry debtors	2,177,221.69	275,716.31	408,630.49	0.00
Other sundry debtors in €	6,981,665.93	4,634,143.62	4,417,855.78	3,351,460.22
Other contested debtors	(2,951.47)	(4,604.38)	2,693.14	0.00
Customs clearance - accounts payable	11,405.53	16,542.75	(15,293.69)	(32,346.84)
Prepaid expenses	2,656,730.25	2,674,593.30	1,373,614.15	255,030.72
Total	15,327,184.26	17,898,052.43	7,726,469.65	11,840,492.58

The greater part of sales are in cash or customer bank financing and thus the Group has limited credit risk given that a major part of its receivables from customers are covered by guarantees provided (guarantee letters or liens).

11.1 Financial assets available for sale

FINANCIAL ASSETS AVAILABLE FOR SALE	Group		Company	
	31.12.2006	31.12.2005	31.12.2006	31.12.2005
Shares listed on ATHEX	3,431,430.76	11,563,547.58	2,952,400.00	10,853,708.89
Shares not listed on ATHEX	1,405,124.01	1,544,427.80	1,277,326.66	1,353,982.37
Domestic mutual fund shares	5,067,422.01	4,172,172.74	5,067,422.01	4,172,172.74
TOTAL	9,903,976.78	17,280,148.12	9,297,148.67	16,379,864.00

The valuation of securities listed on ATHEX was effectuated at the spot price on 31.12.2006. Non-listed securities were valued at fair value.

SFAKIANAKIS S.A.		
PORTFOLIO VALUATION ON 31.12.2006		
SHARES	QUANTITY	CURRENT VALUE ON 31.12.2006
SHARES LISTED ON ATHEX		
NATIONAL BANK S.A.	15,000	523,500.00
MINOAN LINES S.A.	166,000	693,880.00
ATHENS MEDICAL CENTRE S.A.	32,000	160,000.00
ETHNIKI ASFALISTIKI S.A.	9,000	50,220.00
SIDENOR S.A.	70,000	621,600.00
ELBISCO HOLDING S.A.	40,000	80,000.00
EFG EUROBK - ERGASIAS S.A.	30,000	823,200.00
TOTAL (A)		2,952,400.00
SHARES NOT LISTED ON ATHEX		
HELLENIC SEAWAYS	150,000	383,390.76
CLUB HOTEL CASINO LOUTRAKI	748,340	893,935.91
TOTAL (B)		1,277,326.66
MUTUAL FUNDS		
HERMES DYNAMIC FUND	153,966.97	4,633,512.85
MARFIN MEDIUM DOMESTIC EQUITY FUND	111,892.82	433,909.16
TOTAL (C)		5,067,422.01
GRAND TOTAL (A+B+C)		9,297,148.67
PERSONAL BEST S.A.		
PORTFOLIO VALUATION ON 31.12.2006		
SHARES	QUANTITY	CURRENT VALUE ON 31.12.2006
SHARES LISTED ON ATHEX		
OTE S.A.	3,400	77,384.00
ELLINIKI TECHNODOMIKI S.A.	15,000	126,900.00
MINOAN LINES S.A.	29,360	122,724.80
EYDAP S.A.	6,000	43,320.00
PIRAEUS BANK S.A.	3,553	86,764.28
HELLENIC PETROLEUM S.A.	2,000	20,880.00
TOTAL (A)		477,973.08
SHARES NOT LISTED ON ATHEX		
HELLENIC SEAWAYS	50,000	127,797.35
TOTAL (B)		127,797.35
GRAND TOTAL (A+B)		605,770.43

WINLINK S.A.		
PORTFOLIO VALUATION ON 31.12.2006		
SHARES	QUANTITY	CURRENT VALUE ON 31.12.2006
SHARES LISTED ON ATHEX		
RADIO KORASIDI S.A.	4,680	1,057.68
TOTAL		1,057.68

GROUP SECURITIES	
	ΤΡΕΧΟΥΣΑ 31/12/06
SHARES LISTED ON ATHEX	3,431,430.76
SHARES NOT LISTED ON ATHEX	1,405,124.01
MUTUAL FUNDS	5,067,422.01
TOTAL ON 31.12.2006	9,903,976.78

The breakdown of cash assets is as follows:

CASH AND CASH EQUIVALENTS	Group		Company	
	31.12.2006	31.12.2005	31.12.2006	31.12.2005
Cash on hand	586,977.38	345,135.68	300,800.89	53,916.67
Sight Deposits	11,271,983.57	9,173,720.51	5,255,655.16	2,513,324.68
Time deposits	6,251,004.84	7,057,810.60	3,641,813.20	3,650,000.00
FX Sight deposits	10,678,013.89	5,550,600.51	10,678,013.89	5,548,515.81
TOTAL	28,787,979.68	22,127,267.30	19,876,283.14	11,765,757.16

Time deposits are of a few days (1-3) with an annual net interest rate ranging from 2.13% to 3.50%.

13.1. Share capital

13,162,500 ordinary shares have been issued with a nominal value of € 0.92 each, namely a total of € 12,109,500. All shares issued have been subscribed in full. The sum of € 10,601,614.09 was paid as a premium on capital stock.

	Group		Company	
	31.12.2006	31.12.2005	31.12.2006	31.12.2005
Share Capital	12,109,500.00	12,109,500.00	12,109,500.00	12,109,500.00
Premium on capital stock	10,601,614.09	10,601,614.09	10,601,614.09	10,601,614.09

The Ordinary General Meeting of 15.06.2006 decided to increase the company's share capital by € 526,500.00 by capitalising:

- i) Reserves from the adjustment in the value of assets by € 479,580.35. The sum of € 22,193.64 relates to reserves which arose from the adjustment on 31.12.2000 and the sum of € 457,386.71 relates to reserves which arose from the adjustment on 31.12.2004.
- ii) Special reserves from income taxed in line with special provisions, € 46,919.65 by increasing the nominal value of shares from € 0.92 to € 0.96.

This increase has not yet been approved by the competent authorities and is not shown in the company's financial statements.

13.2 Fair value reserves

FAIR VALUE RESERVES	Group		Company	
	31.12.2006	31.12.2005	31.12.2006	31.12.2005
Investments fair value reserve	1,297,752.67	8,093,426.55	7,046,277.18	1,961,518.25
TOTAL	1,297,752.67	8,093,426.55	7,046,277.18	1,961,518.25

These can be broken down as follows:

FAIR VALUE RESERVES	Group		Company	
	31.12.2006	31.12.2005	31.12.2006	31.12.2005
Participations consolidated	0.00	0.00	5,982,094.59	(6,131,908.30)
Affiliates	(3,658,580.04)	0.00	(3,658,580.04)	0.00
Shares listed on ATHEX	2,156,868.43	6,241,868.56	1,912,154.84	6,241,868.56
Shares not listed on ATHEX	52,657.02	0.00	63,800.53	0.00
Mutual Funds	2,746,807.26	1,851,557.99	2,746,807.26	1,851,557.99
TOTAL	1,297,752.67	8,093,426.55	7,046,277.18	1,961,518.25

13.3. Other reserves

OTHER RESERVES	Group		Company	
	31.12.2006	31.12.2005	31.12.2006	31.12.2005
Statutory Reserve	5,015,883.11	4,120,147.85	4,842,208.46	3,940,422.31
Special Reserves	505,034.81	276,352.90	500,804.60	272,122.69
Extraordinary Reserves	1,364,985.84	1,364,985.84	1,248,106.37	1,085,591.45
Difference From Adjustment				
In Value Of Holdings - Securities	161.37	161.37	161.37	161.37
Difference From Adjustment Of Value Of Other Assets	5,329.05	0.00	0.00	0.00
Untaxed Reserves Under Special Provisions Of Law	8,804.11	271,276.44	8,804.11	0.00
Other Reserves	124.34	0.00	0.00	0.00
Tax-Exempt Income Reserves	2,884.25	2,884.25	0.00	0.00
Special Taxation Reserves	9,090,555.88	8,989,147.17	9,089,700.01	8,988,291.30
Difference From Conversion Of Capital To Euro	4,350.14	4,350.14	4,115.00	0.00
TOTAL	15,998,112.90	15,029,305.96	15,693,899.92	14,286,589.12

The special and extraordinary reserves come from prior periods and in the case of distribution or capitalisation will be taxed at a rate of 3%. If reserves from items taxed under special provisions are distributed or capitalised, they will be taxed at the rates current at the time of distribution.

13.4. Results carried forward

RESULTS CARRIED FORWARD	Group		Company	
	31.12.2006	31.12.2005	31.12.2006	31.12.2005
Balance brought forward	38,038,878.70	24,881,325.23	31,961,578.42	23,800,351.00
Net profit for the period	23,744,591.38	12,727,596.98	28,394,359.49	16,047,010.00
TOTAL	61,783,470.08	37,608,922.21	60,355,937.91	39,847,361.00

14.1 Loans

Loans can be broken down as follows:

LONG-TERM LOANS	Group		Company	
	31.12.2006	31.12.2005	31.12.2006	31.12.2005
Syndicated bond in € not convertible to shares	76,000,000.00	80,000,000.00	72,000,000.00	80,000,000.00
Long-term bank liabilities in FX	1,826,462.85	971,922.25	0.00	971,922.25
	77,826,462.85	80,971,922.25	72,000,000.00	80,971,922.25
Less: Long-term corporate bond liabilities payable within the next 12 months	(9,200,000.00)	(8,000,000.00)	(9,200,000.00)	(8,000,000.00)
TOTAL LOANS	68,626,462.85	72,971,922.25	62,800,000.00	72,971,922.25
Long-term leasing liabilities	20,114,509.02	17,857,301.50	0.00	0.00
TOTAL	88,740,971.86	90,829,223.75	62,800,000.00	72,971,922.25

The repayments for the parent company's syndicated bond each year are presented in the following table:

Year	2006	2007	2008	2009	2010
amounts in €	8,000,000.00	9,200,000.00	9,200,000.00	9,200,000.00	44,400,000.00

The loan interest rate is floating and the effective interest rate is between 4.5% and 4.85%.

14.2 Short-term loans

Short-term loans can be broken down as follows:

SHORT-TERM LOANS	Group		Company	
	31.12.2006	31.12.2005	31.12.2006	31.12.2005
Short-term loans	150,806,332.29	91,539,138.68	71,085,100.91	22,409,322.92
Short-term corporate bond installments payable in next year	9,200,000.00	8,000,000.00	9,200,000.00	8,000,000.00
Short-term leasing instalments payable in next year (sinking fund)	10,345,810.50	8,009,754.47	0.00	0.00
Total	170,352,142.79	107,548,893.15	80,285,100.91	30,409,322.92

The parent company SFAKIANAKIS S.A. has given corporate guarantees to its subsidiaries as follows:

- EXECUTIVE LEASE S.A. for loans of € 25,726,638.13
- PERSONAL BEST S.A. for loans of € 3,500,000.00
- PANERGON S.A. for loans of € 39,640,725.00
- SFAKIANAKIS EMPORIKI S.A. for loans of € 8,000,000.00
- ALPAN ELECTROLINE Ltd letter of comfort for € 1,297,126.00.

The total level of guarantee letters to secure outstanding (open) liabilities on 31.12.2006 was € 22,908,098.62 while the total amount of guarantee letters to secure receivables was € 4,839,579.06.

14.3 Leasing obligations

The fixed assets include the following amounts which the Group holds as lessee under financial leases.

	Group	
	31.12.2006	31.12.2005
Cost of capitalising financial leases	44,525,952.31	36,005,607.00
Accumulated depreciation	(15,543,216.78)	(10,839,737.49)
Net book value	28,982,735.53	25,165,869.51

FINANCIAL LEASE OBLIGATIONS	Group	
	31.12.2006	31.12.2005
Long-term financial lease liabilities	20,106,358.49	17,857,301.50
Short-term financial lease liabilities	10,345,810.50	8,009,754.47
TOTAL LIABILITIES	30,452,168.99	25,867,055.97

Financial lease obligations are secured on rented tangible assets which devolve to the lessor in the case where the lessee is unable to pay its liabilities.

FINANCIAL LEASE OBLIGATIONS -	Group	
	31.12.2006	31.12.2005
MINIMUM LEASING PAYMENTS		
Up to 1 year	11,513,754.15	8,894,904.82
From 1 - 5 years	21,433,114.70	19,830,694.91
After 5 years	0.00	0.00
TOTAL	32,946,868.85	28,725,599.73
Future charges of financial cost at the financial leases	(2,494,699.86)	(2,858,543.76)
TOTAL	30,452,168.99	25,867,055.97

The current value of financial lease liabilities is as follows:

	Group	
	31.12.2006	31.12.2005
Up to 1 year	10,345,810.50	8,009,754.47
From 1 to 5 years	20,106,358.49	17,857,301.50
After 5 years	0.00	0.00
	30,452,168.99	25,867,055.97

Deferred tax assets are offset against deferred tax liabilities when there is a legitimate exercisable right of offset and both are subject to the same taxation authority. Deferred tax was calculated at a rate of 25%.

The breakdown of deferred tax assets and liabilities is set out below:

RECEIVABLES	Group		Company	
	31.12.2006	31.12.2005	31.12.2006	31.12.2005
From staff compensation	393,100.47	353,596.23	305,998.31	0.00
From provision for bad debt	763,390.67	1,081,166.11	417,745.55	0.00
From inventory value decline	234,357.31	393,825.83	150,000.00	0.00
Other interim differences	1,689,960.66	(700,184.24)	331,320.78	0.00
Tax losses	350,000.00	1,084,927.32	0.00	0.00
TOTAL	3,430,809.11	2,213,331.25	1,205,064.64	0.00

The deferred tax asset due to deductible tax losses of some subsidiaries arises based on provisions for offsetting the said losses against future profits.

LIABILITY	Group		Company	
	31.12.2006	31.12.2005	31.12.2006	31.12.2005
From adjustments to lots and buildings	13,545,861.64	12,834,471.18	10,735,604.87	7,767,482.43
From open tax periods	1,355,617.77	1,779,418.31	840,617.77	1,250,000.00
Other temporary differences	0.00	(1,773,327.50)	0.00	0.00
Total	14,901,479.41	12,840,561.99	11,576,222.64	9,017,482.43

The Company formed a provision for contingent liabilities which would arise from a tax audit of Group companies.

NO. OF STAFF EMPLOYED, COST AND PROVISIONS FOR COMPENSATION

16

The number of staff employed and the total cost to the parent company and Group subsidiaries can be broken down as follows:

	Group		Company	
	31.12.2006	31.12.2005	31.12.2006	31.12.2005
Total cost of employment	27,969,123.12	24,048,896.52	9,817,742.34	8,872,147.87
Staff Employed	1,584	1,493	504	488

PROVISIONS FOR EMPLOYEE BENEFITS	Group		Company	
	31.12.2006	31.12.2005	31.12.2006	31.12.2005
Personnel dismissal and retirement compensation provision	1,582,240.91	1,414,384.88	1,223,993.23	1,104,634.02

The obligation to pay compensation due to staff retirement is calculated using the projected unit credit method which considers that each year in service gives an additional unit of benefit entitlement and builds the total obligation, calculating each unit separately. Under this method the cost of past experience is the current value of any future benefit units which have been credited to employees for service in periods before the start of the plan or due to changes to the plan.

The estimated average weighted interest rate (4.25%) is used in discounting, while to mature the pay scale an annual figure of 3% is calculated (2% inflation under the Lisbon strategy for EU convergence + 1/3 of the average annual increase in GDP).

The company has assigned this calculation to recognised actuaries and the estimated obligation on 31.12.2006 has been booked and presented in the financial statements based on IAS 19.

Other provisions can be broken down as follows:

OTHER PROVISIONS	Group		Company	
	31.12.2006	31.12.2005	31.12.2006	31.12.2005
Provisions for contingencies and extraordinary expenses	1,400,000.00	1,400,000.00	1,400,000.00	1,400,000.00
Other provisions	37,114.19	35,000.00	0.00	0.00
Total	1,437,114.19	1,435,000.00	1,400,000.00	1,400,000.00

The provision of € 1,400,000.00 relates to contingent compensation from merchants of the network and was imputed to the results of the 2003 accounting period.

SUPPLIERS AND OTHER LIABILITIES	Group		Company	
	31.12.2006	31.12.2005	31.12.2006	31.12.2005
Suppliers	56,647,838.63	44,743,542.90	16,234,707.55	7,575,800.56
Notes payable in FX	23,827,169.08	23,004,287.54	23,827,169.08	22,965,504.20
Dividends payable	8,013.45	6,619.56	8,013.45	6,619.56
Cheques payable	11,215,209.38	9,070,791.79	4,271,039.95	2,809,504.63
Other short-term liabilities	13,927,172.57	10,543,249.27	8,825,404.73	3,707,200.85
Derivative-based liabilities	814,534.71	0.00	814,534.71	0.00
Accrued expenses	4,115,704.09	1,463,309.51	638,160.51	420,878.68
Total	110,555,641.91	88,831,800.57	54,619,029.98	37,485,508.48

Other short-term liabilities include:

OTHER SHORT-TERM LIABILITIES	Group		Company	
	31.12.2006	31.12.2005	31.12.2006	31.12.2005
Advances - other associates - third parties	790,941.66	925,401.51	746,758.39	938,963.32
Beneficiaries of financial guarantees	3,905,752.94	2,072,173.82	1,487,293.00	57,293.00
Tax and duties payable	1,055,248.75	1,513,168.11	610,516.68	628,330.79
Liabilities to insurance funds	1,163,541.57	1,071,390.69	631,044.15	314,355.31
Other short-term liabilities	7,011,687.65	4,961,115.14	5,349,792.51	1,768,258.43
TOTAL	13,927,172.57	10,543,249.27	8,825,404.73	3,707,200.85

Derivative-based liabilities

In order to hedge risk arising from liabilities denominated in JPY which mature in the first quarter of 2007 the Company entered into forwards. In particular it acquired 12 forwards of total amount JPY 4,550,000,000 worth € 29,969,028.78 (average exchange rate 151.82). The current value of the said derivative is € 814,534.71 (liability) and was imputed to the results for the period.

The corresponding (hedged) liabilities in JPY which are included in the Suppliers account were valued as normal at the spot price on 31.12.2006, that is 156.93 EURO/JPY, and the foreign exchange difference generated a profit which was also posted to the income statement.

18.1 Current Income tax

This account relates to a liability for income tax for the period at the currently applicable rate.

CURRENT INCOME TAX	Group		Company	
	31.12.2006	31.12.2005	31.12.2006	31.12.2005
Greek Public (Duties due)	0.00	76,161.40	0.00	0.00
Taxes & duties clearing account	0.00	0.00	(152,924.75)	0.00
Income tax for the period	3,821,906.32	9,191,908.93	3,071,979.23	7,960,788.65
TOTAL	3,821,906.32	9,268,070.33	2,919,054.48	7,960,788.65

Open tax periods

The income tax returns cited below from Greek companies in the Group have not been examined by the tax authorities yet with the result that tax fines and surcharges could be imposed when they are examined and finalised. A provision was formed in the financial statements imputed to the results of the period and prior periods. This liability is presented in section 15 (Deferred income tax).

Company	Country	Total % holding	Open tax periods
Total consolidation method			
PERSONAL BEST S.A.	Greece	100.00%	2005-2006
AUTOTEAM S.A.	Greece	100.00%	2004-2006
AUTOLINK S.A.	Greece	100.00%	2002-2006
AUTOFORUM S.A.	Greece	100.00%	2003-2006
PANERAGON S.A.	Greece	100.00%	2006
EXECUTIVE INSURANCE BROKERS S.A.	Greece	100.00%	2003-2006
EXECUTIVE LEASE S.A.	Greece	100.00%	2002-2006
CADILLAC HELLAS S.A.	Greece	100.00%	2005-2006
WIN LINK S.A.	Greece	40.00%	2003-2006
SFAKIANAKIS EMPORIKI S.A.	Greece	100.00%	2006
MIRKAT OOD	Bulgaria	99.91%	2003-2006
MIRKAT DOOEL SKOPJE	FYROM	100.00%	1st fiscal year
SFAKIANAKIS S.A.	Greece	Parent company	2006

19.1 Breakdown of expenditure

The main categories of expenditure can be broken down as follows:

BREAKDOWN OF EXPENDITURE AND OTHER EXPENSES	Group		Company	
	31.12.2006	31.12.2005	31.12.2006	31.12.2005
Staff salaries and expenses	27,969,123.12	24,048,896.52	9,817,742.34	8,872,147.87
Third party fees and expenses	10,008,922.15	9,920,989.77	5,613,696.97	5,958,001.13
Charges for outside services	18,557,424.84	13,634,080.58	6,248,520.33	4,468,659.68
Taxes – Duties	3,009,858.25	2,407,338.98	1,013,545.37	656,248.92
Miscellaneous Expenses	21,690,681.58	18,374,007.84	11,720,712.53	12,186,954.10
Depreciation	19,879,763.39	13,874,531.72	3,044,733.15	1,467,906.90
Provisions / impairment	1,162,952.83	1,153,439	118,495	262,737.98
Other expenses	3,771,163.92	2,801,137.77	457,045.34	1,664,064.84
Total	106,049,890.08	86,214,422.48	38,034,491.29	35,536,721.42

This expenditure is presented (allocated) in the income statement as follows:

	Group		Company	
	31.12.2006	31.12.2005	31.12.2006	31.12.2005
Selling expenses	84,839,912.06	68,971,537.98	30,427,593.03	28,429,377.14
Administrative expenses	21,209,978.02	17,242,884.50	7,606,898.26	7,107,344.28
Cost of goods sold	0.00	0.00	0.00	0.00
TOTAL	106,049,890.08	86,214,422.48	38,034,491.29	35,536,721.42

Staff fees and expenses can be broken down as follows:

	Group		Company	
	31.12.2006	31.12.2005	31.12.2006	31.12.2005
Salaries and wages	21,805,235.58	18,868,615.48	7,943,996.78	7,075,770.19
Employer contributions	5,003,876.74	4,392,311.13	1,583,774.90	1,377,319.56
Other benefits	1,160,010.80	787,969.91	289,970.66	419,058.12
TOTAL	27,969,123.12	24,048,896.52	9,817,742.34	8,872,147.87

Third party fees can be broken down as follows:

CHARGES FOR OUTSIDE SERVICES	Group		Company	
	31.12.06	31.12.05	31.12.06	31.12.05
Electricity - waster supply for production - telecommunications	1,235,119.00	1,225,434.39	611,052.33	568,424.50
Rent	5,872,351.11	3,922,400.13	1,384,810.50	864,168.14
Insurance premiums & warehousing costs	3,985,035.51	3,110,550.17	519,654.09	324,983.77
Repairs & maintenance	2,957,223.76	2,452,007.94	771,449.20	355,491.37
Other third party benefits	4,507,695.46	2,923,687.95	2,961,554.21	2,355,591.90
Total	18,557,424.84	13,634,080.58	6,248,520.33	4,468,659.68

Sundry expenses can be broken down as follows:

MISCELLANEOUS EXPENSES	Group		Company	
	31.12.2006	31.12.2005	31.12.2006	31.12.2005
Transport costs	3,285,017.70	2,771,575.26	1,579,361.42	1,341,145.50
Promotion & advertising expenses	9,783,795.78	10,212,775.15	7,264,142.77	7,324,042.54
Subscriptions - contributions	335,375.60	269,344.39	252,759.26	205,242.61
Donations - Grants & XDE VAT	2,554,896.96	921,800.57	1,937,884.96	454,483.14
Printed materials and office supply expenses	561,236.29	514,252.20	256,125.83	237,535.43
Direct consumables	697,555.04	564,578.51	277,124.76	203,496.46
Miscellaneous Expenses	4,472,804.21	3,119,681.76	153,313.53	2,421,008.42
TOTAL	21,690,681.58	18,374,007.84	11,720,712.53	12,186,954.10

Depreciation can be broken down as follows:

	Group		Company	
	31.12.2006	31.12.2005	31.12.2006	31.12.2005
Depreciation of tangible assets	18,471,480.13	13,493,064.97	1,809,536.41	1,382,614.39
Depreciation of intangible assets	1,408,283.26	381,466.75	1,235,196.74	85,292.51
Total	19,879,763.39	13,874,531.72	3,044,733.15	1,467,906.90

The above expenditure is presented (allocated) in the income statement as follows:

	Group		Company	
	31.12.2006	31.12.2005	31.12.2006	31.12.2005
Selling expenses	15,672,503.44	11,099,625.38	2,203,424.25	1,174,325.52
Administrative expenses	3,918,125.86	2,774,906.34	550,856.06	293,581.38
Cost of goods sold	289,134.09	0.00	290,452.84	0.00
TOTAL	19,879,763.39	13,874,531.72	3,044,733.15	1,467,906.90

19.2 Breakdown of other income

The breakdown of other income is as follows:

OTHER INCOME	Group		Company	
	31.12.2006	31.12.2005	31.12.2006	31.12.2005
Subsidies – sundry income from sales	7,182,924.85	6,742,544.33	1,991,301.47	2,649,300.30
Income from related services and activities	12,985,227.43	11,142,641.84	3,503,482.78	2,464,860.70
Other income	6,923,853.47	4,211,164.51	420,810.51	3,076,569.58
TOTAL	27,092,005.75	22,096,350.68	5,915,594.76	8,190,730.58

19.3 Financial Expenses

The breakdown of Financial Income - Expenses is as follows:

NET FINANCIAL COST	Group		Company	
	31.12.2006	31.12.2005	31.12.2006	31.12.2005
Interest charges and related expenses	12,091,665.42	11,114,896.82	5,781,981.60	5,850,560.53
Interest and related income	3,001,416.82	554,693.88	683,090.61	459,184.49
FINANCIAL RESULT	9,090,248.59	10,560,202.94	5,098,890.99	5,391,376.04

19.4 Investment result

The breakdown of the investment result is as follows:

INVESTING RESULT	Group		Company	
	31.12.2006	31.12.2005	31.12.2006	31.12.2005
Income from participations	350,787.84	611,153.22	337,787.84	581,336.60
Income from securities	401,772.04	484,699.94	379,451.29	472,253.62
Differences from sale of participations & securities	9,833,891.95	756.87	9,631,465.98	0.00
Financial income	317,309.21	229,695.06	47,624.09	(81,494.20)
Losses from permanent deletion of participations	(1,869,009.04)	0.00	(2,223,999.99)	0.00
Extraordinary losses	(689,761.32)	(869,019.87)	0.00	0.00
Extraordinary profits	3,401,667.34	993,272.36	1,400,860.75	133,134.55
INVESTING RESULT	11,746,658.02	1,450,557.58	9,573,189.96	1,105,230.57

The income tax expenditure can be broken down as follows:

	Group		Company	
	31.12.2006	31.12.2005	31.12.2006	31.12.2005
Income tax for the period	8,401,806.96	9,191,908.93	8,903,196.59	7,960,788.65
Other non-operating taxes	159,911.95	122,252.47	117,851.67	83,816.83
Expenses (income) for deferred				
tax interim differences	1,815,436.88	(259,478.51)	1,391,395.45	78,704.25
Prior period tax audit adjustments	786,220.13	0.00	0.00	0.00
Provision for deferred tax from open tax periods	818,227.49	222,964.81	500,000.00	250,000.00
TOTAL	11,981,603.41	9,277,647.70	10,912,443.71	8,373,309.73

Income tax expenditure for year 2006 is raised at a rate of 29% of the taxable profits for the period while in the prior period it was calculated at 32%.

The basic reduced earnings per share are calculated by dividing earnings corresponding to parent company shareholders by the weighted average number of ordinary shares during the period, less own ordinary shares purchased by the enterprise.

	EARNINGS NET OF TAX PER SHARE			
	GROUP		COMPANY	
	1.1-31.12.2006	1.1-31.12.2005	1.1-31.12.2006	1.1-31.12.2005
Profits allocated to:				
Parent company shareholders	25,500,579.50	13,115,159.48	28,394,359.49	16,047,009.85
Minority interest	(1,755,988.12)	387,563	0.00	0.00
Earnings per share net of tax (in €)	1.94	1.00	2.16	1.22
Dividend proposed per share (in €)			0.50	0.25
Average weighted No. of shares	13,162,500	13,162,500	13,162,500	13,162,500

Services to and from affiliates and sales and purchases of goods are effectuated in accordance with the fee schedules which apply for non-affiliates.

The following transactions are transactions with affiliates which are consolidated using the total integration method.

amounts in euro	Group	Company
a) Sales of goods and services and other income	384,221.91	43,653,305.81
b) Purchases of goods and services and expenses charged	296,990.59	3,291,068.79
c) Customers	90,695.24	1,768,525.30
d) Suppliers	36,271.29	1,880,978.27

Parent company

As can be seen from the table above, the parent company entered into transactions with associates:

- Sales of goods, services and other income worth a total of € 43,653,305.81 of which € 39,976,664.85 relates to sales of Suzuki cars to the 100% subsidiary Personal Best S.A. which is the most important Suzuki dealer.
- Purchases of goods and services of € 3,291,068.79 of which € 2,132,455.60 relates to services obtained from Personal Best S.A. and € 754,673.23 from Executive Lease S.A.
- Income from property rentals of the parent company leased to subsidiaries under operating leases worth a total of € 1,224,640.97. The highest rents for period 1/1/2006-31/12/2006 relate to subsidiaries Sfakianakis Emporiki S.A. € 246,972.70, Personal Best S.A. € 167,519.64, Panergon S.A. € 120,600.60, Speedex S.A. € 117,198.84 while the amounts of rentals for the four merged companies for periods 01.01.2006-31.10.2006 are per company as follows:

AUTOFORUM A.E.	413,813.90
AUTOLINK A.E.	7,077.20
CADILLAC A.E.	6,101.57
AUTOTEAM A.E.	3,077.20
Total 31.10.06	<u>430,069.87</u>

The parent company's receivables and liabilities from associates primarily relate to:

- Receivables from customers of € 1,768,525.30 of which the largest amounts relate to the subsidiaries Personal Best S.A. € 918,775.82 and Executive Lease S.A. € 721,301.22.
- Receivables from rental debtors amount € 37,256.61.
- Liabilities to suppliers of goods and services of € 1,880,978.27 of which the largest amounts relate to Executive Lease S.A. € 979,378.07, Personal Best S.A. € 402,089.00 and Executive Insurance Brokers S.A. € 445,752.66.

Group

All transactions (sales of goods and services as well as rents) of the parent company with its subsidiaries that are integrated in total consolidation and the transactions between consolidated companies worth a total of € 56,099,481.89 have been crossed out in the consolidated financial statements.

Affiliates:

SPEEDEX S.A. is consolidated using the equity method and is the only affiliated company which has transactions with companies of the Group.

During the consolidation the relevant transactions and balances with the affiliate were not crossed out.

amounts in euro	Group	Company
a) Purchases of goods and services and expenses charged	564,014	241,681
b) Rental income	117,199	117,199
c) Customers	90,695	0
d) Suppliers	36,271	23,861

Companies of the Group have received courier services from the affiliate worth a total of € 564,014 of which € 241,681 refer to the parent company, € 222,159 to Executive Lease S.A. and the remain amount refers to the other companies.

Moreover, the parent company has income from rents from the affiliate of € 117,199 for the period 01.01.2006- 31.12.2006.

Fees and other benefits to members of the Board and senior executives

The fees and benefits which relate to 6 senior executives and members of the Board of Directors for the parent company and 19 senior executives and members of the Board of Directors for the Group can be broken down as follows:

BENEFITS	Group		Company	
	31.12.2006	31.12.2005	31.12.2006	31.12.2005
Short-term benefits (salaries & fees)	3,318,275.75	2,555,035.37	1,805,132.21	1,639,736.71
Other short-term benefits (car expenses, travel expenses, etc.)	953,896.98	780,225.84	701,831.24	560,741.18
Other long-term benefits (premiums)	43,884.46	40,881.83	28,726.27	27,956.83
Provisions for post-employment benefits	212,391.65	205,378.04	116,900.01	112,933.34
TOTAL	4,528,448.84	3,581,521.08	2,652,589.73	2,341,368.06

Receivables and Liabilities of members of the Board and senior executives

The receivables and liabilities which relate to all senior executives and Board members on 31.12.2006 were as follows:

	GROUP	COMPANY
a) Receivables from Board members and senior executives - trading accounts (travel expenses, attendance fees, etc.)	30,300	17,453
b) Liabilities to Board members and senior executives	121,984	121,984

The receivable from senior executives dated 31.12.2006 relates to normal trading accounts, attendance fees, travel expenses, etc. The relevant supporting documents have already been settled for the greater part of this amount and thus there is no longer a receivable.

Dividends

Subsidiaries' dividends from profit of year 2005 that have been approved during the period 01.01.2006-31.12.2006 are broken down as follows:

COMPANY	Group Dividend	Minority Dividend	Group Dividend Payment	Minority Dividend Payment
AUTOTEAM S.A.	220,787.84	53,512.16	220,787.84	53,512.16
EXECUTIVE INSURANCE BROKERS S.A.	130,000.00	0.00	130,000.00	0.00
TOTAL	350,787.84	53,512.16	350,787.84	53,512.16

SFAKIANAKIS S.A., according to the decision of the Board of Directors made on 16.01.2007, bought out the 3.0% that owned Panergon S.A. to Sfakianakis S.A. and became owner of the 100% of the company's shares.

Thereafter, SFAKIANAKIS S.A. according to the decision of the Board of Directors made on 23.02.2007 decided the merger by absorption of Sfakianakis Emporiki S.A., authorised dealer of BMW vehicles and motorcycles. The merger will be performed based on Transformation Balance Sheet of 28.02.2007, which will be composed according to the stipulations of articles 69-78 of C.L. 2190/1920 and articles 1 to 5 of the law 2166/1993.

Moreover, the parent company participates in the increase of the share capital of ATHONIKI TECHNIKI S.A., total amount of increase € 4,080,000, according to the decision of the Extraordinary General Meeting of the shareholders of ATHONIKI TECHNIKI S.A. dated 18.12.2006. SFAKIANAKIS S.A. participates in the share capital of ATHONIKI TECHNIKI S.A. with 49.90% and the amount of its participation in the above mentioned increase raises to € 2,035,920 and it will be covered in four equivalent three-monthly installments during 2007.

		CASH FLOW STATEMENT (Amounts in €)		
		GROUP 11-31/12/2006	GROUP 11-31/12/2005	COMPANY 11-31/12/2006 11-31/12/2005
Operating Activities:		35,726,194.79	22,004,071.06	39,306,803.20 24,420,319.58
Profit before taxes		19,879,763.39	13,874,531.72	3,044,733.15 1,467,906.90
Plus /less adjustments for:		(1,819,723.05)	1,153,439.30	(1,581,303.80) (104,256.24)
Depreciation		(11,914,863.92)	(3,642,551.94)	(9,542,532.57) (1,857,124.69)
Provisions		12,091,685.42	11,109,604.96	5,781,981.80 5,650,560.53
Results (revenue, expenses, profit and loss) from investment activity		(4,862,291.58)	(21,225,890.75)	(1,590,026.80) (7,035,973.43)
Interest charges and other related expenses		(37,180,011.50)	(15,814,798.71)	(7,223,250.14) 2,596,923.74
Plus /less adjustments for changes in working capital:		18,345,938.53	13,288,435.45	7,670,571.67 8,066,027.65
Decrease / (increase) in inventories		(11,953,509.62)	(9,794,658.66)	(5,869,814.04) (5,737,293.56)
Decrease / (increase) in receivables		(9,922,022.95)	(16,659,932.92)	(6,678,472.17) (15,127,828.91)
Increase / (Decrease) in liabilities (excluding banks)		8,391,137.11	(5,808,051.49)	21,316,690.10 12,539,259.57
Interest charges and other related expenses paid		(25,341,760.87)	(12,646,423.06)	(25,837,066.73) (26,805,822.51)
Paid taxes		(51,635,947.92)	(22,639,949.58)	(13,399,674.03) (3,728,532.83)
Total inflow / (outflow) from operating activities (a)		22,059,829.00	9,379,247.93	1,397,635.62 469,950.51
Investment Activities:		13,858,022.12	0.00	13,225,183.06 0.00
Acquisition of subsidiaries, affiliates, joint ventures and other investments		1,395,475.51	509,207.46	601,429.45 420,688.11
Purchase of tangible and intangible fixed assets		429,191.71	481,585.09	717,239.13 1,053,590.22
Proceeds from the sale of property, plant and equipment and intangible assets		(9,437,190.45)	(25,215,352.16)	(23,395,285.50) (27,560,125.50)
Interest received		0.00	0.00	0.00 0.00
Proceeds from dividends		72,356,630.28	109,764,743.32	8,602,388.63 80,000,000.00
Proceeds from share capital increase		(2,929,838.89)	(66,191,310.38)	982,506.07 (63,778,895.85)
Loans paid off		(7,375,884.42)	(6,464,014.45)	0.00 0.00
Payments of leasing liabilities		(3,344,140.93)	(2,669,279.53)	(3,289,231.11) (2,640,693.52)
Paid-in dividends		37,706,766.04	34,440,138.96	6,295,663.59 13,580,610.63
Total inflow / (outflow) from investing activities (b)		6,660,712.70	3,316,735.31	4,319,068.19 (1,440,235.30)
Financing Activities:		22,127,267.31	18,810,532.00	3,791,457.79 13,206,012.46
Cash and cash equivalents at the beginning of the period		287,897,990.07	22,127,267.31	19,876,283.14 11,765,757.16
Cash and cash equivalents at the end of the period				

		BALANCE SHEET (Amounts in €)		
		GROUP 31/12/2006	GROUP 31/12/2005	COMPANY 31/12/2006 31/12/2005
ASSETS		165,924,542.99	141,156,750.82	86,022,011.20 60,090,314.04
Non-current assets		78,979,716.81	70,900,009.83	47,570,066.26 27,836,375.36
Inventories		114,377,548.23	65,988,846.84	60,341,850.17 38,050,041.83
Trade accounts receivable		132,539,455.90	101,959,896.87	126,696,703.21 113,179,509.54
Other assets		493,418,714.43	400,045,304.36	320,630,630.84 239,156,240.77
TOTAL ASSETS		106,680,079.87	107,440,848.29	77,000,215.87 84,494,038.70
LIABILITIES		170,352,142.79	107,548,893.15	80,285,100.91 30,409,322.92
Long-term borrowing		114,377,548.23	97,214,739.70	57,638,084.96 45,446,297.13
Short-term bank liabilities		391,469,770.89	312,204,481.14	214,823,401.74 160,348,668.75
Other short-term liabilities		12,109,500.00	12,109,500.00	12,109,500.00 12,109,500.00
Total Liabilities (a)		89,680,949.75	71,333,369.81	93,697,729.10 66,897,082.02
Share capital		101,790,499.75	83,442,768.81	105,807,229.10 78,806,582.02
Share capital and reserves attributable to shareholders		218,493.79	4,398,054.41	0.00 0.00
Minority interests: (c)		102,008,943.54	87,840,232.22	105,807,229.10 78,806,582.02
Total Equity of Shareholders (b)		493,418,714.43	400,045,304.36	320,630,630.84 239,156,240.77
Total Equity (d) = (b) + (c)				
TOTAL EQUITY & LIABILITIES (a)+(d)				

		COMPANY'S INFORMATION		
		31/12/2006	31/12/2005	31/12/2005
Website address:		www.sfiakianakis.gr		
Board of Directors:		Nikolaos Sfakianakis President-Executive member Maria Sfakianaki Vice-President-Executive member Stavros Taki CEO-Executive member Miriam-Efstratia Sfakianaki Executive member Alkaterini Sfakianaki Non executive member Athanasios Pliatas Non executive member Nikolaos Patsatzis Executive member Nikitas Patsiatikas Executive member Dimitrios Hourtas Executive member Christophoros Katsambas Independent non executive member Sofia Mita Independent non executive member 22 March 2007 Konstantinos P. Evaggelinos (SOEL Reg. Number 13151)		
Date of approval of the annual financial statements:		22 March 2007		
Auditor:		S.O.L. S.A.		
Auditing firm:		Without qualification		
Type of Report:		Without qualification		

SFAKIANAKIS S.A.
 ATHENS P.C.S.A. REGISTER No.483/06/B/86/10
 5-7 SIDIROKASTROU & PIDNAS 118 55 ATHENS

**Figures and information for the period of 1st January until 31st December 2006
 (in terms of article 135 Law 2190, for companies publishing annual financial statements in accordance with IAS/IFRS)**

The figures presented below provide general information about the financial position and results of SFKIANAKIS S.A. The reader, who aims to form a full opinion on the Company's financial position and results, must access the annual financial statements prepared according to the International Financial Reporting Standards and the Auditor's Report. Inductively, the reader can visit the Company's website where the above financial statements are presented.

INCOME STATEMENT (Amounts in €)		GROUP		COMPANY	
	1/1-31/12/2006	1/1-31/12/2005	1/1-31/12/2006	1/1-31/12/2005	31/12/2005
Sales Revenue	407,177,725.43	338,788,576.39	235,651,305.75	190,534,083.74	
Gross profit	112,027,669.69	95,232,361.84	66,951,400.76	56,052,455.89	
Profit before taxes, financing, investment results & depreciation (EBITDA)	52,949,548.75	45,113,674.25	37,877,237.38	29,897,330.39	
Profit before taxes, financing & investment results (EBIT)	33,069,785.36	31,239,442.53	34,832,504.23	28,529,423.49	
Profit before taxes (EBT)	35,726,184.79	22,005,444.68	39,306,803.20	24,420,319.58	
Less taxes	(11,981,603.41)	(9,277,647.70)	(10,912,443.71)	(8,373,309.73)	
Profit for the period (after taxes)	23,744,581.38	12,727,796.98	28,394,359.49	16,047,009.85	
Attributable to:					
Shareholders	25,500,879.50	13,115,159.46	28,394,359.49	16,047,009.85	0.00
Minority interest	(1,755,988.12)	(387,562.50)	0.00	0.00	0.00
Net Profit (after taxes) per share-basic (in €)	1.94	1.00	2.16	1.22	
Proposed dividend per share (in €)			0.50	0.25	
Weighted average number of shares	13,162,500	13,162,500	13,162,500	13,162,500	13,162,500

STATEMENT OF CHANGES IN NET EQUITY (Amounts in €)		GROUP		COMPANY	
	31/12/2006	31/12/2005	31/12/2006	31/12/2005	31/12/2005
Equity balance at the beginning of period, (1/1/2006 and 1/1/2005 respectively)	87,840,823.23	85,468,509.58	78,806,582.02	70,321,587.94	
Profit of the period, after taxes	23,744,581.38	12,727,796.98	28,394,359.49	16,047,009.85	
Distributed dividends	(11,585,414.61)	(6,196,106.56)	(10,200,941.51)	(8,366,597.79)	
Net income recorded directly against equity	(3,344,140.93)	(2,669,279.53)	(3,290,625.00)	(2,632,500.00)	
Equity, end of period (31/12/2006 and 31/12/2005 respectively)	102,008,943.54	87,840,823.81	105,807,228.10	78,806,582.02	

OTHER IMPORTANT DATA AND INFORMATION	
1. The accounting principles applied on 31/12/2006 are compliant with those applied by the Group according to the International Financial Reporting Standards on 31/12/2005.	
2. The Company absorbed according to the stipulations of Law 2169/93 the 100% affiliated companies AUTOTEAM S.A., AUTOFORUM S.A., AUTOLINK S.A. and CADILLAC HELIAS S.A. based on Transformation Balance Sheet of 31/12/2006. The approval for the above mentioned merger by the Ministry of Development was entered to the Register of Societies Anonymes of the Nomarchy on 22/12/2006 with reg. number K2-18176. Therefore, the financial figures of the parent company of 31/12/2006 are not comparable to those of 31/12/2005.	
3. According to the resolution of the Ordinary General Annual Meeting of the shareholders on 15/06/2006 the share capital of the Company was increased by € 526,500 through capitalization of reserves coming from reassignment of the value of assets and special reserves from income taxed in special way with increase of the nominal value of the shares from € 0.52 to € 0.96. The above mentioned increase has not been approved till today by the qualified Authorities and it is not included in the financial statements of the Company. After the above mentioned approval company's share capital will be raised to € 12,636,000 divided in 13,162,500 shares with a par value of € 0.96 each.	
4. Before the Multiple-member Court of First Instance in Athens, actions at law of minority shareholders representing 2.565% of the share capital are pending since 22/10/1998 and 14/02/1998, requesting the amendment, for typical reasons, of the decisions of the General Meetings dated 25/10/1996 and 24/03/1997 which decided the entry of the Company in the ASE with share capital increase, as well as the acknowledgement of the invalid of the General Meeting dated 30/09/1998 which decided the share capital increase. The filed actions are not expected to be discussed prior to 2006, that is after the completion of the witnesses' testimonies, which are under way. The Management of the Company estimates that these actions will not succeed.	
5. There is an attachment of mortgage of € 35,000,000 on the Company's assets as an insurance on bond loan.	
6. The number of the employees on 31/12/2006 was 504 for the parent company and 1,584 for the Group. The respective amounts on 31/12/2005 were 488 for the parent company and 1,483 for the Group.	
7. Investments in assets (land, buildings and equipment) for fiscal year 2006 amount to € 16.3 mil. for the Group and € 12.1 mil. for the parent company.	
8. The amounts of Company's sales and purchases, to and from the affiliated companies, accumulatively from the beginning of the fiscal year, as well as the balances of receivables and liabilities of the company at the end of the fiscal year, that have been made with its related parties are as follows: Sales to affiliated companies € 43,653,305.81, Purchases from affiliated companies € 3,291,068.79, Receivables from affiliated companies € 1,766,525.30, Liabilities to affiliated companies € 1,880,878.27.	
9. Earnings per share have been calculated using the weighted average over the total number of shares.	
10. Group companies with their corresponding addresses, percentage of participation and the non taxed audited financial years, included in the consolidated financial statements are as follows:	
Full consolidation method	
PERSONAL BEST S.A.	Greece 100.00% 2005-2006
PANERAGON S.A.	Greece 100.00% 2006
EXECUTIVE INSURANCE BROKERS S.A.	Greece 100.00% 2003-2006
EXECUTIVE LEASE S.A.	Greece 100.00% 2002-2006
WINLINK S.A.	Greece 40.00% 2003-2006
SFAKIANAKIS EMPORIKI S.A.	Greece 100.00% 2006
MIRKAT OOD	Bulgaria 99.91% 2003-2006
MIRKAT DOEL SKOPE	Skopja 100.00% 1 st fiscal year
SFAKIANAKIS S.A.	Greece Parent Company 2006
Equity method	
SPEEDEX S.A.	Greece 49.53%
ALPAN ELECTROLINE Ltd	Cyprus 40.00%
ATHONIKI TECHNIKI S.A.	Greece 49.90%
11. Sales and purchases of goods and services as well as balances of receivables and liabilities, receivables and liabilities of directors and members of the BOD of the Company and the Group with related parties according to IAS 24 are as follows:	
Amounts in Euro	
a) Sales of goods and services	Group Company
b) Purchases of goods and services	384,221.91 43,653,305.81
c) Receivables	286,680.59 3,291,068.79
d) Liabilities	90,695.24 1,766,525.30
e) Transactions and fees of directors and members of the BOD	36,271.29 1,880,878.27
f) Receivables from directors and members of the BOD	4,528,448.84 2,652,589.73
g) Liabilities of directors and members of the BOD	30,289.90 17,453.30
	121,984.49 121,984.49

The President of the BOD		The Vice-President of the BOD		General Manager & CFO		The Financial Manager	
Nikolaos M. Sfikianakis	George N. Laoutaris	Nikitas I. Pothoulakis	Stavros P. Taki	Nikitas I. Pothoulakis	George N. Laoutaris	George N. Laoutaris	George N. Laoutaris
ID No. A-554072	ID No. A-553957	ID No. A-553957	ID No. C-354170	ID No. AE-003983	ID No. AE-002466	ID No. AE-002466	ID No. AE-002466

REPORT OF THE TRANSACTIONS BETWEEN THE COMPANY AND ITS AFFILIATED ENTERPRISES (L. 3016/17.05.2002, ARTICLE 2, PARAGRAPH 4)

A report of the Board of Directors regarding the transactions of the Company with its affiliated enterprises is quoted herein below (L. 3016/17.05.2002, Article 2, paragraph 4).

During the fiscal year 2006, the Company presented transactions with affiliated companies of Article 42e paragraph 5 of the Codified Law 2190/1920 by which result commercial gains as such are depicted in detail in the herein below table.

SFAKIANAKIS S.A.		
Intra-Companies Transactions of Sales & Purchase for 2006		
<i>Amounts in thousand €</i>	SALES	PURCHASE
PERSONAL BEST S.A.	40,144.18	2,132.46
AUTOTEAM S.A.	0.80	
PANERGON S.A.	1,415.77	53.55
EXECUTIVE LEASE S.A.	1,509.15	900.27
EXECUTIVE INS. BROKERS S.A.	30.09	
AUTOLINK S.A.	2.48	2.17
AUTOFORUM S.A.	71.73	
CADILLAC HELLAS S.A.	1.07	
SFAKIANAKIS EMPORIKI S.A.	261.13	

During the fiscal year 2006, the Company collected from its subsidiary companies Executive Insurance Brokers S.A. dividend that amounted to € 117,000.00 and from Autoteam S.A. dividend amounting to € 220,787.84 that regarded the fiscal year of 2005.

The capital transactions that the Company realized with the companies of the Group during 2006 are the following:

- The Company participated in the increase of the share capital of Alpan Electroline Ltd and paid an amount of € 3,491,018.64 acquiring 15.00% of the company and increasing its participation percentage in it to 40.00%.
- The Company repurchased 99.61% of Mirkat OOD by paying an amount of € 5,994,534.00 and increasing its participation percentage in it to 99.91%.
- The Company established its subsidiary Mirkat Dooel Skopje and paid an amount of € 5,000.00 as establishment capital, which represents 100.00% of its share capital. Thereafter it paid an amount of € 200,000.00 participating in the increase of the share capital of the company.
- The Company paid to the affiliated company Autoteam S.A. an amount of € 3,146,546.08 increasing its participation percentage by 19.51% and acquiring 100.00% of the company.

- The Company increased its participation percentage in the subsidiary company Autolink S.A. by 0.0001% with the purchase of 10 shares and the payment of € 3.00.
- The Company increased its participation percentage in the subsidiary company Autoforum S.A. by 0.0001% with the purchase of 1 share and the payment of € 2.96.
- The Company increased its participation percentage in the subsidiary company Cadillac Hellas S.A. by 2.00% with the purchase of 20,000 shares and the payment of € 20,000.00.
- The Company participated in the increase of the share capital of Athoniki Techniki S.A. and paid an amount of € 13,000,000.01 acquiring the 49.90% of the company.
- The Company paid to the affiliated company, Speedex, an amount of € 249,999.96 participating in the increase of its share capital.

The intra-corporative balances between the company and its subsidiary companies upon 31.12.2006 are depicted in detail in the following table:

SFAKIANAKIS S.A.		
Intra-Companies Balance of Receivables & Obligation on 31.12.2006		
<i>Amounts in thousand €</i>	RECEIVABLES	OBLIGATION
PERSONAL BEST S.A.	538.36	402.09
AUTOTEAM S.A.	0.38	0.02
PANERGON S.A.	22.87	14.34
EXECUTIVE LEASE S.A.	695.31	979.38
EXECUTIVE INS. BROKERS S.A.	51.90	445.75
AUTOLINK S.A.	68.35	4.06
AUTOFORUM S.A.	6.00	24.07
CADILLAC HELLAS S.A.	16.78	
SFAKIANAKIS EMPORIKI S.A.	42.02	15.68

The table that follows present the statistic data of the SFAKIANAKIS S.A. share in the Athens Stock Market for the year 2006; more specifically, the closing price of the last meeting of each month (in Euros) and the total monthly trade volume (in pieces).

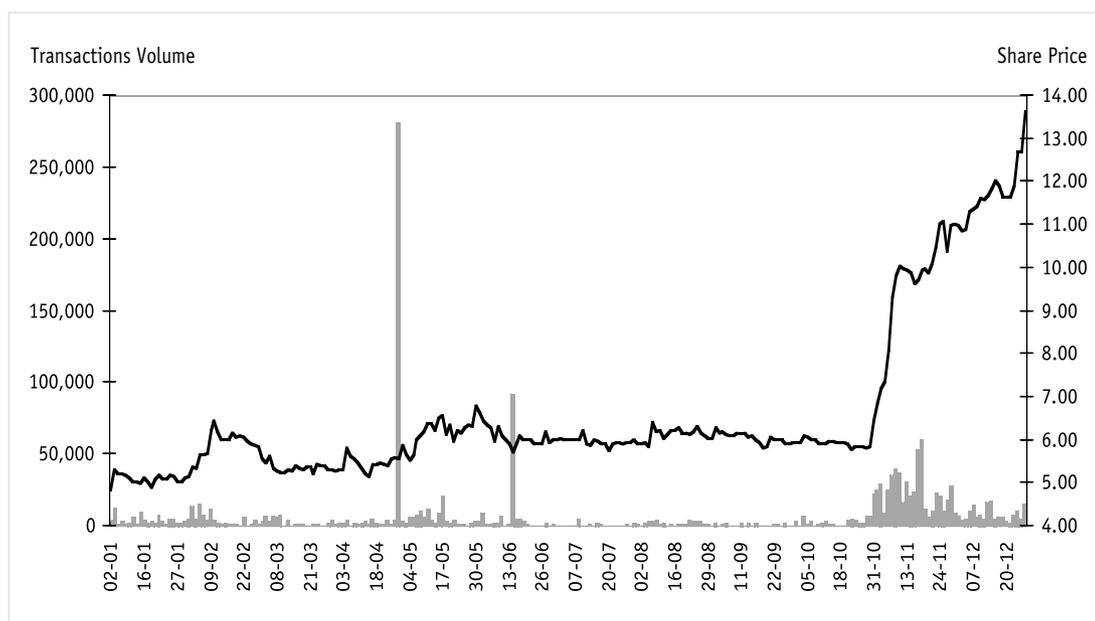
Month	Closing Price ¹	Transactions' Volume ²	Transactions' Value ³
January	5.10	76,681	382,332.04
February	5.84	82,745	466,695.90
March	5.30	49,560	258,931.44
April	5.56	313,026	1,773,965.44
May	6.62	103,659	642,643.88
June	6.00	131,323	743,463.00
July	5.98	13,969	82,176.04
August	6.26	37,073	223,827.60
September	5.94	14,486	87,062.02
October	6.44	73,898	444,921.80
November	11.00	536,538	5,102,885.80
December	13.62	148,852	1,750,341.28

1. Closing price of the share at the last session of each month

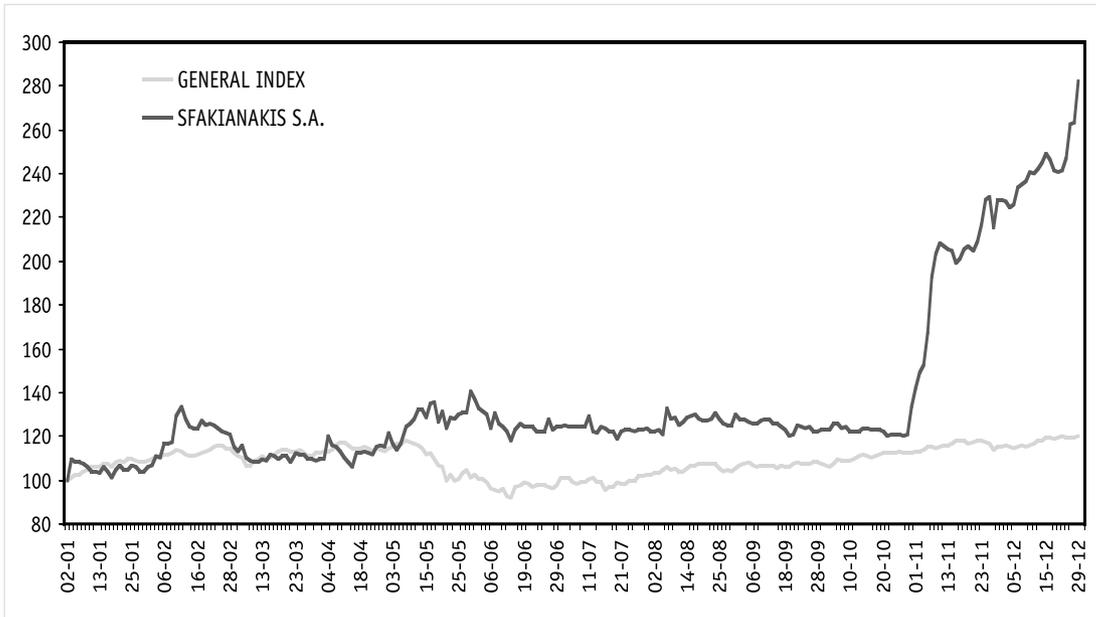
2. Total montly volume of transactions

3. Total montly value of transactions

The progress of the market value and the volume of the transactions of the shares of the company in the year 2006 are shown in the diagram that follows.



The progress of the market value of SFAKIANAKIS S.A. against the General Index of the Stock Market of Athens for the year 2006 is shown in the following diagram.



INFORMATION THAT CONCERN THE COMPANY

(PURSUANT TO L.3401/2005 ARTICLE 10)

The herein below table incorporates the information of Article 10 of L. 3401/2005 which the Company published and made available to the public from 1/1/2006 up to this day.

SUBJECT	WEBSITE	DATE
Invitation for the Annual General Meeting of the Shareholders	www.sfakianakis.gr	25-05-07
Financial Results of A' Semester	www.sfakianakis.gr	24-05-07
Annual Briefing of the Analysts	www.sfakianakis.gr	21-05-07
Modification of the Intended Corporat Actions, pursuant to Article 275, paragraph 9d and 10, as well as 292 of the 4th chapter of the Athnes Stock Exchange Regulation	www.sfakianakis.gr	15-05-07
Notification of publication of the new Annual Financial Statements	www.sfakianakis.gr	14-05-07
Participation in the increase of the share capital of the Company MIRKAT DOOEL SKOPJE	www.sfakianakis.gr	3-05-07
Commenting a Publication	www.sfakianakis.gr	23-04-07
Corporate presentation to Foreign Institutional Investors	www.sfakianakis.gr	19-04-07
Schedule of Intended Corporate Actions	www.sfakianakis.gr	18-04-07
Narative report to the Ordinary General Meeting of the Shareholders (in accordance with Article 11a L.3371/2005)	www.sfakianakis.gr	4-04-07
Notification of Ateration of the Participation Percentage	www.sfakianakis.gr	30-03-07
Dynamic Development - Historical High Profitability	www.sfakianakis.gr	30-03-07
Participation in the increase of the share capital of the Company ATHONIKI TECHNIKI SA	www.sfakianakis.gr	30-03-07
Intention of the company to participate in the public open repeated competition of the Company of Thermal Buses SA	www.sfakianakis.gr	5-03-07
Absorption of subsidiary company	www.sfakianakis.gr	28-02-07
Re-expression of the Intermediate Financial Statements of Nine Months of 2006	www.sfakianakis.gr	2-02-07
Participation of the company in the open competition of Supreme Military Support Command	www.sfakianakis.gr	25-01-07
Absorption of subsidiary companies	www.sfakianakis.gr	28-12-06
Additional briefing about the published financial statements of nine months of 2006	www.sfakianakis.gr	15-12-06
Significant increase of profitability and market share - Ascend to 7th position between the manufacturing companies	www.sfakianakis.gr	28-11-06
Public announcement of busniess concentration (Article 4b paragraph 6 of Law 703/77 as in force)	www.sfakianakis.gr	17-11-06
Participation in to Competition	www.sfakianakis.gr	14-11-06
Acquisition of 49.9% of ATHONIKI TECHNIKI SA	www.sfakianakis.gr	2-11-06
Acquisition of 49.9% of ATHONIKI TECHNIKI SA	www.sfakianakis.gr	31-10-06

SUBJECT	WEBSITE	DATE
Acquisition of the totl of shares of the subsidiary companies Autolink SA and Autoforum SA	www.sfakianakis.gr	30-10-06
Decisions of the General Meeting	www.sfakianakis.gr	30-10-06
The increase of the participation of the company in the subsidiary company AUTOTEAM SA	www.sfakianakis.gr	27-10-06
Participation of the company in the international open competition of the Company of Thermal Buses SA	www.sfakianakis.gr	14-09-06
Significant increase of the company's profitability	www.sfakianakis.gr	30-08-06
Dynamic development within the Balkans' market	www.sfakianakis.gr	12-07-06
Tax audit for the unaudited fiscal years 2001-2005	www.sfakianakis.gr	3-07-06
Clearance of tangible registered shares that have not been deposited for dematerialization	www.sfakianakis.gr	30-06-06
Payment of dividend for the fiscal year 2006	www.sfakianakis.gr	16-06-06
Press Release	www.sfakianakis.gr	16-05-06
Decisions of the General Meeting	www.sfakianakis.gr	15-06-06
Clearance of tangible registered shares that have not been deposited for dematerialization	www.sfakianakis.gr	6-06-06
Profits ad Loss for A Semester of 2007	www.sfakianakis.gr	31-05-06
Disposal of Annual Statement of the fiscal year 2006	www.sfakianakis.gr	31-05-06
Notification	www.sfakianakis.gr	22-05-06
Transactions Notification	www.sfakianakis.gr	2-05-06
Purchase of 99.6% of the shares of Mirkat Ltd	www.sfakianakis.gr	18-04-06
Purchase of the Mirkat Ltd company	www.sfakianakis.gr	12-04-06
Annotation on the financial results of the fiscal year 2005	www.sfakianakis.gr	27-03-06
Increase of participation in the Alpan Electroline Ltd company with participation in I.C.S. (Increase of Capital Share)	www.sfakianakis.gr	2-03-06
Participation in open public competition	www.sfakianakis.gr	9-02-06

The Annual Financial Statements of the Company in both consolidated and non-consolidated base, the Audit Report of the Certified Public Accountant and the Management Report of the Board of Directors are registered on the Internet in the website www.sfakianakis.gr.

Moreover, the herein above mentioned website also contains the following: the Annual Financial Statements, the Auditor's Reports and the Reports of the Board of Directors of the subsidiary companies that are incorporated in the consolidated financial statements of SFAKIANAKIS S.A.

SFAKIANAKIS S.A.

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