

**SIX MONTH REPORT OF THE BOARD OF DIRECTORS OF “ELGEKA S.A. Trade –
Distributions – Representations – Industry” COVERING BOTH THE
CONSOLIDATED AND STAND-ALONE FINANCIAL STATEMENTS FOR THE
PERIOD 01 JANUARY – 30 JUNE 2009
(In accordance with Law 3556/2007, article 5)**

In accordance with the terms of Law 3556/2007 and the relevant decisions issued by the Stock Exchange Committee, we submit the present Six-month Report of the Board of Directors for the first six-month period of the current year 2009 (01/01/2009–30/06/2009).

This report includes in condensed form financial performance and variations of the period, reference to significant events during first semester of 2009, analysis of perspectives and risks that are expected to incur during the second semester of 2009, along with an analysis of related party transactions. This information refers to both the Parent company and the Group as a whole.

**A. FINANCIAL PERFORMANCE OF THE GROUP AND THE PARENT COMPANY
FOR THE PERIOD 01/01/2009 – 30/06/2009**

During the first semester of 2009, the consolidated financial results are summarized as follows:

Consolidated Turnover (Sales) for the six-month period ended 30 June 2009 amounted to € 146.540 thousand, as opposed to € 145.967 thousand for the respective period of 2008, representing a slight increase of € 573 thousand or by 0,39%. This is a result of an increase in sales/turnover of the Parent Company, ELGEKA S.A. and its subsidiaries, ELGEKA FERFELIS ROMANIA S.A. and SAMBROOK PHARMACEUTICALS S.A.

Consolidated Gross Operating Results (Gross Profit) for the six-month period ended 30 June 2009 amounted to € 25.428 thousand, as opposed to € 29.111 thousand for the respective period of 2008, representing a decrease of € 3.683 thousand or by 12,65%. The main reason is the decrease in gross operating results of the companies VIOTROS S.A. and DIAKINISIS S.A., while the gross profit margin amounted to 17,35% as opposed to 19,94% for the respective period of 2008.

Satisfactory decrease was noted in Operating Expenses (that is 5,48%) mainly due to decrease in Administration Expenses. More specifically, during the first semester of 2009 the Operating Expenses amounted to € 29.912 thousand as opposed to € 31.647 thousand for the respective period of 2008.

Profits before tax, financial, investing results and depreciation (EBITDA) during the first semester of 2009 amounted to € 5.036 thousand as opposed to € 7.193 thousand for the respective period of 2008, representing a decrease by 29,99%.

Profits before tax, financial and investing results (Operating Results) during the first semester of 2009 amounted to € 2.114 thousand as opposed to € 4.466 thousand for the respective period of 2008, representing a decrease of € 2.352 thousand or by 52,66%.

Consolidated Profits / (Losses) before tax for present period amounted to € (1.159) thousand as opposed to € 815 thousand for the respective period of 2008, representing significant decrease of € 1.974 thousand.

Consolidated Net Profit / (Losses) after taxes amounted to € (1.603) thousand for the first semester of 2009 as opposed to € 4.298 thousand for the respective period of 2008, representing a significant decrease of € 5.901 thousand. The main reason for this result was the significant variation of "Income Tax", which mainly results from the following fact: In 2007, when DIAKINISIS S.A. and LOGISTICS SERVICE HELLAS S.A. merged in accordance with the requirements of Law 2166/1993, a loss of € 35 million approximately incurred related to the cancellation of treasury shares. Initially no deferred tax asset was initially identified. Subsequently and in line with a Ministerial Decision No 1014370/B0012/09-05-2008 (*which was actually a reply to the query that had been raised by another company related to this issue, and following relevant evaluations concerning the future recovery of part of relevant loss*) the Management decided to recognize deferred tax asset on tax losses amounting to € (3.750) thousand in the first semester of 2008. As a result, the total amount of "Income Tax" during the first semester of 2008 amounted to € (3.483) thousand while the respective amount of 2009 amounted to € 444 thousand.

Earnings / (Losses) per share (EPS) for the first semester of 2009 amounted to € (0,0284) as opposed to € 0,1304 for the respective period of 2008, which is a decrease of € 0,1588 per share.

The Group's financial position is deemed satisfactory and is presented in the Consolidated Financial Statements for the six-month period ended 30 June 2009.

In specific, the net book value of the Consolidated Fixed Assets amounted to € 133.939 thousand, which represents 47,81% of the Consolidated Total Assets, whereas the respective amount as of 31/12/2008 was € 137.470 thousand.

The Consolidated Equity represents 29,47% of the Consolidated Total Liabilities and amounts to € 82.578 thousand as opposed to € 86.480 thousand as of 31/12/2008, representing a decrease by 4,51%.

Total Consolidated liabilities amounted to € 197.596 thousand as opposed to € 220.338 thousand as of 31/12/2008, representing a decrease by 10,32%. The Consolidated long-term liabilities amounted to € 55.879 thousand as opposed to € 66.956 thousand as of 31/12/2008, representing a decrease by 16,54%.

The Consolidated long-term borrowings (including the short-term portion of the long-term borrowings) which amounted to € 39.938 thousand decreased by € 2.025 thousand as compared to 31/12/2008, which amounted to € 41.963 thousand, representing a decrease by 4,83%.

The Consolidated short-term borrowings amounted to € 65.968 thousand, which represents 23,55% of the Total Liabilities, and increased by € 6.818 thousand in comparison to 31/12/2008, which amounted to € 59.150 thousand, representing increase by 11,53%.

The Parent Company's financial results are summarized as follows:

The Sales Turnover during the first semester of 2009 amounted to € 63.908 thousand as opposed to € 62.165 thousand for the respective period of 2008, representing an

increase of € 1.743 thousand or by 2,80%. This increase mainly results from continuous investment / promotion of existing trade brands.

The Gross Operating Results (Gross Profit) amounted to € 14.047 thousand as opposed to € 14.263 thousand for the respective period of 2008, representing a decrease of € 216 thousand or by 1,51%, due to increase in cost of sales by 4,09%, resulting in decrease in gross profit margin by approximately 1% (that is from 22,94% to 21,98%).

The Operating Expenses decreased by 2,02%, from € 15.727 thousand during first semester of 2008 to € 15.409 thousand during the respective period of 2009, representing a decrease of € 318 thousand.

Profit before taxes, financial, investing results and depreciation (EBITDA) amounted to € 2.469 thousand as opposed to € 2.325 thousand in the first semester of 2008, representing an increase by 6,19%, which is mainly due to decrease in Administration Expenses.

Profit before taxes, financial and investing results (Operating profits) amounted to € 1.793 thousand in the first semester of 2009 as opposed to € 1.649 thousand in the respective period of 2008, thus representing increase of € 144 thousand or by 8,73%.

Profit before taxes amounted to € 1.151 thousand for the current period as opposed to € 1.302 thousand in the first semester of 2008, representing a decrease of € 151 thousand or by 11,60%. ELGEKA S.A.'s profits were affected by an increase in Finance Expenses by € 71 thousand, while at the same time there was a decrease in "Other Financial Results" of € 222 thousand compared to 2008. During 2008 the Parent Company recorded Extraordinary Profits which amounted to € 272 thousand from the disposal of Financial Assets Available-for-Sale (shares of company "CHRISA AVGA S.A.").

The Net Profits after taxes amounted to € 817 thousand in the first semester of 2009 as opposed to € 1.358 thousand in the respective period of 2008, representing a significant decrease of € 541 thousand or by 39,84%, due to the decrease in profits before taxes and to the significant variation of income tax expense in comparison to the respective period of 2008.

The Earnings per share (EPS) of the Parent Company amounted to € 0,0256 in the first semester of 2009 and decreased by 39,76% in comparison to the corresponding period of 2008 which amounted to € 0,0425.

B. SIGNIFICANT EVENTS FOR PERIOD 01/01/2009 – 30/06/2009

The most significant events which took place during first semester of 2009 are the following:

- Since the beginning of 2009, the Parent Company has entered into exclusive distribution in Greece (more specifically, market channels-super markets, retail and wholesale/Food Service) of long-life products of company "CH. KATSELIS SONS S.A". ELGEKA S.A. has undertaken sales, trade marketing, logistics and merchandising of these products.

Since May 1st, 2009, the Company changed its head office address, as it has been relocated at new (leased from DIAKINISIS subsidiary) premises of total surface 8.354 m²

(Offices 704 m² – Warehouse 7.650 m²), which are located in Sindos, Echedoros Municipality, within the Industrial Area of Thessaloniki.

The main reason for the relocation at the new premises is the need for larger warehouse premises for storing products in order to maintain the high quality in customer service. Consequently, the new warehouse is 7.650 m² of total surface while the present warehouse is 3.802 m².

It is noted that the branch of the subsidiary “DIAKINISIS S.A. – Warehousing – Distribution – Promotional Packaging” operates at the same premises. ELGEKA S.A. has already assigned to DIAKINISIS S.A. (99,99% subsidiary), the storage services of its products in the whole Northern Greece. During the second semester of 2009, it is expected that DIAKINISIS S.A. will also undertake distribution services in this area.

Main operating and financial benefits are expected due to this corporate activity, through the most efficient organizing of distribution channels and economies of a Group level.

- In addition, at 1st of May 2009, the head office of subsidiary “VIOTROS - FOOD INDUSTRY – MANUFACTURING – MILK PROCESSING – WAREHOUSING – INDUSTRIAL AND COMMERCIAL S.A.” was relocated at the new (leased) premises (Offices of 588 m² surface) at the above mentioned address along with the Parent Company.

- At the Annual General Assembly of Parent Company dated 29/06/2009, one of the issues discussed was that of one or more bond loans (Law 3156/2003), amounting to € 20 million at most for financing its corporate activities. Furthermore, the share capital decrease by the amount of € 187.680 was approved through decrease of the total number of shares from 32.054.330 to 31.937.030 shares, due to the cancellation of 117.300 treasury shares, according to Codified Law 2190/1920, article 16.

These treasury shares were acquired during the period from 02/06 to 20/06/2006, in accordance with the decision of the Annual General Assembly of Parent Company dated 27/06/2005, as well as the decision of Board of Directors dated 29/05/2006.

At 15/07/2009, the negotiation of the abovementioned treasury shares ceased after the cancellation. Following the abovementioned event, the Parent Company’s share capital amounts to € 51.099.248.

- The Annual General Assembly of MEDIHELM PHARMAC. WHOLESALE STORE S.A. dated 30/06/2009 approved its share capital decrease by the amount of Euro 846 thousand with decrease of shares' face value from Euro 40 to Euro 20 each, with the intention of capitalization of prior years' losses. During the same Annual General Assembly, a share capital increase was approved by the amount of Euro 1.502 thousand by issuing 75.100 new shares with face value Euro 20 each. As a result, the new share capital of the company would amount in Euro 2.348 thousand divided into 117.400 shares with face value Euro 20 each. ELGEKA S.A. covered the full amount of this share capital increase and at 23/07/2009 paid the amount of Euro 1.502 thousand, resulting in increase of the participation percentage from 91,54% to 96,95%.

- Finally, the Annual General Assembly of SAMBROOK PHARMACEUTICALS S.A. dated 30/06/2009 approved its share capital increase by the amount of Euro 61.500 with the issue of 4.100 new shares with face value Euro 15 each. As a result, the new share capital of the company amounts to Euro 1.014 thousand divided into 67.600 shares with face value Euro 15 each. At 23/07/2009, the Company paid the amount of

Euro 56.190, by participating through its percentage (91,34%) in its subsidiary's SAMBROOK PHARMACEUTICALS S.A. share capital increase.

- The investment in fixed assets for the Group during the first semester of 2009 amounted to € 2.669 thousand, while during the same period the investments in fixed assets that were made by the Parent Company amounted to € 283 thousand.

C. PERSPECTIVES – PROGRESS OF ACTIVITIES - SIGNIFICANT RISKS AND UNCERTAINTIES OF THE SECOND SEMESTER OF 2009

The efforts and perspectives for further development, expansion and enlargement of the Group's activities are expected to be more visible during the second semester of 2009.

The Parent Company's Management constantly seeks to improve and expand its products' distribution locations through alternative retail channels. Its fundamental goals are the continuous investment in existing trading brands, through advertising and promotion expenses and actions at selling points to consumers and the attraction of new cooperation, apart from those already signed during the first semester of 2009.

Furthermore, during the second semester of 2009 ELGEKA S.A. plans to lease approximately ten storage spaces in Greece, with the intention of offering better customer services and sales increase through the distribution of its short-life products (fresh).

The negative global financial conditions during the first semester of 2009 significantly affected the decrease of demand due to continuous lack of liquidity in domestic market. As a consequence, the operations of some of the Group's companies resulted in decrease of their gross profit margin and in the Group's net results.

For the second semester of 2009, the Management has as fundamental goals the increase of Group's turnover, the decrease of their operating expenses and the improvement of working capital along with the decrease of borrowings.

However, we should note that the Group operates in a strong competitive environment and regardless of its continuing operations in know-how, fixed equipment and human resources, which strengthen its leading position into the Greek and Romanian markets, the Group is still exposed to a number of business risks, most of which are managed by the Parent Company's Financial Department in cooperation with the Group companies' managements. The most important risks and uncertainties for the second semester of 2009 are the following:

a) Currency Risk

Due to the most recent credit crisis in global markets, consumers' expectations have been decreased, having as a consequence the decrease in demand of consumers' products. A general decrease in demand combined with an increase in raw materials' prices will intensify the global inflation.

The Group is not exposed to currency risk related to securities due to the fact that no investments were made in securities traded in active markets (Stock Markets).

b) Credit Risk

The Group does not have a significant concentration of credit risk deriving from contracting parties, due to its highly diversified client list in main operating sectors and in strong credit ability of clients that perform the most significant percentage of turnover. The exposure to credit risks as well as the financial performance of the clients is assessed on a constant basis by the Group's companies, so as the granted credit for significant customers not to exceed the predefined credit limit. Furthermore, in order to have higher security, management has initially decided for the Parent Company and VIOTROS S.A. to insure a significant part of credits to a reputable insurance company (EULER HERMES). As a result, the Management considers that during the second semester of 2009 there is no significant credit risk uncovered by any security or by adequate provisions for doubtful receivables both for the Parent Company and the Group's companies.

c) Interest and Foreign Exchange Risk

Group bank loans are mostly denominated in Euro and floating interest rate. Group Management considers that there is no significant risk deriving from possible significant changes in interest rates, taking into account the constant decrease of interest rates (EURIBOR). Especially for Romania, based on the fact that there are significant transactions in local currency (functional currency), the Group decided, since the beginning of 2009, to enter into two hedging agreements, so as to decrease or eliminate currency losses that might arise at 31/12/2009 in the valuation process of its borrowing liabilities in foreign currency (in case of negative variations in exchange rates), using financial products (options). Thus, the effects of recording potentially high amount of exchange losses are significantly decreased, without adding new risks in its operation. Furthermore, Management decided to enter into hedging contracts with Alpha Bank & Emporiki Bank. These are interest rates contracts up to € 7.500 thousand each in order to hedge for the Company's interest rate exposure. For the same reasons, the subsidiary DIAKINISIS S.A. entered into a hedging contract with the amount of € 7.500 thousand (Parent Company as guarantor). The abovementioned contracts were signed at the beginning of July 2009.

The Group finances its investments and needs for working capital by means of bank loans, bonds (long-term borrowings) and Sale & Lease back property contract, leading to interest rates in its financial statements. The potential increasing trends of interest rates (changes of EURIBOR interest rate) during the second semester of 2009 will have a negative impact on Group's financial results, due to excessive borrowing cost.

Group short-term loans are contracted on floating interest rates. The interest rates' renewal takes place, for short-term loans, every 1 to 3 months, and for long-term loans every 3 to 6 months. This fact enables the Group to avoid the risk from immense interest rate fluctuations.

Furthermore, due to Group international activities, there are trade transactions in foreign currency. Consequently, it is exposed to the fluctuations of the exchange rates (main country, apart from Greece, is Romania). Finally, the Group's exposure to foreign exchange risks is reduced regarding the conversion of subsidiaries' financial statements.

d) Liquidity risk (financial risk)

Group faces no difficulties in the settlement of its liabilities, due to a) good cash flows, b) high debt capacity from financial institutions and c) financial products, which book values do not deviate from their fair values.

Group manages its risks that might generate adequate liquidity by maintaining unused bank credit limits. As of 30/06/2009, the Group had € 8.821 thousand in cash, whereas the available unused and approved bank credit limits amounted to € 74.290 thousand and are deemed adequate for the Group to cover for a potential short-fall of cash and cash balances.

e) Capital management

Group's primary goal related to capital management is to ensure the maintenance of high credit rating and strong capital ratios, in order to secure and expand the Group's activities and to maximize shareholders' value.

It is expected that no changes to the Group's approach regarding capital management during the second semester of 2009 will occur.

Not only the Group but also the Parent Company manage capital adequacy with a ratio of total borrowings to Equity, with the intention of constant improvement of their capital structure.

f) Macroeconomic risk

The main macroeconomic risks to which the Group are the exposed is the inflation cost, the income policy and the recession risk that might lead into compression and shrinkage of consumer expenses. The decrease in consumption might lead not only to an exacerbation of competition but also to a sales decline, a gross profit decline and, as a result, to a negative influence on Group's profitability.

g) Risk relevant to Food safety

The Group's main area of activity is the food sector.

Packing, marketing, distribution and food sales include inherent risks as far as the products' quality responsibility, the potential return and the consequent unfavorable publicity is concerned. This might lead into negative consequences in reputation, operation, financial position and Group's results.

These products might lead to an unintentional distribution by the Group and might have consequences in customers' health. As a result, the Group has a legal responsibility for potential reimbursement demands and, as a result, has proceeded with proportionate insurance cover.

The Group applies strict quality policy and safety for food products, in order to offer to its customers, high quality and secure products and to strictly follow safety and hygiene rules.

Both Management and the Group have social responsibility, in order to offer to customers high quality and safe products, by following all safety and hygiene rules strictly.

ELGEKA S.A., following relevant amendments – reviews of Food Hygiene and Safety System (H.A.C.C.P.) in Athens and Thessaloniki premises (04.03.2004 and 10.03.2004 respectively), received certificate approval related to:

“CODEX ALIMENTARIUS” standard by TUV-NORD, accredited by German organization DAR.

“ELOT 1416” standard by TUV-NORD (member of RWTUV Group), accredited by Hellenic Accreditation System S.A.

It is noted that ELGEKA S.A. is one of the few members, which have certifications for H.A.C.C.P. from two (2) non-associated organizations with global reputation in two (2) different standards.

D. SIGNIFICANT TRANSACTION WITH RELATED PARTIES (IN THOUSAND EUROS)

The most significant transactions and Parent Company’s balances with related parties in accordance to IAS 24, refer to transactions with the following subsidiaries and other related parties (in accordance with Codified Law 2190/1920, article 42e, par.5), as shown in the following table:

SUBSIDIARY COMPANIES	Sales / Income	Purchases / Expenses	Receivables	Liabilities
VIOTROS S.A.	43	190	-	33
DIAKINISIS S.A.	160	138	86	-
PAPADIMITRIOU S.A.	6	45	-	6
MEDIHELM PHARMACEUTICALS S.A.	19	-	24	-
SAMBROOK PHARMACEUTICALS S.A	5	-	4	-
SAMBROOK PHARMA PHARMACEUTICALS LTD	5	-	-	-
Total	238	373	114	39
OTHER RELATED PARTIES	-	4	-	-
TOTAL OF OTHER RELATED PARTIES	-	4	-	-
TOTAL OF SUBSIDIARY COMPANIES AND OTHER RELATED PARTIES	238	377	114	39

Analytically, the following relationships exist between ELGEKA S.A. and related companies:

1. ELGEKA S.A. – VIOTROS S.A.

According to private agreement demand signed by both parties, ELGEKA S.A. has undertaken VIOTROS S.A.’s products distribution in the Greek market. VIOTROS’s sales to ELGEKA amounted to € 180 thousand during the first semester of 2009.

Furthermore, VIOTROS charged ELGEKA an amount of € 10 thousand for storage services.

ELGEKA rented premises totally sized to 148m² inside its premises in Thessaloniki, used by VIOTROS until 30/04/2009 in Thessaloniki for housing its offices paying rent to ELGEKA € 5 thousand.

Furthermore, ELGEKA charged VIOTROS a € 6 thousand fee for preparing financial statements in accordance with IFRS and € 32 thousand for the participation in advertising and marketing expenses of its products.

2. ELGEKA S.A. – DIAKINISIS S.A.

ELGEKA charged DIAKINISIS the following services:

- € 153 thousand for sales of fixed assets

- € 7 thousand as fee for preparing financial statements in accordance with IFRS

Furthermore, DIAKINISIS charged ELGEKA for the following services:

- € 63 thousand for storage expenses

- € 5 thousand for distribution expenses

- € 70 thousand for rents (in which an amount of € 9 thousand refers to rent guarantee)

3. ELGEKA S.A. – MEDIHELM PHARMACEUTICALS S.A.

ELGEKA sold to MEDIHELM goods amounting to € 5 thousand, related to Fisherman products. MEDIHELM undertook the selling of these products to drugstores. In addition, ELGEKA charged MEDIHELM € 6 thousand as a fee for preparing financial statements in accordance with IFRS and € 8 thousand as a fee for the analysis and processing of its financial figures.

4. ELGEKA S.A. – PAPADIMITRIOU S.A.

ELGEKA purchased from PAPADIMITRIOU goods amounting to € 45 thousand. PAPADIMITRIOU, whose operations are processing and standardization of raisins and vinegar and mustard production, uses as an exclusive agent and distributor ELGEKA for the promotion of TESTA mustard according to an agreement signed by both parties. In addition, ELGEKA charged PAPADIMITRIOU € 6 thousand as a fee for preparing financial statements in accordance with IFRS.

5. ELGEKA S.A. – SAMBROOK PHARMA PHARMACEUTICALS LTD

ELGEKA charged SAMBROOK PHARMA PHARMACEUTICALS LTD the amount € 5 thousand as a fee for preparing financial statements in accordance with IFRS.

6. ELGEKA S.A. – SAMBROOK PHARMACEUTICALS S.A.

ELGEKA charged SAMBROOK PHARMACEUTICALS S.A. € 5 thousand as a fee for preparing financial statements in accordance with IFRS.

The only company where member of the Board of Directors participates in the share capital with a percentage higher than 10% is EXCEED CONSULTING (FANDRIDIS & PARTNERS – CONSULTANTS). The transactions with ELGEKA S.A. amounting to € 4 thousand were fees for seminars amounting to € 3 thousand and fees for research amounting to € 1 thousand.

Finally, key management personnel and members of board remuneration (Parent Company and Group) for the first semester of 2009 amounted to € 537 thousand and € 758 thousand respectively. These include the following:

BoD members' payrolls that offer their services as Managers to the Company amounted to € 418 thousand for the Parent Company and € 488 thousand for the Group.

Expenses for the presence of BoD's members that do not offer their services as Managers to Company and the Group amounted to € 35 thousand.

Other services of Managers and BoD's members amounted to € 84 thousand for the Parent Company and € 235 thousand for the Group.

No loans were given to BoD's members or to Group's Managers (or their families).

There are no changes in transactions between the Company and its related parties' individuals which could lead to important consequences to the financial position and performance of the Company during first semester of 2009.

All aforementioned transactions were accomplished under the standard market rules.

Exact abstract from the Board of Directors minutes book
Industrial Area of Sindos – Municipality Echedorou
Thessaloniki, 26 August 2009

President & Managing Director
Alexandros Katsiotis