ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED
DECEMBER 31, 2009
(Pursuant to Law 3556/2007, article 4)

Athens, March 22, 2010

INDEX OF THE ANNUAL FINANCIAL REPORT

(All amounts are presented in thousands Euro, except otherwise stated)

BOARD OF DIRECTORS' STATEMENT
(Pursuant to Law 3556/2007, article 4)

The Members of the Board of Directors

1. Aristotelis Charalampakis, President of the Board of Directors
2. Periclis Livas, Vice President & Managing Director
3. Nikolaos Karantanis, Member of the Board of Directors

Certify that:

a) the annual financial statements of the Group and of company ALAPIS SA for the financial year that ended on December 31, 2009, which were prepared according to International Financial Reporting Standards, present truly and fairly the assets and liabilities, the equity and the financial results of the Company, as well as of the consolidated companies as a whole, according to par. 2 of article 4 of L. 3556/2007 and

b) the Annual Report of the Board of Directors for the financial year from January 1, 2009 to December 31, 2009, presents truly and fairly the development, the performance and the position of ALAPIS SA, as well as of the consolidated companies as a whole, including the description of the main risks and uncertainties they face, according to par. 2 of article 4 of L. 3556/2007.

Athens, March 20, 2010

President of the Board of Directors	Managing Director	Member of the Board of Directors
Aristotelis Charalampakis	Periklis Livas	Nikolaos Karantanis

BOARD OF DIRECTORS' ANNUAL REPORT
(Pursuant to Law 3556/2007, article 4)

The current Board of Director's annual report concerns the period of January 1st till December 31st, 2009. The report was written and is coincided with the clauses of article 4 of L.3556/2007 and on that law's issued executive decisions of the Capital Market Committee.

A. GENERAL BUSINESS OVERVIEW FOR THE YEAR 2009 (1/1/-31/12/2009)

The recession of 2008 which resulted from the financial crisis in the U.S.A. continued to affect the world economy in 2009 while the impact of recession affected Greece's economy as well resulting to real GDP growth estimation for 2009 at -1.2%.
Amid this adverse business environment Alapis achieved its financial objectives for 2009.

Consolidated turnover for the fiscal year 2009, increased by 8.5% standing at €1.232.462, as opposed to €1.136.285 in fiscal year 2008. The increase is mainly attributed to the consolidation in the Group of PNG GEROLYMATOS SA and MEDIMEC SA. The increase of the consolidated turnover of the pharmaceuticals division and the medical devices and diagnostic division was partially offset by the decrease of the turnover of the non-health division and specifically the detergents business unit.

Consolidated Earnings before Tax, Interest and Depreciation (EBITDA) increased by 67.8% in the fiscal year to € 308.142 compared to € 183.603 in the fiscal year 2008. EBITDA margin increased by 8.9 percentage points at 25.0% versus 16.2% in fiscal year 2008. The increase is mainly attributed to the increasing focus in the human pharmaceuticals sector and especially the distribution of new pharmaceutical products and the expansion of the activity of the medical devices sector. It is noted that the fiscal year 2009 consolidated Earnings before Tax, Interest and Depreciation (EBITDA) marked lower to € 29.428 resulting from the audit for goodwill impairment of the cosmetics and detergent's business unit (€ 26.287) and of the Group's certain foreign subsidiaries (€ 3.141), where as in the fiscal year 2008 consolidated Earnings before Tax, Interest and Depreciation (EBITDA) were also burdened by the amount of € 94.566 stemming from the audit for goodwill impairment of the detergents and organic products business units. The additional impairment of the cosmetics and detergents' business unit was realized pursuant to the management's decision that the ongoing adverse financial conditions have contributed materially to the slowdown of the cosmetics and detergents' business unit's fundamentals in FY 2009 as well and its estimation that the recovery will be slow.

Consolidated Earnings before Tax, Interest and Depreciation (EBITDA) from continued operations (excluding discontinued operation of organic products) and excluding goodwill impairment of the cosmetics and detergents division in the fiscal year 2009 increased by 25.6% to €346.774 compared to €276.112 in fiscal year 2008.

Moreover, the fiscal year 2009 was burdened by significant depreciation amounting € 165.255 that is higher by € 99.920 versus the previous year due to the addition of new fixed assets in the production process and the alignment of the different depreciation rates into one for all the acquired companies.

The consolidated earnings after tax and minorities amounted in fiscal year 2009 to € 52.890 versus € 51.938 in fiscal year 2008 marking a 1.8% increase.

Human Health Division

The turnover of the human health division in the fiscal year 2009 amounted to €876.263 versus €834.890 in the previous year increasing by 5%. Earnings before Tax, Interest and Depreciation (EBITDA) formed at €252.533 versus €208.886 in the previous year increasing by 20.9%. EBITDA margin increased by 3.8 percentage points standing at 28.8% versus 25% in fiscal year 2008. The aforementioned growth despite the difficult market environment during 2009 is due to the excellent performance of generic products and to new product launches for multinational representations.

Medical Devices and Diagnostics Division

The turnover of the medical devices and diagnostics division in the fiscal year 2009 amounted to €115.536 versus €53.145 in the previous year increasing by 117.4%. Earnings before Tax, Interest and Depreciation (EBITDA) formed at €55.102 versus €19.424 in the previous year increasing by 183.7%. EBITDA margin increased by 11.1 percentage points standing at 47.7% versus 36.5% in fiscal year 2008. The aforementioned increase of sales and profit margins is mainly due to the consolidation of the sales of MEDIMEC and PNG GEROLYMATOS diagnostics sector.

Veterinary Division

The turnover of the veterinary division in the fiscal year 2009 amounted to €76.579 versus €60.438 in the previous year increasing by 26.7%. Earnings before Tax, Interest and Depreciation (EBITDA) formed at €21.021 versus €11.935 in the previous year increasing by 76.1%. EBITDA margin increased by 7.7 percentage points standing at 27.5% versus 19.7% in fiscal year 2008. The aforementioned increase of sales and profit margins is due to the increase of own produced products as well as the consolidation of PNG GEROLYMATOS veterinary sector.

Non-health Division (Cosmetics and Detergents)

The turnover of the non-health sector in the fiscal year 2009 amounted to €158.039 versus €172.238 in fiscal year 2008 marking an 8.2% decrease. This is largely attributable to the impact of the ongoing financial crisis and recessionary conditions on sales of detergents and it was partially offset by the consolidation of PNG GEROLYMATOS cosmetics sector. Earnings before Tax, Interest and Depreciation (EBITDA) of the sector amounted to losses of €11.310 in fiscal year 2009 versus losses of €38.153 in fiscal year 2008.

It is noted that the fiscal year 2009 consolidated Earnings before Tax, Interest and Depreciation (EBITDA) marked lower to € 26.287 resulting from the audit for goodwill impairment of the cosmetics and detergent's sector, while fiscal year 2008 consolidated Earnings before Tax, Interest and Depreciation (EBITDA) were also burdened by the amount of € 74.019 stemming from the audit for goodwill impairment of the cosmetics and detergent's sector. The magnitude of the impairment is mainly attributed to the prevailing adverse financial conditions, to the substantial slowdown of growth rates and the inability to set long term objectives due to the markets uncertainty. During 2009 the management in order to turn the detergents division into a competitive business unit proceeded to large scale restructuring of its production procedures resulting in a decrease of operating expenses and the subsequent increase of operating profitability contributed to offset the diminishing growth rates and reduced the impairment requirements.

Discontinued operations (Organic products)

Pursuant to the management's decision to discontinue the group's organic products operations, the turnover of this unit amounted to €6.045 in fiscal year 2009 versus €15.573 in FY 2008, while Earnings before Tax, Interest and Depreciation (EBITDA) stood at losses of €9.204 versus losses of €18.491 in FY 2008.

At the Company level, the FY 2009 turnover increased by 9.3% standing at €479.671 versus €438.759 in fiscal year 2008. Earnings before Tax, Interest and Depreciation (EBITDA) stood at €226.004 versus €120.388 in fiscal year 2008, increased by 87.7%. It is noted that Earnings before Tax, Interest and Depreciation (EBITDA) in fiscal year 2009 were reduced by €26.287 due to a goodwill impairment in the cosmetics and detergents' division, whereas Earnings before Tax, Interest and Depreciation (EBITDA) in fiscal year 2008 were reduced by €89.435 due to a goodwill impairment in the cosmetics, detergent and organic products divisions. Earnings after tax in fiscal year 2009 reported at €37.504 versus €40.986 in fiscal year 2008. This 8.5% decrease is mainly attributed to higher depreciation expenses of € 53.161 (2009:€ 97.972, 2008:€ 44.811) and to additional financial charges of €57.796 recorded in fiscal year 2009.

(All amounts are presented in thousands Euro, except otherwise stated)

CONSOLIDATED FINANCIAL RESULTS FOR 2009

(000 €)	**1.1-31.12.2009**	**1.1-31.12.2008**	**% of change**
Turnover	1,232,462	1,136,285	+ 8.5
Gross Profit	408,532	411,891	- 0.8
EBITDA	308,142	183,602	+67.8
*EBITDA	346,774	276,112	+25.6
Earnings after taxes & minority interests	52,890	51,938	+ 1.8

* Earnings before Tax, Interest and Depreciation from continued operations (excluding the discontinued operation of organic products) and excluding goodwill impairment of the detergents division.

Group is measuring its performance by using the following indicators/ratios.

EBITDA (Earnings Before Interest, Taxes, Depreciation & Amortization)

Group defines the EBITDA measure as profits/(losses) before taxes for a period if we add the financial and investing results along with total depreciation of tangible and intangible assets that correspond for the specific period. The account "Net expenses/income from financing activity" comprises revenues, expenses, profits and losses pertaining to the time value of money (interests from deposits, loans etc) and capital investments. With the term capital investments we refer to company placements in securities (stocks, debentures etc), tangible and intangible assets (for investment or own used). The account indicatively comprises revenues from deposit interests, expenses from interests on debt capital, non operating exchange differences, revenues from dividends, profits/losses from the sale, write-down, impairment, impairment reverse and securities valuation, of tangible and intangible fixed assets. The account of "total depreciation" that is added in profits/losses before taxes, is the one arising after setting-off the depreciation of fixed assets (expense) with the corresponding depreciation of relative grants (revenue) that have granted for these assets.

EBITDA in FY 2009 stood at €308.142 versus €183.602 in FY 2008.

ROE (Return On Equity)
ROE ratio measures the performance that common shareholders achieving per average monetary unit they invest and is defined as the percentage of Profits After Taxes divided by Group Equity.

ROE stood at 2.7% in 2009 and at 3.4% in 2008. Excluding the impairment of goodwill ROE stood at 4.2% in 2009 and 9.5% in 2008.

EPS (Earnings per Share)

EPS is calculated by dividing company profits after taxes and minority rights with the weighted average number of shares outstanding within the period.

Earnings per share (EPS) in FY 2009 stood at €0.05 versus €0.05 in FY 2008.

B. KEY EVENTS 2009

On February 24th, 2009,

- ALAPIS SA proceeded with the acquisition of a 46% stake in SANTA PHARMA SA following which ALAPIS SA now controls 100% of the respective share capital of the above company. Specifically the acquisition price for the 46% stake in SANTA PHARMA SA, amounted to € 26.200 - as part of the acquisition, a number of clauses were agreed, pursuant to which the acquisition consideration would be adjusted depending on the achievement or not of certain target milestones.

- ALAPIS SA proceeded with the acquisition of a 16% stake in PNG GEROLYMATOS MEDICAL SA and on March 30th, 2009 proceeded with the acquisition of the remaining 1% following which ALAPIS SA now controls 100% of the respective share capital of the above company. Specifically the acquisition price for the 17% stake in PNG GEROLYMATOS MEDICAL SA, amounted to € 39.700 - as part of the acquisition, a number of clauses were agreed, pursuant to which the acquisition consideration would be adjusted depending on the achievement or not of certain target milestones.

On March 30th, 2009,

- the Company proceeded to the acquisition of the remaining 40% of the company ANDREAS CHRISTOFOGLOU SA for the price of € 200.

- the Company proceeded to the acquisition of 100% of the company DILACO LTD which represents well known brands in the orthopedic material sector and controlled 40% of the company MEDIMEC SA. The acquisition price amounted to € 11.000. The same date the Company proceeded to the acquisition of an extra 9,9% of the company MEDIMEC SA and the signature of a memorandum for the acquisition of the remaining 50,1% with the completion of approval by the Competition Commission, which was finalized on May 29th, 2009. The price for the remaining 60% amounts to € 38.000, with a coupling obligation – accomplishment of objectives guarantee.

- the Company proceeded to the acquisition of 100% of the company BEAUTY WORKS SA, at the price of € 1.500. BEAUTY WORKS SA represents well known brand names in the cosmetics sector.

On May 22nd, 2009

- the Company proceeded to the acquisition of the 1% of the company PHARMASOFT LTD for the price of € 1, following which ALAPIS SA now controls 100% of the respective share capital of the above company.

- the Company proceeded to the acquisition of the 35,20% of the company IPIROPHARM SA for total price of € 260, following which ALAPIS SA now controls 91,20% of the respective share capital of the company.

On May 25th, 2009

- pursuant to the decision of the Ministry of Development with protocol number K2-5113, the merger of the Company via absorption with its subsidiaries LAMDA APPLIED SA and ALAPIS PHARMA SA was approved, pursuant to the provisions of articles 68-78 of C.L. 2190/20 and articles 1-5 of L. 2166/1993 and following the Decisions of the companies' Board of Directors dated April 29th, 2009.

On May 29th, 2009

- pursuant to the decision of the Prefecture of Athens with protocol number 5969, it was approved the merger by absorption of the companies OMIKRON MEDICAL SA and LABOMED SA by the company BIOCHEM DIAGNOSTICS SA that was realized according to C.L. 2190/1920, in conjunction with the provisions of articles 1-5 of L.2166/1993. The new corporate name of the absorbing company is "ALAPIS MEDICAL AND DIAGNOSTICS SOCIETE ANONYME FOR THE IMPORT AND COMMERCE OF DIAGNOSTIC MEDICAL LABORATORY EQUIPMENT, MEDICAL MACHINERY OF SANITARY MATERIALS AND MEDICAL PRODUCTS" and the new distinctive title is ALAPIS MEDICAL AND DIAGNOSTICS SA.

On June 29th, 2009

- the Company proceeded to the acquisition of the 100% of the company GEROLYMATOS PRESTIGE SPA S BEAUTY SALON SA for the price of € 1.250.

- the companies GLYKEIA IGIA SA, GLYKEIA GEFSI SA, EBIK PRODUCTS SA, CERTIFIED ORGANIC PRODUCTS LTD and THERAPEFTIKI SA, which are included in the organic products sector, were disposed, aiming to finalize the liquidation procedure.

Within the course of the first quarter the organic products sector confronted significant problems with gross and operating profit margin presenting steep decline. The decrease of profit margins and the losses that the sector presented in the first quarter of 2009 lead Group management to the decision to proceed immediately with: a) closure of the retail stores under the name Viologikos Kiklos, b) cease of production and distribution of organic products and c) the commencement of disposal or liquidation procedure for the companies activated in the division of organic products.

On June 30th, 2009

- Within the framework of the Group's restructuring and in order to fully comply with the activity objectives of the Group and in its effort to exploit economies of scale, proceeded according to the provisions of the articles of C.L. 2190/1920 and L. 2166/1993 to the merger through absorption its 100% subsidiary PNG GEROLYMATOS SA after the completion of the spinoff of the sector of diagnostics of the absorbed company that will be contributed to the subsidiary MEDIMEC SA, with transformation balance sheet date (financial statements) as of June 30, 2009.

- the Company proceeded to the acquisition of the 1,88% of the company SUMADIJALEK AD for total price of € 964, following which ALAPIS SA now controls 97,79% of the respective share capital of the company.

On July 9th, 2009,

- the Company established the company with the distinctive title GEROLYMATOS COSMETICS SA, with the objective the distribution and trade of cosmetics.

- the Company established the company with the distinctive title GEROLYMATOS ANIMAL HEALTH SA with the objective the trade of veterinary pharmaceutical products and similar products.

On August 5th, 2009,

- the Company following the decision of the Board of Directors of ALAPIS SA, the rights issue offered to existing shareholders by means of pre-emption rights, which was decided by it on August 5th, 2009 and took place from 4.9.2009 until 18.9.2009, has been fully subscribed with a payment of a total amount of €451.076 and the issuance of 980.600.220 new, common, dematerialized and registered voting shares, each having a nominal value of € 0,30 and a subscription price of € 0,46. The total amount of shares requested by those who exercised the pre-emption rights and those who exercised the oversubscription rights oversubscribed the share capital increase 1,522 times. In light of the above, the share capital of the Company has been increased to € 294.180 with the issuance and distribution of 980.600.220 new, common, dematerialized and registered voting shares, each having a nominal value of € 0,30. The difference between the nominal value of the shares and the subscription price of the shares amounting in total to € 156.896 was credited, after the deduction of the expenses in respect of the rights issue, to the account "Paid in surplus". The trading of new shares commenced on September 25th, 2009.

On September 23rd, 2009

- pursuant to the decision No. 13399/15.09.2009 of the Thessalonica Prefecture, was concluded the merger of ALAPIS' subsidiary PHARMAGORA SA with its 100% subsidiary SANTE HELLAS SA, by the absorption of the second from the first, in accordance with the stipulations of the articles of Cod. Law 2190/1920 and Law 2166/1993.

On September 30th, 2009

- the companies EBIK SA and LYD SA, which are included in the organic products sector, were disposed, aiming to finalize the liquidation procedure.

On October 29th, 2009

- the Company proceeded to the establishment of the company under the name "SAMBROOK MED PHARMACEUTICAL SOCIETE ANONYME" and the distinctive title "SAMBROOK MED SA". "SAMBROOK MED SA" core business objective is, in summary, to produce and manufacture pharmaceutical, parapharmaceutical and cosmetic products, to import, export and in general to trade the aforementioned products of domestic and foreign origin, to offer the services toward the promotion of these products and to realize and support all medical research programs and studies related to them, to grand the trade names of these products and to offer the medical information services regarding the areas of production and trading aspects of pharmaceutical products and medicines, biodiagnostic products, veterinary medicines as well as other products related to health and cosmetics and the representation of any company with similar or comparable scope. The new company's business headquarters are in the Municipality of Palaio Faliro. The company's paid in share capital amounts € 60 and the sole shareholder of the company is ALAPIS S.A.

- the Company proceeded to the establishment of the company under the name "ALMEDIA PHARMACEUTICAL SOCIETE ANONYME" and the distinctive title "ALMEDIA PHARMACEUTICALS SA". "ALMEDIA PHARMACEUTICALS SA" core business objective is, in summary, to produce and manufacture pharmaceutical (human and veterinary), parapharmaceutical (OTC) products and diet foods, cosmetics as well as any other products related to health and beauty, to import, export and in general to trade the aforementioned products of domestic and foreign origin, to grand the trade names of these products, to offer the services toward the promotion of these products, to offer the medical information services regarding the areas of production and trading aspects of pharmaceutical products and medicines, biodiagnostic products, veterinary medicines as well as other products related to health and cosmetics, to realize and support medical research programs and studies related to them, and the representation of any company with similar or comparable scope. The new company's business headquarters are in the Municipality of Palaio Faliro. The company's paid in share capital amounts € 60 and the sole shareholder of the company is ALAPIS S.A.

- the Company proceeded to the establishment of the company under the name "MEDSYSTEMS SOCIETE ANONYME FOR THE IMPORT AND TRADE OF HOSPITAL, LABORATORY EQUIPMENT OF DIAGNOSTICS AND MEDICAL EQUIPMENT" and the distinctive title "MEDSYSTEMS SA". "MEDSYSTEMS SA", core business objective is, in summary, to trade and import either for its own purposes or as a representative of laboratory, medical and hospital equipment, related materials and other equipment, tools and consumables for the above equipment, to compile studies, research programs and special software either for its own purposes or the public or private sector, to offer rights of use and logistics services. The new company's business headquarters are in the Municipality of Palaio Faliro. The company's paid in share capital amounts € 60 and the sole shareholder of the company is ALAPIS S.A.

On October 23rd, 2009

- GEROLYMATOS COSMETICS S.A., a wholly owned subsidiary of ALAPIS SA, concluded a joint venture agreement with SHISEIDO INTERNATIONAL EUROPE SA, a wholly owned subsidiary of SHISEIDO CO. Ltd. The agreement calls for the establishment of a joint venture, Shiseido Hellas S.A., between the two parts aiming to strengthen the sales of Shiseido Cosmetics in the Greek market. SHISEIDO HELLAS S.A. is expected to start operations in January 2010.

On November 10th, 2009

- the Company proceeded to the establishment of the company under the name "SHISEIDO HELLAS SOCIETE ANONYME FOR THE IMPORT, TRADE AND DISTRIBUTION OF COSMETIC PRODUCTS" and the distinctive title "SHISEIDO HELLAS S.A.". "SHISEIDO HELLAS SA" core business objective is, in summary, to import, trade, distribute and sale in Greece cosmetics under the brand name "SHISEIDO". The new company's business headquarters are in the Municipality of Palaio Faliro. The company's paid in share capital amounts €60 and the company's shareholders are: SHISEIDO INTERNATIONAL EUROPE S.A. with 51% and GEROLYMATOS COSMETICS S.A. (100% subsidiary of ALAPIS SA) with 49%.

On December 28th, 2009

- Pursuant to the decision No K2-12461/28.12.2009 of the Ministry of Economy, Competitiveness and Shipping it was approved the merger of ALAPIS HOLDING, INDUSTRIAL AND COMMERCIAL SOCIETE ANONYME OF PHARMACEUTICAL AND ORGANIC PRODUCTS with its fully (100%) subsidiary PNG GEROLYMANTOS HEALTH AND BEAUTY COMMERCIAL AND INDUSTRIAL SOCIETE ANONYME, by absorption of the latter from the former according to the decisions of their Board of Directors as of 22.09.2009 and 23.11.2009 and the provisions of articles 68-78 of the C.L. 2190/1920 and articles 1-5 of L. 2166/1993.

On December 30th, 2009

- The Company acquired a 50% stake of GENESIS ILAC for the amount of €1.700 GENESIS ILAC pharmaceutical company was established in 2000 and its headquarters are at Istanbul. GENESIS ILAC product portfolio comprises of pharmaceutical and OTC products (Sinomarin, Basiscream, Pulvo, Septrin, Actiq, Rinopanteina, Predictor, Mentopin, Calcimed D3, Cevitthot and Denol) which are mainly distributed to pediatricians, otolaryngologists, general physicians, dermatologists and oncologists. The company currently employs approximately 70 people (mainly medical representatives), while in 2008 its turnover amounted to €8.200.

- SAMBROOK MED SA, a fully (100%) subsidiary of ALAPIS SA, acquired from SAMBROOK PHARMACEUTICALS SA for the amount of €75 SANDOZ's pharmaceutical company business unit, concerning the production of generic pharmaceutical products and signed an agreement for the distribution and promotion of SANDOZ GMBH's generic products in the therapeutic categories of cardiology, osteoporosis, stomach protection, diabetes and antibiotics. This is a strategic agreement for ALAPIS group, since it aims at enhancing market share and establishing the Group in the generics market.

- ALAPIS SA acquired the remaining 40% of the subsidiary MEDIMEC SA that was held up to now by DILACO SA, a fully (100%) subsidiary of ALAPIS SA. ALAPIS SA now holds directly 100% of MEDIMEC. The business activity of DILACO SA and SCALONITA LTD, a fully (100%) subsidiary of ALAPIS SA, was absorbed by PHARMACARE LTD, which is also a fully (100%) subsidiary of ALAPIS SA.

- Finally, pursuant to the private agreement dated 29.12.2009, ALAPIS completed the spinoff of the detergents and cosmetics division of DALL S.A. to ALAPIS S.A.. In specific ALAPIS absorbed DALL SA's detergents and cosmetics division for a total of € 207 and proceeded to the disposal of the company for €10.

The efficient consolidation of the new acquired entities in conjunction to the synergies and economies of scale that emerge are expected to further enhance the company's competitive edge.

C. FINANCIAL RISK MANAGEMENT

The state of the Greek economy

Started in 2009, the Greek economy is currently undergoing a period of recession (GDP growth rate of -2%), whereas the public deficit escalated at 12.7 per cent of GDP resulting in a business environment much less attractive than before. According to the "Updated Greek Stability and Growth Programme" published in January 2010, the Greek Ministry of Finance estimated that for the 2010 the growth would increase to -0.3% whereas unemployment would increase to 9.6 per cent. Dealing with public deficits could lead to reduced overall spending in the foreseeable future, including in the healthcare sector, which would have a negative effect on the performance of the Group's Health Divisions operations. Moreover, reduced consumer spending could lead the Group and its competitors to decrease prices, thereby potentially reducing profitability from sales of the Group's Non-Health (Cosmetics and Detergents) division. Additionally, the lack of liquidity in the market involves increasing risk of losses stemming from clients failing to fulfill their payments, which the Group may not adequately or at all cover by insuring its trade receivables or by entering into factoring agreements with financial institutions to finance its working capital needs.

For the reason state above, to the extend that the current economic downturn worsens to levels beyond of those that have been estimated, or if the financial and business environment in which the Group operates do not recover the Group could experience a material adverse effect on its business, financial conditions and results of operations.

Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

Risk management is carried out by a central treasury department ('Group treasury') under policies approved by the Board of Directors. Group treasury identifies, evaluates and hedges financial risks in close co-operation with the Group's operating units. The Board provides written principles for overall risk management, as well as written policies covering specific areas, such as foreign exchange risk, interest rate risk, and credit risk, use mainly of no derivative financial instruments, and investment of excess liquidity.

(a) Market risk

(i) Foreign exchange risk

The Group operates in an international environment and is exposed to foreign exchange risk arising from various currency exposures. Foreign exchange risk arises from future commercial transactions, recognised assets and liabilities and net investments in foreign operations.

Management has set up a policy to require Group companies to manage their foreign exchange risk against their functional currency. The Group companies are required to hedge their entire foreign exchange risk exposure with the Group treasury. To manage their foreign exchange risk arising from future commercial transactions and recognised assets and liabilities, entities in the Group may use forward contracts, transacted with Group treasury. Foreign exchange risk arises when future commercial transactions or recognised assets or liabilities are denominated in a currency that is not the entity's functional currency.

The Company and its Greek subsidiaries do not have significant assets and liabilities in a currency other than the Euro and thus have no substantial exchange risk.

Regarding future commercial transactions conducted in currencies other than the operational currency, the Group has adopted the policy of transactions with instalments set in advance, aiming to limit currency differences.

The Group has certain investments in foreign operations, whose net assets are exposed to foreign currency translation risk. Currency exposure arising from the net assets of the Group's foreign operations is managed primarily through borrowings denominated in the relevant foreign currencies.

At 31 December 2009, if the currency had weakened/strengthened by 7% against the UK pound, with all other variables held constant, Group's net profit for the year would have been € 50 and € 58 respectively higher/lower, mainly as a result of foreign exchange gains/losses on translation of income statement of EUROMEDICINES LTD.

At 31 December 2009, if the currency had weakened/strengthened by 5% against the Romanian RON, with all other variables held constant, Group's net profit for the year would have been € 71 and € 79 respectively higher/lower, mainly as a result of foreign exchange gains/losses on translation of income statement of ALAPIS ROMANIA SRL.

At 31 December 2009, if the currency had weakened/strengthened by 1% against the Croatian KUNA, with all other variables held constant, Group's net profit for the year would have been € 6 higher/lower, mainly as a result of foreign exchange gains/losses on translation of income statement of ALAPIS DOO.

At 31 December 2009, if the currency had weakened/strengthened by 5% against the Serbian DINAR, with all other variables held constant, Group's net profit for the year would have been € 83 and € 92 respectively higher/lower, mainly as a result of foreign exchange gains/losses on translation of income statement of SUMADIJALEK AD and ALAPIS SER DOO.

(ii) Price risk

Pharmaceutical pricing is set by the government in Greece and any downward pressure on the price of pharmaceuticals would likely have a material adverse effect on the Group's profitability and results of operations. According to the legislation in force the price of medicine must not exceed the average of the three lowest prices of that particular medicine as sold within the 26 European Union (EU) member states. In Greece generics are priced at a 20 per cent. discount to the original patented medicines.

Owning to the conditions inherent in the Greek pharmaceutical market, the state of public finances, the government announcements to reform the pricing framework of pharmaceuticals and the general competition in the pharmaceutical industry, the Group expects that price controls and pressures on pricing will remain or increase in Greece. Although the Group has pursued a strategy of developing a line of branded generics to partially offset the impact of price controls, any increase in such price controls and any failure by the Group to offset such pressures with its branded generics may limit or eliminate the Group's expected financial growth from the affected products and may have a material adverse effect on the Group's business, financial condition and result of operations.

The Group is not exposed to securities price risk due to its limited investment in entities and their classification in the consolidated statement of financial position as financial assets at a fair value through the results. The Group is not exposed to commodity price risk.

(iii) Cash flows and fair value interest rate risk

The Group's interest risk increases by its non-current liabilities. The liabilities could possibly result in variable interest rates and expose the Group to cash flow interest rate risk, which is partially offset by cash held at variable rates.

The Group analyses exposure to interest rate on a dynamic basis. Various scenarios are simulated, as refinancing and renewals of existing positions are taken into consideration. Based on these scenarios, the Group calculates the impact on the profit and loss of a certain interest rate shift. For each simulation, the same interest rate shift is used for all currencies. The scenarios only apply to liabilities that represent the major interest positions.

At 31 December 2009, if Euribor had been 1% higher/lower with all other variables held constant, net profit for the year would have been € 8.804 and € 8.392 lower/higher for the Group and the Company respectively, mainly as a result of higher/lower interest expense on floating rate borrowings.

(b) Credit risk

Credit risk is managed on a Group basis. Credit risk arises from cash and cash equivalents, derivative financial instruments and deposits with banks and financial institutions, as well as credit exposures customers, including outstanding receivables and committed transactions.

The Group's principal credit risk relates to the possibility that a given customer fails to fulfil its payment obligations. The recession into which the Greek economy has fallen and the lack of liquidity in the market are factors containing increased risk for losses related to clients' inability to fulfill their financial obligations towards the Group. The Group's main clients in the pharmaceutical sector are state hospitals that generally take longer than other customers to settle their accounts with suppliers of pharmaceutical products and medical equipment. Moreover the Greek National Healthcare System (part of the general social security system) is also a slower payer of its contributions for pharmaceutical products purchases by pharmacies and hospitals. At the beginning 2010 repaid a part of the state hospital obligations dated back to 2005. The amount paid was €1.200.000. As a part of this influx of cash into the system the Group received approximately € 50.000.

Credit risk is managed at the Group level and all Group companies monitor the financial position of their debtors on an ongoing basis. However, management believes the Group does not have significant concentration of credit risk, as the Group has signed credit insurance agreements which cover up to 90% of receivables in the event that an inability or delay in their collection is confirmed.

(c) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities since the Group requires significant amount of funds to finance its working capital due to long repayment periods from customers of pharmaceutical products, especially from state owned hospitals. Due to the dynamic nature of the underlying businesses, Group treasury maintains flexibility in funding by maintaining availability under committed credit lines. Furthermore, the Group has entered into a number of non-recourse factoring agreements, to provide it with working capital flexibility.

Specifically, the Group funds a significant part of its working capital by entering into trade receivables factoring agreements with Greek and international financial institutions. The terms of the factoring agreements require that the Group purchase credit insurance prior to assigning its receivables via the factoring agreements by obtaining three year credit insurance for its state owed receivables. Moreover the terms of the factoring agreements provide that, upon default by the underlying customer, the Group's counterparties (financial institutions) will turn in first instance, to the customer underlying the receivable and then to the providers of the Group's credit insurance for payment. The repayment obligation, however, would revert to the Group if both the underlying customer and the credit insurer fail to pay, in which case the Group could be subject to significant liabilities in respect of previously factored receivables. In addition the maximum indemnity paid by the providers of credit insurance for any given period is limited to a multiple of the Group's insurance premium for that period and, thus if a significant proportion of the Group's receivables were to default simultaneously, it is possible that such default would exceed the indemnity to be paid by the insurers, in which case the Group would be liable for any deficiency in the coverage.

Management monitors rolling forecasts of the Group's liquidity requirements to ensure it has sufficient cash to meet operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities at all times so that the Group does not breach borrowing limits or covenants (where applicable) on any of its borrowing facilities. Such forecasting takes into consideration the Group's debt financing plans, covenant compliance, compliance with internal balance sheet ratio targets and, if applicable external regulatory or legal requirements.

Whilst the Group has headroom under its factoring facilities, if the Group does not manage to obtain additional credit insurance or does not receive payment for its outstanding trade and other receivables in the near future that would allow increasing headroom in its existing factoring facilities, it may experience difficulties to finance its working capital, which in turn could have a material adverse effect on the Group's business, financial condition and results of operations.

Furthermore, prudent liquidity risk management is needed considering that the production of pharmaceuticals, detergents, and of a number of the other of the Group's products is capital intensive and in order for the Group to maintain its competitive advantages and carry into effect its strategic goals, it may need to incur significant capital expenditures (fixed assets, acquisitions of companies or products). The Group may not, however, generate sufficient cash flows from operations to fund all future capital expenditures, and may depend on debt or equity financing to fund such expenditures. Given the current state of the Greek economy and of the global financing markets such financing may not be available to the group, or, if available may not be obtainable on terms commercially acceptable to it. Any failure to obtain required funds could delay or prevent the completion of future capital expenditures or acquisitions, which in turn could have a material adverse effect on the Group's business, financial condition and results of operations.

Surplus cash held by the operating entities over and above balance required for working capital management are transferred to the group treasury. Group treasury invests surplus cash in interest bearing current accounts, time deposits and marketable securities, choosing instruments with appropriate maturities or sufficient liquidity to provide sufficient head-room as determined by the above-mentioned forecasts. At the reporting date, the Group and the Company held cash in interest bearing current accounts of € 155.995 (2008: € 74.810) and € 103.821 (2008: € 10.175) respectively and time deposits of € 57.936 (2008: € 132.704) and € 54.400 (2008: € 111.037) respectively, that are expected to readily generate cash inflows for managing liquidity risk.

(All amounts are presented in thousands Euro, except otherwise stated)

The table below analyses the Group's and the Company's financial liabilities into relevant maturity groupings based on the remaining period at the statement of financial position date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

The Group

2009	**Up to 1 year**	**1 to 5 years**	**Over 5 years**
Borrowings	146.187	685.000	50.000
Finance lease liabilities	4.046	13.461	21.848
Derivatives	0	3.243	0
Trade and other receivables	357.241	184	0

The Group

2008	**Up to 1 year**	**1 to 5 years**	**Over 5 years**
Borrowings	169.459	700.106	2.500
Finance lease liabilities	3.546	10.358	10.406
Derivatives	0	1.811	0
Trade and other receivables	274.427	174	0

The Company

2009	**Up to 1 year**	**1 to 5 years**	**Over 5 years**
Borrowings	141.001	685.000	50.000
Finance lease liabilities	1.701	10.628	21.848
Derivatives	0	3.243	0
Trade and other receivables	306.352	0	0

The Company

2008	**Up to 1 year**	**1 to 5 years**	**Over 5 years**
Borrowings	135.430	664.843	0
Finance lease liabilities	443	4.012	10.406
Derivatives	0	1.811	0
Trade and other receivables	71.392	0	0

(All amounts are presented in thousands Euro, except otherwise stated)

Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The Group monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings (including 'current and non-current finance lease liabilities' as shown in the statement of financial position) less cash and cash equivalents. Total capital is calculated as equity shown in the consolidated statement of financial position plus net debt.

	The Group		The Company	
	2009	2008	2009	2008
Total borrowings	920.542	896.374	910.178	815.133
Less: Cash and cash equivalents	(216.398)	(208.679)	(158.426)	(121.305)
Net debt	**704.145**	**687.695**	**751.752**	**693.828**
Total equity	1.948.261	1.546.377	1.989.898	1.528.323
Total capital	**2.652.406**	**2.234.072**	**2.741.650**	**2.222.151**
Gearing ratio	**26,55%**	**30,78%**	**27,42%**	**31,22%**

The significant improvement of the gearing ratio for the Company and Group as well is due to the increase in total equity resulting from the rights issue offering of €451.076 the Company completed during the year, the net proceeds of which amounted to €423.063. The proceeds were mainly used to financing working capital needs of €143.066, to pay off €180.309 of debt obligations, and to overall boost the Groups' liquidity. A thorough analysis of the above is presented in the "Use of Funds" table contained in the Company's annual financial report.

(All amounts are presented in thousands Euro, except otherwise stated)

Fair value estimation

Effective 1 January 2009, the Group adopted the amendment to IFRS 7 for financial instruments that are measured in the statement of financial position at fair value, this requires disclosure of fair value measurements by level of the following fair value measurement hierarchy:

(a) The fair value of financial instruments traded in active markets (such as trading) is based on quoted market prices at the statement of financial position date. The quoted market price used for financial assets held by the Group is the current bid price (level 1).
(b) The fair value of financial instruments that are not traded in an active market (for example, over-the counter derivatives) is determined by using valuation techniques. The Group uses a variety of methods and makes assumptions that are based on market conditions existing at each statement of financial position date. Quoted market prices or dealer quotes for similar instruments are used for non-current debt (level 2).
(c) Other techniques, such as estimated discounted cash flows, are used to determine fair value for the remaining financial instruments (level 3).

The following table presents the Group's and the Company's assets and liabilities that are measured at fair value at 31 December 2009 and 2008.

The Group				
2009				
Assets	**Level 1**	**Level 2**	**Level 3**	**Total**
Assets at fair value through the income statement				
Short-term investments	6	0	0	6
Liabilities				
Liabilities at fair value through the income statement				
Derivatives	0	3.243	0	3.243

The Group				
2008				
Assets	**Level 1**	**Level 2**	**Level 3**	**Total**
Assets at fair value through the income statement				
Short-term investments	5	0	0	5
Liabilities				
Liabilities at fair value through the income statement				
Derivatives	0	1.811	0	1.811

The Company
2009

Assets	**Level 1**	**Level 2**	**Level 3**	**Total**
Assets at fair value through the income statement				
Short-term investments	0	0	0	0
Liabilities				
Liabilities at fair value through the income statement				
Derivatives	0	3.243	0	3.243

The Company
2008

Assets	**Level 1**	**Level 2**	**Level 3**	**Total**
Assets at fair value through the income statement				
Short-term investments	0	0	0	0
Liabilities				
Liabilities at fair value through the income statement				
Derivatives	0	1.811	0	1.811

Other business risks

Loss of the Group's long-term contracts with key multinational suppliers and customers could materially adversely affect the Group's business, financial condition and results of operations

The Group has entered into long-term distribution, production and out-licensing contracts with multinational pharmaceutical and consumer goods companies. However, there can be no assurance that once such existing contracts expire, the Group will be able to renegotiate or enter into new distribution and/or production contracts that will be on terms that are satisfactory to the Group. In addition, in the event any of the Group's key multinational suppliers or customers merges with another multinational that is not currently a customer of the Group, the Group may not be able to renew its existing contract or enter into a new contract with the resulting new entity. Any damage to the Group's relationships with multinational pharmaceutical and consumer goods companies, or the loss of the Group's contracts with its key multinational companies could have a material adverse effect on the Group's business, financial condition and results of operations.

Changes in the policies of the Group's retail trade customers and increasing dependence on key retailers may adversely affect some of the Group's businesses

Certain of the Group's products sold under its own label, such as animal health products, pet food products, and cosmetics are sold in a highly competitive marketplace, which is experiencing increased trade concentration and the growing presence of large retailers and discounters. With the growing trend towards retail trade consolidation, the Group is increasingly dependent on trade policies, such as inventory de-stocking, limitations on access to shelf space, discount policy, etc; adopted by large retailers as well as of their bargaining power to demand higher trade discounts, allowances or slotting fees, which could lead to reduced sales or profitability for the Group. In the fourth quarter of 2008 and the first quarter of 2009, for example, in light of the deteriorating economic environment, retailers in Greece undertook widespread inventory de-stocking, which resulted in significantly lower sales to the Group's key retail customers in the Cosmetics and Detergent division.

Key suppliers may not continue to supply products, including APIs, to the Group on commercially acceptable terms

For its pharmaceutical products, the Group relies on a broad base of suppliers for the supply and cost of its various raw materials, including active pharmaceutical ingredients ("APIs"). For certain raw materials the Group may experience shortages as a result of unexpected demand, production difficulties or financial distress of a key supplier and any of these shortages may take time to rectify, particularly if a replacement supplier needs to be located. Even though the policy adopted from the Group is for the supply of critical raw materials to secure the collaboration of more than one supplier, a potential weakness in securing a sufficient supply of raw materials, at all or on commercially acceptable terms could have a material adverse effect on the Group's business, financial condition and results of operations.

The Group's future revenue growth and profitability are dependent upon its ability to successfully develop, license, or otherwise acquire and introduce new products on a timely basis in relation to product introductions of its competitors

The Group aims to continually introduce a significant number of new and upgraded pharmaceutical products in order to remain competitive in an industry characterised by frequent product advances. The Group's future revenues and profitability will therefore depend, to a significant extent, upon its ability to successfully develop and/or license, or otherwise acquire and commercialise, new generic and patented or statutorily protected pharmaceutical products in a timely manner. Product development, licensing, and commercialisation require substantial time, effort and financial resources while a set of unpredicted factors may affect the achievement of milestones. A potential weakness in commercialising, acquiring or licensing any of such products on a timely basis, if at all, which could and would have a material adverse effect on the Group's business, financial condition and result of operations.

Economic and regulatory uncertainties in some of the countries in which the Group operates may have a material adverse effect on the Group's business, financial condition and results of operations

Over the past few years, many of the countries in which the Group operates or expects to operate have experienced economic growth and improved economic stability. For example, countries such as Bulgaria and Romania initiated free-market reforms in connection with their accession to the EU. Recently, this trend has been reversed by the on-going global economic contraction, which has led to lower and, in some cases, negative growth rates in the countries in which the Group's businesses operates. The legal and regulatory systems in certain of these countries remain underdeveloped and subject to political interference. Moreover, legal, regulatory and free-market reform policies may not continue to be implemented and, if implemented, may not be successful. Any economic deterioration in the countries in which the Group's businesses operate as well as continued uncertainty with respect to legal, regulatory and free-market reforms could have a material adverse effect on the Group's business, financial condition and results of operations.

D. SHARE CAPITAL

The Company's shares are listed for trading on the Athens Stock Exchange (Large Cap Category).
The share capital of the Company amounts to five hundred eighty eight million three hundred sixty thousand and one hundred thirty two Euros (588,360 €), divided into one billion nine hundred sixty one million two hundred thousand four hundred forty common registered shares with voting (1,961,200,440 shares), with nominal value of thirty cents (EUR 0.30) each.

It is noted that during FY 2009 the share capital increase via cash payment by the amount of €294,180 was realized thoughts rights issue (04-18 September 2009) and the issuance of 980,600,220 new common registered shares at €0.30 par value each. The total funds raised amounted to €451,076.

E. PURCHASE OF THE COMPANY'S TREASURY SHARES

On Monday, February 4, 2008 the Extraordinary Shareholders Meeting of ALAPIS S.A. approved the purchase of the company's treasury shares up to 1/10 of the paid up share capital, i.e. 98,060,022 shares, according to article 16 of c.l. 2190/1920 in order to decrease the share capital of the company, with the lowest acquisition price set at 1 euro per share while the upper price limit set at 5 euro per share and the time frame for the acquisition of the shares will not exceed two (2) years. The Board of Directors has been authorized to amend the article 5 of company's statutes when the treasury shares will be acquired and to materialize all the aforementioned decisions of the present General Meeting, following at the same time the treasury shares acquisition procedure as set by C.L. 2190/1920, combined with the respective provisions of the legal framework, the stock exchange rulebook and the company's statutes in general. In July 2008 the company began the acquisition of treasury shares and until the end of the proposed period the Company has purchased 71,576,978 treasury shares of € 95,415 total value (€ 95,616 including transaction cost), through PIRAEUS Securities with average acquisition price € 1.33 per share, that represents 3.65% of the company's current total share capital and voting rights.

At the company's share capital increase that took place during the year, the company did not exercise its rights of its treasury shares and sold these shares instead. The total proceeds from the sale of the rights amounted to €4,006 resulting to a reduction of the acquisition cost of the treasury shares by the aforementioned amount, hence the total acquisition cost decreased to € 91,609 at an average acquisition cost per share amounting to €1.28. On December 31, 2009, the Company owned 71.578.743 treasury shares.

(All amounts are presented in thousands Euro, except otherwise stated)

F. DIVIDEND POLICY

Company's management, respecting the rights of its shareholders and taking into consideration the adverse impacts of the global economic crisis and the critical condition of the Greek economy due to the bad macroeconomic figures, is proposing to the general meeting the distribution of dividend of the fiscal year 2009 of the amount of €11,337 versus €9,999 for the year 2008 (an increase of 13.39%). The proposed per share dividend for the year 2009 for the outstanding number of shares (apart from own shares) amounts to 0.006€ versus 0.011 € for 2008. It is noted that due to resent legislation dividends are additionally tax burdened by 10%.

G. SIGNIFICANT TRANSACTIONS WITH AFFILIATED PARTIES DURING 2009

The tables below depict revenues and expenses from transactions with subsidiaries:

Revenues	**Amounts in € th.**
PROVET S.A.	4,937
KTINIATRIKI PROMITHEFTIKI S.A.	3,732
DALL S.A.	5,298
ALAPIS MEDICAL & DIAGNOSTICS S.A.	49,247
FARMAGORA S.A.	88
ALAPIS PHARMAKAPOTHIKI S.A.	93
EBIK S.A.	3
LYD S.A.	3
EBIK PRODUCTS S.A.	2
K. P. MARINOPOULOS S.A.	1,243
IPIROPHARM S.A.	73
PHARMAKEMPORIKI S.A.	104
ANDREAS CHRISTOFOGLOU S.A.	7
SANTA PHARMA S.A.	27,301
GEROLPHARM S.A.	4,024
PNG GEROLYMATOS MEDICAL S.A.	31,725
GEROLYMATOS PRESTIGE SPA'S BEAUTY SALON S.A.	924
GEROLYMATOS COSMETICS S.A.	13,338
GEROLYMATOS ANIMAL HEALTH S.A.	1,514
BEAUTY WORKS S.A.	923
MEDIMEC S.A.	30,148
SAMBROOK MED S.A.	1
ALAPIS DOO	21
ALAPIS ROMANIA SRL	1,015
ALAPIS BULGARIA EOOD	56
ALAPIS SER DOO	50
PHARMACARE LTD	220
TOTAL	**176,089**

(All amounts are presented in thousands Euro, except otherwise stated)

Expenses	**Amounts in € th.**
PROVET S.A.	567
KTINIATRIKI PROMITHEFTIKI S.A.	170
DALL S.A.	120,236
FARMAGORA S.A.	17
ALAPIS PHARMAKAPOTHIKI S.A.	450
EBIK S.A.	3
GLYKEIA GEFSI S.A.	48
K. P. MARINOPOULOS S.A.	1,266
IPIROPHARM S.A.	350
PHARMAKEMPORIKI S.A.	30
ANDREAS CHRISTOFOGLOU S.A.	850
SANTA PHARMA S.A.	32
GEROLPHARM S.A.	5,919
PNG GEROLYMATOS MEDICAL S.A.	253
GEROLYMATOS PRESTIGE SPA'S BEAUTY SALON S.A.	355
GEROLYMATOS COSMETICS S.A.	51
BEAUTY WORKS S.A.	203
EUROMEDICINES LTD	1
SCALONITA LTD	727
ALAPIS LUXEMBURG S.A.	37
TOTAL	**131,566**

(All amounts are presented in thousands Euro, except otherwise stated)

The tables below depict the balances of receivables and payables from and to subsidiaries:

Receivables	**Amounts in € th.**
PROVET S.A.	5,554
KTINIATRIKI PROMITHEFTIKI S.A.	710
ALAPIS MEDICAL & DIAGNOSTICS S.A.	34,437
ALAPIS PHARMAKAPOTHIKI S.A.	954
K. P. MARINOPOULOS S.A.	3,835
IPIROPHARM S.A.	5,847
PHARMAKEMPORIKI S.A.	1,538
ANDREAS CHRISTOFOGLOU S.A.	1,180
PHARMASOFT LTD	51
SANTA PHARMA S.A.	5,837
GEROLPHARM S.A.	8,699
PNG GEROLYMATOS MEDICAL S.A.	21,787
GEROLYMATOS PRESTIGE SPA'S BEAUTY SALON S.A.	1,070
BEAUTY WORKS S.A.	1,746
MEDIMEC S.A.	39,454
GEROLYMATOS COSMETICS S.A.	16,729
GEROLYMATOS ANIMAL HEALTH S.A.	2,775
MEDSYSTEMS S.A.	3
ALMEDIA PHARMACEUTICALS S.A.	3
SAMBROOK MED S.A.	80
SUMADIJALEK AD	8,180
ALAPIS DOO	2,644
ALAPIS ROMANIA SRL	7,002
ALAPIS BULGARIA EOOD	9,519
ALAPIS SER DOO	335
ALAPIS SLVN DOO	100
ALAPIS ALBANIA SHPK	40
PHARMACARE LTD	452
ALAPIS RESEARCH LABORATORIES INC	155
TOTAL	**180,716**

(All amounts are presented in thousands Euro, except otherwise stated)

Payables	**Amounts in € th.**
KTINIATRIKI PROMITHEFTIKI S.A.	151
FARMAGORA S.A.	1,307
K. P. MARINOPOULOS S.A.	1,502
SANTA FARMA S.A.	11,324
GEROLPHARM S.A.	29,662
PNG GEROLYMATOS MEDICAL S.A.	4,918
GEROLYMATOS PRESTIGE SPA'S BEAUTY SALON S.A.	2,147
BEAUTY WORKS S.A.	572
GEROLYMATOS COSMETICS S.A.	18
ALMEDIA PHARMACEUTICALS S.A.	60
EUROMEDICINES LTD	1
ALAPIS DOO	5
ALAPIS ROMANIA SRL	30
ALAPIS LUXEMBURG S.A.	14
TOTAL	**51,713**

The tables below depict revenues and expenses from transactions with affiliates:

Revenues	**Amounts in € th.**
GEROLYMATOS INTERNATIONAL S.A.	271
GEROLYMATOS INTERNATIONAL TRADING S.A.	1
MEDEXIS S.A.	20
TOTAL	**292**

Expenses	**Amounts in € th.**
GEROLYMATOS INTERNATIONAL S.A.	4,823
TOTAL	**4,823**

The tables below depict the balances of receivables and payables from and to affiliates:

Receivables	**Amounts in € th.**
SHISHEIDO SA	2

Payables	**Amounts in € th.**
PROTON BANK SA	3,000

H. ACTIVITIES IN RESEARCH AND DEVELOPMENT

In 2009 ALAPIS proceeded in the strategic consolidation and growth of the R&D function by the absorption of LAMDA APPLIED. This absorption integrated the R&D function across all business units by consolidating resources and increasing the possibilities in Human Pharma, Vet and Cosmetics.

In Human Health Division, ALAPIS concluded successfully 24 developments: 8 Generics and 16 Generics Plus.

The Generics Plus developments are developments of known molecules in new galenical formulations and strengths which provide distinct benefits to the patients and healthcare professionals. Namely ALAPIS focuses in the customized (personalized) dosage scheme offering to the Healthcare professional the opportunity to address the individuals needs as the newest trends dictate.

Our Generics developments cover the areas of Ophthalmology, CNS, CVS and Antibiotics.
A number of licensing agreements have been concluded while negotiations for the Generics Plus developments are under way with major MNC's.

ALAPIS R&D has also entered the area of analytical and pharmaceutical laboratory services. Our clients in this area include Greek as well as multinational companies for which we perform method development and validation, long term stability studies and EU batch release services.

ALAPIS strategically pursues co-development agreements capitalizing on its specialization and strong relationships with the Academic community which we engage in a seamless way in our development pipeline.

Through its wholly owned subsidiary, ALAPIS RESEARCH LABORATORIES INC, ALAPIS is pursuing original research in NCE's that focuses in the CVS field.

H. SIGNIFICANT EVENTS THAT TOOK PLACE AFTER THE END OF 2009 AND DURING THE FIRST QUARTER OF 2010

There are no events after the end of the reporting period regarding the Group and the Company that must be disclosed according to the IFRS.

I. CORPORATE SOCIAL RESPONSIBILITY

"Corporate social responsibility" is one of the most important principles in the philosophy and operations of the Group of companies ALAPIS S.A. In addition, it would not be overstatement for the relative term to coincide with the concept of "corporate consciousness", given that all the activity and the entrepreneurial goals in ALAPIS are dominated and materialized incidentally with "Corporate social responsibility".

Large and credible business groups carry the moral obligation to provide high quality products and services through their activity and initiative, to contribute materially to the protection of the environment and to produce social benefit.

ALAPIS group of companies possesses an extensive range of products for human health (medicines, OTC products, sanitary material, and medical-technical equipment), veterinary medicines, provender, cosmetics and detergents, which are provided with consistency and accountability.
The guarantee of high quality products and services is ensured through the application of Standard Operating Procedures, the practice of strict international specifications and the use of modern technology in conjunction with the experienced and continuously trained personnel.

ALAPIS, is within the founder members of the board of Hellenic Federation of Enterprises for Viable Development, which goal is to pursue the protection of the environment globally along with corporate responsibility. More specifically as far as the production process it concerns, it is governed in every level from the application of rigid controls namely the application of Environmental Application System as imposed by the European Regulation EMAS, as to confine to minimum the burden to the environment.

ALAPIS' contribution to the society is multifaceted and consists of numerous sponsorships and donations in cash and in kind. In FY 2009 a total of €1.700 were allocated towards activities of cultural, scientific, philanthropic, academic and sport nature.

Namely and in brief the company supported to a great extent or in total the cost for: painters' exhibitions, scientific conferences on health subjects, various activities of municipalities – associations – groups – syndicates – academic institutions and churches in Athens as well as in several large cities of Greece.

K. PROSPECTS 2010

ALAPIS after having established its position in the pharmaceuticals industry in Greece, continues its growth and expansion. Its strategic objective remains to be established as one of the largest groups of the pharmaceuticals industry in Southeast Europe.

The Greek market continues to be a market with significant growth opportunities due to the low penetration rate of generics as compared to the rest of Europe. The upcoming reforms in the pricing of pharmaceuticals is expected to have a positive impact in the growth trend of the generics sector as well to enhance ALAPIS' competitive position in the industry. ALAPIS has the largest medical sales representatives unit that captures all of Greece, covering all therapeutic categories with 207 substances in circulation and another 183 under development, 35-40 of which will be launched within 2010 and is expected to significantly improve its competitive position in the market.

Moreover the efficient consolidation of the new acquired entities in conjunction to the synergies and economies of scale that emerge are expected to further enhance the company's competitive edge.

Also, substantial is the expected growth from the Southeast European market where the company is active. The group's presence in new markets (Turkey) as well as the ongoing expansion of activity in the current markets where the group is present, are expected to contribute significantly at the group's growth course over the next few years.

As a partner of choice for Multinational Healthcare Companies ALAPIS is committed to further increase the number of representations with international partners.

Finally, as a party to out-licensing agreements, the Group expects to start generating income from those activities in the fourth quarter of 2010.

L. EXPLANATORY REPORT OF THE BOARD OF DIRECTORS OF ALAPIS SA ORDINARY GENERAL SHAREHOLDERS' MEETING FOR THE YEAR ENDED 31 DECEMBER 2009, FOR THE PROVISIONS OF THE PAR.7, ARTICLE 4 OF L.3556/2007.

The current explanatory report of the Board of Directors addressed to the Ordinary General Meeting of Shareholders contains information regarding the clauses of paragraph 7 of article 4 of Law 3556/2007.

A. Structure of the Company's share capital

The share capital of the Company amounts to five hundred eighty eight million three hundred sixty thousand and one hundred thirty two Euros (€ 588,360), divided into one billion nine hundred sixty one million two hundred thousand four hundred forty common registered shares with voting (1,961,200,440 shares), with nominal value of thirty cents (EUR 0.30) each.

The Company's shares are listed for trading on the Athens Stock Exchange (Large Cap Category).

The rights of the Company shareholders derived from their share are proportionate to the capital percentage, which corresponds to the paid value of the shares. Every share provides all the rights stipulated by Law and the Company's Articles of Association, and in particular:

• the right to receive a dividend from the Company's annual profits or liquidation proceeds.

After deducting the regular reserve only, 35% of net profits are distributed from each financial year's profit to the shareholders as an initial dividend, whereas the payment of an additional dividend is decided by the General Meeting. Every shareholder is entitled to the dividend according to the date determining dividend beneficiaries. The dividend for each share is paid to the shareholders within two (2) months from the date the Ordinary General Shareholder Meeting which approved the Annual Financial Statements. The manner and place of payment will be announced through the Press. The right to dividends is written-off and the respective amount is paid to the State, after the lapse of 5 years from the end of the year, during which the General Meeting approved the distribution of dividends.

• the right to recover the contribution during liquidation, or, similarly, the right to amortization of the capital corresponding to the share, provided this has been decided by the General Meeting,

• the pre-emptive right in every Company share capital increase exercised in cash and the acquisition of new shares.

• the right to receive a copy of the financial statements and reports by the chartered accountants/auditors and the Company's Board of Directors.

• the right to participate in the General Meeting, which consists of the following individual rights: legitimization, attendance, participation in discussions, submission of proposals on agenda items, recording of opinions in the minutes of the meeting, and voting.

• The Company's General Shareholders Meeting reserves all rights during liquidation.

The liability of Company shareholders is limited to the nominal value of the shares they own.

B. Limitations in Transferring Company Shares

Transfer of Company shares is carried out according to the Law, with no restrictions stipulated by the company's Articles of Association as to their transfer, considering that these are intangible shares listed on the Athens Stock Exchange.

C. Significant Direct or Indirect Participations pursuant to L.3556

On 18.03.2010 the shareholders who owned more than 5% of the total voting rights of the Company were:

LAVRENTIS LAVRENTIADIS (indirect and direct participation	21.32%
FORTIS OBAM N.V	12.49%

D. Share that provide special rights of audit

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

E. Restrictions on voting rights

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

F. 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.

G. Rules of appointment and replacement of Board of Directors members and amendment of Articles of association

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

H. Duties of the Board of Directors Regarding the Issuance of New or the Purchase of Treasury 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, the Board of Directors of the Company is entitled to increase the share capital of the Company through the partly or totally issuance of new shares, by virtue of a decision adopted by a majority of at least two thirds (2/3) of the total number of its members. 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. For the purchase of treasury shares the Boards of Directors duties do not differed from the provisions of article 16 of codified law 2190/1920. There is no opposite regulation in the Company's Articles of association.

On the Extraordinary Shareholders Meeting on February 4, 2008 approved the purchase of the company's treasury shares up to 1/10 of the paid up share capital, which is 98.060.022 shares, according to the Article 16 of Codified Law 2190/1920 in order to decrease the share capital of the company, with the lowest acquisition price set at 1 Euro per share while the upper price limit set at 5 Euro per share. It was also defined that the time frame for the acquisition of the share will not exceed two years.

The Board of Directors has been authorized to proceed to the respective change of Article 5 of the company's articles of association at such time when the treasury shares are purchased and materialize all decisions of the specific General Meeting following the procedure as defined in Codified Law 2190/1920 combined with the respective provisions of the legal framework, the stock exchange rulebook and the company's statues in general.

Finally, the Extraordinary General Meeting held on 29.09.2008, approved to add to the current scope of decreasing the company's share capital the possibility to the company to sell its treasury shares to fulfil its obligations arising from (a) debt securities that are exchangeable to company shares (i.e. in the context of convertible bond loan) and (b) the probable scheme of stock short selling of the Company.

I. Significant Agreements that Come into Force, are Amended, or Terminated in the Event of Change of Control, Following a Takeover Bid

There are no agreements which come into force, are amended or terminated in the event of change of Company control following a takeover bid.

I. Agreements that the Company has contracted with the members of the Board of Directors or with its personnel

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, March 20, 2010

President of the Board of Directors	Managing Director	Member of the Board of Directors
Aristotelis Charalampakis	Periklis Livas	Nikolaos Karantanis

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of the Company "ALAPIS S.A."

Report on the separate and consolidated Financial Statements

We have audited the accompanying separate and consolidated financial statements of the Company **"ALAPIS S.A."** (the "Company") and its subsidiaries (the "Group"), which comprise the separate and consolidated statement of financial position as at December 31, 2009, the separate and consolidated income statement, the statement of comprehensive income, the statement of changes in equity and the cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Separate and Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these separate and consolidated financial statements in accordance with International Financial Reporting Standards as adopted by the European Union and for such internal controls as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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 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 separate and consolidated financial statements present fairly, in all material respects, the financial position of the Company and its subsidiaries as at December 31, 2009, and of their financial performance and their cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

Report on Other Legal and Regulatory Requirements

We have verified the consistency of the Board of Directors' Report with the accompanying separate and consolidated financial statements, in the context of the requirements of articles 43a, 107 and 37 of Codified Law 2190/1920.

Athens, March 22th 2010
The Certified and Registered

BDO Certified and Registered Auditors AE
Patission 81 and Heyden Street, 104 34
S.O.E.L. Registration Number 111

Vrasidas Sp. Damilakos
S.O.E.L. Registration Number

ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2009
IN ACCORDANCE WITH INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRS)

This is to certify that the attached financial statements are those which have been approved by the Board of Directors of 'ALAPIS SA' on March 20, 2010 and have been published by posting them on the internet, at the address http://www.alapis.eu. The attention of the reader is drawn to the fact that the extracts published in the press aim at providing the public with certain elements of financial information but they do not present a comprehensive view of the financial position and the results of operations of the Company and the Group, in accordance with International Financial Reporting Standards. Please note, that for purposes of simplification, some accounts in the published financial statements have been abridged or rearranged.

INDEX OF THE ANNUAL FINANCIAL STATEMENTS

(All amounts are presented in thousands Euro, except otherwise stated)

COMPANY PROFILE

Board of Directors:	Aristotelis Charalampakis, Chairman of the Board of Directors Periclis Livas, Vice president and Managing Director Nikolaos Korbis, executive member Nikolaos Karantanis, independent non executive member Evridiki Georgagaki, non executive member
Registered Office:	2, Aftokratoros Nikolaou 176 71, Athens Greece
Company's Number in the Registry of Societe Anonymes:	8057/06/B/86/11
Audit Company:	BDO Certified and Registered Auditors AE 81, Patision & 8-10, Heyden 104 34, Athens Greece

(All amounts are presented in thousands Euro, except otherwise stated)

CONSOLIDATED INCOME STATEMENT

		The Group					
	Notes	**1.1. - 31.12.2009**			**1.1. - 31.12.2008**		
		Continuing operations	**Discontinued operations**	**Total**	**Continuing operations**	**Discontinued operations**	**Total**
Revenue	**8**	1.226.416	6.045	1.232.462	1.120.712	15.573	1.136.285
Cost of sales	**9**	(817.713)	(6.216)	(823.929)	(717.383)	(7.011)	(724.394)
Gross profit		**408.703**	**(171)**	**408.532**	**403.328**	**8.562**	**411.891**
Administrative expenses	**10**	(61.913)	(1.443)	(63.356)	(50.744)	(3.172)	(53.916)
Distribution costs	**11**	(168.266)	(8.213)	(176.479)	(142.854)	(7.345)	(150.199)
Other income / (expenses)	**12**	3.795	(178)	3.617	4.196	862	5.057
Goodwill impairment	**18**	(29.428)	0	(29.428)	(74.019)	(20.547)	(94.566)
Operating profit		**152.892**	**(10.005)**	**142.887**	**139.907**	**(21.640)**	**118.268**
Finance income / (expenses)	**14**	(56.361)	1.331	(55.030)	(32.570)	(11)	(32.581)
Profit before income tax		**96.530**	**(8.674)**	**87.856**	**107.337**	**(21.650)**	**85.687**
Income tax expense	**15**	(39.813)	4.311	(35.502)	(30.160)	(2.832)	(32.992)
Net profit		**56.717**	**(4.363)**	**52.354**	**77.177**	**(24.483)**	**52.695**
Attributable to:							
Owners of the parent		57.254	(4.363)	52.890	76.420	(24.483)	51.938
Non-controlling interests		(536)	0	(536)	757	0	757
Earnings per share (in Euro)							
Basic	**16**	0,0488	(0,0037)	0,0451	0,0793	(0,0254)	0,0539
Diluted		-	-	-	-	-	-
Weighted average number of shares, basic and diluted							
Basic	**16**	1.172.307.685	1.172.307.685	1.172.307.685	964.026.993	964.026.993	964.026.993
Diluted		-	-	-	-	-	-

The accompanying notes from page 54 to page 227 are an integral part of the annual financial statements

(All amounts are presented in thousands Euro, except otherwise stated)

COMPANY'S INCOME STATEMENT

	Notes	The Company					
		1.1. - 31.12.2009			1.1. - 31.12.2008		
		Continuing operations	Discontinued operations	Total	Continuing operations	Discontinued operations	Total
Revenue		479.671	0	479.671	438.724	35	438.759
Cost of sales	**9**	(185.644)	(381)	(186.025)	(176.265)	(31)	(176.297)
Gross profit		**294.027**	**(381)**	**293.646**	**262.459**	**3**	**262.462**
Administrative expenses	**10**	(47.546)	(28)	(47.574)	(27.460)	(781)	(28.241)
Distribution costs	**11**	(91.567)	(8.318)	(99.885)	(78.155)	(1.631)	(79.786)
Other income / (expenses)	**12**	8.131	0	8.131	9.752	823	10.576
Goodwill impairment	**18**	(26.287)	0	(26.287)	(74.019)	(15.416)	(89.435)
Operating profit		**136.759**	**(8.727)**	**128.032**	**92.577**	**(17.001)**	**75.576**
Finance income / (expenses)	**14**	(54.643)	(3.450)	(58.093)	(297)	0	(297)
Profit before income tax		**82.116**	**(12.177)**	**69.939**	**92.280**	**(17.001)**	**75.279**
Income tax expense	**15**	(35.246)	2.811	(32.435)	(31.575)	(2.718)	(34.293)
Net profit		**46.869**	**(9.365)**	**37.504**	**60.705**	**(19.719)**	**40.986**
Attributable to:							
Owners of the parent		46.869	(9.365)	37.504	60.705	(19.719)	40.986
Non-controlling interests		0	0	0	0	0	0
Earnings per share (in Euro)							
Basic	**16**	0,0400	(0,0080)	0,0320	0,0630	(0,0205)	0,0425
Diluted		-	-	-	-	-	-
Weighted average number of shares, basic and diluted							
Basic	**16**	1.172.307.685	1.172.307.685	1.172.307.685	964.026.993	964.026.993	964.026.993
Diluted		-	-	-	-	-	\

The accompanying notes from page 54 to page 227 are an integral part of the annual financial statements

(All amounts are presented in thousands Euro, except otherwise stated)

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

		The Group					
		1.1. - 31.12.2009			1.1. - 31.12.2008		
	Notes	Continuing operations	Discontinued operations	Total	Continuing operations	Discontinued operations	Total
Net profit		**56.717**	**(4.363)**	**52.354**	**77.177**	**(24.483)**	**52.695**
Other comprehensive income							
Gain from disposal of share capital's issue rights	**35**	4.006	0	**4.006**	0	0	**0**
Share capital's issue expenses	**32**	(28.013)	0	**(28.013)**	0	(219)	**(219)**
Currency translation differences		(153)	0	**(153)**	(1.248)	0	**(1.248)**
Income tax relating to components of other comprehensive income		0	0	**0**	0	0	**0**
Other comprehensive income (net of tax)		**(24.160)**	**0**	**(24.160)**	**(1.248)**	**(219)**	**(1.468)**
Total comprehensive income		**32.558**	**(4.363)**	**28.194**	**75.929**	**(24.702)**	**51.227**
Attributable to:							
Owners of the parent		33.100	(4.363)	28.737	75.172	(24.702)	50.470
Non-controlling interests		(543)	0	(543)	757	0	757

The accompanying notes from page 54 to page 227 are an integral part of the annual financial statements

(All amounts are presented in thousands Euro, except otherwise stated)

COMPANY'S STATEMENT OF COMPREHENSIVE INCOME

		The Company					
		1.1. - 31.12.2009			1.1. - 31.12.2008		
	Notes	Continuing operations	Discontinued operations	Total	Continuing operations	Discontinued operations	Total
Net profit		**46.869**	**(9.365)**	**37.504**	**60.705**	**(19.719)**	**40.986**
Other comprehensive income							
Gain from disposal of share capital's issue rights	**35**	4.006	0	**4.006**	0	0	**0**
Share capital's issue expenses	**32**	(28.013)	0	**(28.013)**	0	0	**0**
Currency translation differences		0	0	**0**	0	0	**0**
Other comprehensive income (net of tax)		**(24.007)**	**0**	**(24.007)**	**0**	**0**	**0**
Total comprehensive income		**22.863**	**(9.365)**	**13.497**	**60.705**	**(19.719)**	**40.986**
Attributable to:							
Owners of the parent		22.863	(9.365)	13.497	60.705	(19.719)	40.986
Non-controlling interests		0	0	0	0	0	0

The accompanying notes from page 54 to page 227 are an integral part of the annual financial statements

(All amounts are presented in thousands Euro, except otherwise stated)

CONSOLIDATED AND COMPANY'S STATEMENT OF FINANCIAL POSITION

		The Group		The Company	
	Notes	**31.12.2009**	**31.12.2008**	**31.12.2009**	**31.12.2008**
ASSETS					
Non-current assets					
Property, plant and equipment	**17**	1.669.714	1.466.620	1.580.386	1.155.667
Goodwill	**18**	537.161	542.387	416.614	424.247
Intangible assets	**18**	342.280	250.825	190.074	97.896
Investment properties	**19**	25.544	127	25.476	59
Investments in subsidiaries	**22**	0	0	476.012	491.475
Investments in associates	**23**	1.700	0	1.700	0
Other non-current assets	**24**	5.995	1.004	5.353	8.202
Deferred income tax assets	**15**	10.532	15.390	9.839	7.470
Total non-current assets		**2.592.926**	**2.276.352**	**2.705.455**	**2.185.017**
Current assets					
Inventories	**25**	164.869	149.801	39.922	10.812
Trade receivables	**26**	274.983	75.022	351.705	71.512
Other receivables	**27**	118.277	127.054	56.463	66.243
Short term investments	**28**	6	5	0	0
Cash and cash equivalents	**30**	216.398	208.679	158.426	121.305
Total current assets		**774.532**	**560.561**	**606.517**	**269.872**
TOTAL ASSETS		**3.367.458**	**2.836.913**	**3.311.971**	**2.454.889**
EQUITY AND LIABILITIES					
Equity attributable to owners of the parent					
Share capital	**32**	588.360	294.180	588.360	294.180
Paid in surplus	**32**	1.320.885	1.179.297	1.320.885	1.179.297
Legal and other reserves	**33**	65.790	72.370	68.747	72.609
Revaluation reserves	**34**	30.847	30.847	30.847	30.847
Treasury shares	**35**	(91.610)	(95.616)	(91.610)	(95.616)
Retained earnings	**36**	33.896	58.402	72.667	47.005
		1.948.169	**1.539.481**	**1.989.898**	**1.528.323**
Non-controlling interests		92	6.897	0	0
Total equity		**1.948.261**	**1.546.377**	**1.989.898**	**1.528.323**
Non-current liabilities					
Borrowings	**37**	735.000	702.606	735.000	664.843
Finance lease liabilities	**38**	35.309	20.763	32.476	14.417
Deferred income tax liabilities	**15**	106.674	92.162	81.749	30.316
Retirement benefit obligations	**39**	8.264	8.582	4.506	2.456
Other non-current liabilities	**40**	3.427	1.985	3.243	1.811
Total non-current liabilities		**888.674**	**826.098**	**856.974**	**713.844**
Current liabilities					
Trade payables	**41**	252.260	173.215	194.971	16.122
Borrowings	**37**	146.187	169.459	141.001	135.430
Finance lease liabilities	**38**	4.046	3.546	1.701	443
Current income tax liabilities	**15**	23.048	17.006	16.045	5.458
Other current liabilities	**42**	104.981	101.213	111.381	55.270
Total current liabilities		**530.522**	**464.438**	**465.099**	**212.722**
TOTAL EQUITY AND LIABILITIES		**3.367.458**	**2.836.913**	**3.311.971**	**2.454.889**

The accompanying notes from page 54 to page 227 are an integral part of the annual financial statements

(All amounts are presented in thousands Euro, except otherwise stated)

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

The Group

	Equity attributable to owners of the parent								
	Share capital	**Paid-in surplus**	**Legal and other reserves**	**Revaluation reserves**	**Treasury shares**	**Retained earnings**	**Total**	**Non-controlling interests**	**Total equity**
Balance, January 1, 2009	**294.180**	**1.179.297**	**72.370**	**30.847**	**(95.616)**	**58.402**	**1.539.481**	**6.897**	**1.546.377**
Gain from disposal of share capital's issue rights	0	0	0	0	4.006	0	**4.006**	0	**4.006**
Share capital's issue expenses	0	(28.013)	0	0	0	0	**(28.013)**	0	**(28.013)**
Currency translation differences	0	0	(146)	0	0	0	**(146)**	(7)	**(153)**
Net profit for the year	0	0	0	0	0	52.890	**52.890**	(536)	**52.354**
Total comprehensive income for the year	**0**	**(28.013)**	**(146)**	**0**	**4.006**	**52.890**	**28.737**	**(543)**	**28.194**
Share capital issue	294.180	156.896	0	0	0	0	**451.076**	0	**451.076**
Acquisition of subsidiaries	0	0	0	0	0	(61.063)	**(61.063)**	(6.262)	**(67.324)**
Dividends	0	0	0	0	0	(10.062)	**(10.062)**	0	**(10.062)**
Effect from merger	0	12.705	(12.705)	0	0	0	**0**	0	**0**
Transfer to reserves	0	0	6.272	0	0	(6.272)	**0**	0	**0**
Disposal of subsidiaries	0	0	0	0	0	0	**0**	0	**0**
Balance, December 31, 2009	**588.360**	**1.320.885**	**65.790**	**30.847**	**(91.610)**	**33.896**	**1.948.169**	**92**	**1.948.261**
Balance, January 1, 2008	**294.180**	**1.177.497**	**62.139**	**30.847**	**0**	**44.393**	**1.609.057**	**0**	**1.609.057**
Currency translation differences	0	0	(1.244)	0	0	(4)	**(1.248)**	0	**(1.248)**
Subsidiaries share capital's issue expenses	0	0	0	0	0	(219)	**(219)**	0	**(219)**
Net profit for the year	0	0	0	0	0	51.938	**51.938**	757	**52.695**
Total comprehensive income for the year	**0**	**0**	**(1.244)**	**0**	**0**	**51.714**	**50.470**	**757**	**51.227**
Purchase of treasury shares	0	0	0	0	(95.616)	0	**(95.616)**	0	**(95.616)**
Acquisition of subsidiaries	0	0	0	0	0	0	**0**	6.262	**6.262**
Dividends	0	0	0	0	0	(24.515)	**(24.515)**	0	**(24.515)**
Effect from merger	0	1.800	(1.800)	0	0	0	**0**	0	**0**
Transfer to reserves	0	0	13.275	0	0	(13.275)	**0**	0	**0**
Disposal of subsidiaries	0	0	0	0	0	85	**85**	(122)	**(37)**
Balance, December 31, 2008	**294.180**	**1.179.297**	**72.370**	**30.847**	**(95.616)**	**58.402**	**1.539.481**	**6.897**	**1.546.377**

The accompanying notes from page 54 to page 227 are an integral part of the annual financial statements

(All amounts are presented in thousands Euro, except otherwise stated)

COMPANY'S STATEMENT OF CHANGES IN EQUITY

The Company

	Share capital	Paid-in surplus	Legal and other reserves	Revaluation reserves	Treasury shares	Retained earnings	Total equity
Balance, January 1, 2009	**294.180**	**1.179.297**	**72.609**	**30.847**	**(95.616)**	**47.005**	**1.528.323**
Gain from disposal of share capital's issue rights	0	0	0	0	4.006	0	**4.006**
Share capital's issue expenses	0	(28.013)	0	0	0	0	**(28.013)**
Net profit for the year	0	0	0	0	0	37.504	**37.504**
Total comprehensive income for the year	**0**	**(28.013)**	**0**	**0**	**4.006**	**37.504**	**13.497**
Dividends	0	0	0	0	0	(9.999)	**(9.999)**
Effect from merger	0	12.705	(9.218)	0	0	3.514	**7.001**
Transfer to reserves	0	0	5.357	0	0	(5.357)	**0**
Share capital issue	294.180	156.896	0	0	0	0	**451.076**
Balance, December 31, 2009	**588.360**	**1.320.885**	**68.747**	**30.847**	**(91.610)**	**72.667**	**1.989.898**
Balance, January 1, 2008	**294.180**	**1.177.497**	**62.739**	**30.847**	**0**	**42.779**	**1.608.043**
Deferred tax directly attributable to equity	0	0	0	0	0	0	**0**
Net profit for the year	0	0	0	0	0	40.986	**40.986**
Total comprehensive income for the year	**0**	**0**	**0**	**0**	**0**	**40.986**	**40.986**
Dividends	0	0	0	0	0	(24.515)	**(24.515)**
Effect from merger	0	1.800	(2.375)	0	0	0	**(575)**
Transfer to reserves	0	0	12.245	0	0	(12.245)	**0**
Purchase of treasury shares	0	0	0	0	(95.616)	0	**(95.616)**
Balance, December 31, 2008	**294.180**	**1.179.297**	**72.609**	**30.847**	**(95.616)**	**47.005**	**1.528.323**

The accompanying notes from page 54 to page 227 are an integral part of the annual financial statements

(All amounts are presented in thousands Euro, except otherwise stated)

CONSOLIDATED AND COMPANY'S STATEMENT OF CASH FLOWS

	The Group		The Company	
	1.1. - 31.12.2009	1.1. - 31.12.2008	1.1. - 31.12.2009	1.1. - 31.12.2008
Cash flows from operating activities				
Profit before income taxes (continuing operations)	**96.530**	**107.337**	**82.116**	**92.280**
Profit before income taxes (discontinued operations)	**(8.674)**	**(21.650)**	**(12.177)**	**(17.001)**
Adjustments to reconcile to net cash provided by operating activities:				
Depreciation and amortisation	164.454	62.185	97.499	42.399
Provisions	601	(2.996)	(5.435)	(2.846)
Goodwill impairment	29.428	74.019	26.287	74.019
Debit interest and similar charges	56.898	37.227	47.704	22.052
Revenues from investments and credit interest	(1.968)	(6.476)	(19.535)	(23.567)
Losses from valuation of derivatives	1.431	1.819	26.474	1.812
(Gain) / losses from disposal of fixed assets	(274)	3.176	93	1.807
Profit before working capital changes	**338.426**	**254.641**	**243.025**	**190.955**
(Increase)/Decrease in:				
Inventories	(14.506)	34.558	(6.403)	15.415
Trade receivables	(194.621)	81.744	(235.920)	176.573
Other receivables	9.688	(25.875)	47.603	(37.197)
Increase/(Decrease) in:				
Liabilities (except bank)	84.152	20.504	71.021	(154.396)
Other liabilities	19.632	15.289	28.259	18.694
Income taxes paid	(18.513)	(23.562)	(7.194)	(17.978)
Interest paid	(64.351)	(29.104)	(52.022)	(15.237)
Exchange differences	(2.893)	1.981	118	16
Operating cash flows of discontinued operations	4.779	24.863	8.577	18.464
Cash flows from operating activities	**161.793**	**355.039**	**97.065**	**195.310**
Cash flows from investing activities				
(Purchase) / disposal of property, plant, equipment and intangible assets	(471.927)	(732.484)	(349.379)	(692.247)
Dividends received	0	(0)	18.476	19.581
Gains / (losses) on disposal of investments	408	(0)	(4.781)	0
Interest and other related income received	1.104	5.240	808	3.948
(Acquisition) / disposal of subsidiaries (net of cash acquired or disposed)	(128.736)	(237.133)	(229.299)	(184.311)
Acquisition of associates	(1.729)	0	(1.700)	0
Purchase of investment properties	(3.402)	0	(3.402)	0
Guaranties (paid) / received	(4.948)	(54)	(4.793)	27
Investing cash flows of discontinued operations	16.159	(22.387)	21.550	0
Cash flows from investing activities	**(593.071)**	**(986.819)**	**(552.520)**	**(853.001)**
Cash flows from financing activities				
Share capital issued (net of expenses)	423.063	80	423.063	0
Proceeds from borrowings	217.239	740.592	213.557	738.767
Repayments of borrowings	(210.297)	(92.963)	(189.591)	0
Proceeds from / (repayments) of finance lease	15.046	(5.054)	16.167	(3.631)
Dividends paid	(10.061)	(24.603)	(9.998)	(24.509)
Treasury shares / Gain from disposal of share capital's issue rights	4.006	(95.616)	4.006	(95.616)
Financing cash flows of discontinued operations	0	0	0	0
Cash flows from financing activities	**438.997**	**522.436**	**457.204**	**615.011**
Cash contributed by merged entities	0	0	35.372	818
Net increase/(decrease) in cash and cash equivalents	**7.718**	**(109.344)**	**1.749**	**(42.681)**
Cash and cash equivalents at beginning of year	**208.679**	**318.023**	**121.305**	**163.168**
Cash and cash equivalents at end of year	**216.398**	**208.679**	**158.426**	**121.305**

The accompanying notes from page 54 to page 227 are an integral part of the annual financial statements

1. GENERAL INFORMATION

The company ALAPIS HOLDING INDUSTRIAL AND COMMERCIAL SOCIETE ANONYME OF CHEMICAL, PHARMACEUTICAL AND ORGANIC PRODUCTS, with distinctive title ALAPIS SA ('the Company') and its subsidiaries ('the Group') operate in the following business segments:

- Human health
- Medical device and diagnostics
- Veterinary
- Non health (Cosmetics and Detergents)

Within the course of the first quarter the organic products sector confronted significant problems with gross and operating profit margin presenting steep decline. The decrease of profit margins and the losses that the sector presented in the first quarter of 2009 lead Group management to the decision to proceed immediately with: a) closure of the retail stores under the name Viologikos Kiklos, b) cease of production and distribution of organic products and c) the commencement of disposal or liquidation procedure for the companies activated in the division of organic products (EBIK SA and its subsidiaries). On June 29 , 2009, the companies GLYKEIA IGIA SA, GLYKEIA GEFSI SA, EBIK PRODUCTS SA, CERTIFIED ORGANIC PRODUCTS LTD and THERAPEFTIKI SA and on September 30, 2009, the companies EBIK SA and LYD SA which are included in the organic products sector, were disposed, aiming to finalize the liquidation procedure. The segment of organic products is presented as a discontinued operation in these financial statements.

The Company's shares are listed in the Athens Stock Exchange.

The number of employees as at December 31, 2009 for the Group and the Company was 2.994 and 1.364 respectively. (December 31, 2008 : 2.919 and 422 for the Group and the Company respectively).

The financial statements (consolidated and company's) for the year ended December 31, 2009 were approved for issuing by the Board of Directors at its meeting of March 20, 2010.

The subsidiary companies included in the attached consolidated financial statements of the Group are presented in note 3.

2. BASIS OF PREPARATION

The consolidated and separate financial statements of 'ALAPIS SA' have been prepared in accordance with International Financial Reporting Standards ('IFRSs') as adopted by the European Union, IFRIC Interpretations and the Companies Law 2190 applicable to companies reporting under IFRS. The financial statements have been prepared under the historical cost convention, as modified by the revaluation of financial assets and financial liabilities (including derivative instruments) at fair value through profit or loss.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Group's and the Company's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 6.

On October 27, 2008, the Company acquired control of PNG GEROLYMATOS SA and its subsidiaries ('PNG GEROLYMATOS Group'). The goodwill that emerged from the aforementioned acquisition which was initially disclosured in the reported consolidated statement of financial position (balance sheet) for the year ended 31 December 2008, was tentatively determined on the basis of carrying amounts of the acquired group as of October 27, 2008, and thus was considered provisional. The determination of the fair value of the identifiable assets, liabilities and contingent liabilities of the acquired group, the Purchase Price Allocation in accordance with the provisions of IFRS 3 'Business Combinations' and the subsequent finalization of the respective goodwill determined during the year 2009, as the Group opted to use the option provided by the aforementioned standard in relation to the finalization of the above mentioned figures within twelve months of the acquisition date. The use of the twelve month period before the finalization of the Purchase Price Allocation was adopted due to the size and the number of subsidiaries of the acquired group. As a result, the comparative consolidated financial statements for the year ended 31 December 2008 restated in relation to the financial statements initially reported. A detailed analysis and explanation of the restatements is disclosed in note 7.

The amounts are presented in thousands Euro. Is noted that if any casting differences are due to rounding.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these consolidated and separate financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

3.1 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors that makes strategic decisions.

3.2 Consolidation

(a) Subsidiaries

Subsidiaries are all entities (including special purpose entities) over which the Group has the power to govern the financial and operating policies generally accompanying a shareholding of more than one half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases. The purchase method of accounting is used to account for the acquisition of subsidiaries by the Group. The cost of an acquisition is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date, irrespective of the extent of any non-controlling interest. The excess of the cost of acquisition over the fair value of the Group's share of the identifiable net assets acquired is recorded as goodwill. If the cost of acquisition is less than the fair value of the net assets of the subsidiary acquired, the difference is recognised directly in the income statement.

Inter-company transactions, balances and unrealised gains or losses on transactions between Group companies are eliminated. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

In the separate financial statements of the parent (company's financial statements), the investments in subsidiaries are recognised at acquisition cost, net of any accumulated impairment loss.

(b) Transactions and non-controlling interest

The Group applies a policy of treating transactions with non-controlling interest as transactions internal to the Group. Disposals to non-controlling interest result in gains and losses for the Group and are recognized directly to equity. Purchases from non-controlling interest result in goodwill, transferred directly to equity as it is considered as a transaction among the owners.

(c) Associates

Associates are all entities over which the Group has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting and are initially recognised at cost. The Group's investment in associates includes goodwill identified on acquisition, net of any accumulated impairment loss.

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

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

In the separate financial statements of the parent (company's financial statements), the investments in associates are recognised at acquisition cost, net of any accumulated impairment loss.

(d) Mergers of entities under common control (subsidiaries)

The aforementioned mergers are accounted in the financial statements of the parent company by the pooling of interest method. In accordance with the applied accounting practice in transactions accounted for by the pooling of interest method, the resulting goodwill, arising from the merger, is recognised directly in the equity of the absorbing company, cost and relevant expenses are recognised in the income statement as reorganization expenses and the commercial transactions realized by the absorbed companies are recognized in account of the acquirer from the beginning date of the year as if the merged companies were a single company.

(All amounts are presented in thousands Euro, except otherwise stated)

(e) Consolidation basis

The consolidated financial statements comprise the financial statements of the parent and subsidiaries of the Group. In the table below are listed all companies included in the consolidation with the percentage of participation of the Group, the country of incorporation, the consolidation method and the activity for each company.

CORPORATE NAME	DIRECT / INDIRECT	HQ / COUNTRY	% CONSOLIDATION	CONSOLIDATION METHOD	ACTIVITY
ALAPIS SA	-	GREECE	PARENT COMPANY	-	Human health, Medical device and diagnostics, veterinary, cosmetics and detergents
PROVET SA	DIRECT	GREECE	100,00%	Full consolidation	Veterinary
DALL SA (disposed on December 29, 2009)	DIRECT	GREECE	100,00%	Full consolidation	Cosmetics and Detergents
KTINIATRIKI PROMITHEFTIKI SA	DIRECT	GREECE	100,00%	Full consolidation	Veterinary
ALAPIS ROMANIA SRL	DIRECT	ROMANIA	100,00%	Full consolidation	Veterinary
ALAPIS BULGARIA EOOD	DIRECT	BULGARIA	100,00%	Full consolidation	Veterinary
ALAPIS HUNGARY KFT	DIRECT	HUNGARY	100,00%	Full consolidation	Human health
ALAPIS DOO	DIRECT	CROATIA	100,00%	Full consolidation	Veterinary
ALAPIS SER DOO	DIRECT	SERBIA	100,00%	Full consolidation	Human health
LYD SA (disposed on September 30, 2009)	INDIRECT	GREECE	100,00%	Full consolidation	Organic products
EBIK SA (disposed on September 30, 2009)	DIRECT	GREECE	100,00%	Full consolidation	Organic products
THERAPEFTIKI SA (disposed on June 29, 2009)	INDIRECT	GREECE	100,00%	Full consolidation	Organic products
EBIK PRODUCTS SA (disposed on June 29, 2009)	INDIRECT	GREECE	100,00%	Full consolidation	Organic products
CERTIFIED ORGANIC PRODUCTS LTD (disposed on June 29, 2009)	INDIRECT	GREECE	100,00%	Full consolidation	Organic products
GLYKEIA GEFSI SA (disposed on June 29, 2009)	INDIRECT	GREECE	100,00%	Full consolidation	Organic products
GLYKEIA IGIA SA (disposed on June 29, 2009)	INDIRECT	GREECE	100,00%	Full consolidation	Organic products
ALAPIS PHARMAKAPOTHIKI SA	DIRECT	GREECE	100,00%	Full consolidation	Human health
FARMAGORA SA	DIRECT	GREECE	100,00%	Full consolidation	Human health
ALAPIS MEDICAL AND DIAGNOSTICS SA	DIRECT	GREECE	100,00%	Full consolidation	Medical device and diagnostics

(All amounts are presented in thousands Euro, except otherwise stated)

CORPORATE NAME	DIRECT / INDIRECT	HQ / COUNTRY	% CONSOLIDATION	CONSOLIDATION METHOD	ACTIVITY
ALAPIS SLVN DOO	DIRECT	SLOVENIA	100,00%	Full consolidation	Human health
ALAPIS ALBANIA SHPK	DIRECT	ALBANIA	100,00%	Full consolidation	Human health
VETERIN POLAND SPZOO	DIRECT	POLAND	100,00%	Full consolidation	Human health
ALAPIS UKRAINE SA	DIRECT	UKRAINE	100,00%	Full consolidation	Human health
KP MARINOPOYLOS SA	DIRECT	GREECE	100,00%	Full consolidation	Human health
IPIROPHARM SA	INDIRECT	GREECE	91,20%	Full consolidation	Human health
PHARMAKEMPORIKI SA	INDIRECT	GREECE	50,82%	Full consolidation	Human health
ANDREAS CHRISTOFOGLOU SA	INDIRECT	GREECE	100,00%	Full consolidation	Human health
PHARMASOFT LTD	INDIRECT	GREECE	100,00%	Full consolidation	Human health
EUROMEDICINES LTD	DIRECT	UK	100,00%	Full consolidation	Human health
SUMADIJALEK AD	DIRECT	SERBIA	97,79%	Full consolidation	Human health
ALAPIS RESEARCH LABORATORIES INC	DIRECT	USA	100,00%	Full consolidation	Human health
PHARMACARE LTD	DIRECT	CYPRUS	100,00%	Full consolidation	Veterinary
SCALONITA LTD (disposed on December 31, 2009)	DIRECT	CYPRUS	100,00%	Full consolidation	Human health
ALAPIS LUXEMBURG SA	DIRECT	LUXEMBURG	100,00%	Full consolidation	Human health
GEROLPHARM SA	DIRECT	GREECE	100,00%	Full consolidation	Human health
SANTA PHARMA SA	DIRECT	GREECE	100,00%	Full consolidation	Human health
PNG GEROLYMATOS MEDICAL SA	DIRECT	GREECE	100,00%	Full consolidation	Human health
DILACO LTD (disposed on December 31, 2009)	DIRECT	CYPRUS	100,00%	Full consolidation	Human health
MEDIMEC SA	DIRECT	GREECE	100,00%	Full consolidation	Medical device and diagnostics
BEAUTY WORKS SA	DIRECT	GREECE	100,00%	Full consolidation	Cosmetics
GEROLYMATOS PRESTIGE SPA’S BEAUTY SALON SA	DIRECT	GREECE	100,00%	Full consolidation	Cosmetics
GEROLYMATOS COSMETICS SA	DIRECT	GREECE	100,00%	Full consolidation	Cosmetics
GEROLYMATOS ANIMAL HEALTH SA	DIRECT	GREECE	100,00%	Full consolidation	Veterinary
SAMBROOK MED SA	DIRECT	GREECE	100,00%	Full consolidation	Human health
ALMEDIA PHARMACEUTICALS SA	DIRECT	GREECE	100,00%	Full consolidation	Human health

CORPORATE NAME	DIRECT / INDIRECT	HQ / COUNTRY	% CONSOLIDATION	CONSOLIDATION METHOD	ACTIVITY
MEDSYSTEMS SA	DIRECT	GREECE	100,00%	Full consolidation	Human health
ALAPIS LUXEMBURG SA	DIRECT	LUXEMBURG	100,00%	Full consolidation	Human health
SHISEIDO HELLAS SA	INDIRECT	GREECE	49,00%	Equity method	Human health
GENESIS ILAC SA	DIRECT	TURKEY	50,00%	Equity method	Human health

In the consolidated financial statements for the year ended December 31, 2009 the following companies are fully consolidated to the Group for the first time: DILACO LTD, MEDIMEC SA, BEAUTY WORKS SA, GEROLYMATOS PRESTIGE SPA'S BEAUTY SALON SA, GEROLYMATOS COSMETICS SA, GEROLYMATOS ANIMAL HEALTH SA, SAMBROOK MED SA, ALMEDIA PHARMACEUTICALS SA, MEDSYSTEMS SA, while applying the equity method the companies SHISEIDO HELLAS SA and GENESIS ILAC SA. The aforementioned companies were acquired or established during the current year and are consolidated in the financial statements of ALAPIS SA since their acquisition or establishment dates. The consolidated financial statements for the period ended December 31, 2009, do not include the balance sheet information of GLIKEIA IGEIA SA, GLIKEIA GEFSI SA, PROIONTA EBIK SA, CERTIFIED ORGANIC PRODUCTS LTD, THERAPEFTIKI SA, EBIK SA, LYD SA, DALL SA, DILACO LTD and SCALONITA LTD which were sold during the current year.

In the current year the merger of BIOCHEM DIAGNOSTICS SA, OMIKRON MEDICAL SA and LABOMED SA by absorption by the first was completed and they renamed to ALAPIS MEDICAL & DIAGNOSTICS SA, in accordance with the stipulations of the articles of Cod. Law 2190/1920 and Law 2166/1993 as well as the merger by absorption of ALAPIS' subsidiary PHARMAGORA SA with its 100% subsidiary SANTE HELLAS SA by absorption of the second by the first, in accordance with the stipulations of the articles of Cod. Law 2190/1920 and Law 2166/1993.

Finally, in the current year ALAPIS SA proceeded :(a) according to the provisions of the articles of C.L. 2190/1920 and L. 2166/1993 to the merger by absorption of its 100% subsidiary PNG GEROLYMATOS SA after the completion of the spinoff of the sector of diagnostics of the absorbed company that was contributed to the subsidiary MEDIMEC SA, and (b) to the merger by absorption of its 100% subsidiaries ALAPIS PHARMA SA and LAMDA APPLIED SA.

3.3 Foreign currency translation

(a) Functional and presentation currency

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

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are remeasured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement.

Foreign exchange gains and losses are presented in the income statement within 'Finance income / (expenses)'.

Changes in the fair value of monetary securities denominated in foreign currency classified as available-for-sale are analysed between translation differences resulting from changes in the amortised cost of the security and other changes in the carrying amount of the security. Translation differences related to changes in amortised cost are recognised in profit or loss, and other changes in carrying amount are recognised in equity.

Translation differences on non-monetary financial assets and liabilities such as equities held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss. Translation differences on non-monetary financial assets such as equities classified as available-for-sale are included in the available-for-sale reserve in equity.

(All amounts are presented in thousands Euro, except otherwise stated)

(c) Group companies

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

(a) assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement,
(b) income and expenses for each income statement are translated at average exchange rates and
(c) all resulting exchange differences are recognised as a separate component of equity.

On consolidation, exchange differences arising from the translation of the net investment in foreign operations, and of borrowings and other currency instruments designated as hedges of such investments, are taken to owners' equity. When a foreign operation is partially disposed of or sold, exchange differences that were recorded in equity are recognised in the income statement as part of the gain or loss on sale.

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

A summary of significant foreign currency which have been used to translate Group's foreign subsidiaries financial statements of which the functional currency is not Euro, has as follows:

	Closing rate		**Average rate**	
	2009	**2008**	**2009**	**2008**
Great Britain Pound	0,8881	0,9525	0,9203	0,8430
Romanian Lei	4,2363	4,0225	4,1294	3,8164
Serbian Dinar	95,4681	91,1802	93,3242	85,2082
Croatia Kouna	7,3000	7,3555	7,3278	7,3425
Bulgarian Leva	1,9558	1,9558	1,9558	1,9558

3.4 Property, plant and equipment

Property, plant and equipment are reported in the financial statements at their acquisition cost or values as deemed cost determined based on fair values at the transition date, minus, firstly the accumulated depreciations and secondly impairment losses. The acquisition cost includes all the expenses directly attributable to the acquisition of assets.

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

Land is not depreciated. Depreciation on other assets is calculated using the straight-line method to allocate their cost to their residual values over their estimated useful lives, as follows:

Buildings	2%-5%
Machinery	3%-20%
Vehicles	11%-20%
Other Equipment	3%-30%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

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

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within 'Other income / (expenses)' in the income statement.

3.5 Goodwill and intangible assets

(a) Goodwill

Goodwill represents the excess of the cost of an acquisition over the fair value of the Group's share of the net identifiable assets of the acquired subsidiary at the date of acquisition. Goodwill is tested annually for impairment and carried at cost less accumulated impairment losses. Impairment losses on goodwill are not reversed. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose identified according to operating segment.

(b) Trademarks and licences

Separately acquired trademarks and licences are shown at historical cost. Trademarks and licences acquired in a business combination are recognised at fair value at the acquisition date. Trademarks and licences have a finite useful life and are carried at cost less accumulated amortisation. Amortisation is calculated using the straight-line method to allocate the cost of trademarks and licences over their estimated useful lives of 15 to 20 years.

(c) Development costs

Development costs that are directly attributable to the design and testing of identifiable and unique pharmaceutical product controlled by the Group or by the Company are recognised as intangible assets when the following criteria are met:
(a) it is technically feasible to complete the pharmaceutical product so that it will be available for use,
(b) management intends to complete the pharmaceutical product and use or sell it,
(c) there is an ability to use or sell the pharmaceutical product,
(d) it can be demonstrated how the pharmaceutical product will generate probable future economic benefits,
(e) adequate technical, financial and other resources to complete the development and to use or sell the pharmaceutical product are available, and
(f) the expenditure attributable to the pharmaceutical product during its development can be reliably measured.

Directly attributable costs that are capitalised as part of the pharmaceutical product include the pharmaceutical development employee costs and an appropriate portion of relevant overheads.

Other development expenditures that do not meet these criteria are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period.

Pharmaceutical development costs recognised as assets are amortised over their estimated useful lives, which do not exceed twenty years.

(d) Customer base and contractual customer relationships

Customer base and contractual customer relationships acquired in a business combination are recognised at fair value at the acquisition date. The customer base and contractual customer relations have a finite useful life of 6 to 12 years and are carried at cost less accumulated amortisation. Amortisation is calculated using the straight-line method over the expected life of the customer base and relationship.

(e) Software

Acquired computer software licences are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortised over their estimated useful lives of three to five years.

3.6 Impairment of non-financial assets

Assets that have an indefinite useful life, for example goodwill, are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

3.7 Investment properties

Investment properties are held to earn rental income and appreciate capital value. Owner-occupied properties are held for production and administrative purposes. This distinguishes owner-occupied properties from investment properties.

Investment properties are treated as non-current assets and carried at fair value, representing open market value determined internally on an annual basis based on similar transactions that have taken place at a date around the financial statements' preparation date. Changes in fair values are recognised within 'Other income / (expenses)' in the income statement.

3.8 Non-current assets (or disposal groups) held for sale

The Group and the Company classify a non-current asset (or disposal groups) as held for sale if its carrying amount will be recovered principally through a sale transaction rather than through continuing use.

The basic preconditions to classify a non-current asset (or a disposal group) as held for sale are that it must be available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such assets / groups and its sale must be highly probable.

For the sale to be highly probable the following preconditions should be met accumulatively:
(a) the appropriate level of management must be committed to a plan to sell the asset (or disposal group),
(b) an active program to locate a buyer and complete the plan must have been initiated,
(c) the asset (or disposal groups) must be actively marketed for sale at a price that is reasonable in relation to its current fair value,
(d) the sale should be expected to qualify for recognition as a completed sale within one year from the date of classification, with some exceptions, and
(e) actions required to complete the plan should indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

Immediately before the initial classification of a non-current asset (or a disposal group) as held for sale, the asset (or the assets and liabilities included in the disposal group) will be measured in accordance with the applicable IFRS.

Non-current assets (or disposal group) classified as held for sale will be measured at the lower of its carrying amount and fair value less costs to sell and any possible resulting impairment losses will be recognised in the income statement. Any subsequent increase in fair value will be recognised, but not in excess of the cumulative impairment loss which was previously recognised.

While a non-current asset (or non-current assets that are included in a disposal group) is classified as held for sale it should not be depreciated or amortised. On December 31, 2009 and 2008, there were no non-current assets held for sale.

3.9 Financial assets

3.9.1 Classification

The Group and the Company classify their financial assets in the following categories: (a) at fair value through profit or loss and (b) loans and receivables. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

(a) Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short-term. Derivatives are also categorised as held for trading unless they are designated as hedges. Assets in this category are classified as current assets.

(b) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the end of the reporting period. These are classified as non-current assets. The loans and receivables comprise 'Other non-current assets', 'Trade receivables', 'Other receivables' and 'Cash and cash equivalents' in the statement of financial position.

The Group and the Company do not hold any investments classified as investments held to their maturity and available-for-sale financial assets.

3.9.2 Recognition and measurement

Regular purchases and sales of financial assets are recognised on the trade-date – the date on which the Group or the Company commits to purchase or sell the asset. Investments are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognised at fair value, and transaction costs are expensed in the income statement. Financial assets are de-recognised when the rights to receive cash flows from the investments have expired or have been transferred and the Group or the Company has transferred substantially all risks and rewards of ownership. Financial assets at fair value through profit or loss are subsequently carried at fair value. Loans and receivables are subsequently carried at amortised cost using the effective interest method.

Gains or losses arising from changes in the fair value of the 'Financial assets at fair value through profit or loss' category are presented in the income statement within 'Finance income / (expenses)' in the period in which they arise. Dividend income from financial assets at fair value through profit or loss is recognised in the income statement within 'Finance income / (expenses)'when the Group's or the Company's right to receive payments is established.

3.10 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously.

3.11 Impairment of financial assets

The Group and the Company assess at the end of each reporting period whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

The criteria that the Group and the Company use to determine that there is objective evidence of an impairment loss include:
(a) significant financial difficulty of the issuer or obligor,
(b) a breach of contract, such as a default or delinquency in interest or principal payments,
(c) the Group or the Company, for economic or legal reasons relating to the borrower's financial difficulty, granting to the borrower a concession that the lender would not otherwise consider,
(d) it becomes probable that the borrower will enter bankruptcy or other financial reorganisation,
(e) the disappearance of an active market for that financial asset because of financial difficulties, or
(f) observable data indicating that there is a measurable decrease in the estimated future cash flows from a portfolio of financial assets since the initial recognition of those assets, although the decrease cannot yet be identified with the individual financial assets in the portfolio, including:
(i) adverse changes in the payment status of borrowers in the portfolio, and
(ii) national or local economic conditions that correlate with defaults on the assets in the portfolio.

The Group and the Company first assess whether objective evidence of impairment exists.

The amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The asset's carrying amount of the asset is reduced and the amount of the loss is recognised in the income statement. If a loan has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract. As a practical expedient, the Group or the Company may measure impairment on the basis of an instrument's fair value using an observable market price.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised (such as an improvement in the debtor's credit rating), the reversal of the previously recognised impairment loss is recognised in the income statement.

3.12 Derivative financial instruments

Financial instruments include the primary financial instruments (such as receivable amounts, payable amounts and equity instruments) and the derivative financial instruments (such as stock options, forward contracts and exchange agreements). Derivative financial instruments result assets and liabilities that transfer between the parts one or more financial risks, which are related to a specific financial instrument.

Initially the financial instruments result to each part:
(a) the conventional right to change a financial asset with the other part under potential propitious conditions, or
(b) the conventional liability to change a financial asset with the other part under potential disfavourable conditions.

Derivatives usually do not lead to transmission of the financial instrument at the beginning of the contract, and such a transmission is not necessary at the end of the contract.

Assuming that the exchange terms are defined at the beginning of the agreement, they turn to be propitious or disfavourable when the prices of the financial instruments change in the financial markets.

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. The method of recognising the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged. The Group and the Company use derivatives for trading. Changes in the fair value of derivatives that are designated for trading are recorded in the income statement within 'Finance income / (expenses)' in the period in which they arise.

3.13 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined using the weight average method. The cost of finished goods and work in progress comprises design costs, raw materials, direct labour, other direct costs and related production overheads (based on normal operating capacity). It excludes borrowing costs. Net realizable value for merchandise, finished and semi-finished goods is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale. The net realizable value for raw materials is the estimated replacement cost in the ordinary course of business. Impairment charge for slow moving or obsolete inventories is made when necessary.

3.14 Trade receivables

Trade receivables are amounts due from customers for merchandise sold or services performed in the ordinary course of business. If collection is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets.

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

3.15 Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the statement of financial position.

3.16 Share capital

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

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

3.17 Trade payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

3.18 Borrowings

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

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates.

3.19 Current and deferred income tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in the income statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case the tax is also recognised in other comprehensive income or directly in equity, respectively.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the statement of financial position date in the countries where the Group's subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is recognised, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss.

Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the statement of financial position date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

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

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

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes assets and liabilities relate to income taxes levied by the same taxation authority on either the taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

3.20 Employee benefits

(a) Short-term benefits

Short-term benefits to the employees (apart from the benefits for the termination of the labour relationship) in cash and in goods are recorded for as an expense when they become payable. Any outstanding amount is recorded as a liability, while in the case where the amount already paid exceeds the amount of the benefits, the entity records the excess amount as asset (prepaid expense) only to the extent that the prepayment will lead to the reduction of future payments or to a return.

(b) Benefits after exiting from the service

The Group and the Company has no benefit liabilities for personnel exiting from the service, excluding those provided by labour legislation referring to compensation due to termination of employment or retirement.

(c) Retirement benefit obligations

Staff retirement obligations are calculated at the discounted value of the future retirement benefits deemed to have accrued at year-end, based on the employees earning retirement benefit rights steadily throughout the working period. Retirement obligations are calculated on the basis of financial and actuarial assumptions detailed in note 39 and are determined using the projected unit credit actuarial valuation method (Project Unit Credit Method). Net pension costs for the period are included in payroll in the accompanying income statements and consist of the present value of benefits earned in the year, interest cost on the benefit obligation, past service cost, actuarial gains or losses recognised in the year and any additional pension charges. Past service costs are recognised on a straight-line basis over the average period until the benefits under the plan become vested. Unrecognised actuarial gains or losses that exceed 10% of the projected benefit obligation at the beginning of each period are recognised based on corridor approach over the average remaining service period of active employees and included as a component of net pension cost for a year if, as of the beginning of the year. The retirement benefit obligations are not funded.

3.21 Grants

The Group and the Company record the government grants, which satisfy the following criteria cumulatively:
(a) there is a presumed certainty that the Group or the Company has complied or will comply with the terms of the grant, and
(b) it is likely that the amount of the grant will be collected.

Those are recorded at fair value and accounted in a systematic way in the income, based on the principle of correlation of the grants with the respective costs that they subsidize.

Grants that involve assets are included in the non-current liabilities as income of future financial years and are recorded systematically and reasonably in the income statement throughout the useful life of the asset.

3.22 Provisions, contingent liabilities and contingent assets

Provisions are recognized when the Group or the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle this obligation and a reliable estimate of the amount of the obligation can be made. Provisions are reviewed at each financial statements date and adjusted to reflect the present value of the expenditure expected to be required to settle the obligation. Regarding the provisions that are expected to be settled in the long term when the effect of time value of money is material, provisions are determined by discounting the expected future cash flows at a pretax rate that reflects current market assessments of the time value of money and, where appropriate the risks specific to the liability.

Contingent liabilities are not recognized in the financial statements but are disclosed unless the possibility of an outflow of resources embodying economic benefits is remote. Contingent assets are not recognized in the financial statements but are disclosed when an inflow of economic benefits is probable.

3.23 Earnings per share

Basic earnings per share are computed by dividing net income attributable to equity holders of the parent by the weighted average number of common shares outstanding during each year, excluding the average number of common shares purchased by the Group as treasury shares.

Diluted earnings per share are calculated by dividing the net profit attributable to equity holders of the parent (after deducting interest on convertible shares, net of tax), by the weighted average number of shares outstanding during the year (adjusted for the effect of dilutive convertible shares).

The weighted average number of ordinary shares outstanding during the period and for all periods presented shall be adjusted for events that have changed the number of ordinary shares outstanding without a corresponding change in resources.

3.24 Revenue recognition

Revenue comprises the fair value of the consideration received or receivable for the sale of goods and services in the ordinary course of the Group's and of the Company's activities. Revenue is shown net of value-added tax, returns, rebates and discounts and after eliminating sales within the Group.

The Group and the Company recognise revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and when specific criteria have been met for each of the Group's or the Company's activities as described below. The Group and the Company base their estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

(a) Sales of goods

The Group focuses on the processing and packaging of pharmaceuticals products, distribution of medical devices, production and distribution of veterinary products, production of detergents and production and distribution of cosmetics. Sales of goods are recognised when a Group entity has delivered products to the customer, the customer has full discretion over the channel and price to sell the products, and there is no unfulfilled obligation that could affect the customer's acceptance of the products. Delivery does not occur until the products have been shipped to the specified location, the risks of obsolescence and loss have been transferred to the customer, and either the customer has accepted the products in accordance with the sales contract, the acceptance provisions have lapsed, or the Group has objective evidence that all criteria for acceptance have been satisfied.

(b) Interest income

Interest income is recognised using the effective interest method. When a loan and receivable is impaired, the Group or the Company reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at the original effective interest rate of the instrument, and continues unwinding the discount as interest income. Interest income on impaired loan and receivables are recognised using the original effective interest rate.

(c) Dividend income

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

3.25 Leases

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the income statement on a straight-line basis over the period of the lease.

The Group and the Company lease certain property, plant and equipment. Leases of property, plant and equipment where the Group or the Company has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lease's commencement at the lower of the fair value of the leased property and the present value of the minimum lease payments.

Each lease payment is allocated between the liability and finance charges so as to achieve a constant rate on the finance balance outstanding. The corresponding rental obligations, net of finance charges, are included in 'Finance lease liabilities' in the statement of financial position. The interest element of the finance cost is charged to the income statement over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The property, plant and equipment acquired under finance leases is depreciated over the shorter of the useful life of the asset and the lease term.

3.26 Dividend distribution

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

4. NEW, AMENDED STANDARDS AND INTERPRETATIONS

(a) Standards, interpretations and amendments to existing standards effective in 2009

The auditing principles according to which the annual financial statements were prepared are consistent with those used for the preparation of the financial statements of financial year 2008, except from the adoption of new standards which are mandatory for accounting years that begin on or after January 1, 2009. The new standards, interpretations and amendments to existing standards, are as follows and had no material effect to the Group and to the Company.

IFRS 1, First time adoption of IFRS – amendment and IAS 27 Consolidated and separate financial statements *(effective from January 1, 2009).*

The amended standard allows first-time adopters to use a deemed cost of either fair value or the carrying amount under previous accounting practice to measure the initial cost of investments in subsidiaries, jointly controlled entities and associates in the separate financial statements. The amendment also removes the definition of the cost method from IAS 27 and replaces it with a requirement to present dividends as income in the separate financial statements of the investor. The amendment does not have any impact on the Group's and Company's financial statements.

IFRS 2, Share-based payment - amendment *(effective from January 1, 2009).*

The amended standard deals with vesting conditions and cancellations. It clarifies that vesting conditions are service conditions and performance conditions only. Other features of a share-based payment are not vesting conditions. These features would need to be included in the grant date fair value for transactions with employees and others providing similar services; they would not impact the number of awards expected to vest or valuation thereof subsequent to grant date. All cancellations, whether by the entity or by other parties, should receive the same accounting treatment. The amendment is not relevant to the Group's and Company's applied policies.

IFRS 5, Non-current assets held-for-sale and discontinued operations – amendment (and consequential amendment to IFRS 1, First-time adoption) *(effective from July 1, 2009).*

The amendment clarifies that all of a subsidiary's assets and liabilities are classified as held for sale if a partial disposal sale plan results in loss of control. Relevant disclosure should be made for this subsidiary if the definition of a discontinued operation is met. A consequential amendment to IFRS 1 states that these amendments are applied prospectively from the date of transition to IFRSs. The Group adopted the IFRS 5 (amendment) prospectively to all partial disposals of subsidiaries from July 1, 2009.

IFRS 7, Financial instruments – Disclosures (amendment) *(effective from January 1, 2009)****.***

The amended standard requires additional disclosures about fair value measurement and liquidity risk. Fair value measurements related to items recorded at fair value are to be disclosed by source of inputs using a three level fair value hierarchy, by class, for all financial instruments recognized at fair value. In addition, reconciliation between the beginning and ending balance for level 3 fair value measurements is now required, as well as significant transfers between levels in the fair value hierarchy. The amendments also clarify the requirements for liquidity risk disclosures with respect to derivative transactions and assets used for liquidity management. The Group and the Company have adopted IFRS 7 (amendment) from January 1, 2009. As the amendment only results in additional disclosures there is no impact on the Group's and Company's financial statements.

IFRS 8, Operating segments *(effective from January 1, 2009).*

IFRS 8 replaces IAS 14, 'Segment reporting', and aligns segment reporting with the requirements of the US standard SFAS 131, 'Disclosures about segments of an enterprise and related information'. The new standard requires a management approach, under which segment information is presented on the same basis as that used for internal reporting purposes. In addition, the segments are reported in a manner that is more consistent with the internal reporting provided to the chief operating decision-maker. The Group has adopted IFRS 8 from January 1, 2009 and it has not affected the presentation of operating segments.

IAS 1, Presentation of financial statements –revised *(effective from January 1, 2009).*

The revised standard prohibits the presentation of items of income and expenses (that is non-owner changes in equity) in the statement of changes in equity, requiring non-owner changes in equity to be presented separately from owner changes in equity. All non-owner changes in equity are required to be shown in a performance statement. Entities can choose whether to present one performance statement (the statement of comprehensive income) or two statements (the income statement and statement of comprehensive income).

The Group and the Company have elected to present two statements: an income statement and a statement of comprehensive income. The financial statements have been prepared under the revised disclosure requirements.

IAS 16, Property, plant and equipment – amendment (and consequential amendment to IAS 7, Statement of cash flows) *(effective from January 1, 2009).*

Entities whose ordinary activities comprise renting and subsequently selling assets present proceeds from the sale of those assets as revenue and should transfer the carrying amount of the asset to inventories when the asset becomes held for sale. A consequential amendment to IAS 7 states that cash flows arising from purchase, rental and sale of those assets are classified as cash flows from operating activities. The amendment does not have an impact on the Group's operations because none of the Group's companies ordinary activities comprise renting and subsequently selling assets.

IAS 19, Employee benefits – amendment *(effective from January 1, 2009).*

The amendment clarifies that a plan amendment that results in a change in the extent to which benefit promises are affected by future salary increases is a curtailment, while an amendment that changes benefits attributable to past service gives rise to a negative past service cost if it results in a reduction in the present value of the defined benefit obligation. The definition of return on plan assets has been amended to state that plan administration costs are deducted in the calculation of return on plan assets only to the extent that such costs have been excluded from measurement of the defined benefit obligation. The distinction between short term and long term employee benefits will be based on whether benefits are due to be settled within or after 12 months of employee service being rendered. IAS 37, Provisions, contingent liabilities and contingent assets, requires contingent liabilities to be disclosed, not recognised. IAS 19 has been amended to be consistent. The Group and the Company have adopted IAS 19 (amendment) from January 1, 2009. The amendment does not have any impact on the Group or Company's financial statements.

IAS 20, Accounting for government grants and disclosure of government assistance – amendment *(effective from January 1, 2009).*

The benefit of a below market rate government loan is measured as the difference between the carrying amount in accordance with IAS 39, Financial instruments: Recognition and measurement, and the proceeds received with the benefit accounted for in accordance with IAS 20. The Group and the Company have adopted IFRS 20 (amendment) from January 1, 2009. The amendment does not have an impact on the Group's and Company's financial statements, as no government grants have been received.

IAS 23, Borrowing costs - amendment *(effective from January 1, 2009).*

The amendment requires an entity to capitalize borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset (one that takes a substantial period of time to get ready for use or sale) as part of the cost of that asset. The option of immediately expensing those borrowing costs will be removed. Furthermore, the definition of borrowing costs has been amended so that interest expense is calculated using the effective interest method defined in IAS 39, Financial instruments: Recognition and measurement. This eliminates the inconsistency of terms between IAS 39 and IAS 23. IAS 23 is not relevant to the Group's operations.

IAS 27, Consolidated and separate financial statements – amendment *(effective from January 1, 2009).*

Where an investment in a subsidiary that is accounted for under IAS 39, Financial instruments: recognition and measurement, is classified as held for sale under IFRS 5, Non-current assets held-for-sale and discontinued operations, IAS 39 would continue to be applied. The amendment does not have an impact on the Group's operations because it is the Group's policy for an investment in subsidiary to be recorded at cost in the standalone accounts of each entity.

IAS 28, Investments in associates – amendment (and consequential amendments to IAS 32, Financial Instruments: Presentation, and IFRS 7, Financial instruments: Disclosures) *(effective from January 1, 2009).*

An investment in associate is treated as a single asset for the purposes of impairment testing. Any impairment loss is not allocated to specific assets included within the investment, for example, goodwill. Reversals of impairment are recorded as an adjustment to the investment balance to the extent that the recoverable amount of the associate increases. The Group adopted the IAS 28 (amendment) to impairment tests related to investments in associates and any related impairment losses from January 1, 2009.

IAS 28, Investments in associates - amendment (and consequential amendments to IAS 32, Financial Instruments: Presentation and IFRS 7, Financial instruments: Disclosures) *(effective from January 1, 2009).*

Where an investment in associate is accounted for in accordance with IAS 39 Financial instruments: recognition and measurement, only certain rather than all disclosure requirements in IAS 28 need to be made in addition to disclosures required by IAS 32, Financial Instruments: Presentation and IFRS 7 Financial Instruments: Disclosures. The amendment does not have an impact on the Group's operations because it is the Group's policy for an investment in an associate to be equity accounted in the Group's consolidated accounts.

IAS 29, Financial reporting in hyperinflationary economies - amendment *(effective from January 1, 2009).*

The guidance has been amended to reflect the fact that a number of assets and liabilities are measured at fair value rather than historical cost. The amendment does not have an impact on the Group's operations, as none of the Group's subsidiaries or associates operate in hyperinflationary economies.

IAS 31, Interests in joint ventures – amendment (and consequential amendments to IAS 32, Financial Instruments: Presentation and IFRS 7, Financial instruments: Disclosures) *(effective from January 1, 2009).*

Where an investment in joint venture is accounted for in accordance with IAS 39, only certain rather than all disclosure requirements in IAS 31 need to be made in addition to disclosures required by IAS 32, Financial instruments: Presentation, and IFRS 7, Financial instruments: Disclosures. The amendment does not have an impact on the Group's operations as there are no interests held in joint ventures.

IAS 32, Financial instruments: Presentation - amendment and IAS 1, Presentation of financial statements – Puttable financial instruments and obligations arising on liquidation - amendment *(effective from January 1, 2009).*

The amended standards require entities to classify puttable financial instruments and instruments, or components of instruments that impose on the entity an obligation to deliver to another party a pro rata share of the net assets of the entity only on liquidation as equity, provided the financial instruments have particular features and meet specific conditions. The amended is not relevant to the Group's operations.

IAS 36, Impairment of assets – amendment *(effective from January 1, 2009).*

Where fair value less costs to sell is calculated on the basis of discounted cash flows, disclosures equivalent to those for value-in-use calculation should be made. The Group and Company have adopted IFRS 36 (amendment) from January 1, 2009 and provide the required disclosure where applicable for impairment tests from January 1, 2009.

IAS 38, Intangible assets - amendment *(effective from January 1, 2009).*

The amendment deletes the wording that states that there is 'rarely, if ever' support for use of a method that results in a lower rate of amortisation than the straight-line method. The amendment does not have an impact on the Group or Company's financial statements, as all intangible assets are amortised using the straight-line method.

IAS 38, Intangible assets - amendment *(effective from January 1, 2009).*

A prepayment may only be recognised in the event that payment has been made in advance of obtaining right of access to goods or receipt of services. This means that an expense will be recognised for shoe mail order catalogues when the group has access to the catalogues and not when the catalogues are distributed to customers, as is the group's current accounting policy. The Group and the Company have adopted IAS 38 (amendment) from January 1, 2009. The amendment does not have a material impact on the Group or Company's financial statements.

IAS 39, Financial instruments: Recognition and measurement – amendment *(effective from January 1, 2009).*

This amendment clarifies that it is possible for there to be movements into and out of the fair value through profit or loss category where a derivative commences or ceases to qualify as a hedging instrument in cash flow or net investment hedge. The definition of financial asset or financial liability at fair value through profit or loss as it relates to items that are held for trading is also amended. This clarifies that a financial asset or liability that is part of a portfolio of financial instruments managed together with evidence of an actual recent pattern of short-term profit taking is included in such a portfolio on initial recognition. The current guidance on designating and documenting hedges states that a hedging instrument needs to involve a party external to the reporting entity and cites a segment as an example of a reporting entity. This means that in order for hedge accounting to be applied at segment level, the requirements for hedge accounting are currently required to be met by the applicable segment. The amendment removes the example of a segment so that the guidance is consistent with IFRS 8, Operating segments, which require disclosure for segments to be based on information reported to the chief operating decision-maker. Currently, for segment reporting purposes, each subsidiary designates contracts with group treasury as fair value or cash flow hedges so that the hedges are reported in the segment to which the hedged items relate. This is consistent with the information viewed by the chief operating decision-maker. After the amendment is effective, the hedge will continue to be reflected in the segment to which the hedged items relate (and information provided to the chief operating decision-maker), but the group will not formally document and test this relationship. When re-measuring the carrying amount of a debt instrument on cessation of fair value hedge accounting, the amendment clarifies that a revised effective interest rate (calculated at the date fair value hedge accounting ceases) are used. This amendment is not relevant to the Group's operations.

IAS 40, Investment property - amendment (and consequential amendments to IAS 16) *(effective from January 1, 2009).*

Property that is under construction or development for future use as investment property is within the scope of IAS 40. Where the fair value model is applied, such property is, therefore, measured at fair value. However, where fair value of investment property under construction is not reliably measurable, the property is measured at cost until the earlier of the date construction is completed and the date at which fair value becomes reliably measurable. The amendment does not have an impact on the Group's operations, as there are no investment properties under construction.

IAS 41, Agriculture - amendment *(effective from January 1, 2009).*

The amendment requires the use of a market-based discount rate where fair value calculations are based on discounted cash flows and the removal of the prohibition on taking into account biological transformation when calculating fair value. The amendment does not have an impact on the Group's operations as no agricultural activities are undertaken.

IFRIC 9, Reassessment of Embedded Derivatives and IAS 39 Financial Instruments: Recognition and Measurement *(effective for periods ending on or after June 30, 2009).*

This amendment to IFRIC 9 requires an entity to assess whether an embedded derivative must be separated from a host contract when the entity reclassifies a hybrid financial asset out of the fair value through profit or loss category. This assessment is to be made based on circumstances that existed on the later of the date the entity first became a party to the contract and the date of any contract amendments that significantly change the cash flows of the contract. IAS 39 now states that if an embedded derivative cannot be reliably measured, the entire hybrid instrument must remain classified as at fair value through profit or loss. IFRIC 9 is not relevant to the Group's operations.

IFRIC 13, Customer loyalty programmes *(effective from July 1, 2008).*

IFRIC 13 clarifies that where goods or services are sold together with a customer loyalty incentive (for example, loyalty points or free products), the arrangement is a multiple element arrangement, and the consideration receivable from the customer is allocated between the components of the arrangement using fair values. IFRIC 13 is not relevant to the Group's operations because none of the Group's companies operate any loyalty programmes.

IFRIC 15, Agreements for construction of real estate *(effective from January 1, 2009).*

The interpretation clarifies whether IAS 18, Revenue, or IAS 11, Construction contracts, should be applied to particular transactions. It is likely to result in IAS 18 being applied to a wider range of transactions. IFRIC 15 is not relevant to the Group's operations as all revenue transactions are accounted for under IAS 18 and not IAS 11.

IFRIC 16, Hedges of a net investment in a foreign operation *(effective from October 1, 2008).*

IFRIC 16 clarifies the accounting treatment in respect of net investment hedging. This includes the fact that net investment hedging relates to differences in functional currency not presentation currency, and hedging instruments may be held anywhere in the group. The requirements of IAS 21, The effects of changes in foreign exchange rates, do apply to the hedged item. IFRIC is not relevant to the Group's applied policies.

(b) Standards, interpretations and amendments to existing standards that are not yet effective.

The International Accounting Standards Board, as well as the IFRIC, have already issued a number of new accounting standards and interpretations whose application is mandatory for future accounting periods. The Group's assessment regarding the effect of these new standards and interpretations is as follows:

IAS 1, Presentation of financial statement - amendment *(effective from January 1, 2010).*

The amendment is part of the IASB's annual improvements project published in April 2009. The amendment provides clarification that the potential settlement of a liability by the issue of equity is not relevant to its classification as current or non-current. By amending the definition of current liability, the amendment permits a liability to be classified as non-current (provided that the entity has an unconditional right to defer settlement by transfer of cash or other assets for at least 12 months after the accounting period) notwithstanding the fact that the entity could be required by the counterparty to settle in shares at any time. The Group and Company will apply IAS 1 (amendment) from January 1, 2010. It is not expected to have a material impact on the Group or Company's financial statements.

IFRS 2, Group cash-settled and share-based payment transactions- amendment *(effective from January 1, 2010).*

In addition to incorporating IFRIC 8, 'Scope of IFRS 2', and IFRIC 11, 'IFRS 2 – Group and treasury share transactions', the amendments expand on the guidance in IFRIC 11 to address the classification of group arrangements that were not covered by that interpretation. The new guidance is not expected to have a material impact on the Group's financial statements.

IFRS 3, Business combinations - revised *(effective from July 1, 2009).*

The revised standard continues to apply the acquisition method to business combinations, with some significant changes. For example, all payments to purchase a business are to be recorded at fair value at the acquisition date, with contingent payments classified as debt subsequently re-measured through the income statement. There is a choice on an acquisition-by-acquisition basis to measure the non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's net assets. All acquisition-related costs should be expensed. The Group will apply IFRS 3 (revised) prospectively to all business combinations from January 1, 2010.

IFRS 5, Measurement of non-current assets (or disposal groups) classified as held-for-sale – amendment *(effective from January 1, 2010).*

The amendment is part of the IASB's annual improvements project published in April 2009. The amendment provides clarification that IFRS 5 specifies the disclosures required in respect of non-current assets (or disposal groups) classified as held for sale or discontinued operations. It also clarifies that the general requirement of IAS 1 still apply, particularly paragraph 15 (to achieve a fair presentation) and paragraph 125 (sources of estimation uncertainty) of IAS 1. The Group and Company will apply IFRS 5 (amendment) from January 1, 2010. It is not expected to have a material impact on the Group or Company's financial statements.

IAS 27, Consolidated and separate financial statements - revised *(effective from July 1, 2009).*

The revised standard requires the effects of all transactions with non-controlling interests to be recorded in equity if there is no change in control and these transactions will no longer result in goodwill or gains and losses. The standard also specifies the accounting when control is lost. Any remaining interest in the entity is re-measured to fair value, and a gain or loss is recognised in profit or loss. The Group will apply IAS 27 (revised) prospectively to transactions with non-controlling interests from January 1, 2010

IAS 38, Intangible Assets – amendment *(effective from July 1, 2009).*

The amendment is part of the IASB's annual improvements project published in April 2009. The Group and Company will apply IAS 38 (amendment) from the date IFRS 3 (revised) is adopted. The amendment clarifies guidance in measuring the fair value of an intangible asset acquired in a business combination and it permits the grouping of intangible assets as a single asset if each asset has similar useful economic lives. The amendment will not result in a material impact on the Group or Company's financial statements.

IAS 39, Financial Instruments: Recognition and Measurement – Eligible Hedged Items *(effective from July 1, 2009).*

The amendment clarifies that an entity is permitted to designate a portion of the fair value changes or cash flow variability of a financial instrument as a hedged item. This also covers the designation of inflation as a hedged risk or portion in particular situations. The amendment is not relevant to the Group's operations.

IAS 24, Related party disclosures – amendment *(effective from January 1, 2011).*

This amendment attempts to relax disclosures of transactions between government-related entities and clarify related-party definition. More specifically, it removes the requirement for government-related entities to disclose details of all transactions with the government and other government-related entities, clarifies and simplifies the definition of a related party and requires the disclosure not only of the relationships, transactions and outstanding balances between related parties, but of commitments as well in both the consolidated and the individual financial statements. The Group will apply these changes from their effective date. The amendment has not yet been endorsed by the EU.

IAS 32, Financial instruments: Presentation - amendment *(effective from February 1, 2010).*

This amendment clarifies how certain rights issues should be classified. In particular, based on this amendment, rights, options or warrants to acquire a fixed number of the entity's own equity instruments for a fixed amount of any currency are equity instruments if the entity offers the rights, options or warrants pro rata to all of its existing owners of the same class of its own non-derivative equity instruments. This amendment is not expected to impact the Group's financial statements.

IFRS 1, First-time adoption of International Financial Reporting Standards – amendment *(effective from January 1, 2010).*

This amendment provides additional clarifications for first-time adopters of IFRS in respect of the use of deemed cost for oil and gas assets, the determination of whether an arrangement contains a lease and the decommissioning liabilities included in the cost of property, plant and equipment. This amendment will not impact the Group's financial statements since it has already adopted IFRS. This amendment has not yet been endorsed by the EU.

IFRS 9, Financial instruments *(effective from January 1, 2013).*

IFRS 9 is the first part of Phase 1 of the Board's project to replace IAS 39. The IASB intends to expand IFRS 9 during 2010 to add new requirements for classifying and measuring financial liabilities, derecognition of financial instruments, impairment, and hedge accounting. IFRS 9 states that financial assets are initially measured at fair value plus, in the case of a financial asset not at fair value through profit or loss, particular transaction costs. Subsequently financial assets are measured at amortised cost or fair value and depend on the basis of the entity's business model for managing the financial assets and the contractual cash flow characteristics of the financial asset. IFRS 9 prohibits reclassifications except in rare circumstances when the entity's business model changes; in this case, the entity is required to reclassify affected financial assets prospectively.

IFRS 9 classification principles indicate that all equity investments should be measured at fair value. However, management has an option to present in other comprehensive income unrealised and realised fair value gains and losses on equity investments that are not held for trading. Such designation is available on initial recognition on an instrument-by-instrument basis and is irrevocable. There is no subsequent recycling of fair value gains and losses to profit or loss; however, dividends from such investments will continue to be recognised in profit or loss. IFRS 9 removes the cost exemption for unquoted equities and derivatives on unquoted equities but provides guidance on when cost may be an appropriate estimate of fair value. The Group is currently investigating the impact of IFRS 9 on its financial statements. IFRS 9 has not been endorsed by the EU.

IFRIC 12, Service concession arrangements *(effective from March 30, 2009).*

This interpretation applies to companies that participate in service concession arrangements. This interpretation is not relevant to the Group.

IFRIC 14, The limit on a defined benefit asset, minimum funding requirements and their interaction *(effective from January 1, 2011).*

The amendments apply in limited circumstances: when an entity is subject to minimum funding requirements and makes an early payment of contributions to cover those requirements. The amendments permit such an entity to treat the benefit of such an early payment as an asset. This interpretation is not relevant to the Group. This amendment has not yet been endorsed by the EU.

IFRIC 17, Distributions of non-cash assets to owners *(effective from July 1, 2009).*

The Interpretation provides guidance on the measurement of distribution of non-cash assets both when the obligation is incurred and when the distribution is made. This includes both distributions of specific assets and more complex transactions, such as demergers. The guidance does not apply where the asset transferred is controlled by the same body both before and after the transaction, meaning that it is not relevant to distributions from a subsidiary to a parent, nor to transfers between subsidiaries accounted for as deemed distributions. It also does not apply if a parent distributes part of its investment in a subsidiary, creating a non-controlling interest but retaining control. In this case the distribution is accounted for under IAS 27 (as amended in May, 2008). The Interpretation further clarifies that it only applies to distributions where all owners of the same class of equity instruments are treated equally. If an entity distributes assets to its equity shareholders who constitute both a parent company and non-controlling shareholders, the whole distribution is scoped out of the Interpretation because a proportion of the assets transferred are controlled by the same entity before and after. This interpretation is not expected to have a material impact on the Group or Company's financial statements.

IFRIC 18, Transfers of assets from customers *(effective from July 1, 2009).*

IFRIC 18 clarifies the requirements of IFRS for agreements in which an entity receives from a customer an item of property, plant, and equipment that the entity must then use either to connect the customer to a network or to provide the customer with ongoing access to a supply of goods or services (such as a supply of electricity, gas or water). In some cases, the entity receives cash from a customer that must be used only to acquire or construct the item of property, plant, and equipment in order to connect the customer to a network or provide the customer with ongoing access to a supply of goods or services (or to do both).

The basic principle of IFRIC 18 is that when the item of property, plant and equipment transferred from a customer meets the definition of an asset under the IASB Framework from the perspective of the recipient, the recipient must recognise the asset in its financial statements. If the customer continues to control the transferred item, the asset definition would not be met even if ownership of the asset is transferred to the utility or other recipient entity. The deemed cost of that asset is its fair value on the date of the transfer. If there are separately identifiable services received by the customer in exchange for the transfer, then the recipient should split the transaction into separate components as required by IAS 18. IFRIC 18 which is effective for transfers of assets received on or after July 1, 2009, is not relevant to the Group's operations, as it has not received any assets from customers.

IFRIC 19, Extinguishing financial liabilities with equity instruments *(effective from July 1, 2010).*

This interpretation addresses the accounting by the entity that issues equity instruments to a creditor in order to settle, in full or in part, a financial liability. This interpretation is not relevant to the Group. This amendment has not yet been endorsed by the EU.

5. FINANCIAL RISK MANAGEMENT

The state of the Greek economy

Started in 2009, the Greek economy is currently undergoing a period of recession (GDP growth rate of -2%), whereas the public deficit escalated at 12.7 per cent. of GDP resulting in a business environment much less attractive than before. According to the “Updated Greek Stability and Growth Programme” published in January 2010, the Greek Ministry of Finance estimated that for the 2010 the growth would fall to -0.3% whereas unemployment would increase to 9.6 per cent. Dealing with public deficits could lead to reduced overall spending in the foreseeable future, including in the healthcare sector, which would have a negative effect on the performance of the Group’s Health Division operations. Moreover, reduced consumer spending could lead the Group and its competitors to decrease prices, thereby potentially reducing profitability from sales of the Group’s Veterinary Division and Non Health Division (Cosmetics and Detergents). Additionally, the lack of liquidity in the market involves increasing risk of losses stemming from clients failing to fulfil their payments, which the Group may not adequately or at all cover by insuring its trade receivables or by entering into factoring agreements with financial institutions to finance its working capital needs.

For the reason state above, to the extend that the current economic downturn worsens to levels beyond of those that have been estimated, or if the financial and business environment in which the Group operates do not recover than the Group could experience a material adverse effect on its business, financial conditions and results of operations.

5.1 Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

Risk management is carried out by a central treasury department ('Group treasury') under policies approved by the Board of Directors. Group treasury identifies, evaluates and hedges financial risks in close co-operation with the Group's operating units. The Board provides written principles for overall risk management, as well as written policies covering specific areas, such as foreign exchange risk, interest rate risk, and credit risk, use mainly of no derivative financial instruments, and investment of excess liquidity.

(a) Market risk

(i) Foreign exchange risk

The Group operates in an international environment and is exposed to foreign exchange risk arising from various currency exposures. Foreign exchange risk arises from future commercial transactions, recognised assets and liabilities and net investments in foreign operations.

Management has set up a policy to require Group companies to manage their foreign exchange risk against their functional currency. The Group companies are required to hedge their entire foreign exchange risk exposure with the Group treasury. To manage their foreign exchange risk arising from future commercial transactions and recognised assets and liabilities, entities in the Group may use forward contracts, transacted with Group treasury. Foreign exchange risk arises when future commercial transactions or recognised assets or liabilities are denominated in a currency that is not the entity's functional currency.

The Company and its Greek subsidiaries do not have significant assets and liabilities in a currency other than the Euro and thus have no substantial exchange risk.

Regarding future commercial conducted in currencies other than the operational currency, the Group has adopted the policy of transactions with instalments set in advance, aiming to limit currency differences.

The Group has certain investments in foreign operations, whose net assets are exposed to foreign currency translation risk. Currency exposure arising from the net assets of the Group's foreign operations is managed primarily through borrowings denominated in the relevant foreign currencies.

At 31 December 2009, if the currency had weakened/strengthened by 7% against the UK pound, with all other variables held constant, Group's net profit for the year would have been € 50 and € 58 respectively higher/lower, mainly as a result of foreign exchange gains/losses on translation of income statement of EUROMEDICINES LTD.

At 31 December 2009, if the currency had weakened/strengthened by 5% against the Romania RON, with all other variables held constant, Group's net profit for the year would have been € 71 and € 79 respectively higher/lower, mainly as a result of foreign exchange gains/losses on translation of income statement of ALAPIS ROMANIA SRL.

At 31 December 2009, if the currency had weakened/strengthened by 1% against the Croatian KUNA, with all other variables held constant, Group's net profit for the year would have been € 6 higher/lower, mainly as a result of foreign exchange gains/losses on translation of income statement of ALAPIS DOO.

At 31 December 2009, if the currency had weakened/strengthened by 5% against the Serbian DINAR, with all other variables held constant, Group's net profit for the year would have been € 83 and € 92 respectively higher/lower, mainly as a result of foreign exchange gains/losses on translation of income statement of SUMADIJALEK AD and ALAPIS SER DOO.

(ii) Price risk

Pharmaceutical pricing is set by the government in Greece and any downward pressure on the price of pharmaceuticals would likely have a material adverse effect on the Group's profitability and results of operations. According to the legislation in force the price of medicine must not exceed the average of the three lowest prices of that particular medicine as sold within the 26 European Union (EU) member states. In Greece Generics are priced at a 20 per cent. discount to the original patented medicines.

Owning to the conditions inherent in the Greek pharmaceutical market, the state of public finances, the government announcements to reform the pricing framework of pharmaceuticals and the general competition in the pharmaceutical industry, the Group expects that price controls and pressures on pricing will remain or increase in Greece. Although the Group has pursued a strategy of developing a line of branded generics to partially offset the impact of price controls, any increase in such price controls and any failure by the Group to offset such pressures with its branded generics may limit or eliminate the Group's expected financial growth from the affected products and may have a material adverse effect on the Group's business, financial condition and result of operations.

The Group is not exposed to securities price risk due to its limited investment in entities and their classification in the consolidated statement of financial position as financial assets at a fair value through the results. The Group is not exposed to commodity price risk.

(iii) Cash flows and fair value interest rate risk

The Group's interest risk increases by its non-current liabilities. The liabilities could possibly result in variable interest rates and expose the Group to cash flow interest rate risk, which is partially offset by cash held at variable rates.

The Group analyses exposure to interest rate on a dynamic basis. Various scenarios are simulated, as refinancing and renewals of existing positions are taken into consideration. Based on these scenarios, the Group calculates the impact on the profit and loss of a certain interest rate shift. For each simulation, the same interest rate shift is used for all currencies. The scenarios only apply to liabilities that represent the major interest positions.

At 31 December 2009, if Euribor had been 1% higher/lower with all other variables held constant, net profit for the year would have been € 8.804 and € 8.392 lower/higher for the Group and the Company respectively, mainly as a result of higher/lower interest expense on floating rate borrowings.

(All amounts are presented in thousands Euro, except otherwise stated)

(b) Credit risk

Credit risk is managed on a Group basis. Credit risk arises from cash and cash equivalents, derivative financial instruments and deposits with banks and financial institutions, as well as credit exposures customers, including outstanding receivables and committed transactions.

The Group's principal credit risk relates to the possibility that a given customer fails to fulfil its payment obligations. The recession into which the Greek economy has fallen and the lack of liquidity in the market are factors containing increased risk for losses related to clients' inability to fulfill their financial obligations towards the Group. The Group's main clients in the pharmaceutical sector are state hospitals that generally take longer than other customers to settle their accounts with suppliers of pharmaceutical products and medical equipment. Moreover the Greek National Healthcare System (part of the general social security system) is also a slower payer of its contributions for pharmaceutical products purchases by pharmacies and hospitals. At the beginning 2010 repaid a part of the state hospital obligations dated backed to 2005. The amount paid was €1.200.000. As a part of this influx of cash into the system the Group received approximately € 50.000.

Credit risk is managed at the Group level and all Group companies monitor the financial position of their debtors on an ongoing basis. However, management believes the Group does not have significant concentration of credit risk, as the Group has signed credit insurance agreements which cover up to 90% of receivables in the event that an inability or delay in their collection is confirmed. If customers are independently rated, these ratings are used. Otherwise, if there is no independent rating, risk control assesses the credit quality of the customer, taking into account its financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by the board. The utilisation of credit limits is regularly monitored.

The following table shows the credit limit and the carrying amount for five (5) major customers of the Group at December 31, 2009.

	31.12.2009	
	Credit limit	**Balance**
Customer 1	19.335	17.332
Customer 2	1.000	850
Customer 3	3.600	2.087
Customer 4	750	406
Customer 5	1.000	283
Total	**25.685**	**20.959**

(c) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities since the Group requires significant amount of funds to finance its working capital due to long repayment periods from customers of pharmaceutical products, especially from state owned hospitals. Due to the dynamic nature of the underlying businesses, Group treasury maintains flexibility in funding by maintaining availability under committed credit lines Furthermore, the Group has entered into a number of non-recourse factoring agreements, to provide it with working capital flexibility.

Specifically, the Group funds a significant part of its working capital by entering into trade receivables factoring agreements with Greek and international financial institutions. The terms of the factoring agreements require that the Group purchase credit insurance prior to assigning its receivables via the factoring agreements by obtaining three year credit insurance for its state owed receivables. Moreover the terms of the factoring agreements provide that, upon default by the underlying customer, the Group’s counterparties (financial institutions) will turn in first instance, to the customer underlying the receivable and then to the providers of the Group’s credit insurance for payment. The repayment obligation, however, would revert to the Group if both the underlying customer and the credit insurer fail to pay, in which case the Group could be subject to significant liabilities in respect of previously factored receivables. In addition the maximum indemnity paid by the providers of credit insurance for any given period is limited to a multiple of the Group’s insurance premium for that period and, thus if a significant proportion of the Group’s receivables were to default simultaneously, it is possible that such default would exceed the indemnity to be paid by the insurers, in which case the Group would be liable for any deficiency in the coverage.

Management monitors rolling forecasts of the Group’s liquidity requirements to ensure it has sufficient cash to meet operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities at all times so that the Group does not breach borrowing limits or covenants (where applicable) on any of its borrowing facilities. Such forecasting takes into consideration the Group’s debt financing plans, covenant compliance, compliance with internal balance sheet ratio targets and, if applicable external regulatory or legal requirements.

Whilst the Group has headroom under its factoring facilities, if the Group does not manage to obtain additional credit insurance or does not receive payment for its outstanding trade and other receivables in the near future that would allow increasing headroom in its existing factoring facilities, it may experience difficulties to finance its working capital, which in turn could have a material adverse effect on the Group’s business, financial condition and results of operations.

(All amounts are presented in thousands Euro, except otherwise stated)

Furthermore, prudent liquidity risk management is needed considering that the production of pharmaceuticals, detergents, and of a number of the other of the Group's products is capital intensive and in order for the Group to maintain its competitive advantages and carry into effect its strategic goals, it may need to incur significant capital expenditures (fixed assets, acquisitions of companies or products). The Group may not, however, generate sufficient cash flows from operations to fund all future capital expenditures, and may depend on debt or equity financing to fund such expenditures. Given the current state of the Greek economy and of the global financing markets such financing may not be available to the group, or, if available may not be obtainable on terms commercially acceptable to it. Any failure to obtain required funds could delay or prevent the completion of future capital expenditures or acquisitions, which in turn could have a material adverse effect on the Group's business, financial condition and results of operations.

Surplus cash held by the operating entities over and above balance required for working capital management are transferred to the group treasury. Group treasury invests surplus cash in interest bearing current accounts, time deposits and marketable securities, choosing instruments with appropriate maturities or sufficient liquidity to provide sufficient head-room as determined by the above-mentioned forecasts. At the reporting date, the Group and the Company held cash in interest bearing current accounts of € 155.995 (2008: € 74.810) and € 103.821 (2008: € 10.175) respectively and time deposits of € 57.936 (2008: € 132.704) and € 54.400 (2008: € 111.037) respectively, that are expected to readily generate cash inflows for managing liquidity risk.

The table below analyses the Group's and the Company's financial liabilities into relevant maturity groupings based on the remaining period at the statement of financial position date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

The Group **2009**	**Up to 1 year**	**1 to 5 years**	**Over 5 years**
Borrowings (note 37)	146.187	685.000	50.000
Finance lease liabilities (note 38)	4.046	13.461	21.848
Derivatives (note 40)	0	3.243	0
Trade and other receivables (note 40, 41, 42)	357.241	184	0

The Group **2008**	**Up to 1 year**	**1 to 5 years**	**Over 5 years**
Borrowings (note 37)	169.459	700.106	2.500
Finance lease liabilities (note 38)	3.546	10.358	10.406
Derivatives (note 40)	0	1.811	0
Trade and other receivables (note 40, 41, 42)	274.427	174	0

(All amounts are presented in thousands Euro, except otherwise stated)

The Company

2009	**Up to 1 year**	**1 to 5 years**	**Over 5 years**
Borrowings (note 37)	141.001	685.000	50.000
Finance lease liabilities (note 38)	1.701	10.628	21.848
Derivatives (note 40)	0	3.243	0
Trade and other receivables (note 41, 42)	306.352	0	0

The Company

2008	**Up to 1 year**	**1 to 5 years**	**Over 5 years**
Borrowings (note 37)	135.430	664.843	0
Derivatives (note 38)	443	4.012	10.406
Derivatives (note 40)	0	1.811	0
Trade and other receivables (note 41, 42)	71.392	0	0

(All amounts are presented in thousands Euro, except otherwise stated)

Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The Group monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings (including 'current and non-current finance lease liabilities' as shown in the statement of financial position) less cash and cash equivalents. Total capital is calculated as equity shown in the consolidated statement of financial position plus net debt.

	The Group		The Company	
	2009	2008	2009	2008
Total borrowings (note 37, 38)	920.542	896.374	910.178	815.133
Less: Cash and cash equivalents (note 30)	(216.398)	(208.679)	(158.426)	(121.305)
Net debt	**704.145**	**687.695**	**751.752**	**693.828**
Total equity	1.948.261	1.546.377	1.989.898	1.528.323
Total capital	**2.652.406**	**2.234.072**	**2.741.650**	**2.222.151**
Gearing ratio	**26,55%**	**30,78%**	**27,42%**	**31,22%**

The significant improvement of the gearing ratio for the Company and Group as well is due to the increase in total equity resulting from the rights issue offering of € 451.076 the Company completed during the year, the net proceeds of which amounted to € 423.063. The proceeds were mainly used to financing working capital needs of € 143.066, to pay off € 180.309 of debt obligations, and to overall boost the Groups' liquidity. A thorough analysis of the above is presented in the 'Use of Funds' table contained in the Company's annual report.

(All amounts are presented in thousands Euro, except otherwise stated)

Fair value estimation

Effective 1 January 2009, the Group adopted the amendment to IFRS 7 for financial instruments that are measured in the statement of financial position at fair value, this requires disclosure of fair value measurements by level of the following fair value measurement hierarchy:

(a) The fair value of financial instruments traded in active markets (such as trading) is based on quoted market prices at the statement of financial position date. The quoted market price used for financial assets held by the Group is the current bid price (level 1).
(b) The fair value of financial instruments that are not traded in an active market (for example, over-the counter derivatives) is determined by using valuation techniques. The Group uses a variety of methods and makes assumptions that are based on market conditions existing at each statement of financial position date. Quoted market prices or dealer quotes for similar instruments are used for non-current debt (level 2).
(c) Other techniques, such as estimated discounted cash flows, are used to determine fair value for the remaining financial instruments (level 3).

The following table presents the Group's and the Company's assets and liabilities that are measured at fair value at 31 December 2009 and 2008.

The Group
2009

Assets	**Level 1**	**Level 2**	**Level 3**	**Total**
Assets at fair value through the income statement				
Short-term investments (note 28)	6	0	0	6
Liabilities				
Liabilities at fair value through the income statement				
Derivatives (note 40)	0	3.243	0	3.243

The Group
2008

Assets	**Level 1**	**Level 2**	**Level 3**	**Total**
Assets at fair value through the income statement				
Short-term investments (note 28)	5	0	0	5
Liabilities				
Liabilities at fair value through the income statement				
Derivatives (note 40)	0	1.811	0	1.811

The Company
2009

Assets	**Level 1**	**Level 2**	**Level 3**	**Total**
Assets at fair value through the income statement				
Short-term investments	0	0	0	0
Liabilities				
Liabilities at fair value through the income statement				
Derivatives (note 40)	0	3.243	0	3.243

The Company
2008

Assets	**Level 1**	**Level 2**	**Level 3**	**Total**
Assets at fair value through the income statement				
Short-term investments	0	0	0	0
Liabilities				
Liabilities at fair value through the income statement				
Derivatives (note 40)	0	1.811	0	1.811

Other business risks

Loss of the Group's long-term contracts with key multinational suppliers and customers could materially adversely affect the Group's business, financial condition and results of operations

The Group has entered into long-term distribution, production and out-licensing contracts with multinational pharmaceutical and consumer goods companies. However, there can be no assurance that once such existing contracts expire, the Group will be able to renegotiate or enter into new distribution and/or production contracts that will be on terms that are satisfactory to the Group. In addition, in the event any of the Group's key multinational suppliers or customers merges with another multinational that is not currently a customer of the Group, the Group may not be able to renew its existing contract or enter into a new contract with the resulting new entity. Any damage to the Group's relationships with multinational pharmaceutical and consumer goods companies, or the loss of the Group's contracts with its key multinational companies could have a material adverse effect on the Group's business, financial condition and results of operations.

Changes in the policies of the Group's retail trade customers and increasing dependence on key retailers may adversely affect some of the Group's businesses

Certain of the Group's products sold under its own label, such as animal health, pet food products, and cosmetics are sold in a highly competitive marketplace, which is experiencing increased trade concentration and the growing presence of large retailers and discounters. With the growing trend towards retail trade consolidation, the Group is increasingly dependent on trade policies, such as inventory de-stocking, limitations on access to shelf space, discount policy, etc; adopted by large retailers as well as of their bargaining power to demand higher trade discounts, allowances or slotting fees, which could lead to reduced sales or profitability for the Group. In the fourth quarter of 2008 and the first quarter of 2009, for example, in light of the deteriorating economic environment, retailers in Greece undertook widespread inventory de-stocking, which resulted in significantly lower sales to the Group's key retail customers in the Veterinary division and Cosmetics and Detergent division.

Key suppliers may not continue to supply products, including APIs, to the Group on commercially acceptable terms, or at all

For its pharmaceutical products, the Group relies on a broad base of suppliers for the supply and cost of its various raw materials, including active pharmaceutical ingredients (“APIs”). For certain raw materials the Group may experience shortages as a result of unexpected demand, production difficulties or financial distress of a key supplier and any of these shortages may take time to rectify, particularly if a replacement supplier needs to be located. Even though the policy adopted from the Group is for the supply of critical raw materials to secure the collaboration of more than one supplier, a potential weakness in securing a sufficient supply of raw materials, at all or on commercially acceptable terms could have a material adverse effect on the Group's business, financial condition and results of operations.

The Group's future revenue growth and profitability are dependent upon its ability to successfully develop, license, or otherwise acquire and introduce new products on a timely basis in relation to product introductions of its competitors

The Group aims to continually introduce a significant number of new and upgraded pharmaceutical products in order to remain competitive in an industry characterised by frequent product advances. The Group's future revenues and profitability will therefore depend, to a significant extent, upon its ability to successfully develop and/or license, or otherwise acquire and commercialise, new generic and patented or statutorily protected pharmaceutical products in a timely manner. Product development, licensing, and commercialisation require substantial time, effort and financial resources while a set of unpredicted factors may affect the achievement of milestones. A potential weakness in commercialising, acquiring or licensing any of such products on a timely basis, if at all, which could and would have a material adverse effect on the Group's business, financial condition and result of operations.

Economic and regulatory uncertainties in some of the countries in which the Group operates may have a material adverse effect on the Group's business, financial condition and results of operations

Over the past few years, many of the countries in which the Group operates or expects to operate have experienced economic growth and improved economic stability. For example, countries such as Bulgaria and Romania initiated free-market reforms in connection with their accession to the EU. Recently, this trend has been reversed by the on-going global economic contraction, which has led to lower and, in some cases, negative growth rates in the countries in which the Group's businesses operates. The legal and regulatory systems in certain of these countries remain underdeveloped and subject to political interference. Moreover, legal, regulatory and free-market reform policies may not continue to be implemented and, if implemented, may not be successful. Any economic deterioration in the countries in which the Group's businesses operate as well as continued uncertainty with respect to legal, regulatory and free-market reforms could have a material adverse effect on the Group's business, financial condition and results of operations.

6. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

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

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

(a) Goodwill impairment tests

The Group and the Company determine whether goodwill is impaired at least on an annual basis. This requires an estimation of the value in use of the cash-generating units to which the goodwill is allocated. Estimating the value in use requires the Group to make an estimate of the expected future cash flows from the cash-generating unit and also to choose a suitable discount rate in order to calculate the present value of those cash flow. More details are provided in note 18.

An impairment charge of € 26.287 arose in the cosmetics and detergent sector during the course of the 2009 year, resulting in the carrying amount of the cash-generating unit being written down to its recoverable amount. If the estimated weighted average cost of capital used in determining the pre-tax discount rate for the detergent sector had been 0,5% higher than management's estimates, the Group would have recognised a further impairment against goodwill of € 36.201.

(b) Income tax

Current income tax liabilities for the current and prior periods are measured, in accordance with IAS 12, at the amounts expected to be paid to the taxation authorities and includes provision for current income taxes reported in the respective income tax returns and the potential additional tax assessments that may be imposed by the tax authorities upon settlement of the unaudited tax years.

Group entities are subject to income taxes in numerous jurisdictions. Significant judgment is required in determining the worldwide provision for income taxes. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made. Further details are provided in note 15.

(c) Deferred income tax assets

Deferred income tax assets are recognised for all unused tax losses to the extend that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies. Further details are contained in note 15.

(d) Provision impairment for doubtful receivables

The Group performs allowance for doubtful receivables regarding specific customers for which certain evidence are shown that the collection of the relevant receivable is doubtful. Group's management periodically reassess the adequacy of the allowance for doubtful receivables in conjunction with its credit policy, taking into account reports from its Legal Department, following the processing of historical data and recent developments of the cases they are assigned to.

(e) Property, plant and equipment impairment

Property, plant and equipment are tested for impairment when there are indicators that the carrying amounts may not be recoverable. When value in use calculations are undertaken, management estimates the expected future cash flows from the asset or cash-generating unit and chooses a suitable discount rate in order to calculate the present value of those cash flows.

(f) Retirement benefit obligations

The cost of retirement benefit obligations is determined using actuarial valuations. The actuarial valuation involves making assumptions about discount rates, future salary increases and increase in consumer price index. Such estimates are subject to significant uncertainty and Group's management make continuing judgments and assumptions about them.

(All amounts are presented in thousands Euro, except otherwise stated)

7. RESTATED FIGURES OF THE PRIOR YEAR AND INTERIM PERIODS REPORTED FINANCIAL STATEMENTS

(a) Restatements in the financial statements of the year 2008

Statement of Financial Position of December 31, 2008:

		The Group		
	Note	**Initially reported**	**Restated figures**	**Restatements**
ASSETS				
Non-current assets				
Property, plant and equipment	**1**	1.524.905	1.466.620	(58.285)
Goodwill	**2**	541.164	542.387	1.223
Intangible assets	**3**	189.023	250.825	61.802
Investment properties		127	127	0
Other non-current assets		1.004	1.004	0
Deferred income tax assets		15.390	15.390	0
Total non-current assets		**2.271.612**	**2.276.352**	**4.740**
Current assets				
Inventories		149.801	149.801	0
Trade receivables		75.022	75.022	0
Other receivables		127.054	127.054	0
Short term investments		5	5	0
Cash and cash equivalents		208.679	208.679	0
Total current assets		**560.561**	**560.561**	**0**
Assets of disposal group classified as held for sale		0	0	0
TOTAL ASSETS		**2.832.174**	**2.836.913**	**4.740**

(All amounts are presented in thousands Euro, except otherwise stated)

Statement of Financial Position of December 31, 2008 (continuation):

		The Group		
	Note	**Initially reported**	**Restated figures**	**Restatements**
EQUITY AND LIABILITIES				
Equity attributable to owners of the parent				
Share capital		294.180	294.180	0
Paid in surplus		1.179.297	1.179.297	0
Legal and other reserves		76.065	76.065	0
Revaluation reserves		30.847	30.847	0
Treasury shares		(3.695)	(3.695)	0
Treasury shares		(95.616)	(95.616)	0
Retained earnings	**4**	58.590	58.402	(188)
Non-controlling interests	**5**	3.333	6.897	3.563
Total equity		**1.543.001**	**1.546.377**	**3.374**
Non-current liabilities				
Borrowings		702.606	702.606	0
Finance lease liabilities		20.763	20.763	0
Deferred income tax liabilities	**6**	91.458	92.162	704
Retirement benefit obligations		8.582	8.582	0
Other non-current liabilities		1.985	1.985	0
Total non-current liabilities		**825.395**	**826.098**	**704**
Current liabilities				
Trade payables		173.215	173.215	0
Borrowings		169.459	169.459	0
Finance lease liabilities		3.546	3.546	0
Current income tax liabilities	**7**	16.345	17.006	661
Other current liabilities		101.213	101.213	0
Total current liabilities		**463.778**	**464.438**	**661**
Assets of disposal group classified as held for sale		0	0	0
TOTAL EQUITY AND LIABILITIES		**2.832.174**	**2.836.913**	**4.740**

The major restated figures of the previous year reported financial statements are due to the following:

Note 1: The restated property, plant and equipment figures for the Group are due to the revaluation of the property, plant and equipment of PNG GEROLYMATOS SA during the finalization of their fair values.

Note 2: The increase of goodwill is due to the total restatements in net assets of the acquired group of the company PNG GEROLYMATOS SA. (note 1 and 3 to 7).

Note 3: The increase is due to the recognition of intangible assets of the acquired group of the company PNG GEROLYMATOS SA, which are mainly related to customer base.

Note 4: The retained earnings are decreased due to additional amortisation of the above recognized intangible assets (note 3) and their related deferred taxes.

Note 5: The non-controlling interests increased as a result of the increase in net assets of the company's PNG GEROLYMATOS SA subsidiaries, SANTA FARMA SA and PNG GEROLYMATOS MEDICAL SA, in which, at the time of the acquisition, the investment of the Group was 54% and 83% respectively of total voting rights.

Note 6: The increase in deferred tax liabilities is related to: a) the increase of the recognized intangible assets and b) the decrease of property, plant and equipment, as mentioned above in notes 1 and 3.

Note 7: The increase in tax liabilities are due to the recognition of a provision for allocation of additional income taxes, relating to the subsidiary GEROLFARM SA.

(All amounts are presented in thousands Euro, except otherwise stated)

Income Statement for the year ended December 31, 2008:

		The Group		
	Note	**Initially reported [1]**	**Restated figures [1]**	**Restatements**
Revenue		1.136.285	1.136.285	0
Cost of sales		(724.394)	(724.394)	0
Gross profit		**411.891**	**411.891**	**0**
Administrative expenses		(54.211)	(53.916)	295
Distribution costs		(149.574)	(150.199)	(625)
Other income / (expenses)		5.057	5.057	0
Goodwill impairment		(94.566)	(94.566)	0
Operating profit		**118.597**	**118.268**	**(330)**
Finance income / (expenses)		(32.581)	(32.581)	0
Profit before income tax		**86.016**	**85.687**	**(330)**
Income tax expense		(33.058)	(32.992)	66
Net profit	**1**	**52.958**	**52.695**	**(264)**
Attributable to:				
Owners of the parent		52.126	51.938	(188)
Non-controlling interests		833	757	(76)
Earnings per share (in Euro)				
Basic		0,0549	0,0539	(0,0010)
Diluted		-	-	-

[1] The above figures concern the total of continuing and discontinued operations

Note 1: The net profit has been decreased: a) as a result of additional amortisation on recognized intangible assets, b) as a result of depreciation decrease of the revaluated property, plant and equipment and c) due to the restated provision of staff retirement indemnities and their related deferred taxes.

(All amounts are presented in thousands Euro, except otherwise stated)

Cash Flow Statement for the year ended December 31, 2008:

		The Group		
	Note	Initially reported	Restated figures [1]	Restatements
Cash flows from operating activities				
Profit before income taxes (continuing operations)	**1**	**85.296**	**84.967**	**(330)**
Profit before income taxes (discontinued operations)		**720**	**720**	**0**
Adjustments to reconcile to net cash provided by operating activities:				
	1	64.763	65.335	573
Depreciation and amortisation	**1**	(2.513)	(2.755)	(242)
Provisions		37.242	37.242	0
Debit interest and similar charges		94.566	94.566	0
Revenues from investments and credit interest		(6.479)	(6.479)	0
Losses from valuation of derivatives		1.819	1.819	0
(Gain) / losses from disposal of fixed assets		3.170	3.170	0
Profit before working capital changes		**278.584**	**278.584**	**0**
(Increase)/Decrease in:				
Inventories		36.533	36.533	0
Trade receivables		85.835	85.835	0
Other receivables		(24.895)	(24.895)	0
(Increase)/Decrease in:				
Liabilities (except bank)		14.080	14.080	0
Other liabilities		15.055	15.055	0
Income taxes paid		(23.650)	(23.650)	0
Interest paid		(29.118)	(29.118)	0
Exchange differences		1.981	1.981	0
Operating cash flows of discontinued operations		637	637	0
Cash flows from operating activities		**355.039**	**355.039**	**0**
Cash flows from investing activities				
Purchase of property, plant, equipment and intangible assets		(792.196)	(792.196)	0
Disposal of property, plant, equipment and intangible assets		37.316	37.316	0
Interest and other related income received		5.243	5.243	0
Acquisition of subsidiaries (net of cash acquired)		(236.924)	(236.924)	0
Disposal of subsidiaries		(209)	(209)	0
Guaranties (paid) / received		(49)	(49)	0
Investing cash flows of discontinued operations		0	0	0
Cash flows from investing activities		**(986.818)**	**(986.819)**	**0**
Cash flows from financing activities				
Proceeds from borrowings		740.592	740.592	0
Repayments of borrowings		(92.963)	(92.963)	0
Proceeds from / (repayments) of finance lease		(5.054)	(5.054)	0
Dividends paid		(24.603)	(24.603)	0
Treasury shares / Gain from disposal of share capital's issue rights		(95.616)	(95.616)	0
Subsidiary's share capital issued		80	80	0
Financing cash flows of discontinued operations		0	0	0
Cash flows from financing activities		**522.436**	**522.436**	**0**
Net increase/(decrease) in cash and cash equivalents		**(109.344)**	**(109.344)**	**0**
Cash and cash equivalents at beginning of year		318.023	318.023	0
Cash and cash equivalents at end of year		**208.679**	**208.679**	**0**

[1] The above figures concern the total of continuing and discontinued operations of organic sector

(All amounts are presented in thousands Euro, except otherwise stated)

Note 1: The net profit has been decreased: a) as a result of additional amortisation of the recognized intangible assets, b) as a result of depreciation decrease of the revaluated tangible assets and c) due to the restated provision of staff retirement indemnities.

Statement of Changes in Equity for the year ended December 31, 2008:

		The Group		
	Note	**Initially reported** [1]	**Restated figures** [1]	**Restatements**
Balance, January 1, 2008		**1.609.057**	**1.609.057**	**0**
Currency translation differences		(1.248)	(1.248)	0
Share capital's increase expenses		(219)	(219)	0
Net profit for the year	**1**	52.958	52.695	(264)
Total comprehensive income for the year		**51.491**	**51.228**	**(264)**
Acquisition of subsidiaries	**2**	2.622	6.262	3.640
Dividends		(24.515)	(24.515)	0
Treasury shares		(95.616)	(95.616)	0
Disposal of subsidiaries		(37)	(37)	0
Balance, December 31, 2008		**1.543.001**	**1.546.377**	**3.376**

[1] The above figures concern Group's Equity total

Note 1: The net profit has been decreased: a) as a result of additional amortisation of the recognized intangible assets, b) as a result of depreciation decrease of the revaluated property, plant and equipment and c) due to the restated provision of staff retirement indemnities and their related deferred taxes.

Note 2: The effect of subsidiaries acquisition increased as a result of the increase in net assets of the company's PNG GEROLYMATOS SA subsidiaries, SANTA FARMA SA and PNG GEROLYMATOS MEDICAL SA, in which, at the time of the acquisition, the investment of the Group was 54% and 83% respectively of total voting rights.

(All amounts are presented in thousands Euro, except otherwise stated)

(b) Restatements in the financial statements of the three month period ended March 31, 2009

Statement of Financial Position of March 31, 2009:

		The Group		
	Note	**Initially reported**	**Restated figures**	**Restatements**
ASSETS				
Non-current assets				
Property, plant and equipment	**1**	1.615.707	1.558.537	(57.170)
Goodwill	**2**	546.603	543.061	(3.542)
Intangible assets	**3**	128.220	188.705	60.485
Investment properties		127	127	0
Investments in associates	**4**	41.213	45.451	4.238
Other non-current assets		1.100	1.100	0
Deferred income tax assets		15.341	15.341	0
Total non-current assets		**2.348.312**	**2.352.321**	**4.010**
Current assets				
Inventories		174.480	174.480	0
Trade receivables		106.409	106.409	0
Other receivables		109.521	109.521	0
Short term investments		5	5	0
Cash and cash equivalents		95.561	95.561	0
Total current assets		**485.977**	**485.977**	**0**
Assets of disposal group classified as held for sale		47.531	47.531	0
TOTAL ASSETS		**2.881.820**	**2.885.829**	**4.010**

(All amounts are presented in thousands Euro, except otherwise stated)

Statement of Financial Position of March 31, 2009 (continuation):

		The Group		
	Note	**Initially reported**	**Restated figures**	**Restatements**
EQUITY AND LIABILITIES				
Equity attributable to owners of the parent				
Share capital		294.180	294.180	0
Paid in surplus		1.179.297	1.179.297	0
Legal and other reserves		75.952	75.952	0
Revaluation reserves		30.847	30.847	0
Treasury shares		(3.695)	(3.695)	0
Treasury shares		(95.616)	(95.616)	0
Retained earnings	**5**	16.851	19.540	2.689
Non-controlling interests		152	152	0
Total equity		**1.497.968**	**1.500.657**	**2.689**
Non-current liabilities				
Borrowings		737.763	737.763	0
Finance lease liabilities		18.741	18.741	0
Deferred income tax liabilities	**6**	92.613	93.277	664
Retirement benefit obligations	**7**	8.844	8.839	(5)
Other non-current liabilities		2.538	2.538	0
Total non-current liabilities		**860.500**	**861.160**	**659**
Current liabilities				
Trade payables		255.205	255.205	0
Borrowings		150.013	150.013	0
Finance lease liabilities		4.925	4.925	0
Current income tax liabilities	**8**	19.987	20.648	661
Other current liabilities		87.811	87.811	0
Total current liabilities		**517.942**	**518.602**	**661**
Assets of disposal group classified as held for sale		5.410	5.410	0
TOTAL EQUITY AND LIABILITIES		**2.881.820**	**2.885.829**	**4.010**

The major restated figures for the three month period ended March 31, 2009 reported financial statements are due to the following:

Note 1: The restated property, plant and equipment figures are due to the revaluation of the property, plant and equipment of PNG GEROLYMATOS SA during the finalization of their fair values.

Note 2: The decrease of goodwill is due to the total restatements in net assets of the acquired group of the company PNG GEROLYMATOS SA and the companies BEAUTY WORKS SA and DILACO LTD. (notes 1 and 3 to 8).

Note 3: The increase is due to the recognition of intangible assets of the acquired group of the company PNG GEROLYMATOS SA and the company BEAUTY WORKS SA which are mainly related to customer base.

Note 4: The investment in associate MEDIMEC SA was restated due to the proper Purchase Price Allocation of companies MEDIMEC SA and DILACO LTD. Noted that DILACO LTD participated with a 40% stake in MEDIMEC SA.

Note 5: The retained earnings are decreased mainly due to additional amortizations of the above recognized intangible assets (note 3) and their related deferred taxes.

Note 6: The increase in deferred tax liabilities is related to: a) the increase of the recognized intangible assets and b) the decrease of property, plant and equipment as mentioned above, in notes 1 and 3.

Note 7: The decrease in provision for staff retirement indemnities due to the correction of provision of BEAUTY WORKS SA based on actuarial valuation.

Note 8: The increase in tax liabilities is due to the recognition of a provision for allocation of additional income taxes, relating to the subsidiary GEROLFARM SA.

(All amounts are presented in thousands Euro, except otherwise stated)

Income Statement for the three month period ended March 31, 2009:

		The Group		
	Note	**Initially reported [(1)]**	**Restated figures [(1)]**	**Restatements**
Revenue		235.576	235.576	0
Cost of sales		(153.438)	(153.438)	0
Gross profit		**82.138**	**82.138**	**0**
Administrative expenses		(9.021)	(8.686)	335
Distribution costs		(24.402)	(25.594)	(1.192)
Other income / (expenses)		1.595	1.595	0
Operating profit		**50.311**	**49.453**	**(857)**
Finance income / (expenses)		(13.458)	(13.458)	0
Profit before income tax		**36.852**	**35.995**	**(857)**
Income tax expense		(5.743)	(5.571)	172
Net profit	**1**	**31.109**	**30.423**	**(685)**
Attributable to:				
Owners of the parent		31.414	30.804	(610)
Non-controlling interests		(304)	(381)	(77)
Earnings per share (in Euro)				
Basic		0,0346	0,0339	(0,0007)
Diluted		-	-	-

[(1)]The above figures concern the total of continuing and discontinued operations

Note 1: The net profit has been decreased: a) as a result of additional amortisation on recognized intangible assets and b) as a result of depreciation decrease of the revaluated property, plant and equipment and their related deferred taxes.

(All amounts are presented in thousands Euro, except otherwise stated)

Statement of Comprehensive Income for the three month period ended March 31, 2009:

		The Group		
	Note	**Initially reported [1]**	**Restated figures [1]**	**Restatements**
Net profit	**1**	**31.109**	**30.423**	**(685)**
Other comprehensive income				
Currency translation differences		(117)	(117)	0
Other comprehensive income (net of tax)		**(117)**	**(117)**	**0**
Total comprehensive income		**30.993**	**30.306**	**(685)**
Attributable to:				
Owners of the parent		31.300	30.690	(610)
Non-controlling interests		(307)	(384)	(77)

[1]The above figures concern the total of continuing and discontinued operations

Note 1: The comprehensive income has been decreased as a result of the decrease in period's net profit. There is full description in the above paragraph 'Income Statement for the three month period ended March 31, 2009', note 1.

(All amounts are presented in thousands Euro, except otherwise stated)

Statement of Cash Flows for the three month period ended March 31, 2009:

		The Group		
	Note	Initially reported	Restated figures	Restatements
Cash flows from operating activities				
Profit before income taxes (continuing operations)	**1**	**40.377**	**39.519**	**(857)**
Profit before income taxes (discontinued operations)		**(3.525)**	**(3.525)**	**0**
Adjustments to reconcile to net cash provided by operating activities:				
	1	24.726	25.584	857
Depreciation and amortisation		(970)	(970)	0
Provisions		13.721	13.721	0
Revenues from investments and credit interest		(768)	(768)	0
Losses from valuation of derivatives		499	499	0
(Gain) / losses from disposal of fixed assets		(322)	(322)	0
Profit before working capital changes		**73.739**	**73.739**	**0**
(Increase)/Decrease in:				
Inventories		(25.480)	(25.480)	0
Trade receivables		(18.636)	(18.636)	0
Other receivables		21.438	21.438	0
(Increase)/Decrease in:				
Liabilities (except bank)		79.523	79.523	0
Other liabilities		(21.366)	(21.366)	0
Income taxes paid		(1.089)	(1.089)	0
Interest paid		(21.682)	(21.682)	0
Exchange differences		(4.035)	(4.035)	0
Operating cash flows of discontinued operations		3.473	3.473	0
Cash flows from operating activities		**85.886**	**85.886**	**0**
Cash flows from investing activities				
Purchase of property, plant, equipment and intangible assets		(95.778)	(95.778)	0
Disposal of property, plant, equipment and intangible assets		955	955	0
Interest and other related income received		719	719	0
Acquisition of subsidiaries (net of cash acquired)	**2**	(78.588)	(74.351)	4.237
Acquisition of associates	**2**	(39.200)	(43.437)	(4.237)
Guaranties (paid) / received		(62)	(62)	0
Investing cash flows of discontinued operations		(12)	(12)	0
Cash flows from investing activities		**(211.966)**	**(211.966)**	**0**
Cash flows from financing activities				
Proceeds from borrowings		35.157	35.157	0
Repayments of borrowings		(19.825)	(19.825)	0
Proceeds from / (repayments) of finance lease		(639)	(639)	0
Cash flows from financing activities		**14.693**	**14.693**	**0**
Cash of discontinued operations		(1.731)	(1.731)	0
Net increase/(decrease) in cash and cash equivalents		**(111.387)**	**(111.387)**	**0**
Cash and cash equivalents at beginning of year		208.679	208.679	0
Cash and cash equivalents at end of year		**95.561**	**95.561**	**0**

(All amounts are presented in thousands Euro, except otherwise stated)

Note 1: The net profit has been decreased: a) as a result of additional amortisation of the recognized intangible assets, b) as a result of depreciation decrease of the revaluated property, plant and equipment.

Note 2: The acquisition cost of associate MEDIMEC SA was restated due to the proper Purchase Price Allocation of companies MEDIMEC SA and DILACO LTD. Noted that DILACO LTD participated with a 40% stake in MEDIMEC SA.

Statement of Changes in Equity for the three month period ended March 31, 2009:

		The Group		
	Note	**Initially reported [1]**	**Restated figures [1]**	**Restatements**
Balance, January 1, 2009		**1.543.001**	**1.546.377**	**3.376**
Currency translation differences		(117)	(117)	0
Net profit for the year	**1**	31.109	30.423	(685)
Total comprehensive income for the year		**30.993**	**30.306**	**(685)**
Acquisition of subsidiaries		(66.027)	(66.027)	0
Dividends		(9.999)	(9.999)	0
Balance, March 31, 2009		**1.497.968**	**1.500.657**	**2.689**

[1] The above figures concern Group's Equity total

Note 1: The net profit has been decreased : a) as a result of additional amortisation on recognized intangible assets and b) as a result of depreciation decrease of the revaluated property, plant and equipment and their related deferred taxes.

(All amounts are presented in thousands Euro, except otherwise stated)

(c) Restatements in the Financial Statements for the six month period ended June 30, 2009

Statement of Financial Position of June 30, 2009:

		The Group		
	Note	**Initially reported**	**Restated figures**	**Restatements**
ASSETS				
Non-current assets				
Property, plant and equipment	**1**	1.615.282	1.559.448	(55.834)
Goodwill	**2**	581.248	566.438	(14.810)
Intangible assets	**3**	131.346	208.903	77.557
Investment properties		27.042	27.042	0
Other non-current assets		1.193	1.193	0
Deferred income tax assets	**4**	14.089	14.180	91
Total non-current assets		**2.370.200**	**2.377.203**	**7.004**
Current assets				
Inventories	**5**	193.505	193.322	(183)
Trade receivables	**6**	187.025	185.108	(1.917)
Other receivables		86.135	86.135	0
Short term investments		6	6	0
Cash and cash equivalents		78.480	78.480	0
Total current assets		**545.151**	**543.052**	**(2.099)**
Assets of disposal group classified as held for sale		11.022	11.022	0
TOTAL ASSETS		**2.926.373**	**2.931.277**	**4.904**

(All amounts are presented in thousands Euro, except otherwise stated)

		The Group		
	Note	**Initially reported**	**Restated figures**	**Restatements**
EQUITY AND LIABILITIES				
Equity attributable to owners of the parent				
Share capital		294.180	294.180	0
Paid in surplus		1.188.710	1.188.710	0
Legal and other reserves		80.219	80.219	0
Revaluation reserves		30.847	30.847	0
Treasury shares		(13.108)	(13.108)	0
Treasury shares		(95.616)	(95.616)	0
Retained earnings	**7**	57.786	60.181	2.395
Non-controlling interests		123	123	0
Total equity		**1.543.142**	**1.545.537**	**2.395**
Non-current liabilities				
Borrowings		704.300	704.300	0
Finance lease liabilities		19.842	19.842	0
Deferred income tax liabilities	**8**	97.872	102.242	4.370
Retirement benefit obligations	**9**	8.925	8.798	(127)
Other non-current liabilities		3.145	3.145	0
Total non-current liabilities		**834.084**	**838.327**	**4.243**
Current liabilities				
Trade payables		222.063	222.063	0
Borrowings		177.820	177.820	0
Finance lease liabilities		3.406	3.406	0
Current income tax liabilities		24.725	24.725	0
Other current liabilities	**6**	118.368	116.634	(1.734)
Total current liabilities		**546.381**	**544.648**	**(1.734)**
Assets of disposal group classified as held for sale		2.766	2.766	0
TOTAL EQUITY AND LIABILITIES		**2.926.373**	**2.931.277**	**4.904**

The major restated figures for the six month period ended June 30, 2009 reported financial statements are due to the following:

Note 1: The restated property, plant and equipment figures are due to the revaluation of the property, plant and equipment of PNG GEROLYMATOS SA during the finalization of their fair values.

Note 2: The decrease of goodwill is due to the total restatements in net assets of the acquired group of the company PNG GEROLYMATOS SA and the companies BEAUTY WORKS SA, MEDIMEC SA, GEROLYMATOS PRESTIGE SPA S BEAUTY SALON SA and DILACO SA (notes 1 and 3 to 9).

Note 3: The increase is due to the recognition of intangible assets of the acquired group of the company PNG GEROLYMATOS SA and the companies BEAUTY WORKS SA, MEDIMEC SA and GEROLYMATOS PRESTIGE SPA S BEAUTY SALON SA which are mainly related to customer base.

Note 4: The increase in deferred tax assets is due to the impairment of MEDIMEC SA's inventories.

Note 5: The decrease in inventories is due to the impairment of MEDIMEC SA's inventories.

Note 6: The decrease in trade receivables is due to: a) impairment of trade receivables and b) offsetting of provisions of public sector receivables of MEDIMEC SA.

Note 7: The retained earnings are decreased mainly due to additional amortization of the above recognized intangible assets (note 3) and their related deferred taxes.

Note 8: The increase in deferred tax liabilities is related to: a) the increase of the recognized intangible assets and b) the decrease of property, plant and equipment as mentioned above, in notes 1 and 3.

Note 9: The decrease in provision for staff retirement indemnities due to the correction of provision of BEAUTY WORKS SA, MEDIMEC SA and GEROLYMATOS PRESTIGE SPA S BEAUTY SALON SA based on actuarial valuation.

(All amounts are presented in thousands Euro, except otherwise stated)

Income Statement for the six month period ended June 30, 2009:

	Note	The Group Initially reported [1]	Restated figures [1]	Restatements
Revenue		526.101	526.101	0
Cost of sales		(323.276)	(323.276)	0
Gross profit		**202.826**	**202.826**	**0**
Administrative expenses		(22.775)	(22.106)	669
Distribution costs		(59.867)	(62.858)	(2.991)
Other income / (expenses)		2.022	2.022	0
Operating profit		**122.206**	**119.884**	**(2.322)**
Finance income / (expenses)		(29.263)	(29.263)	0
Profit before income tax		**92.943**	**90.621**	**(2.322)**
Income tax expense		(17.302)	(15.961)	1.341
Net profit	**1**	**75.641**	**74.661**	**(981)**
Attributable to:				
Owners of the parent		76.074	75.171	(904)
Non-controlling interests		(433)	(510)	(77)
Earnings per share (in Euro)				
Basic		0,0837	0,0827	(0,0010)
Diluted		-	-	-

[1] The above figures concern the total of continuing and discontinued operations

Note 1: The net profit has been decreased: a) as a result of additional amortisation on recognized intangible assets, b) as a result of depreciation decrease of the revaluated property, plant and equipment and their related deferred taxes.

(All amounts are presented in thousands Euro, except otherwise stated)

Statement of Comprehensive Income for the six month period ended June 30, 2009:

		The Group		
	Note	**Initially reported** [1]	**Restated figures** [1]	**Restatements**
Net profit	**1**	**75.641**	**74.661**	**(981)**
Other comprehensive income				
Currency translation differences		217	217	0
Other comprehensive income (net of tax)		**217**	**217**	**0**
Total comprehensive income		**75.858**	**74.878**	**(981)**
Attributable to:				
Owners of the parent		76.293	75.390	(904)
Non-controlling interests		(435)	(512)	(77)

[1] The above figures concern the total of continuing and discontinued operations

No**te 1**: The comprehensive income has been decreased as a result of the decrease in period's net profit. There is full description in the above paragraph 'Income Statement for the six month period ended June 30, 2009', note 1.

(All amounts are presented in thousands Euro, except otherwise stated)

Statement of Cash Flows for the six month period ended June 30, 2009:

		The Group		
	Note	Initially reported	Restated figures	Restatements
Cash flows from operating activities				
Profit before income taxes (continuing operations)	**1**	**98.363**	**96.041**	**(2.322)**
Profit before income taxes (discontinued operations)		**(5.419)**	**(5.419)**	**(0)**
Adjustments to reconcile to net cash provided by operating activities:				
	1	48.037	50.359	2.322
Depreciation and amortisation		(1.746)	(1.746)	0
Provisions		30.014	30.014	0
Revenues from investments and credit interest		(1.740)	(1.740)	0
Losses from valuation of derivatives		738	738	0
(Gain) / losses from disposal of fixed assets		(128)	(128)	0
Profit before working capital changes		**168.119**	**168.119**	**0**
(Increase)/Decrease in:				
Inventories		(43.098)	(43.098)	0
Trade receivables		(86.133)	(86.133)	0
Other receivables		42.114	42.114	0
(Increase)/Decrease in:				
Liabilities (except bank)		44.543	44.543	0
Other liabilities		20.130	20.130	0
Income taxes paid		(6.086)	(6.086)	0
Interest paid		(37.883)	(37.883)	0
Exchange differences		1.165	1.165	0
Operating cash flows of discontinued operations		(4.835)	(4.835)	0
Cash flows from operating activities		**98.036**	**98.036**	**0**
Cash flows from investing activities				
Purchase of property, plant, equipment and intangible assets		(119.948)	(119.948)	0
Disposal of property, plant, equipment and intangible assets		1.055	1.055	0
Interest and other related income received		1.014	1.014	0
Acquisition of subsidiaries (net of cash acquired)		(119.449)	(119.449)	0
Guaranties (paid) / received		(98)	(98)	0
Investing cash flows of discontinued operations		11.194	11.194	0
Cash flows from investing activities		**(226.231)**	**(226.231)**	**0**
Cash flows from financing activities				
Proceeds from borrowings		49.541	49.541	0
Repayments of borrowings		(40.166)	(40.166)	0
Dividends paid		(10.059)	(10.059)	0
Proceeds from / (repayments) of finance lease		(1.062)	(1.062)	0
Cash flows from financing activities		**(1.746)**	**(1.746)**	**0**
Cash of discontinued operations		(258)	(258)	0
Net increase/(decrease) in cash and cash equivalents		**(129.942)**	**(129.942)**	**0**
Cash and cash equivalents at beginning of year		208.679	208.679	0
Cash and cash equivalents at end of year		**78.480**	**78.480**	**0**

Note 1: The net profit has been decreased: a) as a result of additional amortisation of the recognized intangible assets., b) as a result of depreciation decrease of the revaluated property, plant and equipment.

(All amounts are presented in thousands Euro, except otherwise stated)

Statement of Changes in Equity for the six month period ended June 30, 2009:

		The Group		
	Note	**Initially reported [1]**	**Restated figures [1]**	**Restatements**
Balance, January 1, 2009		**1.543.001**	**1.546.377**	**3.376**
Currency translation differences		217	217	0
Net profit for the year	**1**	75.641	74.661	(981)
Total comprehensive income for the year		**75.858**	**74.878**	**(981)**
Acquisition of subsidiaries		(67.324)	(67.324)	0
Disposal of subsidiaries		1.669	1.669	0
Dividends		(10.062)	(10.062)	0
Balance, June 30, 2009		**1.543.142**	**1.545.537**	**2.395**

[1] The above figures concern Group's Equity total

Note 1: The net profit has been decreased : a) as a result of additional amortisation on recognized intangible assets and b) as a result of depreciation decrease of the revaluated property, plant and equipment and their related deferred taxes.

(All amounts are presented in thousands Euro, except otherwise stated)

Income Statement for the three month period ended June 30, 2009:

		The Group		
	Note	**Initially reported [1]**	**Restated figures [1]**	**Restatements**
Revenue		290.526	290.526	0
Cost of sales		(169.838)	(169.838)	0
Gross profit		**120.688**	**120.688**	**0**
Administrative expenses		(13.754)	(13.420)	334
Distribution costs		(35.465)	(37.264)	(1.799)
Other income / (expenses)		427	427	0
Operating profit		**71.895**	**70.431**	**(1.465)**
Finance income / (expenses)		(15.804)	(15.804)	0
Profit before income tax		**56.091**	**54.627**	**(1.465)**
Income tax expense		(11.559)	(10.389)	1.170
Net profit	**1**	**44.532**	**44.237**	**(295)**
Attributable to:				
Owners of the parent		44.661	44.366	(295)
Non-controlling interests		(129)	(129)	0
Earnings per share (in Euro)				
Basic		0,0491	0,0488	(0,0003)
Diluted		-	-	-

[1] The above figures concern the total of continuing and discontinued operations

Note 1: The net profit has been decreased: a) as a result of additional amortisation on recognized intangible assets, b) as a result of depreciation decrease of the revaluated property, plant and equipment and their related deferred taxes.

(All amounts are presented in thousands Euro, except otherwise stated)

Statement of Comprehensive Income for the three month period ended June 30, 2009:

		The Group		
	Note	**Initially reported [1]**	**Restated figures [1]**	**Restatements**
Net profit	**1**	**44.532**	**44.237**	**(295)**
Other comprehensive income				
Currency translation differences		333	333	0
Other comprehensive income (net of tax)		**333**	**333**	**0**
Total comprehensive income		**44.865**	**44.570**	**(295)**
Attributable to:				
Owners of the parent		44.994	44.700	(295)
Non-controlling interests		(129)	(129)	0

[1] The above figures concern the total of continuing and discontinued operations

Note 1: The comprehensive income has been decreased as a result of the decrease in period's net profit. There is full description in the above paragraph 'Income Statement for the three month period ended June 30, 2009', note 1.

(All amounts are presented in thousands Euro, except otherwise stated)

(d) Restatements in the Financial Statements for the nine month period ended September 30, 2009

Statement of Financial Position of September 30, 2009:

	Note	The Group Initially reported	Restated figures	Restatements
ASSETS				
Non-current assets				
Property, plant and equipment	**1**	1.637.509	1.582.789	(54.720)
Goodwill	**2**	581.248	566.438	(14.810)
Intangible assets	**3**	139.637	214.587	74.950
Investment properties		27.470	27.470	0
Other non-current assets		1.166	1.166	0
Deferred income tax assets	**4**	22.664	22.755	91
Total non-current assets		**2.409.694**	**2.415.204**	**5.510**
Current assets				
Inventories	**5**	172.833	172.651	(182)
Trade receivables	**6**	254.414	252.212	(2.202)
Other receivables		103.598	103.598	0
Short term investments		6	6	0
Cash and cash equivalents		312.317	312.317	0
Total current assets		**843.168**	**840.784**	**(2.384)**
Assets of disposal group classified as held for sale		0	0	0
TOTAL ASSETS		**3.252.862**	**3.255.988**	**3.126**

(All amounts are presented in thousands Euro, except otherwise stated)

		The Group		
	Note	**Initially reported**	**Restated figures**	**Restatements**
EQUITY AND LIABILITIES				
Equity attributable to owners of the parent				
Share capital		588.360	588.360	0
Paid in surplus		1.317.593	1.317.593	0
Legal and other reserves		79.965	79.965	0
Revaluation reserves		30.847	30.847	0
Treasury shares		(13.108)	(13.108)	0
Treasury shares		(91.610)	(91.610)	0
Retained earnings	**7**	87.949	89.150	1.201
Non-controlling interests		128	128	0
Total equity		**2.000.125**	**2.001.326**	**1.201**
Non-current liabilities				
Borrowings		700.000	700.000	0
Finance lease liabilities		36.456	36.456	0
Deferred income tax liabilities	**8**	103.038	107.109	4.071
Retirement benefit obligations	**9**	9.366	9.239	(127)
Other non-current liabilities		3.142	3.142	0
Total non-current liabilities		**852.001**	**855.946**	**3.944**
Current liabilities				
Trade payables		177.922	177.922	0
Borrowings		57.979	57.979	0
Finance lease liabilities		3.679	3.679	0
Current income tax liabilities		34.421	34.421	0
Other current liabilities	**6**	126.734	124.715	(2.019)
Total current liabilities		**400.736**	**398.716**	**(2.019)**
Assets of disposal group classified as held for sale		0	0	0
TOTAL EQUITY AND LIABILITIES		**3.252.862**	**3.255.988**	**3.126**

The major restated figures of the nine month period ended September 30, 2009 reported financial statements are due to the following notes:

Note 1: The restated property, plant and equipment figures are due to the revaluation of the property, plant and equipment of PNG GEROLYMATOS SA during the finalization of their fair values.

Note 2: The decrease of goodwill is due to the total restatements in net assets of the acquired group of the company PNG GEROLYMATOS SA and the companies BEAUTY WORKS SA, MEDIMEC SA and GEROLYMATOS PRESTIGE SPA S BEAUTY SALON SA. (notes 1 and 3 to 9).

Note 3: The increase is due to the recognition of intangible assets of the acquired group of the company PNG GEROLYMATOS SA and the companies BEAUTY WORKS SA, MEDIMEC SA and GEROLYMATOS PRESTIGE SPA S BEAUTY SALON SA which are mainly related to customer base.

Note 4: The increase in deferred tax receivables is due to the impairment of inventories of MEDIMEC SA.

Note 5: The decrease in inventories is due to the impairment of inventories of MEDIMEC SA.

Note 6: The decrease in trade receivables is due to: a) impairment of trade receivables and b) offsetting of provisions of public sector receivables of MEDIMEC SA.

Note 7: The retained earnings are mainly decreased due to additional amortization of the above recognized intangible assets (note 3) and their related deferred taxes.

Note 8: The increase in deferred tax liabilities is related to: a) the increase of the recognized intangible assets and b) the decrease of property, plant and equipment as mentioned above, in notes 1 and 3.

Note 9: The decrease in staff retirement indemnities' provision due to correction of provision of BEAUTY WORKS SA, MEDIMEC SA and GEROLYMATOS PRESTIGE SPA S BEAUTY SALON SA based on actuarial valuation.

(All amounts are presented in thousands Euro, except otherwise stated)

Income Statement for the nine month period ended September 30, 2009:

		The Group		
	Note	**Initially reported** [(1)]	**Restated figures** [(1)]	**Restatements**
Revenue		772.755	772.755	0
Cost of sales		(471.055)	(471.055)	0
Gross profit		**301.700**	**301.700**	**0**
Administrative expenses		(37.275)	(36.272)	1.003
Distribution costs		(91.939)	(96.756)	(4.817)
Other income / (expenses)		2.163	2.163	0
Operating profit		**174.649**	**170.835**	**(3.814)**
Finance income / (expenses)		(44.818)	(44.818)	0
Profit before income tax		**129.831**	**126.017**	**(3.814)**
Income tax expense		(24.555)	(22.915)	1.640
Net profit	**1**	**105.276**	**103.102**	**(2.174)**
Attributable to:				
Owners of the parent		105.704	103.607	(2.097)
Non-controlling interests		(428)	(505)	(77)
Earnings per share (in Euro)				
Basic		0,1136	0,1140	0,0004
Diluted		-	-	-

[(1)] The above figures concern the total of continuing and discontinued operations

Note 1: The net profit has been decreased: a) as a result of additional amortisation on recognized intangible assets, b) as a result of depreciation decrease of the revaluated property, plant and equipment and their related deferred taxes.

(All amounts are presented in thousands Euro, except otherwise stated)

Statement of Comprehensive Income for the nine month period ended September 30, 2009:

		The Group		
	Note	**Initially reported [1]**	**Restated figures [1]**	**Restatements**
Net profit	**1**	**105.276**	**103.102**	**(2.174)**
Other comprehensive income				
Gain from disposal of share capital's issue rights		4.006	4.006	0
Share capital's issue expenses		(28.013)	(28.013)	0
Currency translation differences		(10)	(10)	0
Other comprehensive income (net of tax)		**(24.017)**	**(24.017)**	**0**
Total comprehensive income		**81.259**	**79.085**	**(2.174)**
Attributable to:				
Owners of the parent		81.689	79.592	(2.097)
Non-controlling interests		(430)	(507)	(77)

[1] The above figures concern the total of continuing and discontinued operations

Note 1: The comprehensive income has been decreased as a result of the decrease in period's net profit. There is full description in the paragraph above 'Income Statement for the nine month period ended September 30, 2009', note 1.

(All amounts are presented in thousands Euro, except otherwise stated)

Statement of Cash Flows for the nine month period ended September 30, 2009:

		The Group		
	Note	**Initially reported**	**Restated figures**	**Restatements**
Cash flows from operating activities				
Profit before income taxes (continuing operations)	**1**	**140.680**	**136.866**	**(3.814)**
Profit before income taxes (discontinued operations)		**(10.849)**	**(10.849)**	**0**
Adjustments to reconcile to net cash provided by operating activities:				
	1	76.237	80.052	3.814
Depreciation and amortisation		973	973	0
Provisions		44.977	44.977	0
Revenues from investments and credit interest		(2.089)	(2.089)	0
Losses from valuation of derivatives		1.087	1.087	0
(Gain) / losses from disposal of fixed assets		(103)	(103)	0
Profit before working capital changes		**250.913**	**250.913**	**0**
(Increase)/Decrease in:				
Inventories		(24.702)	(24.702)	0
Trade receivables		(157.385)	(157.385)	0
Other receivables		24.868	24.868	0
(Increase)/Decrease in:				
Liabilities (except bank)		1.285	1.285	0
Other liabilities		22.397	22.397	0
Income taxes paid		(7.001)	(7.001)	0
Interest paid		(51.689)	(51.689)	0
Exchange differences		2.535	2.535	0
Operating cash flows of discontinued operations		6.119	6.119	0
Cash flows from operating activities		**67.340**	**67.340**	**0**
Cash flows from investing activities				
Purchase of property, plant, equipment and intangible assets		(179.310)	(179.310)	0
Disposal of property, plant, equipment and intangible assets		1.216	1.216	0
Interest and other related income received		1.062	1.062	0
Acquisition of subsidiaries (net of cash acquired)		(119.449)	(119.449)	0
Guaranties (paid) / received		(46)	(46)	0
Investing cash flows of discontinued operations		14.820	14.820	0
Cash flows from investing activities		**(281.707)**	**(281.707)**	**0**
Cash flows from financing activities				
Share capital issued		423.063	423.063	0
Proceeds from borrowings		95.857	95.857	0
Repayments of borrowings		(210.622)	(210.622)	0
Gain from disposal of share capital's issue rights		4.006	4.006	0
Dividends paid		(10.125)	(10.125)	0
Proceeds from / (repayments) of finance lease		15.826	15.826	0
Cash flows from financing activities		**318.005**	**318.005**	**0**
Net increase/(decrease) in cash and cash equivalents		**103.638**	**103.638**	**0**
Cash and cash equivalents at beginning of year		208.679	208.679	0
Cash and cash equivalents at end of year		**312.317**	**312.317**	**0**

Note 1: The net profit has been decreased: a) as a result of additional amortisation of the recognized intangible assets and b) as a result of depreciation decrease of the revaluated property, plant and equipment.

(All amounts are presented in thousands Euro, except otherwise stated)

Statement of Changes in Equity for the nine month period ended September 30, 2009:

		The Group		
	Note	**Initially reported [(1)]**	**Restated figures [(1)]**	**Restatements**
Balance, January 1, 2009		**1.543.001**	**1.546.377**	**3.376**
Currency translation differences		(10)	(10)	0
Gain from disposal of share capital's issue rights		4.006	4.006	0
Share capital's issue expenses		(28.013)	(28.013)	0
Net profit for the year	**1**	105.276	103.102	(2.174)
Total comprehensive income for the year		**81.259**	**79.085**	**(2.174)**
Share capital issue		451.076	451.076	0
Acquisition of subsidiaries		(67.324)	(67.324)	0
Disposal of subsidiaries		2.175	2.175	0
Dividends		(10.062)	(10.062)	0
Balance, September 30, 2009		**2.000.125**	**2.001.326**	**1.201**

[(1)] The above figures concern Group’s Equity total

Note 1: The net profit has been decreased: a) as a result of additional amortisation on recognized intangible assets and b) as a result of depreciation decrease of the revaluated property, plant and equipment and their related deferred taxes.

(All amounts are presented in thousands Euro, except otherwise stated)

Income Statement for the three month period ended September 30, 2009:

		The Group		
	Note	**Initially reported [1]**	**Restated figures [1]**	**Restatements**
Revenue		246.654	246.654	0
Cost of sales		(147.780)	(147.780)	0
Gross profit		**98.874**	**98.874**	**(0)**
Administrative expenses		(14.500)	(14.166)	334
Distribution costs		(32.071)	(33.898)	(1.826)
Other income / (expenses)		140	140	0
Operating profit		**52.443**	**50.951**	**(1.492)**
Finance income / (expenses)		(15.555)	(15.555)	0
Profit before income tax		**36.888**	**35.396**	**(1.492)**
Income tax expense		(7.253)	(6.955)	298
Net profit	**1**	**29.635**	**28.441**	**(1.193)**
Attributable to:				
Owners of the parent		29.630	28.436	(1.193)
Non-controlling interests		5	5	0
Earnings per share (in Euro)				
Basic		0,0305	0,0292	0,0014
Diluted		-	-	-

[1] The above figures concern the total of continuing and discontinued operations

Note 1: The net profit has been decreased : a) as a result of additional amortisation on recognized intangible assets and b) as a result of depreciation decrease of the revaluated property, plant and equipment and their related deferred taxes.

(All amounts are presented in thousands Euro, except otherwise stated)

Statement of Comprehensive Income for the three month period ended September 30, 2009:

		The Group		
	Note	**Initially reported (1)**	**Restated figures (1)**	**Restatements**
Net profit	**1**	**29.635**	**28.441**	**(1.193)**
Other comprehensive income				
Gain from disposal of share capital's issue rights		4.006	4.006	0
Share capital's issue expenses		(28.013)	(28.013)	0
Currency translation differences		(227)	(227)	0
Other comprehensive income (net of tax)		**(24.234)**	**(24.234)**	**0**
Total comprehensive income		**5.401**	**4.207**	**(1.193)**
Attributable to:				
Owners of the parent		5.396	4.202	(1.193)
Non-controlling interests		5	5	0

(1) The above figures concern the total of continued and discontinued operations

Note 1: The comprehensive income has been decreased as a result of the decrease in period's net profit. There is full description in the above paragraph 'Income Statement for the three month period ended September 30, 2009', note 1.

8. SEGMENT INFORMATION

The chief operating decision-maker has been identified as the Board of Directors. The Board of Directors reviews the group's internal reporting in order to assess performance and allocate resources. Management has determined the operating segments based on these reports as follows:

- Human health
- Medical device and diagnostics
- Veterinary
- Non health (Cosmetics and Detergents)
- Discontinued operations

Human health

The Human Health sub-division is involved in the research and development, production, distribution, sale and marketing of pharmaceutical products for human use in the Greek market, with a presence in both the generic and brand-name drug markets. The Group maintains an established product portfolio with an increasingly strong presence across therapeutic categories including, for example, cardiovascular drugs, drugs for neurological disorders, antibiotics, gastroenterological treatments, antineoplastic and immunomodulating agents, dermatological and gynecological treatments, and various contrast agents.

Medical device and diagnostics

The Medical Devices sub-division is involved in the representation and distribution of medical equipment and devices to hospitals and clinics in Greece for use in dialysis, cardiovascular care, diagnostic and interventional cardiology and radiology, neuroradiology, diagnostic endoscopy, hemapheresis, in vitro fertilization, orthopedics and in vitro diagnostics. The Group also provides technical and scientific support for physicians and medical practitioners in the use of this equipment and devices.

Veterinary

The Veterinary Products sub-division is primarily involved in the manufacturing, representation and distribution of veterinary pharmaceutical products and nutritional supplements for both livestock and pets. The range of products manufactured and distributed by the sub-division includes vaccines, pharmaceutical tablets, powders, sprays and premixes. The sub-division is also involved in the distribution of pet foods and pet accessories.

Non health (Cosmetics and Detertgents)

The Cosmetics sub-division is involved in the development, production and sale of the Group's proprietary cosmetics brands; the production of cosmetics products in liquid form on behalf of third parties; and the representation and distribution of cosmetics produced by multinational companies. The Detergents sub-division is primarily involved in the production of powdered and liquid form detergents for large multinational companies and large supermarket chains in Greece, as well as in the production of raw materials for cosmetics and detergents.

Discontinued operations

Discontinued operations concerns the organic products sector which within the course of the first quarter 2009 confronted significant problems with gross and operating profit margin presenting steep decline. The decrease of profit margins and the losses that the sector presented in the first quarter of 2009 lead Group management to the decision to proceed immediately with: a) closure of the retail stores under the name Viologikos Kiklos, b) cease of production and distribution of organic products and c) the commencement of disposal or liquidation procedure for the companies activated in the division of organic products (EBIK SA and its subsidiaries). On June 29, 2009, the companies GLYKEIA IGIA SA, GLYKEIA GEFSI SA, EBIK PRODUCTS SA, CERTIFIED ORGANIC PRODUCTS LTD and THERAPEFTIKI SA and on September 30, 2009, the companies EBIK SA and LYD SA which are included in the organic products sector, were disposed, aiming to finalize the liquidation procedure.

Group is measuring its performance by using the indicator/ratio of **EBITDA** (Earnings Before Interest, Taxes, Depreciation and Amortisation)

Group defines the EBITDA ratio as profit before income tax adding the financial and investing results along with total depreciation of property, plant and equipment and amortisation of intangible assets that correspond for the specific period. The item ‘financial and investing results’ comprises revenues, expenses, gains and losses pertaining to the time value of money (interests from deposits, loans etc) and capital investments. The term ‘capital investments’ means placements in securities (stocks, debentures etc), property, plant and equipment and intangible assets (investment properties or owner-occupied). The item ‘financial and investing results’ includes, among others, revenues from deposit interests, expenses from interests on debt capital, non operating exchange differences, revenues from dividends, gains/losses from the sale, write-down, impairment, impairment reverse and securities valuation, of property, plant and equipment and intangible assets. The item ‘depreciation’ that is added in profit before income tax, is the one arising after setting-off the depreciation of property, plant and equipment (expense) with the corresponding amortisation of relative grants (revenue) that have granted for these assets.

Other information provided to the Board of Directors is measured in a manner consistent with that in the financial statements.

(All amounts are presented in thousands Euro, except otherwise stated)

The segment information provided to the Board of Directors for the reportable segments for the year ended 31 December 2009 and 2008 is as follows:

1.1.-31.12.2009	**Human health**	**Medical Devices & Diagnostics**	**Veterinary**	**Non Health (Cosmetics & Detergents)**	**Continuing Operations**	**Discontinuing Operations**	**Total**
Revenue	876.263	115.536	76.579	158.039	1.226.416	6.045	1.232.462
EBITDA	252.533	55.102	21.021	(11.310)	317.346	(9.204)	308.142
Depreciation and Amortisation	123.154	16.131	10.256	14.914	164.454	801	165.255
EBIT	129.379	38.971	10.765	(26.224)	152.892	(10.005)	142.887
Financial income / expenses					(56.361)	1.331	(55.030)
Profit before income tax					96.530	(8.674)	87.856
Income tax					(39.813)	4.311	(35.502)
Net Profit					56.717	(4.363)	52.354

(All amounts are presented in thousands Euro, except otherwise stated)

1.1.-31.12.2008	**Human health**	**Medical Devices & Diagnostics**	**Veterinary**	**Non Health (Cosmetics & Detergents)**	**Continuing Operations**	**Discontinuing Operations**	**Total**
Revenue	834.890	53.145	60.438	172.238	1.120.711	15.573	1.136.285
EBITDA	208.886	19.424	11.935	(38.153)	202.093	(18.491)	183.602
Depreciation and Amortisation	25.816	11.244	10.051	15.074	62.185	3.149	65.334
EBIT	183.070	8.180	1.884	(53.227)	139.907	(21.640)	118.268
Financial income / expenses					(32.570)	(11)	(32.581)
Profit before income tax					107.337	(21.651)	85.687
Income tax					(30.160)	(2.832)	(32.992)
Net Profit					77.177	(24.483)	52.695

(All amounts are presented in thousands Euro, except otherwise stated)

The amounts provided to the Board of Directors with respect to total assets and total liabilities are measured in a manner consistent with that of the financial statements. These assets and liabilities are allocated based on the physical location and the operations of the segment respectively. The allocation of consolidated assets and liabilities, in each business segment, is presented below:

1.1.-31.12.2009	**Human health**	**Medical Devices & Diagnostics**	**Veterinary**	**Non Health (Cosmetics & Detergents)**	**Organics**	**Total**
Assets	2.246.266	353.426	275.164	492.601	0	3.367.458
Liabilities	839.487	139.804	146.801	293.104	0	1.419.196

1.1.-31.12.2008	**Human health**	**Medical Devices & Diagnostics**	**Veterinary**	**Non Health (Cosmetics & Detergents)**	**Organics**	**Total**
Assets	1.652.631	239.138	233.510	633.109	78.525	2.836.913
Liabilities	1.064.448	102.883	39.363	79.581	4.262	1.290.536

(All amounts are presented in thousands Euro, except otherwise stated)

9. COST OF SALES

Cost of sales in the accompanying financial statements is as follows:

	The Group		The Company	
	2009	2008	2009	2008
Cost of sales merchandise (note 25)	666.701	625.874	87.321	80.262
Payroll (note 13)	16.884	27.682	15.744	21.108
Third party charges (electric power, water, telecoms)	1.289	4.486	1.198	1.009
Third party fees	20.102	7.787	17.644	35.059
Depreciation and amortisation (note 17)	87.972	20.360	47.363	15.486
Taxes and duties	924	895	873	690
Rent expenses (note 44)	1.857	627	109	876
Goods transportation	1.302	1.734	1.089	530
Repair and maintenance	1.197	1.560	1.065	1.024
Other	19.485	26.379	13.237	20.223
	817.713	**717.383**	**185.644**	**176.265**
Plus: Discontinued operations	6.216	7.011	381	31
Total	**823.929**	**724.394**	**186.025**	**176.297**

10. ADMINISTRATIVE EXPENSES

Administrative expenses in the accompanying financial statements are as follows:

	The Group		The Company	
	2009	2008	2009	2008
Payroll (note 13)	26.615	11.806	14.514	1.493
Third party charges (electric power, water, telecoms)	1.442	1.296	782	156
Third party fees	5.376	19.411	4.683	16.984
Depreciation and amortisation (note 17)	15.274	6.653	19.898	4.516
Taxes and duties	1.326	867	1.297	158
Rent expenses (note 44)	563	628	68	114
Goods transportation	1.165	1.066	603	113
Repair and maintenance	246	671	906	169
Other	9.905	8.344	4.795	3.757
	61.913	**50.744**	**47.546**	**27.460**
Plus: Discontinued operations	1.443	3.172	28	781
Total	**63.356**	**53.916**	**47.574**	**28.241**

(All amounts are presented in thousands Euro, except otherwise stated)

11. DISTRIBUTION COSTS

Distribution costs in the accompanying financial statements are as follows:

	The Group		The Company	
	2009	2008	2009	2008
Payroll (note 13)	65.169	29.962	25.197	3.358
Third party charges (electric power, water, telecoms)	1.568	2.539	1.612	340
Third party fees	5.510	43.030	11.327	39.451
Depreciation and amortisation (note 17)	61.208	35.172	30.238	22.397
Taxes and duties	2.499	1.187	3.470	270
Rent expenses (note 44)	2.063	1.803	196	340
Goods transportation	2.492	3.218	2.121	262
Repair and maintenance	1.141	1.239	819	343
Provision for impairment of receivables (note 26)	3.921	3.740	872	2.910
Other	22.695	20.965	15.716	8.482
	168.266	**142.854**	**91.567**	**78.155**
Plus: Discontinued operations	8.213	7.345	8.318	1.631
Total	**176.479**	**150.199**	**99.885**	**79.786**

12. OTHER INCOME / (EXPENSES)

Other income / (expenses) in the accompanying financial statements are as follows:

	The Group		The Company	
	2009	2008	2009	2008
Rent income	383	131	5.950	9.314
Grants amortization	0	0	0	0
Grants income	286	115	204	5
Profit / (loss) on disposal of fixed assets	274	(3.176)	(93)	(1.807)
Income from services	406	697	149	608
Income from reversal of provisions	839	5.703	782	1.250
Prior year income	326	260	0	144
Income from insurance claims	0	45	0	2
Other	1.281	421	1.139	236
	3.795	**4.196**	**8.131**	**9.752**
Plus: Discontinued operations	(178)	862	0	823
Total	**3.617**	**5.057**	**8.131**	**10.576**

(All amounts are presented in thousands Euro, except otherwise stated)

13. EMPLOYEE BENEFIT EXPENSE

Employee benefit expense in the accompanying financial statements is as follows:

	The Group		The Company	
	2009	2008	2009	2008
Wages and salaries	87.903	57.086	44.663	22.651
Social security cost	18.624	10.924	9.876	2.923
Provision for pension cost (note 39)	668	1.367	(428)	385
Other	1.474	73	1.343	0
	108.669	**69.451**	**55.455**	**25.959**
Plus: Discontinued operations	1.984	4.243	0	0
Total	**110.652**	**73.694**	**55.455**	**25.959**
Number of employees	2.994	2.919	1.364	422

14. FINANCE INCOME / (EXPENSES)

Finance income / (expenses) in the accompanying financial statements are as follows:

	The Group		The Company	
	2009	2008	2009	2008
Finance income				
Dividends	0	0	18.476	19.581
Exchange differences	451	1.236	247	37
Profit from valuation of securities (note 28)	1	0	0	0
Profit on sale of securities (note 21)	412	0	4	0
Interest from deposit accounts (note 30)	973	4.887	799	3.948
Other	131	353	9	0
Total finance income	**1.969**	**6.476**	**19.535**	**23.567**
Finance expenses				
Share of losses of associates (note 23)	(29)	0	0	0
Finance lease interest (note 38)	(3.490)	(2.097)	(3.202)	(1.327)
Interest expense on bonds (note 37)	(23.322)	(14.355)	(23.263)	(12.648)
Long-term loan interest (note 37)	(1.596)	0	(1.596)	0
Short-term loan interest (note 37)	(7.532)	(4.709)	(5.557)	(3.193)
Exchange difference	(1.875)	(1.459)	(129)	(22)
Loss from disposal of securities (note 21)	(4)	(0)	(4.784)	0
Loss from valuation of securities (note 22)	0	(8)	(25.041)	(1)
Loss from valuation of derivatives (note 40)	(1.432)	(1.811)	(1.432)	(1.811)
Fees for claims assignment	(16.019)	(12.509)	(6.974)	(3.432)
Other	(3.030)	(2.097)	(2.200)	(1.430)
Total finance expenses	**(58.330)**	**(39.046)**	**(74.178)**	**(23.864)**
Total finance income / (expenses)	**(56.361)**	**(32.570)**	**(54.643)**	**(297)**
Plus: Discontinued operations	1.331	(11)	(3.450)	0
Total	**(55.030)**	**(32.581)**	**(58.093)**	**(297)**

(All amounts are presented in thousands Euro, except otherwise stated)

15. INCOME TAX EXPENSE

Income tax expense in the accompanying financial statements is as follows:

	The Group		The Company	
	2009	2008	2009	2008
Current income tax	13.225	11.684	10.032	6.352
Prior year's tax charges paid	9.811	3.269	8.161	2.970
Provision for prior year tax charges	564	626	106	1.337
Deferred tax	16.213	14.581	16.947	20.916
	39.813	**30.160**	**35.246**	**31.575**
Plus: Discontinued operations	(4.311)	2.832	(2.811)	2.718
Total	**35.502**	**32.992**	**32.435**	**34.293**

The tax on the Group's and on the Company's profit before tax differs from the theoretical amount that would arise using the weighted average tax rate applicable to profits of the consolidated entities as follows:

	The Group		The Company	
	2009	2008	2009	2008
Profit before income tax	**96.530**	**107.337**	**82.116**	**92.280**
Tax calculated at domestic tax rates	(24.133)	(26.834)	(20.529)	(23.070)
Prior years tax charges	(10.375)	(3.895)	(8.267)	(4.307)
Non deductible expense	(8.631)	(24.094)	(8.291)	(22.229)
Non taxable income	1.338	2.818	855	6.936
Extraordinary contribution and income taxable independently	(3.076)	(384)	(2.891)	(283)
Tax losses for which no deferred tax asset was recognised	(238)	(354)	0	0
Effect of change in tax rate	5.302	22.584	3.877	11.377
	(39.813)	**(30.160)**	**(35.246)**	**(31.575)**
Plus: Discontinued operations	4.311	(2.832)	2.811	(2.718)
Total	**(35.502)**	**(32.992)**	**(32.435)**	**(34.293)**

The effective tax rate for the year 2009 is 41% (2008: 28%). The increase is caused by :a) prior year's tax charges for unaudited fiscal years amount to € 9.811 (2008: € 3.269). The provision recognised in the income statement of prior years amounted to € 6.871, b) the implementation of extraordinary contribution amount of € 3.076 in year 2009 and c) the significant decrease in the benefit from the effect that derives from the change in tax rate in year 2009.

(All amounts are presented in thousands Euro, except otherwise stated)

The movement in provision for prior year tax charges is as follows:

	The Group		The Company	
	2009	2008	2009	2008
Balance at 1.1	**8.052**	**3.634**	**3.045**	**1.200**
Provision for unaudited fiscal years	7.452	2.877	4.455	1.337
Income from used provisions	(6.871)	(2.369)	(4.349)	0
Provision in the income statement	**581**	**507**	**106**	**1.337**
Acquisition / merger of subsidiaries	393	3.911	1.304	508
Disposal of subsidiaries	(628)	0	0	0
Balance at 31.12	**8.398**	**8.052**	**4.455**	**3.045**

Provision for unaudited fiscal years regarding the discontinued operations for the Group amount to € 17 (2008: € 119 income from reversal of provisions).

The corporation tax rate applicable to companies located in Greece for the fiscal years 2009 and 2008 is 25%. According to the paragraph 1of article 19 of L.3697/25.9.2008, the Greek corporation tax rate on which the tax on the profits of companies is calculated, is decreased progressively at one percentage unit each year, from year 2010 until year 2014. In year 2014 the tax rate will amount in 20%. The deferred tax assets and liabilities have been calculated with the use of tax rates that will be in force the year that these differences will become permanent.

(All amounts are presented in thousands Euro, except otherwise stated)

Greek tax laws and related regulations are subject to interpretations by the tax authorities. Tax returns are filled annually but the profits or losses declared for tax purposes remain provisional until such time, as the tax authorities examine the returns and the records of the taxpayer and a final assessment is issued. Tax losses, to the extent accepted by the tax authorities, can be used to offset profits of the five fiscal years following the fiscal year to which they relate. The unaudited fiscal years of the Group and of the Company are as follows:

CORPORATE NAME	TAX UNAUDITED FISCAL YEARS
ALAPIS SA	2009
PROVET SA	2009
KTINIATRIKI PROMITHEFTIKI SA	2009
ALAPIS ROMANIA SRL	2007-2009
ALAPIS BULGARIA EOOD	2008-2009
ALAPIS HUNGARY KFT	2009
ALAPIS DOO	2009
ALAPIS SER DOO	2008-2009
ALAPIS PHARMAKAPOTHIKI SA	2007-2009
FARMAGORA SA	2008-2009
ALAPIS MEDICAL AND DIAGNOSTICS SA	2008-2009
ALAPIS SLVN DOO	2009
ALAPIS ALBANIA SHPK	2009
VETERIN POLAND SPZOO	2009
ALAPIS UKRAINE	2009
KP MARINOPOYLOS SA	2009
IPIROPHARM SA	2007-2009
PHARMAKEMPORIKI SA	2008-2009
ANDREAS CHRISTOFOGLOU SA	2007-2009
PHARMASOFT LTD	2007-2009
EUROMEDICINES LTD	2009
SUMADIJALEK AD	2009
ALAPIS RESEARCH LABORATORIES INC	2009
PHARMACARE LTD	2009
ALAPIS LUXEMBURG SA	2009
GEROLPHARM SA	2007-2009
SANTA PHARMA SA	2007-2009
PNG GEROLYMATOS MEDICAL SA	2008-2009
MEDIMEC SA	2009
BEAUTY WORKS SA	2007-2009
GEROLYMATOS PRESTIGE SPA’S BEAUTY SALON SA	2007-2009
GEROLYMATOS COSMETICS SA	2009
GEROLYMATOS ANIMAL HEALTH SA	2009
SAMBROOK MED SA	2009
ALMEDIA PHARMACEUTICALS SA	2009
MEDSYSTEMS SA	2009
ALAPIS LUXEMBURG SA	2009
SHISEIDO HELLAS SA	2009
GENESIS ILAC SA	2009

(All amounts are presented in thousands Euro, except otherwise stated)

Provision for the unaudited fiscal years on December 31, 2009 amounting to € 8.398 and € 4.455 for the Group and the Company respectively. The Group, based upon previous years' tax examinations and past interpretations of the tax laws, believes that adequate provisions for probable future tax assessments have been provided.

Current income tax liabilities in the accompanying financial statements are as follows:

	The Group		The Company	
	2009	2008	2009	2008
Income tax payable	14.650	8.954	11.591	2.413
Provision for unaudited tax years	8.398	8.052	4.455	3.045
Total	**23.048**	**17.006**	**16.045**	**5.458**

Deferred income tax is recognised, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements.

The gross movement on the deferred income tax account is as follows:

	The Group		The Company	
	2009	2008	2009	2008
Balance 1.1	**(76.772)**	**(9.804)**	**(22.846)**	**1.962**
Income statement charge	(13.710)	(14.548)	(16.016)	(20.916)
Tax charge directly to equity	0	55	0	0
Acquisition of subsidiary (note 20)	(3.851)	(52.475)	0	0
Merger of subsidiary	0	0	(33.047)	(3.893)
Disposal of subsidiary	(1.810)	0	0	0
Balance 31.12	**(96.142)**	**(76.772)**	**(71.910)**	**(22.846)**

The movement in deferred income tax assets and liabilities during the year, without taking into consideration the offsetting of balances within the same tax jurisdiction, is as follows:

(All amounts are presented in thousands Euro, except otherwise stated)

The Group

2009	**Opening Balance**	**Debit / credit in PnL**	**Debit credit in Equity**	**Acquisitions**	**Disposals**	**Closing Balance**
Provision for doubtful accounts	2.116	767	0	72	(75)	**2.881**
Tax losses carried forward	513	2.082	0	269	(1.752)	**1.112**
Intangible assets write off	706	1.115	0	1	21	**1.843**
Impairment of assets	451	125	0	46	0	**622**
Valuation of investment in subsidiaries	(58)	(1.250)	0	0	0	**(1.308)**
Valuation of derivatives	453	358	0	0	0	**811**
Provisions for withholding taxes	453	444	0	0	0	**897**
Pension & dismissal	1.492	(61)	0	(25)	(18)	**1.387**
Tangible assets	(62.782)	(8.020)	0	(152)	13	**(70.941)**
Exchange differences	(13)	0	0	0	0	**(13)**
Finance lease	(1.713)	(352)	0	0	0	**(2.065)**
Grants	5.750	(4.865)	0	0	0	**885**
Recognition of intangible assets	(26)	0	0	0	0	**(26)**
Valuation of borrowings	(23.723)	(4.331)	0	(4.061)	0	**(32.115)**
Accrued income	(35)	35	0	0	0	**0**
Other	(356)	243	0	0	0	**(112)**
Other	0	0	0	0	0	**0**
Total	**(76.772)**	**(13.710)**	**0**	**(3.851)**	**(1.810)**	**(96.142)**

(All amounts are presented in thousands Euro, except otherwise stated)

The Group

2008	**Opening Balance**	**(Debit) / credit in PnL**	**(Debit) / credit in Equity**	**Acquisitions**	**Disposals**	**Closing Balance**
Provision for doubtful accounts	3.311	(1.410)	0	215	0	**2.116**
Tax losses carried forward	371	(33)	0	175	0	**513**
Intangible assets write off	1.015	(368)	55	5	0	**706**
Impairment of assets	100	(215)	0	567	0	**451**
Valuation of investment in subsidiaries	(25)	(33)	0	0	0	**(58)**
Valuation of derivatives	0	453	0	0	0	**453**
Provisions for withholding taxes	0	(40)	0	492	0	**453**
Pension & dismissal	788	(434)	0	1.138	0	**1.492**
Tangible assets	(11.633)	(17.123)	0	(34.434)	0	**(63.190)**
Exchange differences	0	(13)	0	0	0	**(13)**
Finance lease	(443)	19	0	(1.289)	0	**(1.713)**
Accrued expenses	5.313	(813)	0	1.250	0	**5.750**
Grants	(32)	6	0	0	0	**(26)**
Recognition of intangible assets	(8.723)	6.002	0	(20.593)	0	**(23.315)**
Valuation of borrowings	0	(35)	0	0	0	**(35)**
Accrued income	0	(356)	0	0	0	**(356)**
Other	155	(155)	0	0	0	**0**
Total	**(9.804)**	**(14.548)**	**55**	**(52.475)**	**0**	**(76.772)**

(All amounts are presented in thousands Euro, except otherwise stated)

The Company

2009	Opening Balance	Debit / credit in PnL	Debit credit in Equity	Acquisitions	Mergers	Closing Balance
Provision for doubtful accounts	1.485	63	0	0	(150)	**1.398**
Tax losses carried forward	0	(12)	0	0	12	**0**
Intangible assets write off	680	1.104	0	0	(25)	**1.758**
Impairment of assets	0	(0)	0	0	231	**231**
Valuation of investment in subsidiaries	(58)	(1.250)	0	0	0	**(1.308)**
Valuation of derivatives	453	358	0	0	0	**811**
Provisions for withholding taxes	0	0	0	0	436	**436**
Pension & dismissal	352	(169)	0	0	579	**762**
Tangible assets	(28.633)	(7.939)	0	0	(28.909)	**(65.481)**
Exchange differences	0	0	0	0	(0)	**0**
Finance lease	(103)	(321)	0	0	(808)	**(1.231)**
Accrued expenses	4.500	(1.307)	0	0	1.250	**4.443**
Grants	(26)	0	0	0	0	**(26)**
Recognition of intangible assets	(1.475)	(6.904)	0	0	(5.273)	**(13.651)**
Valuation of borrowings	0	35	0	0	(35)	**0**
Accrued income	(22)	325	0	0	(356)	**(52)**
Other	0	0	0	0	0	**0**
Total	**(22.846)**	**(16.016)**	**0**	**0**	**(33.047)**	**(71.910)**

(All amounts are presented in thousands Euro, except otherwise stated)

The Company

2008	**Opening Balance**	**(Debit) / credit in PnL**	**(Debit) / credit in Equity**	**Acquisitions**	**Mergers**	**Closing Balance**
Provision for doubtful accounts	2.002	(517)	0	0	0	**1.485**
Tax losses carried forward	61	(290)	0	0	229	**(0)**
Intangible assets write off	929	(267)	0	0	18	**680**
Impairment of assets	0	0	0	0	0	**0**
Valuation of investment in subsidiaries	(25)	(33)	0	0	0	**(58)**
Valuation of derivatives	0	453	0	0	0	**453**
Pension & dismissal	616	(294)	0	0	30	**352**
Tangible assets	(4.874)	(20.127)	0	0	(3.536)	**(28.537)**
Finance lease	32	(64)	0	0	(71)	**(103)**
Accrued expenses	5.313	(813)	0	0	0	**4.500**
Grants	(32)	6	0	0	0	**(26)**
Recognition of intangible assets	(2.214)	1.206	0	0	(563)	**(1.571)**
Accrued income	0	(22)	0	0	0	**(22)**
Other	155	(155)	0	0	0	**0**
Total	**1.962**	**(20.916)**	**0**	**0**	**(3.893)**	**(22.846)**

(All amounts are presented in thousands Euro, except otherwise stated)

Deferred income tax assets are recognised for tax loss carry-forwards to the extent that the realization of the related tax benefit through future taxable profits is probable.

The analysis of deferred tax assets and deferred tax liabilities is as follows:

	The Group		The Company	
	2009	2008	2009	2008
Deferred income tax liabilities	(106.674)	(92.162)	(81.749)	(30.316)
Deferred income tax assets	10.532	15.390	9.839	7.470
Deferred tax (net)	**(96.142)**	**(76.772)**	**(71.910)**	**(22.846)**

(All amounts are presented in thousands Euro, except otherwise stated)

16. EARNINGS PER SHARE

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

Basic earnings per share for the continuing and discontinued operations respectively are as follows:

	The Group	
	2009	2008
Profit attributable to owners of the parent company (continuing operations)	57.254	76.420
Weighted average number of shares	1.172.307.685	964.026.993
Earnings per share (continuing operations)	**0,0488**	**0,0793**

	The Group	
	2009	2008
Profit attributable to owners of the parent company (discontinued operations)	(4.363)	(24.483)
Weighted average number of shares	1.172.307.685	964.026.993
Earnings per share (discontinued operations)	**(0,0037)**	**(0,0254)**

	The Company	
	2009	2008
Profit attributable to owners of the parent company (continuing operations)	46.869	60.705
Weighted average number of shares	1.172.307.685	964.026.993
Earnings per share (continuing operations)	**0,0400**	**0,0630**

	The Company	
	2009	2008
Profit attributable to owners of the parent company (discontinued operations)	(9.365)	(19.719)
Weighted average number of shares	1.172.307.685	964.026.993
Earnings per share (discontinued operations)	**(0,0080)**	**(0,0205)**

(All amounts are presented in thousands Euro, except otherwise stated)

17. PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment are as follows:

The Group	Land and buildings	Machinery and motor vehicles	Other equipment	Construction in progress	Total
Cost 1.1.2009	**304.091**	**1.192.976**	**40.436**	**1.806**	**1.539.309**
Exchange differences	(47)	(29)	(15)	(33)	**(124)**
Opening balance 1.1.2009	**304.044**	**1.192.947**	**40.422**	**1.773**	**1.539.186**
Additions	9.283	233.839	21.576	6.751	**271.448**
Disposals	(10.998)	(3.651)	(556)	0	**(15.205)**
Transfers from construction	713	0	0	(713)	**0**
Acquisition of subsidiaries (note 20)	900	25	3.685	0	**4.610**
Investment property (note 19)	(15.622)	(7.129)	0	0	**(22.751)**
Exchange differences	(28)	(5)	1	3	**(29)**
Merger of subsidiaries	(734)	(195)	(830)	0	**(1.759)**
Transfers	0	48.964	0	0	**48.964**
Write-off	(218)	(161)	(117)	0	**(496)**
Closing balance 31.12.2009	**287.340**	**1.464.634**	**64.180**	**7.814**	**1.823.967**
Depreciation 1.1.2009	**(8.695)**	**(43.385)**	**(20.609)**	**0**	**(72.689)**
Exchange differences	7	16	6	0	**30**
Opening balance 1.1.2009	**(8.687)**	**(43.369)**	**(20.603)**	**0**	**(72.659)**
Additions	(6.103)	(71.846)	(5.842)	0	**(83.791)**
Disposals	54	2.399	123	0	**2.577**
Transfers from construction	0	0	0	0	**0**
Acquisition of subsidiaries (note 20)	(658)	(14)	(1.269)	0	**(1.941)**
Investment property (note 19)	417	320	0	0	**736**
Exchange differences	2	(1)	2	0	**3**
Merger of subsidiaries	50	58	519	0	**627**
Transfers	(3)	5	(2)	0	**(0)**
Write-off	0	78	117	0	**195**
Closing balance 31.12.2009	**(14.929)**	**(112.370)**	**(26.955)**	**0**	**(154.254)**
Net book value 31.12.2009	**272.410**	**1.352.264**	**37.226**	**7.814**	**1.669.714**

(All amounts are presented in thousands Euro, except otherwise stated)

The Group	Land and buildings	Machinery and motor vehicles	Other equipment	Construction in progress	Total
Cost 1.1.2008	**126.599**	**412.043**	**13.623**	**576**	**552.842**
Exchange differences	(9)	(40)	(15)	(0)	**(64)**
Opening balance 1.1.2008	**126.590**	**412.003**	**13.608**	**576**	**552.777**
Additions	53.264	669.088	5.544	1.267	**729.163**
Disposals	(4.696)	(3.570)	(59)	0	**(8.325)**
Transfers from construction	62	0	12	(75)	**0**
Acquisition of subsidiaries	129.393	105.698	21.388	75	**256.554**
Exchange differences	(376)	(41)	(34)	(38)	**(489)**
Merger of subsidiaries	0	0	0	0	**0**
Transfers	(80)	10.268	(5)	0	**10.183**
Write-off	(67)	(469)	(19)	0	**(555)**
Closing balance 31.12.2008	**304.091**	**1.192.976**	**40.436**	**1.806**	**1.539.309**
Depreciation 1.1.2008	**(2.350)**	**(13.751)**	**(7.656)**	**0**	**(23.758)**
Exchange differences	1	17	3	0	**21**
Opening balance 1.1.2008	**(2.349)**	**(13.734)**	**(7.653)**	**0**	**(23.737)**
Depreciation	(4.677)	(29.169)	(1.928)	0	**(35.774)**
Additions	1.264	1.319	5	0	**2.588**
Transfers from construction	0	0	0	0	**0**
Acquisition of subsidiaries	(3.103)	(2.249)	(11.009)	0	**(16.362)**
Exchange differences	24	34	21	0	**79**
Merger of subsidiaries	0	0	0	0	**0**
Transfers	80	(37)	(64)	0	**(20)**
Write-off	67	450	19	0	**535**
Closing balance 31.12.2008	**(8.695)**	**(43.385)**	**(20.609)**	**0**	**(72.689)**
Net book value 31.12.2008	**295.396**	**1.149.591**	**19.827**	**1.806**	**1.466.620**

The Company	Land and buildings	Machinery and motor vehicles	Other equipment	Construction in progress	Total
Cost 1.1.2009	**122.544**	**1.066.273**	**10.676**	**517**	**1.200.009**
Exchange differences	0	0	0	0	**0**
Opening balance 1.1.2009	**122.544**	**1.066.273**	**10.676**	**517**	**1.200.009**
Additions	9.842	227.769	4.030	6.136	**247.777**
Disposals	0	(308)	(87)	0	**(396)**
Transfers from construction	0	0	0	0	**0**
Acquisition of subsidiaries	0	0	0	0	**0**
Merger of subsidiaries (note 20)	124.372	101.171	13.999	0	**239.543**
Transfers	0	48.964	0	0	**48.964**
Investment property (note 19)	(15.622)	(7.129)	0	0	**(22.751)**
Closing balance 31.12.2009	**241.135**	**1.436.740**	**28.617**	**6.653**	**1.713.145**
Depreciation 1.1.2009	**(4.148)**	**(35.455)**	**(4.740)**	**0**	**(44.342)**
Exchange differences	0	0	0	0	**0**
Opening balance 1.1.2009	**(4.148)**	**(35.455)**	**(4.740)**	**0**	**(44.342)**
Additions	(5.248)	(69.302)	(3.132)	0	**(77.682)**
Disposals	0	152	0	0	**153**
Transfers from construction	0	0	0	0	**0**
Acquisition of subsidiaries	0	0	0	0	**0**
Merger of subsidiaries (note 20)	(2.919)	(1.405)	(7.300)	0	**(11.624)**
Transfers	0	0	0	0	**0**
Investment property (note 19)	417	320	0	0	**736**
Closing balance 31.12.2009	**(11.898)**	**(105.690)**	**(15.172)**	**0**	**(132.759)**
Net book value 31.12.2009	**229.237**	**1.331.051**	**13.445**	**6.653**	**1.580.386**

(All amounts are presented in thousands Euro, except otherwise stated)

The Company	**Land and buildings**	**Machinery and motor vehicles**	**Other equipment**	**Construction in progress**	**Total**
Cost 1.1.2008	**69.539**	**309.402**	**7.496**	**80**	**386.517**
Exchange differences	0	0	0	0	**0**
Opening balance 1.1.2008	**69.539**	**309.402**	**7.496**	**80**	**386.517**
Additions	33.356	657.754	2.298	384	**693.793**
Disposals	(2.328)	(3.318)	(51)	0	**(5.697)**
Transfers from construction	0	0	0	0	**0**
Acquisition of subsidiaries	0	0	0	0	**0**
Exchange differences	0	0	0	0	**0**
Merger of subsidiaries	21.977	92.273	932	52	**115.235**
Transfers	0	10.163	0	0	**10.163**
Other	0	0	0	0	**0**
Closing balance 31.12.2008	**122.544**	**1.066.273**	**10.676**	**517**	**1.200.009**
Depreciation 1.1.2008	**(1.986)**	**(9.567)**	**(3.280)**	**0**	**(14.832)**
Exchange differences	0	0	0	0	**0**
Opening balance 1.1.2008	**(1.986)**	**(9.567)**	**(3.280)**	**0**	**(14.832)**
Depreciation	(2.258)	(26.500)	(662)	0	**(29.420)**
Additions	97	1.108	3	0	**1.208**
Transfers from construction	0	0	0	0	**0**
Acquisition of subsidiaries	0	0	0	0	**0**
Exchange differences	0	0	0	0	**0**
Merger of subsidiaries	(1)	(495)	(803)	0	**(1.298)**
Transfers	0	0	0	0	**0**
Other	0	0	0	0	**0**
Closing balance 31.12.2008	**(4.148)**	**(35.455)**	**(4.740)**	**0**	**(44.342)**
Net book value 31.12.2008	**118.396**	**1.030.819**	**5.935**	**517**	**1.155.667**

Property, plant and equipment transferred to the investment properties amounts to € 22.015 and relates to assets which are used by the organic sector.

Depreciation and amortisation expense of € 87.972 (2008: € 20.360) has been charged in ‘cost of sales’, € 15.274 (2008: € 6.653) in ‘administrative expenses’ and € 61.208 (2008: € 35.172) in ‘distribution costs’ of Group, regarding the continuing operations. For the Company and for the continuing operations, depreciation and amortisation expense of € 47.363 (2008: € 15.486) has been charged in ‘cost of sales’€ 19.898 (2008: € 4.516) in ‘administrative expenses’ and € 30.238 (2008: € 22.397) in ‘distribution costs’.

Depreciation and amortisation expense of € 801 (2008: € 3.149) has been charged in the income statement of discontinued operations of Group. For the Company, depreciation and amortisation expense of € 473 (2008: € 2.412) has been charged in the income statement of discontinued operations.

Depreciation of € 4.205 (2008: € 1.259) and € 2.235 (2008: € 311) for property, plant and equipment leased with financial lease has been charged in the income statement of the Group and of the Company respectively.

Lease rentals amounting to € 4.483 (2008: € 3.057) and € 373 (2008: € 1.330) relating to the lease of property, plant and equipment are included in the income statement of the Group and of the Company respectively.

Property, plant and equipment where the Group and the Company is a lessee under a finance lease amounting to € 77.324 and € 67.838. The lease terms are between 2 and 20 years, and ownership of the assets deferred until full payment of lease payments. No other restrictions on property or conveyance or other charges on the real assets of the Group exists. Moreover, no mechanical equipment has been committed as a guarantee towards liabilities.

(All amounts are presented in thousands Euro, except otherwise stated)

18. GOODWILL AND INTANGIBLE ASSETS

Goodwill and intangible assets are as follows:

The Group	Goodwill	Pharmaceutical licenses and development expenses	Trademarks	Software, customer base and customer relationships	Total
Cost 1.1.2009	**542.387**	**152.354**	**6.437**	**129.746**	**830.924**
Exchange differences	0	(0)	0	0	**(0)**
Opening balance 1.1.2009	**542.387**	**152.354**	**6.437**	**129.746**	**830.924**
Additions	0	203.940	0	2.267	**206.207**
Disposals	0	(589)	0	0	**(589)**
Acquisition of subsidiaries (note 20)	24.202	0	0	20.306	**44.508**
Goodwill impairment	(29.428)	0	0	0	**(29.428)**
Transfers	0	(64.737)	0	0	**(64.737)**
Write-off (note 31)	0	(4)	(6.303)	(593)	**(6.900)**
Closing balance 31.12.2009	**537.161**	**290.964**	**134**	**151.726**	**979.986**
Depreciation 1.1.2009	**0**	**(22.693)**	**(1.651)**	**(13.369)**	**(37.713)**
Exchange differences	0	0	0	(0)	**0**
Opening balance 1.1.2009	**0**	**(22.693)**	**(1.651)**	**(13.369)**	**(37.713)**
Additions	0	(62.642)	(312)	(18.510)	**(81.464)**
Disposals	0	614	0	0	**614**
Acquisition of subsidiaries	0	0	0	0	**0**
Transfers	0	15.773	0	0	**15.773**
Write-off (note 31)	0	2	1.963	280	**2.245**
Closing balance 31.12.2009	**0**	**(68.945)**	**0**	**(31.599)**	**(100.545)**
Net book value 31.12.2009	**537.161**	**222.019**	**134**	**120.127**	**879.442**

The Group	Goodwill	Pharmaceutical licenses and development expenses	Trademarks	Software, customer base and customer relationships	Total
Cost 1.1.2008	**596.088**	**134.985**	**6.303**	**32.069**	**769.445**
Exchange differences	0	(1)	0	(0)	**(1)**
Opening balance 1.1.2008	**596.088**	**134.984**	**6.303**	**32.069**	**769.445**
Additions	0	60.063	(0)	1.369	**61.432**
Disposals	0	(37.626)	0	0	**(37.626)**
Acquisition of subsidiaries	40.864	5.096	134	96.308	**142.402**
Goodwill impairment	(94.566)	0	0	0	**(94.566)**
Transfers	0	(10.163)	0	0	**(10.163)**
Write-off	0	0	0	0	**0**
Closing balance 31.12.2008	**542.387**	**152.354**	**6.437**	**129.746**	**830.924**
Depreciation 1.1.2008	**0**	**(5.055)**	**(1.151)**	**(3.749)**	**(9.956)**
Exchange differences	0	0	0	0	**0**
Opening balance 1.1.2008	**0**	**(5.055)**	**(1.151)**	**(3.749)**	**(9.956)**
Additions	0	(20.044)	(500)	(9.017)	**(29.561)**
Disposals	0	2.897	0	0	**2.897**
Acquisition of subsidiaries	0	(491)	0	(602)	**(1.093)**
Other	0	0	0	0	**0**
Closing balance 31.12.2008	**0**	**(22.693)**	**(1.651)**	**(13.369)**	**(37.713)**
Net book value 31.12.2008	**542.387**	**129.661**	**4.786**	**116.378**	**793.212**

(All amounts are presented in thousands Euro, except otherwise stated)

The Company	Goodwill	Pharmaceutical licenses and development expenses	Trademarks	Software, customer base and customer relationships	Total
Cost 1.1.2009	**424.247**	**106.714**	**6.303**	**7.760**	**545.024**
Exchange differences	0	0	0	0	**0**
Opening balance 1.1.2009	**424.247**	**106.714**	**6.303**	**7.760**	**545.024**
Additions	0	100.480	0	1.273	**101.753**
Disposals	0	0	0	0	**0**
Acquisition of subsidiaries	0	0	0	0	**0**
Merger of subsidiaries (note 20)	18.654	42.382	0	27.836	**88.872**
Goodwill impairment	(26.287)	0	0	0	**(26.287)**
Transfers	0	(64.737)	0	0	**(64.737)**
Write-offs (note 31)	0	0	(6.303)	(593)	**(6.896)**
Closing balance 31.12.2009	**416.614**	**184.839**	**0**	**36.275**	**637.728**
Depreciation 1.1.2009	**0**	**(17.835)**	**(1.651)**	**(3.394)**	**(22.881)**
Exchange differences	0	0	0	0	**0**
Opening balance 1.1.2009	**0**	**(17.835)**	**(1.651)**	**(3.394)**	**(22.881)**
Additions	0	(14.438)	(312)	(5.540)	**(20.291)**
Disposals	0	0	0	0	**0**
Acquisition of subsidiaries	0	0	0	0	**0**
Merger of subsidiaries (note 20)	0	(4.681)	0	(1.203)	**(5.884)**
Transfers	0	15.773	0	0	**15.773**
Write-offs (note 31)	0	0	1.963	280	**2.243**
Closing balance 31.12.2009	**0**	**(21.182)**	**0**	**(9.858)**	**(31.040)**
Net book value 31.12.2009	**416.614**	**163.657**	**0**	**26.417**	**606.688**

The Company	Goodwill	Pharmaceutical licenses and development expenses	Trademarks	Software, customer base and customer relationships	Total
Cost 1.1.2008	**511.924**	**114.594**	**6.303**	**6.604**	**639.425**
Exchange differences	0	0	0	0	**0**
Opening balance 1.1.2008	**511.924**	**114.594**	**6.303**	**6.604**	**639.425**
Additions	0	0	(0)	1.137	**1.137**
Disposals	0	0	0	0	**0**
Merger of subsidiaries	1.758	2.283	0	20	**4.060**
Transfers	0	(10.163)	0	0	**(10.163)**
Goodwill impairment	(89.435)	0	0	0	**(89.435)**
Closing balance 31.12.2008	**424.247**	**106.714**	**6.303**	**7.760**	**545.024**
Depreciation 1.1.2008	**0**	**(4.152)**	**(1.151)**	**(2.186)**	**(7.490)**
Exchange differences	0	0	0	0	**0**
Opening balance 1.1.2008	**0**	**(4.152)**	**(1.151)**	**(2.186)**	**(7.490)**
Additions	0	(13.683)	(500)	(1.209)	**(15.391)**
Disposals	0	0	0	0	**0**
Merger of subsidiaries	0	0	0	0	**0**
Transfers	0	0	0	0	**0**
Other	0	0	0	0	**0**
Closing balance 31.12.2008	**0**	**(17.835)**	**(1.651)**	**(3.394)**	**(22.881)**
Net book value 31.12.2008	**424.247**	**88.878**	**4.652**	**4.366**	**522.143**

The carrying amount of the trademarks and customer base of the organic sector amounting € 4.340 and € 314 respectively, has been fully impaired. This loss has been included in 'distribution costs' in the income statement of discontinued operations.

(All amounts are presented in thousands Euro, except otherwise stated)

Goodwill impairment test

Goodwill is allocated in cash generating units identified according to operating segment.

An operating segment-level summary of the goodwill allocation is presented below.

	The Group		The Company	
	2009	2008	2009	2008
Human health	277.536	280.229	251.513	232.859
Medical device and diagnostics	91.817	68.698	0	0
Veterinary	2.054	2.351	279	279
Non health (Cosmetics and Detergents)	165.754	191.109	164.822	191.109
Organic (Discontinued operations)	0	0	0	0
Total	**537.162**	**542.387**	**416.614**	**424.247**

The recoverable amount of each group of cash generating units (operating segment) was determined based on its value in use. The value in use was calculated on the basis of estimates of net discounted cash flows expected to arise from each segment's activity, which were based on financial forecasts approved by management covering a five-year period. The cash flows beyond the five year period are calculated on the basis of the estimated growth rates of each segment.

The key assumptions used for value in use calculations are consistent with the external information sources and are the following:

	Growth rate (beyond the five-year period)	Discount rate
Human health	1,00%	9,80%
Medical device and diagnostics	1,00%	10,90%
Veterinary	1,00%	8,97%
Non health (Cosmetics and Detergents)	1,00%	8,69%

Budgeted gross margins: The basis used to determine the value assigned to the budgeted gross margins is the actual gross margin achieved by each group of cash-generating units, based on their financial statements as of December 31, 2009.

Growth rate: The basis used to determine the value assigned to the growth rate of each group of cash-generating units beyond the five year period is the expected average growth rate for each industry division, which is consistent with forecasts presented in industry analyses.

Capital needs: All the necessary estimated purchases of fixed assets as well as working capital needs were taken into account, based on the last two years actual needs, in order for the groups of cash generating units to maintain their production capacity and market share.

Discount rate: The pre tax internal rate of return of the projected cash flows was applied. The discount rate reflects (a) the time value of money and (b) specific risks inherent with each operational segment.

The aforementioned assumptions have been used for the value in use calculation of each group of cash generating units and specific cash generating units.

From the impairment test on the allocated goodwill in the operating segments of the Group, an impairment loss of € 29.428 in Group level and € 26.287 in Company level emerged. The given amounts come from:
(a) Regarding the amount of € 26.287 (impairment loss in Group and Company level) from the Non health (Cosmetics and Detergents) segment of the Group,
(b) Regarding the amount of € 2.844 (impairment loss in Group level) from the Human health segment of the Group and more specifically from the subsidiary SUMADIJALEK AD,
(c) Regarding the amount of € 297 (impairment loss in Group level) from the Veterinary segment and more specifically from the subsidiary ALAPIS BULGARIA EOOD.

Regarding the impairment test carried out and the above mentioned impairment losses the following are noted: the impairment loss from the Non health (Cosmetics and Detergents) segment of the Group emerged as its recoverable amount (value in use) did not exceed the respective adjusted carrying amount of goodwill and net assets. The additional impairment of the cosmetics and detergents' business unit was realized pursuant to the management's decision that the ongoing adverse financial conditions have contributed materially to the slowdown of the cosmetics and detergents' business unit's fundamentals in FY 2009 as well and its estimation that the recovery will be slow.

During the closing year, specific subsidiaries of the Company which belong to the Human health and Veterinary segments and are activated abroad, presented objective impairment indications due to accumulated losses, a fact which will affect their future cash flows. As of 31 December 2009, the Company calculated the recoverable amount of the subject subsidiaries on a standalone basis based on their value in use (using the previously mentioned assumptions) and then fully impaired the carrying amount of its participation in these, as their recoverable amount did not exceed the carrying amount of the Company's investment (note 22). Next, the Company also fully impaired the goodwill of the subsidiaries SUMADIJALEK AD (which belongs to the human health segment) amounting to € 2.844 and ALAPIS BULGARIA EOOD (which belongs to the veterinary segment) amounting to € 297, as these companies are included in the companies that presented impairment indications.

Furthermore, the Company carried out an impairment test on the goodwill allocated to the operating segment of the Group, after excluding the activities of the subsidiaries with impaired participation in them, from the assets, liabilities and results of the respective segments these belong to as well as from the projections used for the calculation the segments' value in use. From the subject test no impairment test emerged as, as their recoverable amount (value in use) exceeded the respective adjusted carrying amount of goodwill and net assets.

(All amounts are presented in thousands Euro, except otherwise stated)

The movement of goodwill in the consolidated and separate financial statements for the years ended 31 December 2009 and 2008 has as follows:

The Group	**31.12.2008**	**Additions**	**Impairment charge**	**31.12.2009**
Human health	280.229	152	(2.844)	277.536
Medical device and diagnostics	68.698	23.119	0	91.817
Veterinary	2.351	0	(297)	2.054
Non health (Cosmetics and Detergents)	191.109	932	(26.287)	165.754
Organic (Discontinued operations)	0	0	0	0
Total	**542.387**	**24.202**	**(29.428)**	**537.161**

The Group	**31.12.2007**	**Additions**	**Impairment charge**	**31.12.2008**
Human health	242.134	38.095	0	280.229
Medical device and diagnostics	67.600	1.098	0	68.698
Veterinary	2.280	71	0	2.351
Non health (Cosmetics and Detergents)	265.129	0	(74.019)	191.109
Organic (Discontinued operations)	18.947	1.600	(20.547)	0
Total	**596.090**	**40.864**	**(94.566)**	**542.387**

The Company	**31.12.2008**	**Additions**	**Impairment charge**	**31.12.2009**
Human health	232.859	18.654	0	251.513
Medical device and diagnostics	0	0	0	0
Veterinary	279	0	0	279
Non health (Cosmetics and Detergents)	191.109	0	(26.287)	164.822
Organic (Discontinued operations)	0	0	0	0
Total	**424.247**	**18.654**	**(26.287)**	**416.614**

The Company	**31.12.2007**	**Additions**	**Impairment charge**	**31.12.2008**
Human health	231.101	1.758	0	232.859
Medical device and diagnostics	0	0	0	0
Veterinary	279	0	0	279
Non health (Cosmetics and Detergents)	265.129	0	(74.019)	191.109
Organic (Discontinued operations)	15.416	0	(15.416)	0
Total	**511.925**	**1.758**	**(89.435)**	**424.247**

(All amounts are presented in thousands Euro, except otherwise stated)

19. INVESTMENT PROPERTIES

Investment properties are as follows:

	The Group		The Company	
	2009	2008	2009	2008
Balance at 1.1	**127**	**127**	**59**	**59**
Additions	3.402	0	3.402	0
Disposals	0	0	0	0
Transfers from property, plant and equipment (note 17)	22.015	0	22.015	0
Gain / (loss) from revaluation	0	0	0	0
Balance at 31.12	**25.544**	**127**	**25.476**	**59**

Property, plant and equipment transferred to the investment properties amounts to € 22.015 and relates to assets which are used by the organic sector.

At December 31, 2009 investment properties were revaluated at fair value without incurring any substantial difference to their carrying amounts. The revaluation of investment properties was based on estimates made by independent professional valuers. Estimates made by the comparative method of revaluation and the method of construction costs, the value of the property on the open market. The market value was based on existing comparative data and taking into account the physical and legal characteristics, prospects and potential of the relevant properties and trends of land and economy.

20. BUSINESS COMBINATION

(a) BUSINESS COMBINATION OF FY 2008

(i) Acquisition of PNG GEROLYMATOS SA

On October 27, 2008, ALAPIS SA reached an agreement for the acquisition of the company PNG GEROLYMATOS SA. The total value of the above transaction amounts to € 204.654, including expenses directly related to that transaction. The aforementioned acquisition does not include the activities of the foreign subsidiaries as well as some of the international activities of PNG GEROLYMATOS SA.

PNG GEROLYMATOS SA group distributes, represents and manufactures a broad range of health and beauty products. The group maintains joint ventures and strategic alliances with large scale international companies and represents a broad range of products with the exclusive rights to distribute. The PNG GEROLYMATOS SA group includes the following business segments: a) pharmaceuticals, b) cosmetics, c) OTC, d) diagnostics, e) veterinary, f) broad distribution products, g) pharmaceutical wholesaling and h) logistics and facon.

It is noted that PNG GEROLYMATOS SA constitutes a group of companies where the following companies were included (at the time of acquisition) with the following participation percentages:

- GEROLPHARMA SA	100,00%
- SANTA PHARMA SA	54,00%
- PNG GEROLYMATOS MEDICAL SA	83,00%

(All amounts are presented in thousands Euro, except otherwise stated)

The goodwill that arose from the above mentioned acquisition was tentatively determined based on the carrying amounts of the acquired entity and thus was considered provisional. The specification of the fair value of assets, liabilities and contingent liabilities of the acquired company, the purchase price allocation according to IFRS 3 'Business Combinations' and the following determination of the goodwill were finalized in 2009, as the Group has used the opportunity provided by this standard to the finalization of this size within 12 months from the date of acquisition.

The carrying amounts and fair value of the acquired company, the acquisition cost and the final goodwill for the Group, regarding PNG GEROLYMATOS SA, at the acquisition date are as follows:

PNG GEROLYMATOS SA (parent company)

	Carrying amount	Fair value
ASSETS		
Property, plant and equipment	280.608	221.580
Intangibles assets	1.956	41.617
Goodwill	586	0
Deferred income tax assets	4.345	4.394
Other non-current assets	3.010	357
Inventories	22.403	22.403
Current receivables	110.434	110.434
Cash and cash equivalents	8.198	8.198
Total assets	**431.541**	**408.982**
LIABILITIES		
Borrowings	81.926	81.926
Deferred income tax liabilities	45.379	41.506
Other non-current liabilities	2.896	3.138
Other current liabilities	104.996	104.996
Total liabilities	**235.197**	**231.566**
Net assets	**196.344**	**177.417**
Percentage (%) acquired	100%	100%
Non-controlling interests	0	0
Net assets acquired	**196.344**	**177.417**
Consideration paid in cash	188.131	188.131
Assets acquired	196.344	177.417
Goodwill	**(8.213)**	**10.714**
Consideration paid in cash		188.131
Cash on acquisition date		8.198
Net cash flow		**179.933**

(All amounts are presented in thousands Euro, except otherwise stated)

The carrying amounts and fair value of the acquired company, the acquisition cost and the final goodwill for the Group regarding, GEROLPHARM SA, at the acquisition date are as follows:

GEROLPHARM SA

	Carrying amount	Fair value
ASSETS		
Property, plant and equipment	374	374
Intangibles assets	0	4.301
Goodwill	0	0
Deferred income tax assets	423	423
Other non-current assets	91	91
Inventories	12.168	12.168
Current receivables	7.319	7.319
Cash and cash equivalents	3.031	3.031
Total assets	**23.406**	**27.707**
LIABILITIES		
Borrowings	2.193	2.193
Deferred income tax liabilities	48	908
Other non-current liabilities	42	42
Other current liabilities	22.633	23.294
Total liabilities	**24.915**	**26.436**
Net assets	**(1.510)**	**1.271**
Percentage (%) acquired	100%	100%
Non-controlling interests	0	0
Net assets acquired	**(1.510)**	**1.271**
Consideration paid in cash	1.347	1.347
Assets acquired	(1.510)	1.271
Goodwill	**2.857**	**77**
Consideration paid in cash		1.347
Cash on acquisition date		3.031
Net cash flow		**(1.684)**

(All amounts are presented in thousands Euro, except otherwise stated)

The carrying amounts and fair value of the acquired company, the acquisition cost and the final goodwill for the Group regarding, SANTA PHARMA SA, at the acquisition date are as follows:

SANTA PHARMA SA

	Carrying amount	Fair value
ASSETS		
Property, plant and equipment	18	18
Intangibles assets	1.384	5.843
Goodwill	0	0
Deferred income tax assets	47	47
Other non-current assets	1	1
Inventories	4.484	4.484
Current receivables	2.589	2.589
Cash and cash equivalents	90	90
Total assets	**8.613**	**13.072**
LIABILITIES		
Borrowings	500	500
Deferred income tax liabilities	60	952
Other non-current liabilities	127	127
Other current liabilities	3.328	3.328
Total liabilities	**4.015**	**4.907**
Net assets	**4.598**	**8.166**
Percentage (%) acquired	54%	54%
Non-controlling interests	2.115	3.756
Net assets acquired	**2.483**	**4.409**
Consideration paid in cash	4.676	4.676
Assets acquired	2.483	4.409
Goodwill	**2.193**	**266**
Consideration paid in cash		4.676
Cash on acquisition date		90
Net cash flow		**4.586**

(All amounts are presented in thousands Euro, except otherwise stated)

The carrying amounts and fair value of the acquired company, the acquisition cost and the final goodwill for the Group regarding, PNG GEROLYMATOS MEDICAL SA, at the acquisition date are as follows:

PNG GEROLYMATOS MEDICAL SA

	Carrying amount	Fair value
ASSETS		
Property, plant and equipment	55	55
Intangibles assets	1.546	16.241
Goodwill	0	0
Deferred income tax assets	67	67
Other non-current assets	0	0
Inventories	11.558	11.558
Current receivables	5.779	5.779
Cash and cash equivalents	140	140
Total assets	**19.145**	**33.840**
LIABILITIES		
Borrowings	0	0
Deferred income tax liabilities	3	2.942
Other non-current liabilities	333	333
Other current liabilities	18.634	18.634
Total liabilities	**18.971**	**21.910**
Net assets	**175**	**11.931**
Percentage (%) acquired	83%	83%
Non-controlling interests	30	2.028
Net assets acquired	**145**	**9.902**
Consideration paid in cash	10.500	10.500
Assets acquired	145	9.902
Goodwill	**10.356**	**598**
Consideration paid in cash		10.500
Cash on acquisition date		140
Net cash flow		**10.360**

(All amounts are presented in thousands Euro, except otherwise stated)

(b) BUSINESS COMBINATION OF FY 2009

(i) Acquisition of DILACO SA

On March 30, 2009, the Company proceeded with the acquisition of 100% of the company DILACO SA which represents well known brands in the orthopedic material sector. The acquisition price amounted to € 4.729. The initial reported acquisition cost amounted to € 11.000. The investment in DILACO SA was restated due to the proper Purchase Price Allocation of companies MEDIMEC SA and DILACO LTD. It is noted that DILACO LTD participated with a 40% stake in MEDIMEC SA.

The goodwill that arose from the above mentioned acquisition was tentatively determined based on the carrying amounts of the acquired entity and thus was considered provisional. The specification of the fair value of assets, liabilities and contingent liabilities of the acquired company, the purchase price allocation according to IFRS 3 'Business Combinations' and the following determination of the goodwill were finalized in 2009, as the Group has used the opportunity provided by this standard to the finalization of this size within 12 months from the date of acquisition.

The carrying amounts and fair value of the acquired company, the acquisition cost and the final goodwill for the Group, at the acquisition date are as follows:

	Carrying amount	Fair value
ASSETS		
Other non-current assets	2.013	0
Current receivables	6.194	6.194
Cash and cash equivalents	1	1
Total assets	**8.208**	**6.195**
LIABILITIES		
Other current liabilities	1.446	1.446
Total liabilities	**1.446**	**1.446**
Net assets	**6.763**	**4.749**
Percentage (%) acquired	100%	100%
Non-controlling interests	0	0
Net assets acquired	**6.763**	**4.749**
Consideration paid in cash	4.749	4.749
Assets acquired	6.763	4.749
Goodwill	**(2.013)**	**0**
Consideration paid in cash		4.749
Cash on acquisition date		1
Net cash flow		**4.749**

As from March 30, 2009 the financial statements of DILACO SA have been included in the consolidated financial statements of the Group. The full consolidation of DILACO SA contributed to the consolidated revenue of € 156 (increase 0,01%) and to the net profit amount € 3 (loss) (decrease 0,01%). If the acquisition of DILACO SA had occurred on January 1, 2009, the contribution to the consolidated revenue and net profit would not defer significantly in comparison with the subsidiary's actual contribution to the Group.

(All amounts are presented in thousands Euro, except otherwise stated)

(ii) Acquisition of BEAUTY WORKS SA

On March 30, 2009, the Company proceeded with the acquisition of 100% of the company BEAUTY WORKS SA, at the price of € 1.500. BEAUTY WORKS SA represents well known brand names in the cosmetics sector.

The goodwill that arose from the above mentioned acquisition was tentatively determined based on the carrying amount of the acquired entity and thus was considered provisional. The specification of the fair value of assets, liabilities and contingent liabilities of the acquired company, the purchase price allocation according to IFRS 3 'Business Combinations' and the following determination of the goodwill were finalized in 2009, as the Group has used the opportunity provided by this standard to the finalization of this size within 12 months from the date of acquisition.

The carrying amounts and fair value of the acquired company, the acquisition cost and the final goodwill for the Group, at the acquisition date are as follows:

	Carrying amount	Fair value
ASSETS		
Property, plant and equipment	281	281
Intangibles assets	0	655
Goodwill	0	0
Deferred income tax assets	9	9
Other non-current assets	34	34
Inventories	285	285
Current receivables	602	602
Cash and cash equivalents	11	11
Total assets	**1.223**	**1.879**
LIABILITIES		
Borrowings	380	380
Deferred income tax liabilities	11	143
Other non-current liabilities	15	10
Other current liabilities	520	520
Total liabilities	**926**	**1.053**
Net assets	**297**	**826**
Percentage (%) acquired	100%	100%
Non-controlling interests	0	0
Net assets acquired	**297**	**826**
Consideration paid in cash	1.500	1.500
Assets acquired	297	826
Goodwill	**1.203**	**674**
Consideration paid in cash		1.500
Cash on acquisition date		11
Net cash flow		**1.489**

As from March 30, 2009 the financial statements of BEUTY WORKS SA have been included in the consolidated financial statements of the Group. The full consolidation of BEUTY WORKS SA contributed to the consolidated revenue of € 1.650 (increase 0,13%) and to the net profit amount € 0. If the acquisition of BEUTY WORKS SA had occurred on January 1, 2009, the contribution to the consolidated revenue and net profit would not defer significantly in comparison with the subsidiary's actual contribution to the Group.

(All amounts are presented in thousands Euro, except otherwise stated)

(iii) Acquisition of MEDIMEC SA

On May 29, 2009, the Company proceeded with the acquisition of 100% of the company MEDIMEC SA, at the price of € 45.451. The initial reported cost acquisition amounted to € 41.213. The investment in MEDIMEC SA was restated due to the proper Purchase Price Allocation of companies MEDIMEC SA and DILACO LTD. It is noted that DILACO LTD participated with a 40% stake in MEDIMEC SA.

The goodwill that arose from the above mentioned acquisition was tentatively determined based on the book values of the acquired entity and thus was considered provisional. The specification of the fair value of assets, liabilities and contingent liabilities of the acquired company, the purchase price allocation according to IFRS 3 'Business Combinations' and the following determination of the goodwill were finalized in 2009, as the Group has used the opportunity provided by this standard to the finalization of this size within 12 months from the date of acquisition.

The carrying amounts and fair value of the acquired company, the acquisition cost and the final goodwill for the Group, at the acquisition date are as follows:

	Carrying amount	Fair value
ASSETS		
Property, plant and equipment	2.008	2.229
Intangibles assets	0	18.744
Goodwill	0	0
Deferred income tax assets	27	118
Other non-current assets	57	57
Inventories	2.582	2.400
Current receivables	12.163	10.703
Cash and cash equivalents	808	808
Total assets	**17.645**	**35.060**
LIABILITIES		
Borrowings	300	300
Deferred income tax liabilities	97	3.909
Other non-current liabilities	133	37
Other current liabilities	9.542	8.481
Total liabilities	**10.072**	**12.728**
Net assets	**7.572**	**22.332**
Percentage (%) acquired	100%	100%
Non-controlling interests	0	0
Net assets acquired	**7.572**	**22.332**
Consideration paid in cash	45.451	45.451
Assets acquired	7.572	22.332
Goodwill	**37.878**	**23.119**
Consideration paid in cash		45.451
Cash on acquisition date		808
Net cash flow		**44.642**

As from May 29, 2009 the financial statements of MEDIMEC SA have been included in the consolidated financial statements of the Group. The full consolidation of MEDIMEC SA (including the Medical Device sector of PNG GEROLYMATOS SA, which was absorbed by MEDIMEC SA within FY 2009) contributed to the consolidated revenue of € 43.980 (increase 3,57%) and to the net profit amount € 10.594 (increase 20,24%). If the acquisition of MEDIMEC SA had occurred on January 1, 2009, the contribution to the consolidated revenue would have been amount € 48.209 (increase 3,91%) and to the net profit amount € 12.344 (increase 23,58%).

(All amounts are presented in thousands Euro, except otherwise stated)

(iv) Acquisition of GEROLYMATOS PRESTIGE SPA'S BEAUTY SALON SA

On June 29, 2009, the Company proceeded with the acquisition of 100% of the company GEROLYMATOS PRESTIGE SPA'S BEAUTY SALON SA, at the price of € 1.250.

The goodwill that arose from the above mentioned acquisition was tentatively determined based on the book values of the acquired entity and thus was considered provisional. The specification of the fair value of assets, liabilities and contingent liabilities of the acquired company, the purchase price allocation according to IFRS 3 'Business Combinations' and the following determination of the goodwill were finalized in 2009, as the Group has used the opportunity provided by this standard to the finalization of this size within 12 months from the date of acquisition.

The carrying amounts and fair value of the acquired company, the acquisition cost and the final goodwill for the Group, at the acquisition date are as follows:

	Carrying amount	Fair value
ASSETS		
Property, plant and equipment	158	158
Intangibles assets	0	907
Deferred income tax assets	260	260
Other non-current assets	25	25
Inventories	0	0
Current receivables	184	184
Cash and cash equivalents	5	5
Total assets	**633**	**1.540**
LIABILITIES		
Deferred income tax liabilities	0	187
Other non-current liabilities	233	207
Other current liabilities	154	154
Total liabilities	**387**	**547**
Net assets	**246**	**992**
Percentage (%) acquired	100%	100%
Non-controlling interests	0	0
Net assets acquired	**246**	**992**
Consideration paid in cash	1.250	1.250
Assets acquired	246	992
Goodwill	**1.004**	**258**
Consideration paid in cash		1.250
Cash on acquisition date		5
Net cash flow		**1.245**

As from June 29, 2009 the financial statements of GEROLYMATOS PRESTIGE SPA’S BEAUTY SALON SA have been included in the consolidated financial statements of the Group. The full consolidation of GEROLYMATOS PRESTIGE SPA’S BEAUTY SALON SA contributed to the consolidated revenue of € 1.047 (increase 0,08%) and to the net profit amount € 230 (increase 0,44%). If the acquisition of GEROLYMATOS PRESTIGE SPA’S BEAUTY SALON SA had occurred on January 1, 2009, the contribution to the consolidated revenue and net profit would not defer significantly in comparison with the subsidiary’s actual contribution to the Group.

(All amounts are presented in thousands Euro, except otherwise stated)

(v) Acquisition of the business segment SANDOZ by the subsidiary SAMBROOK MED SA

On December 30, 2009, the subsidiary SAMBROOK MED SA proceeded with the acquisition of the business segment SANDOZ at the price of € 75.

The goodwill that arose from the above mentioned acquisition was determined based on the fair value of assets, liabilities and contingent liabilities of the acquired segment.

The carrying amounts and fair value of the acquired company, the acquisition cost and the final goodwill for the Group, at the acquisition date are as follows:

	Carrying amount	Fair value
ASSETS		
Property, plant and equipment	0	0
Intangibles assets	0	0
Goodwill	0	0
Deferred income tax assets	0	0
Other non-current assets	0	0
Inventories	613	613
Current receivables	810	810
Cash and cash equivalents	0	0
Total assets	**1.423**	**1.423**
LIABILITIES		
Borrowings	1.500	1.500
Deferred income tax liabilities	0	0
Other non-current liabilities	0	0
Other current liabilities	0	0
Total liabilities	**1.500**	**1.500**
Net assets	**(77)**	**(77)**
Percentage (%) acquired	100%	100%
Non-controlling interests	0	0
Net assets acquired	**(77)**	**(77)**
Consideration paid in cash	75	75
Assets acquired	(77)	(77)
Goodwill	**152**	**152**
Consideration paid in cash		75
Cash on acquisition date		0
Net cash flow		**75**

(vi) Acquisition of additional voting shares SANTA PHARMA SA

On February 24, 2009 ALAPIS SA proceeded with the acquisition of a 46% stake in SANTA PHARMA SA, following which ALAPIS SA now controls 100% of the share capital. Specifically the acquisition price of the 46% stake in SANTA PHARMA SA, amounted to € 26.200 - as part of the acquisition, a number of clauses were agreed, pursuant to which the acquisition consideration would be adjusted depending on the achievement or not of certain target milestones.

The goodwill deriving from the above transaction amounted to € 22.144 was recognized in the consolidated owners' equity, in Group's retained earnings.

(vii) Acquisition of additional voting shares PNG GEROLYMATOS MEDICAL SA

On February 24, 2009 and on March 30, 2009 ALAPIS SA proceeded with the acquisition of a 16% and 1% stake in PNG GEROLYMATOS MEDICAL SA, following which ALAPIS SA now controls 100% of the share capital. Specifically the acquisition price of the 17% stake in PNG GEROLYMATOS MEDICAL SA, the acquisition price amounted to € 39.700 - as part of the acquisition, a number of clauses were agreed, pursuant to which the acquisition consideration would be adjusted depending on the achievement or not of certain target milestones.

The goodwill deriving from the above transactions amounted to € 37.368 was recognized in the consolidated owners' equity, in Group's retained earnings.

(viii) Acquisition of additional voting shares ANDREAS CHRISTOFOGLOU SA

On March 30, 2009, the Company proceeded with the acquisition of the remaining 40% of the company ANDREAS CHRISTOFOGLOU SA for the price of € 200, following which ALAPIS SA now controls 100% of the share capital.

The goodwill deriving from the above transaction amounted to € 228 was recognized in the consolidated owners' equity, in Group's retained earnings.

(ix) Acquisition of additional voting shares IPIROPHARM SA

On May 22, 2009, the subsidiary KP MARINOPOULOS SA proceeded with the acquisition of 35,20% of the company IPIROPHARM SA for the price of € 260, following which ALAPIS SA now controls 91,20% of the share capital.

The goodwill deriving from the above transaction amounted to € 384 was recognized in the consolidated owners' equity, in Group's retained earnings.

(x) Acquisition of additional voting shares SUMADIJALEK AD

On June 30, 2009, the Company proceeded with the acquisition of 1,88% of the company SUMADIJALEK AD for the price of € 964, following which ALAPIS SA now controls 97,79% of the share capital.

The goodwill deriving from the above transaction amounted to € 938 was recognized in the consolidated owners' equity, in Group's retained earnings.

(xi) Acquisition of additional voting shares PHARMASOFT LTD

On May 22, 2009, the subsidiary KP MARINOPOULOS SA proceeded with the acquisition of 1% of the company PHARMASOFT LTD for the price of € 1, following which ALAPIS SA now controls 100% of the share capital.

The goodwill deriving from the above transaction amounted to € 1 was recognized in the consolidated owners' equity, in Group's retained earnings.

(xii) Merger by adsorption of the subsidiaries PNG GEROLYMATOS SA (excluding diagnostic sector which was absorbed by the subsidiary MEDIMEK SA), ALAPIS PHARMA SA and LAMDA APPLIED SA by the Company.

In accordance with the Group's restructuring plan, in order to fully comply with the activity objectives and in its effort to exploit economies of scale, ALAPIS SA proceeded :

(a) according to the provisions of the articles of C.L. 2190/1920 and L. 2166/1993 to the merger by absorption its 100% subsidiary PNG GEROLYMATOS SA after the completion of the spinoff of the sector of diagnostics of the absorbed company that will be contributed to the subsidiary MEDIMEC SA, with transformation balance sheet date (financial statements) as of June 30, 2009, and
(b) to thee merged by absorption its 100% subsidiaries ALAPIS PHARMA SA and LAMDA APPLIED SA. The merger was conducted in accordance with the provisions of the C.L. 2190/20 and L. 2166/93, regarding their financial statements (balance sheets) as of December 31, 2008.

The aforementioned mergers were accounted in the financial statements of the parent company ALAPIS SA by the pooling of interest method, as the merger occurred in an intra-group level thus lacked market value. In accordance with the applied accounting practice in transactions accounted for by the pooling of interest method, the resulting goodwill is recognized directly in the equity of the absorbing company, cost and relevant expenses are recognized in the income statement as reorganization expenses and the commercial transactions realized by the absorbed companies are recognized in account of the acquirer from the beginning date of the year as if the merged companies were a single company. As a consequence the current income statement of ALAPIS SA (in parent company level) includes the operating activities (excluding the diagnostic sector which was absorbed by the subsidiary MEDIMEK SA) of the subsidiary PNG GEROLYMATOS SA and the operating activities of the subsidiaries ALAPIS PHARMA SA and LAMDA APPLIED SA which were absorbed at January 1,2009.

(All amounts are presented in thousands Euro, except otherwise stated)

In order to get full view of the figures and for comparison purposes, a pro-forma income statement and a pro-forma statement of financial position for the year ended December 31, 2008 under the hypothesis that the aforementioned mergers had occurred at January 1, 2008, excluding the results of the subsidiary PNG GEROLYMATOS SA, that were taken into account from October 27, 2008, the date that the Company acquired control, is presented below.

INCOME STATEMENT

	1.1. - 31.12.2008		
	Continuing operations	**Discontinued operations**	**Total**
Revenue	511.498	35	511.532
Cost of sales	(211.335)	(31)	(211.366)
Gross profit	**300.163**	**3**	**300.166**
Administrative expenses	(35.002)	(781)	(35.784)
Distribution costs	(102.412)	(1.631)	(104.043)
Other income / (expenses)	12.701	823	13.525
Goodwill impairment	(74.019)	(15.416)	(89.435)
Operating profit	**101.430**	**(17.001)**	**84.429**
Finance income / (expenses)	(4.742)	0	(4.742)
Profit before income tax	**96.688**	**(17.001)**	**79.687**
Income tax expense	(31.498)	(2.718)	(34.216)
Net profit	**65.190**	**(19.719)**	**45.471**

(All amounts are presented in thousands Euro, except otherwise stated)

STATEMENT OF FINANCIAL POSITION

	31.12.2008
ASSETS	
Non-current assets	
Property, plant and equipment	1.383.585
Goodwill	442.901
Intangible assets	162.230
Investment properties	59
Investments in subsidiaries	296.754
Other non-current assets	8.550
Deferred income tax assets	12.364
Total non-current assets	**2.306.443**
Current assets	
Inventories	34.443
Trade receivables	69.680
Other receivables	96.268
Cash and cash equivalents	156.677
Total current assets	**357.068**
TOTAL ASSETS	**2.663.511**
EQUITY AND LIABILITIES	
Equity attributable to owners of the parent	
Share capital	294.180
Paid in surplus	1.192.002
Legal and other reserves	62.813
Revaluation reserves	30.847
Treasury shares	(95.616)
Retained earnings	45.778
Total equity	**1.530.005**
Non-current liabilities	
Borrowings	702.606
Finance lease liabilities	16.754
Deferred income tax liabilities	68.270
Retirement benefit obligations	5.349
Other non-current liabilities	1.883
Total non-current liabilities	**794.862**
Current liabilities	
Trade payables	88.395
Borrowings	149.429
Finance lease liabilities	1.257
Current income tax liabilities	8.604
Other current liabilities	90.958
Total current liabilities	**338.643**
TOTAL EQUITY AND LIABILITIES	**2.663.511**

The merger of PNG GEROLYMATOS SA, contributed to the Company's revenue amount € 116.161 (increase 24,22%), to the net profit amount € 12.146 (increase 32,29%) and to the equity amount € 4.451 (increase 0,22%).

The basic principle on the internal restructure of a Group is that these do not affect the consolidated financial statements. On the consolidated financial statements the predecessor accounting policies are applied. The goodwill that emerged from the merge and was settled on the net equity of the parent company was reversed through consolidation. It is noted that for the disclosure of the merge on the financial statements of the parent company there was also considered the relative tax regulations regarding with the free tax net equity of the subsidiaries which were merged. The above mentioned data are contributed through the merger as their taxation has not been set permanent. Specifically tax free and specially taxed reserves amount € 5.381 of the subsidiary PNG GEROLYMATOS SA were contributed to the parent company through merger. Also paid in surplus amount € 9.413 of the absorbed subsidiary ALAPIS PHARMA SA and € 3.292 of the absorbed subsidiary PNG GEROLYMATOS SA were contributed to the parent company as the Capital tax has not been paid which will be set as permanent when paid in surplus will be turned into share capital according with the in use trade regulations.

(All amounts are presented in thousands Euro, except otherwise stated)

21. DISPOSALS OF SUBSIDIARIES

On December 29, 2009, the Company carried out the disposal of DALL SA and simultaneously absorbed the business activity of the disposed company. More specifically pursuant to the private agreement dated December 29, 2009, the parent company completed the spinoff of the detergents and cosmetics division of DALL SA to ALAPIS SA. In specific ALAPIS SA absorbed DALL SA's detergents and cosmetics division for a total amounted to € 207 and proceeded to the disposal of the company for € 10 in order to liquidate it.

On December 31, 2009 the Company carried out the disposal of SCALONITA LTD and DILACO LTD and simultaneously transferred the business activity of the disposed companies to the subsidiary PHARMACARE LTD.

The statement of Financial Position, disposal effect and the net cash flow are as follows:

	DALL SA	SCALONITA LTD	DILACO LTD
	Carrying amount	Carrying amount	Carrying amount
ASSETS			
Property, plant and equipment	0	0	0
Intangibles assets	0	0	0
Goodwill	0	0	0
Deferred income tax assets	109	0	0
Other non-current assets	32	0	0
Inventories	49	0	0
Current receivables	360	954	141
Cash and cash equivalents	163	958	2
Total assets	**714**	**1.912**	**143**
LIABILITIES			
Borrowings	0	0	0
Deferred income tax liabilities	0	0	0
Other non-current liabilities	4	0	0
Other current liabilities	1.099	1.820	124
Total liabilities	**1.103**	**1.820**	**124**
Net assets	**(389)**	**92**	**19**
Percentage (%) disposed	100%	100%	100%
Net assets disposed	**(389)**	**92**	**19**
Consideration received in cash	10	105	15
Assets disposed	(389)	92	19
Net profit / (loss) (note 14)	**399**	**13**	**(4)**
Consideration received in cash	10	105	15
Cash on transaction date	163	958	2
Net cash flow	**(153)**	**(852)**	**13**

Gains and losses regarding disposals of subsidiaries are presented in the income statement within ‘Finance income / (expenses)’.

On June 29, 2009, the companies GLYKEIA IGIA SA, GLYKEIA GEFSI SA, EBIK PRODUCTS SA, CERTIFIED ORGANIC PRODUCTS LTD and THERAPEFTIKI SA and on September 30, 2009, the companies EBIK SA and LYD SA which are included in the organic products sector, were disposed, aiming to finalize the liquidation procedure. The segment of organic products is presented as a discontinued operation in these financial statements (note 31).

(All amounts are presented in thousands Euro, except otherwise stated)

22. INVESTMENTS IN SUBSIDIARIES

The movement in investments in subsidiaries for the Company is as follows:

	The Group	
	2009	**2008**
Balance at 1.1	**491.475**	**324.981**
Acquisition of subsidiaries	149.806	254.311
Disposal of subsidiaries	(8.411)	(100)
Merger of subsidiaries	(194.721)	(17.816)
Share capital increase in subsidiaries	84.404	20.000
Share capital reduction in subsidiaries	(21.500)	(89.900)
Impairment (note 14)	(25.041)	0
Balance at 31.12	**476.012**	**491.475**

(All amounts are presented in thousands Euro, except otherwise stated)

Analysis of investments in subsidiaries, including the distinctive title, the country incorporation, the description of the activity, the percentage of participation and voting rights and the net value of investment is as follows:

Distinctive title	Note	Activity	Country of incorporation	% Interest held and voting rights		Carrying values	
				2009	2008	2009	2008
PROVET SA		Veterinary	GREECE	100,00%	100,00%	6.020	6.020
DALL SA	3	Detergent	GREECE	100,00%	100,00%	0	60
KTINIATPIKI ΠΡΟΜΙΤΗΕFTIKI SA		Veterinary	GREECE	100,00%	100,00%	2.589	2.589
ALAPIS ROMANIA SRL	5	Veterinary	ROMANIA	100,00%	100,00%	0	1.615
ALAPIS BULGARIA EOOD	5	Veterinary	BULGARIA	100,00%	100,00%	0	260
ALAPIS HUNGARY KFT	5	Human health	HUNGARY	100,00%	100,00%	0	12
ALAPIS DOO	5	Veterinary	CROATIA	100,00%	100,00%	0	3
ALAPIS SER DOO	5	Human health	SERBIA	100,00%	100,00%	0	1
EBIK SA	3	Organic	GREECE	100,00%	100,00%	0	25.000
ALAPIS PHARMAKAPOTHIKI SA		Human health	GREECE	100,00%	100,00%	998	998
FARMAGORA SA		Human health	GREECE	100,00%	100,00%	71.003	71.001
ALAPIS MEDICAL AND DIAGNOSTICS AE	1	Medical devicet	GREECE	100,00%	100,00%	92.600	22.600
OMIKRON MEDICAL SA	1	Medical device	GREECE	-	100,00%	0	67.000
LABOMED SA	1	Medical device	GREECE	-	100,00%	0	3.000
ALAPIS SLVN DOO	5	Human health	SLOVENIA	100,00%	100,00%	0	8
ALAPIS ALBANIA SHPK	5	Human health	ALBANIA	100,00%	100,00%	0	25
KP MARINOPOYLOS SA		Human health	GREECE	100,00%	100,00%	57.493	57.493
ANDREAS CHRISTOFOGLOU SA	4	Human health	GREECE	40,00%	-	200	0
SUMADIJALEK AD	5	Human health	SERBIA	97,79%	95,91%	0	5.006
ALAPIS RESEARCH LABORATORIES INC	5	Human health	USA	100,00%	100,00%	0	222
PHARMACARE LTD	5	Veterinary	CYPRUS	100,00%	100,00%	1.300	1.300
SCALONITA LTD	3	Human health	CYPRUS	100,00%	100,00%	0	102
ALAPIS LUXEMBURG SA	5	Human health	LUXEMBURG	100,00%	100,00%	0	31
PNG GEROLYMATOS SA	2	Human health	GREECE	-	100,00%	0	204.654
ALAPIS PHARMA SA	2	Human health	GREECE	-	100,00%	0	21.500
LAMDA APPLIED SA	2	Human health	GREECE	-	100,00%	0	975
GEROLPHARM SA	6	Human health	GREECE	100,00%	-	14.347	0
SANTA PHARMA SA	6	Human health	GREECE	100,00%	-	65.876	0
PNG GEROLYMATOS MEDICAL SA	6	Human health	GREECE	100,00%	-	85.200	0

(All amounts are presented in thousands Euro, except otherwise stated)

Distinctive title	Note	Activity	Country of incorporation	% Interest held and voting rights		Carrying values	
				2009	2008	2009	2008
MEDIMEC SA	**6**	Medical device	GREECE	100,00%	-	71.336	0
BEAUTY WORKS SA	**6**	Cosmetics	GREECE	100,00%	-	1.500	0
GEROLYMATOS PRESTIGE SPA'S BEAUTY SALON SA	**6**	Cosmetics	GREECE	100,00%	-	3.250	0
GEROLYMATOS COSMETICS SA	**6**	Cosmetics	GREECE	100,00%	-	2.060	0
GEROLYMATOS ANIMAL HEALTH SA	**6**	Veterinary	GREECE	100,00%	-	60	0
SAMBROOK MED SA	**6**	Human health	GREECE	100,00%	-	60	0
ALMEDIA PHARMACEUTICAL SA	**6**	Human health	GREECE	100,00%	-	60	0
MEDSYSTEMS SA	**6**	Human health	GREECE	100,00%	-	60	0
						476.012	**491.475**

Note 1: On May 29, 2009, pursuant to the decision of the Prefecture of Athens with protocol number 5969, it was approved the merger by absorption of the companies OMIKRON MEDICAL SA and LABOMED SA by the company BIOCHEM DIAGNOSTICS SA that was realized according to C.L. 2190/1920, in conjunction with the provisions of articles 1-5 of L.2166/1993. The new corporate name of the absorbing company is 'ALAPIS MEDICAL AND DIAGNOSTICS SOCIETE ANONYME FOR THE IMPORT AND COMMERCE OF DIAGNOSTIC MEDICAL LABORATORY EQUIPMENT, MEDICAL MACHINERY OF SANITARY MATERIALS AND MEDICAL PRODUCTS' and the new distinctive title is ALAPIS MEDICAL AND DIAGNOSTICS SA.

Note 2: On May 25, 2009, pursuant to the decision of the Ministry of Development with protocol number K2-5113, the merger of the Company via absorption with its subsidiaries LAMDA APPLIED SA and ALAPIS PHARMA SA was approved, pursuant to the provisions of articles 68-78 of C.L. 2190/20 and articles 1-5 of L. 2166/1993 and following the Decisions of the companies' Board of Directors dated April 29, 2009. On December 28, 2009, pursuant to the decision No K2-12461 of the Ministry of Economy, Competitiveness and Shipping it was approved the merger of 'ALAPIS HOLDING, INDUSTRIAL AND COMMERCIAL SOCIETE ANONYME OF PHARMACEUTICAL AND ORGANIC PRODUCTS' with its fully (100%) subsidiary 'PNG GEROLYMANTOS HEALTH AND BEAUTY COMMERCIAL AND INDUSTRIAL SOCIETE ANONYME', by absorption of the latter from the former according to the decisions of their Board of Directors as of 22.09.2009 and 23.11.2009 and the provisions of articles 68-78 of the C.L. 2190/1920 and articles 1-5 of L. 2166/1993.

Note 3: On December 29, 2009, on September 30, 2009 and on December 31, 2009 , the Company completed the sale of subsidiaries DALL SA, EBIK SA and SCALONITA LTD respectively.

Note 4: On March 30, 2009, the Company proceeded in acquisition of 40% of the company ANDREAS CHRISTOFOGLOU SA.

(All amounts are presented in thousands Euro, except otherwise stated)

Σημείωση 5: At December 31, 2009, for several subsidiaries there were objective evidence for impairment due to accumulated losses and based on the estimation that this fact will affect the estimated future cash flows. The recoverable amount of these subsidiaries was determined based on value in use. The value in use was calculated on the basis of estimates of net discounted cash flows expected to arise from these subsidiaries, which were based on financial forecasts approved by management covering a five-year period. The cash flows beyond the five year period are calculated on the basis of the estimated growth rates. Impairment charge of € 25.041 (note 14) was recognised in the income statement and concerns the asset's carrying amount exceeds its recoverable amount, as analyzed below:

	Impairment charge
ALAPIS ROMANIA SRL	5.618
ALAPIS BULGARIA EOOD	1.660
ALAPIS HUNGARY KFT	12
ALAPIS DOO	2.203
ALAPIS SER DOO	301
ALAPIS SLVN DOO	108
ALAPIS ALBANIA SHPK	65
SUMADIJALEK AD	14.150
ALAPIS RESEARCH LABORATORIES INC	450
PHARMACARE LTD	413
ALAPIS LUXEMBURG SA	31
ALAPIS LUXEMBURG SA	31
Total	**25.041**

Note 6: The Company, in the year 2009, proceeded in acquisition or participation's increase or share capital's increase regarding these subsidiaries.

(All amounts are presented in thousands Euro, except otherwise stated)

23. INVESTMENTS IN ASSOCIATES

The movement in investments in associates for the Group is as follows:

	The Group	
	2009	2008
Balance at 1.1	**0**	**18.500**
Acquisition of associates	1.729	0
Disposal of associates	0	0
Transfer to subsidiaries	0	(18.500)
Dividends proceeds	0	0
Share of profit / (loss) (note 14)	(29)	0
Balance at 31.12	**1.700**	**0**

Analysis of investments in associates, including the distinctive title, the country incorporation, the description of the activity, the percentage of participation and voting rights and the net value of investment is as follows:

Distinctive title	Activity	Country of incorporation	% Interest held and Voting rights		Net value of investment	
			2009	2008	2009	2008
GENESIS ILAC SA	Human Health	TURKEY	50,00%	-	1.700	-
SHISEIDO HELLAS SA	Cosmetics	GREECE	49,00%	-	0	-

The Group's share of the results of its associates, all of which are unlisted, and its aggregated assets and liabilities, are as follows:

Distinctive title	Assets	Liabilities	Net assets	Revenue	Net profit
GENESIS ILAC SA	3.227	736	2.492	0	0
SHISEIDO HELLAS SA	290	294	(4)	0	(29)

Investments in associates include goodwill amount to € 792.

In the Company's financial statements the amount of € 1.700 represents the acquisition cost of the company GENESIS ILAC SA.

(All amounts are presented in thousands Euro, except otherwise stated)

24. OTHER NON-CURRENT ASSETS

The balance of non-current assets amounting of € 5.995 and € 5.353 for the Group and the Company respectively comprise mainly given guarantees to third parties (National Electrical Company, Hellenic Telecommunications Organization, lessors of real estates, etc), that are expected to be liquidated in period exceeding twelve (12) months. The relevant amounts are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

25. INVENTORIES

Inventories are analyzed as follows:

	The Group		The Company	
	2009	2008	2009	2008
Finished goods and semi-finished goods	9.565	13.675	6.258	1.866
Raw & auxiliary materials, spare parts & pack materials	13.288	31.109	8.650	3.915
Work in progress	256	369	256	0
Merchandise	141.759	104.648	24.759	5.031
Total	**164.869**	**149.801**	**39.922**	**10.812**

The cost of inventories recognised as expense and included in ‘Cost of sales’ for the Group and the Company amounted to € 666.701 (2008: € 625.874) and € 87.321 (2008: € 80.262) respectively (note 9).

(All amounts are presented in thousands Euro, except otherwise stated)

26. TRADE RECEIVABLES

Trade receivables are analyzed as follows:

	The Group		The Company	
	2009	2008	2009	2008
Trade debtors	269,457	74.228	354.330	85.186
Bills receivable	4.943	3.337	1.182	376
Checks receivable	23.738	22.798	11.565	5.441
Less: Provision for impairment	(23.156)	(25.340)	(15.371)	(19.491)
Total	**274.983**	**75.022**	**351.705**	**71.512**

The carrying amount of the above receivables represents their fair values.

The carrying amounts of the Group’s trade receivables are denominated in the following currencies:

	The Group	
	2009	2008
in €	258.722	63.505
in $	2.508	2.351
in £	7.491	5.130
in RSD	5.687	3.401
Other currencies	575	636
Total	**274.983**	**75.022**

The trade receivables of the Company are denominated mostly in Euro.

Movements on the provision for impairment of trade receivables are as analyzed follows:

	The Group		The Company	
	2009	2008	2009	2008
Balance at 1.1	25.340	28.253	19.491	19.093
Exchange difference	(21)	(34)	0	0
Provision for receivables impairment	3.959	3.989	4.472	2.910
Acquisition of subsidiaries	318	1.420	0	0
Merger of subsidiaries	0	0	1.057	2.421
Disposal of subsidiaries	(337)	0	0	0
Receivables written off	(6.087)	(5.165)	(9.649)	(4.933)
Unused amounts reversed	(17)	(3.123)	0	0
Balance at 31.12	**23.156**	**25.340**	**15.371**	**19.491**

Provision for receivables impairment of € 37 (2008: € 249) has been charged in the income statement of discontinued operations of Group. For the Company, provision of € 3.600 (2008: € 0) has been charged in the income statement of discontinued operations.

The additional provision and the write-offs have been included in ‘Distribution costs’ in the income statement (note 11).

(All amounts are presented in thousands Euro, except otherwise stated)

The maximum exposure to credit risk at the reporting date is the carrying value of each class of receivable mentioned above. There are not any pledges on trade receivables of the Group and the Company.

27. OTHER RECEIVABLES

Other receivables are analyzed as follows:

	The Group		The Company	
	2009	2008	2009	2008
Due from loans	0	61	0	0
Receivables from directors and managers	778	181	126	21
Advances to suppliers (for inventories)	18.110	7.517	1.469	0
Other debtors	10.458	25.857	8.297	3.762
V.A.T. receivable	71.299	73.385	34.514	50.985
Deferred expenses	1.748	3.594	1.533	2.016
Accrued income	29	1.423	0	0
Income tax advances	8.502	8.882	4.165	4.631
Other taxes	4.255	4.664	4.155	3.616
Advances and prepayments	1.523	958	1.503	689
Other	1.574	533	701	523
Total	**118.277**	**127.054**	**56.463**	**66.243**

The book value of the above receivables represents their fair values.

The maximum exposure to credit risk at the reporting date is the carrying value of each class of receivable mentioned above. There are not any pledges on trade receivables of the Group and the Company.

28. SHORT TERM INVESTMENTS

Movements on the short term investments of the Group are analyzed as follows:

	The Group	
	2009	2008
Balance at 1.1	**5**	**0**
Additions	0	12
Disposals	0	0
Gain / (loss) from valuation (note 14)	1	(7)
Balance at 31.12	**6**	**5**

Available for sale financial assets at fair value through profit or loss are analyzed as follows:

	The Group	
	2009	2008
Listed securities:		
SEVERIS & ATHIENITIS	0	0
MALLOUPAS & PAPACOSTAS	0	0
DEMETRA LTD	1	1
APOLLO INVESTMENTS FUND	2	1
PIPIS FARM LTD	4	3
Total	**6**	**5**

Changes in fair values of the above financial assets have been included in finance income / (expenses) in the income statement.

The fair value of all short term investments is based on their current bid prices in an active market at the date of reference.

(All amounts are presented in thousands Euro, except otherwise stated)

29. FINANCIAL INSTRUMENTS

The financial instruments by category are analyzed as follows:

The Group

2009	Loans and receivables	Assets at fair value through the income statement	Total
Assets as presented in the statement of financial position			
Other non-current assets	5.995	0	**5.995**
Trade receivables	274.983	0	**274.983**
Other receivables [1]	95.292	0	**95.292**
Short term investments	0	6	**6**
Total	**376.270**	**6**	**276.276**

2008	Loans and receivables	Assets at fair value through the income statement	Total
Assets as presented in the statement of financial position			
Other non-current assets	1.004	0	**1.004**
Trade receivables	75.022	0	**75.022**
Other receivables [1]	113.029	0	**113.029**
Short term investments	0	5	**5**
Total	**189.055**	**5**	**189.060**

The Group

2009	Liabilities at fair value through the income statement	Other financial liabilities	Total
Liabilities as presented in the statement of financial position			
Borrowings	0	881.187	**881.187**
Finance lease liabilities	0	39.356	**39.356**
Other non-current liabilities	3.243	184	**3.427**
Trade payables	0	252.260	**252.260**
Other current liabilities [1]	0	91.956	**91.956**
Total	**3.243**	**1.264.942**	**1.268.186**

2008	Liabilities at fair value through the income statement	Other financial liabilities	Total
Liabilities as presented in the statement of financial position			
Borrowings	0	872.065	**872.065**
Finance lease liabilities	0	24.310	**24.310**
Other non-current liabilities	1.811	174	**1.985**
Trade payables	0	173.215	**173.215**
Other current liabilities [1]	0	62.146	**62.146**
Total	**1.811**	**1.131.909**	**1.133.720**

[1] Other receivables and other current liabilities in the above tables do not include payments in advance

(All amounts are presented in thousands Euro, except otherwise stated)

The Company

2009	Loans and receivables	Assets at fair value through the income statement	Total
Assets as presented in the statement of financial position			
Other non-current assets	5.353	0	**5.353**
Trade receivables	351.705	0	**351.705**
Other receivables [(1)]	51.257	0	**51.257**
Short term investments	0	0	**0**
Total	**408.315**	**0**	**408.315**

2008	Loans and receivables	Assets at fair value through the income statement	Total
Assets as presented in the statement of financial position			
Other non-current assets	8.202	0	**8.202**
Trade receivables	71.512	0	**71.512**
Other receivables [(1)]	63.015	0	**63.015**
Short term investments	0	0	**0**
Total	**142.729**	**0**	**142.729**

The Company

2009	Liabilities at fair value through the income statement	Other financial liabilities	Total
Liabilities as presented in the statement of financial position			
Borrowings	0	876.001	**876.001**
Finance lease liabilities	0	34.177	**34.177**
Other non-current liabilities	3.243	0	**3.243**
Trade payables	0	194.971	**194.971**
Other current liabilities [(1)]	0	86.854	**86.854**
Total	**3.243**	**1.192.003**	**1.195.246**

2008	Liabilities at fair value through the income statement	Other financial liabilities	Total
Liabilities as presented in the statement of financial position			
Borrowings	0	800.273	**800.273**
Finance lease liabilities	0	14.860	**14.860**
Other non-current liabilities	1.811	0	**1.811**
Trade payables	0	16.122	**16.122**
Other current liabilities [(1)]	0	23.763	**23.763**
Total	**1.811**	**855.018**	**856.829**

[(1)] Other receivables and other current liabilities in the above tables do not include payments in advance

(All amounts are presented in thousands Euro, except otherwise stated)

30. CASH AND CASH EQUIVALENTS

The cash and cash equivalents are analyzed as follows:

	The Group		The Company	
	2009	2008	2009	2008
Cash	2.466	1.165	205	93
Bank accounts (current & deposit)	213.931	207.514	158.221	121.212
Total	**216.398**	**208.679**	**158.426**	**121.305**

The cash and cash equivalents are denominated in the following currencies:

	The Group		The Company	
	2009	2008	2009	2008
Bank current accounts in Euro	154.743	69.999	103.812	10.139
Bank deposit accounts in Euro	57.793	104.704	54.400	83.037
Total bank accounts in Euro	**212.536**	**174.703**	**158.212**	**93.176**
Bank current accounts in other currency	1.252	4.811	8	37
Bank deposit accounts in other currency	143	28.000	0	28.000
Total bank accounts in other currency	**1.396**	**32.811**	**8**	**28.037**
Total bank accounts	**213.931**	**207.514**	**158.221**	**121.212**

Cash at banks earn interest at floating rates based on monthly bank deposit rates.

Deposits in foreign currencies as of December 31, 2009 mainly consisted of RON, BGN, HUF, HRK, RSD, SIT, ALL, PLN, UAH, GBP, USD and LUF. Interest earned on cash at banks and time deposits is accounted for on an accrual basis and amounted to € 973 and € 4.887 for the years ended at December 31, 2009 and 2008 respectively for the Group (€ 799 and € 3.948 for the years ended December 31, 2009 and 2008 respectively for the Company), and is included in 'Financial income / (expenses) in the accompanying income statement (note 14).

31. DISCONTINUED OPERATIONS

Within the course of the first quarter of 2009 the organic products sector confronted significant problems with gross and operating profit margin presenting steep decline. The decrease of profit margins and the losses that the sector presented in the first quarter of 2009 lead Group management to the decision to proceed immediately with: a) closure of the retail stores under the name Viologikos Kiklos, b) cease of production and distribution of organic products and c) the commencement of disposal or liquidation procedure for the companies activated in the division of organic products.

It is noted that the segment of organic products is presented as a discontinued operation according to IFRS 5 in the current financial statements.

Organic products sector assets and liabilities were remeasured to the lower of carrying amount and fair value less costs to sell at the date of held-for-sale classification.

On June 29th, 2009, the companies GLYKEIA IGIA SA, GLYKEIA GEFSI SA, EBIK PRODUCTS SA, CERTIFIED ORGANIC PRODUCTS LTD and THERAPEFTIKI SA and on September 30th, 2009, the companies EBIK SA and LYD SA, which are included in the organic products sector, were disposed, aiming to finalize the liquidation procedure for cash consideration of €390 (net of €968 cash disposed of) and the gain on disposal amounted up to € 1.339.

After the disposal of the abovementioned companies of the discontinuous segment, intangible assets that were held as non-current assets available for sale in the accounts of ALAPIS SA and were referring to customer base (amounted up to € 314) and trademarks (amounted up to € 4.340) of the organic sector, were fully impaired and had a total effect of €4.654 to the profit and loss accounts of the discontinuous sector.

(All amounts are presented in thousands Euro, except otherwise stated)

The income statement and cash flow statement distinguish discontinued operations from continuing operations. Comparative figures have been restated. Financial information relating to the organic products sector is set out below:

The Group	**1.1. - 31.12.2009**	**1.1. - 31.12.2008**
Revenue	6.045	15.573
Expenses	(16.058)	(17.397)
Impairment charge	0	(20.547)
Profit before income tax from discontinued operation	**(10.013)**	**(22.370)**
Income tax	4.311	(115)
Operating profit / (loss) after income tax from discontinued operations (a)	**(5.702)**	**(22.485)**
Gain /(loss) recognised on the disposal of the discontinued operations (b)	**1.339**	**0**
Net profit / (loss) from discontinued operations (a) + (b)	**(4.363)**	**(22.485)**

Cash flows	**1.1. - 31.12.2009**	**1.1. - 31.12.2008**
Operating cash flows of discontinued operations	4.779	24.863
Investing cash flows of discontinued operations	16.159	(22.387)
Financing cash flows of discontinued operations	0	0
Total cash flows	**20.939**	**2.476**

The Company	**1.1. - 31.12.2009**	**1.1. - 31.12.2008**
Revenue	0	35
Expenses	(8.727)	(2.340)
Goodwill impairment	0	(15.416)
Profit before income tax from discontinued operation	**(8.727)**	**(17.721)**
Income tax	2.811	(0)
Operating profit / (loss) after income tax from discontinued operations (a)	**(5.915)**	**(17.721)**
Gain /(loss) recognised on the disposal of the discontinued operations (b)	**(3.450)**	**0**
Net profit / (loss) from discontinued operations (a) + (b)	**(9.365)**	**(17.721)**

Cash flows	**1.1. - 31.12.2009**	**1.1. - 31.12.2008**
Operating cash flows of discontinued operations	8.577	18.464
Investing cash flows of discontinued operations	21.550	0
Financing cash flows of discontinued operations	0	0
Total cash flows	**30.127**	**18.464**

(All amounts are presented in thousands Euro, except otherwise stated)

32. SHARE CAPITAL AND PAID IN SURPLUS

Following the decision of the Board of Directors of ALAPIS SA, the rights issue offered to existing shareholders by means of pre-emption rights, which was decided by it on August 5, 2009 and took place from September 4, 2009 until September 18, 2009, has been fully subscribed with a payment of a total amount of € 451.076 and the issuance of 980.600.220 new, common, dematerialized and registered voting shares, each having a nominal value of € 0,30 and a subscription price of € 0,46. The total amount of shares requested by those who exercised the pre-emption rights and those who exercised the oversubscription rights oversubscribed the share capital increase 1,522 times. In light of the above, the share capital of the Company has been increased to € 294.180 with the issuance and distribution of 980.600.220 new, common, dematerialized and registered voting shares, each having a nominal value of € 0,30. The difference between the nominal value of the shares and the subscription price of the shares amounting in total to € 156.896 was credited, after the deduction of the expenses in respect of the rights issue, to the account 'Paid in surplus'. The trading of new shares commenced on September 25, 2009.

The movement of the share capital for the nine month period ended September 30, 2009, is analyzed as follows:

	Number of shares	Nominal value (in €)	Share capital	Paid in surplus
Balance on January 1, 2009	**980.600.220**	**0,30**	**294.180**	**1.179.297**
Share capital issue	980.600.220	0,30	294.180	128.883
Effect from the merger	-	-	-	12.705
Balance on December 31, 2009	**1.961.200.440**	**0,30**	**588.360**	**1.320.885**

(All amounts are presented in thousands Euro, except otherwise stated)

33. LEGAL AND OTHER RESERVES

Legal and other reserves are analyzed as follows:

	The Group		The Company	
	2009	2008	2009	2008
Legal reserve	10.365	7.558	9.038	7.087
Special reserves	3.117	3.117	3.117	3.117
Tax-free reserves	75.522	66.676	75.522	66.676
Merger reserve	(21.782)	(3.695)	(18.929)	(4.270)
Foreign currency reserve	(1.432)	(1.286)	0	0
Total	**65.790**	**72.370**	**68.747**	**72.609**

Legal reserve: Under Greek corporate law, corporations are required to transfer a minimum of 5% of their annual net profit as reflected in their statutory financial statements to a legal reserve, until such reserve equals one-third of the outstanding share capital. The above reserve cannot be distributed during the existence of the Company, unless for that part that exceeds the third of the outstanding share capital, which is considered to be discretionary.

Special reserves: Special reserves represent taxed profits whose distribution do not have any restrictions and are constructed according to the designation of the Company's memorandum.

Tax free and specially taxed reserves: Specially taxed reserves represent non distributable incomes which are non taxable based on related provisions of specials laws (assuming that there is sufficient income for their formation). In present the Company has no intention of distributing this reserve and, accordingly, has not provided for deferred income tax.

Merger reserve: The merger of the subsidiaries companies was accounted in the financial statements of the Parent company ALAPIS S.A by the pooling of interest method, as the merger occurred in an intra-group level thus lacked market value. In accordance with the applied accounting practice in transactions accounted for by the pooling of interest method, the resulting goodwill is recognized directly in the equity of the absorbing company, cost and relevant expenses are recognized in the income statement as reorganization expenses and the commercial transactions realized by the absorbed companies are recognized in account of the acquirer from the beginning date of the year as if the merged companies were a single company.

Foreign currency reserve: The functional currency of the Group's foreign subsidiaries is the official currency of the related country in which each subsidiary operates. Accordingly, at each reporting date all balance sheet accounts of these subsidiaries are translated into Euro using the exchange rate in effect at the balance sheet date. Revenues and expenses are translated at the weighted average rate of exchange prevailing during the year/period. The cumulative difference from the above translation is recognized directly in separate component of equity until the disposal or derecognition of a subsidiary in which case it is transferred to the profit and loss account.

34. REVALUATION RESERVES

Revaluation reserves represent reserves used to record increases in the fair value of tangibles fixed assets.

35. TREASURY SHARES

Treasury shares are presented at cost as a separate component in equity. On the purchase of the treasury shares, the relevant amounts and the result of each act / settlement are recognized directly in equity.

On February 4, 2008 the Extraordinary Shareholders Meeting of the Company approved of the purchase of the Company's treasury shares up to 1/10 of the paid up share capital, 98.060.022 shares, according to article 16 of C.L. 2190/1920 in order to decrease the share capital of the company, with the lowest acquisition price set at € 1 per share while the upper price limit set at € 5 per share and the time frame for the acquisition of the shares will not exceed two (2) years. The Board of Directors has been authorized to amend the article 5 of Company's Memoradum of Association when the treasury shares will be acquired and to materialize all the aforementioned decisions of the Extraordinary General Meeting, following at the same time the treasury shares acquisition procedure as set by C.L. 2190/1920, combined with the respective provisions of the legal framework of the stock exchange rulebook and the Company's Memoradum of Association in general. In July 2008 the Company began the purchase of treasury shares and until December 31, 2009, it was settled the purchase of 71.576.978 treasury shares of € 95.616 (included commisions and expenses).

On September 11, 2009, the Company disposed 71.578.743 preference rights that relate to same number of own shares that the Company holds according to article 16 of the L 2190/1920. The above mentioned sale and transfer was executed according to relevant decision of the Board of Directors of the Company and the gain from the transaction amount to € 4.006 was recognized directly in equity. On December 31, 2009, the Company owned 71.578.743 treasury shares.

(All amounts are presented in thousands Euro, except otherwise stated)

36. RETAINED EARNINGS

The movement in retained earnings is analyzed as follows:

	The Group		The Company	
	2009	2008	2009	2008
Balance at 1.1	58.402	44.393	47.005	42.779
Profit for the year	52.890	51.938	37.504	40.986
Dividends	(10.062)	(24.515)	(9.999)	(24.515)
Transfer to reserves	(6.272)	(13.275)	(5.357)	(12.245)
Exchange differences	0	(4)	0	0
Merger effect	0	0	3.514	0
Share capital's increase expenses	0	(219)	0	0
Disposal of subsidiaries	0	85	0	0
Non- controlling interest acquisition	(61.063)	0	0	0
Balance at 31.12	**33.896**	**58.402**	**72.667**	**47.005**

(All amounts are presented in thousands Euro, except otherwise stated)

37. BORROWINGS

The borrowings are analyzed as follows:

The borrowings are analyzed as follows:

	The Group		The Company	
Long term borrowings	**2009**	**2008**	**2009**	**2008**
Bank loans	0	0	0	0
Bond loans	735.000	702.606	735.000	664.843
Total long term borrowings	**735.000**	**702.606**	**735.000**	**664.843**
Short term borrowings				
Bank loans	81.187	168.932	76.001	135.430
Current portion of long term loans	65.000	526	65.000	0
Total short term borrowings	**146.187**	**169.459**	**141.001**	**135.430**
Total borrowings	**881.187**	**872.065**	**876.001**	**800.273**

On December 21, 2007, the Company signed a contract with a consortium of banks lenders, for a stand by revolving credit facility, for a period of 5 years, up to the amount of € 640.000, Euribor plus 0,75%-1,80% margin, fully repayable at the end of the 5 year period, in order to finance acquisitions of companies as well as to cover other financial needs. There are covenants referring to the maintenance of specific financial figures and ratios for the entire duration of the loan.

The Group on December 31, 2009 has short term loans that amount to € 146.187. Purpose of the loans is the financing of the Group and the average rate of interest is 4, 55% approximately.

The Company recognizes provision for accrued interest expense and charges the income statement with the relevant expenses in each financial year.

The movement in borrowings is analyzed as follows:

	The Group		The Company	
	31.12.2009	**31.12.2008**	**31.12.2009**	**31.12.2008**
Opening balance as of January 1	**872.065**	**91.622**	**800.273**	**60.064**
Acquisition of subsidiaries	2.180	132.814	0	0
Merger of subsidiaries	0	0	51.762	1.442
Proceeds from borrowings	217.239	740.592	213.557	738.831
Payments of borrowings	(210.297)	(92.963)	(189.591)	(64)
Closing balance as of December 31	**881.187**	**872.065**	**876.001**	**800.273**

(All amounts are presented in thousands Euro, except otherwise stated)

The total interest expense of the Group of the long term borrowings for the years ending December 31, 2009 and 2008 reached € 24.917 and € 14.355 respectively (€ 24.859 and € 12.648 for the years ending December 31, 2009 and 2008 for the Company respectively) and is included in the financial expenses of the attached income statement. The total interest expense of the Group of the short term borrowings for the years ending December 31, 2009 and 2008 reached € 7.532 and € 4.709 respectively (€ 5.557 and € 3.193 for the years ending December 31, 2009 and 2008 for the Company respectively) and is included in the financial expenses of the attached income statement (note 14).

Regarding borrowings the following table shows the future repayments for the Group and the Company as of December 31, 2009 and 2008:

	The Group		The Company	
	2009	2008	2009	2008
Up to 1 year	146.187	169.459	141.001	135.430
1-5 years	685.000	700.106	685.000	664.843
Over 5 years	50.000	2.500	50.000	0
Total	**881.187**	**872.065**	**876.001**	**800.273**

(All amounts are presented in thousands Euro, except otherwise stated)

38. FINANCE LEASE LIABILITIES

The movement in finance lease liabilities is analyzed as follows:

	The Group		The Company	
	31.12.2009	31.12.2008	31.12.2009	31.12.2008
Opening balance as of January 1	**24.309**	**21.720**	**14.860**	**14.861**
Acquisition of subsidiaries	0	7.644	0	0
Merger of subsidiaries	0	0	3.151	3.630
Proceeds	19.695	1.779	18.449	0
Payments	(4.649)	(6.833)	(2.283)	(3.631)
Closing balance as of December 31	**39.355**	**24.310**	**34.177**	**14.860**

(a) On August 31, 2006, the Company commited an agreement of sale and lease back on its office buildings to Aspropirgos of Attica. The result from sale (profit) € 982, was transferred to accruals and deferred account for amortization accordingly to the duration of the contract. With the contract of the agreement the Company was charged with expenses of € 491which were transferred to prepayments and accrued income account and are amortisized accordingly with the duration of the contract. The agreement’s duration is 15 years and the Company has the right to buy back its buildings, at the end of the contract’s duration at a nominal price. The rent paid per quarter (capital and interest) amounts to € 208 and is adjusted in relation to the Euribor’s fluctuations. The average interest for the sale and lease back contract mentioned above for the year ended on the December 31, 2009 amounted to 5,59%.

(b) On December 21, 2000, the subsidiary KP MARINOPOULOS SA commited an agreement of finance lease on its office buildings to Metamorfosi of Attica. The agreement’s duration is 10 years and the Company has the right to buy back its buildings, at the end of the contract’s duration at a nominal price. The rent paid per month (capital and interest) amounts to € 25 and is adjusted in relation to the Euribor’s fluctuations. The average interest for the sale and lease back contract mentioned above for the year ended on the December 31, 2009 amounted to 5,45%.

(c) On August 7, 2009, the Company commited an agreement of finance lease on land and buildings to Shimatari of Viotias and to Kryoneri of Attica. The agreements’ duration is 20 and 15 years respectively and the Company has the right to buy back its buildings, at the end of the contract’s duration at a nominal price. The rent paid per month (capital and interest) amounts to € 56 and € 83 respectively, and is adjusted in relation to the Euribor’s fluctuations. The average interest for the sale and lease back contract mentioned above for the year ended on the December 31, 2009 amounted to 5,44% and 5,37% respectively

(d) The subsidiaries of the Group, BIOCHEM DIAGNOSTICS SA και LABOMED SA have signed leasing contracts regarding machinery.

(All amounts are presented in thousands Euro, except otherwise stated)

(e) The subsidiaries of the Group PNG GEROLYMATOS SA , GEROLPHARM SA and MEDIMEC SA have signed leasing contracts regarding machinery, vehicles and other equipment.

Leasing liabilities are analysed as follows:

	The Group		The Company	
	2009	2008	2009	2008
Liabilities from financial leases	39.356	24.310	34.177	14.860
Less: Current portion	4.046	3.546	1.701	443
Long term financial leases	**35.309**	**20.763**	**32.476**	**14.417**

The future minimum payments of the lease contracts in relation to the present value of the net minimum payments for the Group and the Company on December 31, 2009 and 2008 are presented as follows:

	The Group			
	31.12.2009		31.12.2008	
	Minimum payments	Payments present value	Minimum payments	Payments present value
Within 1 year	5.987	4.046	4.958	3.546
Within 1 to 5 years	19.690	13.461	13.470	10.358
Over 5 years	27.546	21.848	12.809	10.406
Total minimum lease payments	**53.223**	**39.355**	**31.236**	**24.310**
Less:				
Finance expenses	(13.868)	0	(6.926)	0
Present value of minimum lease payments	**39.355**	**39.355**	**24.310**	**24.310**

	The Company			
	31.12.2009		31.12.2008	
	Minimum payments	Payments present value	Minimum payments	Payments present value
Within 1 year	3.382	1.701	1.270	443
Within 1 to 5 years	16.338	10.628	6.831	4.012
Over 5 years	27.546	21.848	12.809	10.406
Total minimum lease payments	**47.266**	**34.177**	**20.910**	**14.860**
Less:				
Finance expenses	(13.088)	**0**	(6.050)	**0**
Present value of minimum lease payments	**34.177**	**34.177**	**14.860**	**14.860**

Total interest expense on financial leasing for the years ended December 31, 2009 and 2008 amounted to € 3.490 and € 2.047 for the Group (€ 3.202 and € 1.327 for the Company respectively) and is included in financial expenses in the accompanying income statement (note 14).

(All amounts are presented in thousands Euro, except otherwise stated)

39. RETIREMENT BENEFIT OBLIGATIONS

(a) State pension: The Group's and the Company's contributions to the state pension funds, regarding the continuing operations, for the year ended December 31, 2009, that have been charged to the income statement recorded to expenses and were € 18.624 and € 9.876 respectively (€ 10.924 and € 2.923, for the Group and the Company respectively for the year ended December 31, 2008).

(b) Staff retirement indemnities: Under the labour law of the countries in which the Group operates, employees and workers are entitled to various types of termination payments in the event of dismissal or retirement. In respect with the Greek subsidiaries (that consist the largest part of the Group's activities) the amount of compensation varies according to the salary, the years of services and the manner of termination (dismissal or retirement) of the employee. Employees or workers who resign or are dismissed with cause are not entitled to termination payments. The indemnity payable in case of retirement is equal to 40% of the amount which would be payable upon dismissal without cause. In Greece, local practice is that such termination schemes are not funded and they represent defined benefit plans according to IAS 19. In accordance with this practice, the Company does not fund these plans. The Group charges operations for benefits earned in each period with a corresponding increase in the respective actuarial liability. Benefits payments made during each period to retirees are charged against this liability.

The movement in the net liability in the accompanying balance sheets has as follows:

	The Group		The Company	
	2009	2008	2009	2008
Balance at 1.1	8.582	4.196	2.456	2.586
Acquisition of subsidiary	62	4.725	2.893	693
Disposal of subsidiary	(90)	0	0	0
Pension and dismissal indemnities paid	(971)	(1.464)	(415)	(1.208)
Expenses/(income) through income statement	681	1.125	(428)	385
Balance at 31.12	**8.264**	**8.582**	**4.506**	**2.456**

(All amounts are presented in thousands Euro, except otherwise stated)

An independent international actuary firm assessed the Group's and the Company's liabilities arising from the obligation to pay termination indemnities. The details and principal assumptions of the actuarial study as at December 31, 2009 and 2008 have as follows:

	The Group		The Company	
	2009	2008	2009	2008
Present value of unfunded obligations	6.332	7.128	3.442	1.048
Unrecognised actuarial net loss	1.932	1.455	1.064	1.408
Net liability in balance sheet	**8.264**	**8.582**	**4.506**	**2.456**
Components of net periodic pension cost:				
Service cost	1.254	1.489	423	220
Interest cost	171	357	58	31
Recognition of actuarial loss/(profit)	(308)	(913)	(230)	(339)
Regular charge to operations	**1.117**	**932**	**251**	**(88)**
Additional cost of extra benefits	137	193	(140)	472
Curtailment cost of transfer of employees	(573)	0	(538)	0
Total charge to operations	**681**	**1.125**	**(428)**	**385**

	The Group		The Company	
	2009	2008	2009	2008
Reconciliation of benefit obligation:				
Net liability at start of period	7.115	1.846	1.048	642
Net liability emerging from acquisition of subsidiaries	62	4.725	0	0
Net liability emerging from absorption of subsidiaries	0	0	2.893	472
Service cost	1.252	1.489	423	220
Interest cost	171	357	58	31
Benefits paid	(1.406)	(37)	(1.094)	0
Actuarial loss	(773)	(1.251)	114	(318)
Disposal of subsidiary	(90)	0	0	0
Present value of obligation at the end of the year	**6.332**	**7.128**	**3.442**	**1.048**
Principal Assumptions:	2009	2008	2009	2009
Discount rate	6,10%	5,30%	6,10%	5,30%
Rate of compensation increase	4,00%	4,00%	4,00%	4,00%
Average annual long-term increase of GDP	3,00%	3,00%	3,00%	3,00%
Average annual rate of inflation long-term increase	2,00%	2,00%	2,00%	2,00%

Provision for retirement benefit obligation of € 13 (for FY 2008 gain € 249 from reverse provision) has been charged in the income statement of discontinued operations of Group.

(All amounts are presented in thousands Euro, except otherwise stated)

40. OTHER NON-CURRENT LIABILITIES

The other non-current liabilities refer: (a) to guarantees received from third parties and expected to be paid back after 12 months period amount to € 184 and € 0 for the Group and the Company respectively (2008: € 174 and € 0 for the Group and the Company respectively) which are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method and (b) interest rate swaps amount to € 3.243 for the Group and the Company (2008: € 1.811 for the Group and the Company).

Interest Rate Swaps: The Company has entered in interest rate swaps which do not qualify for hedge accounting. From measurement of these derivatives at fair values as of December 31, 2009, a loss of € 1.432 was incurred, which was included in the financial income of the year (note 14). The notional amount and the maturity of such derivatives are as follows:

	Notional amount
Within one year	0
Between two and five years	72.625
After five years	1.606
	74.231

Above interest rate swaps bear mainly floating interest rate, which according to the respective contract, are adjusted accordingly in connection with the fulfillment or not of specific factor relating to interest rate currency variable and the maintenance or not of interest rate of specific currencies above of below predetermined levels.

(All amounts are presented in thousands Euro, except otherwise stated)

41. TRADE PAYABLES

The trade payables are analyzed as follows:

	The Group		The Company	
	2009	**2008**	**2009**	**2008**
Trade suppliers	205.991	116.319	189.786	16.006
Bills payable	12.247	14.671	4.420	116
Checks payable	34.022	42.224	765	0
Total	**252.260**	**173.215**	**194.971**	**16.122**

Trade payables are non-interest bearing and are normally settled on 180-day terms.

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

	The Group	
	2009	**2008**
in €	234.604	165.550
in $	3.343	3.682
in £	2.881	944
in SRD	2.337	1.980
in £	8.386	723
Other currencies	709	336
Total	**252.260**	**173.215**

The trade payables of the Company are denominated mostly in Euro.

42. OTHER CURRENT LIABILITIES

The other current liabilities are analyzed as follows:

	The Group		The Company	
	2009	**2008**	**2009**	**2008**
Customers' advances	1.555	748	0	0
Withholding taxes payable	3.220	6.216	1.834	1.229
Payroll	112	1.444	15	643
Social security insurance	4.652	4.447	2.424	758
Dividends payable	28	26	28	26
Payable to directors	660	155	660	0
Other creditors	83.284	49.858	81.894	21.107
Accrued income	796	876	795	828
Accrued expenses	10.575	32.352	23.649	30.616
Other liabilities suspense accounts	99	5.090	83	63
Total	**104.981**	**101.213**	**111.381**	**55.270**

Other short liabilities are non-interest bearing and are normally settled on 180-day terms.

43. DIVIDENTS

Under Greek corporate law, companies are required each year to declare from their statutory profits, dividends of at least 35% of after-tax statutory profit, after allowing for legal reserve. With the 70% shareholders' voting rights, a company may not declare any dividend. Furthermore, Greek corporate law requires certain conditions to be met before dividends can be distributed, which are as follows:

a) No dividends can be distributed to the shareholders as long as the company's net equity, as reflected in the statutory financial statements, is, or after such distribution, will be less than the outstanding capital plus non-distributable reserves and,

b) No dividends can be distributed to the shareholders as long as the unamortized balance of 'Preliminary expenses', as reflected in the statutory financial statements exceeds the aggregate of distributable reserves plus retained earnings.

On March 20, 2010, the Company's Board of Directors decided to propose to the General Assembly meeting dividend of € 0,0060 per share, that is included in Equity and has not been recognized as liability in the Balance Sheet. The proposal of the Board of Directors is subject to the approval of the Annual General Assembly meeting.

(All amounts are presented in thousands Euro, except otherwise stated)

44. CONTINGENT RECEIVABLES, LIABILITIES AND COMMITMENTS

(a) Litigation and claims

The Company and its subsidiaries are parties to various lawsuits (as a defendant or as a plaintiff) and arbitration proceedings in the normal course of business. Management and the Company's legal advisors estimate that all of the lawsuits are expected to be settled without any material adverse effect on the Group's or the Company's financial position or results of operations. The amount of the provision for any litigation issues on December 31, 2009 amount to € 13.753 for the Group and € 12.658 for the Company.

(b) Guarantees

The Group had the following contingent liabilities on December 31, 2009:

- It has issued letters of guarantee for good performance for a total amount of € 4.334.
- It has provided guarantees for repayment of bank overdrafts and commercial liabilities of various subsidiaries and associates for a total amount of € 1.438.
- It has provided guarantees for its participation in various competitions for a total amount of € 5.777.

(c) Operating lease commitments

As of December 31, 2009, the Group has entered into a number of operating lease agreements relating to the rental of buildings and transportation equipment which expire on various dates through 2047.

Lease rentals amounting to € 4.483 (2008: € 3.057) and € 373 (2008: € 1.330) relating to the lease of property, plant and equipment are included in the income statement of the Group and of the Company respectively.

Future minimum rentals payable under non-cancellable operating leases as at December 31, 2009, are as follows:

	The Group	The Company
Up to 1 year	3.881	1.701
1-5 years	7.939	3.352
Over 5 years	1.569	312
Total	**13.388**	**5.365**

(d) Contingent receivables

On December 31, 2009 the Group had the following contingent receivables:

- The subsidiary company FARMAGORA S.A has filed a legal appeal before the administrative court of Athens against the Hellenic pharmaceutical association by which there is demanded an amount of €1.359

- The subsidiary company PNG GEROLYMATOS SA has filed a legal appeal against the Greek State by which there is demanded an amount of € 13.235 and another one by which there is demanded an amount of € 6.730.

- The subsidiary company PNG GEROLYMATOS SA has filed a legal appeal against the General Hospital of Nafplio by which the prosecutor is demanding (a) an amount of € 205 and (b) the interest rates of the before mentioned capital which amounts to € 68.

- The subsidiary company PNG GEROLYMATOS SA has filed a legal appeal against the General Hospital of Mytilinis by which the prosecutor is demanding (a) an amount of € 322 and (b) the interest rates of the before mentioned capital which amounts to € 108.

The management and the Company’s legal advisors estimate that the abovementioned legal appeals are expected to be settled in a fine way. The sums that will be adjudged will be constituted as income in the fiscal year which the court will make the decision of the court final.

(All amounts are presented in thousands Euro, except otherwise stated)

45. RELATED PARTY DISCLOSURES

The consolidated financial statements include the financial statements of ALAPIS SA and its subsidiaries which are presented in note 3

The Company sales and purchases goods and services and signs financial agreements (borrowings and factoring agreements) to and from certain related companies in the ordinary course of their business. Such related companies consist of associates or companies, which have common ownership and/or management with the Company.

Account balances with related parties for the years ended December 31, 2009 and 2008, are as follows:

	The Group		The Company	
	2009	2008	2009	2008
Trade receivables from subsidiaries	0	0	180.716	109.978
Trade receivables from associates	2	10.730	2	0
Total	2	10.730	**180.718**	**109.978**
Trade payables to subsidiaries	0	0	51.713	4.711
Trade payables to associates	6.680	1.008	3.000	0
Total	**6.680**	**1.008**	**54.713**	**4.711**

Transactions with related parties for the years ended 31 December 31, 2009 and 2008 are analyzed as follows:

	The Group		The Company	
	1.1. - 31.12.2009	1.1. - 31.12.2008	1.1. - 31.12.2009	1.1. - 31.12.2008
Sales to subsidiaries	0	0	176.089	197.159
Sales to associates	292	7.814	292	2
Total	**292**	**7.814**	**176.381**	**197.161**
Inventory purchases from subsidiaries	0	0	131.566	160.281
Inventory purchases from associates	5.754	34.543	4.823	4.103
Total	**5.754**	**34.543**	**136.389**	**164.384**

Sales, services rendered and other financial agreements to and from related parties are made at normal market prices and common business practice. Outstanding balances at year-end are unsecured and settlement occurs in cash. No guarantees have been provided or received for the above receivables. For the year ended December 31, 2009, the Group has not formed any provision for doubtful debts regarding amounts owed by related parties.

Key management personnel and members of the BoD fees for the year ended December 31, 2009 as defined in IAS 24 amount to € 2.017. There are no receivables for the Company and the Group as defined in IAS 24 from key management personnel and members of the BoD. On December 31, 2009, the liabilities of the Company and the Group to key management personnel as defined in IAS 24 amount to €55.

46. EVENTS AFTER THE END OF THE REPORTING PERIOD

There are no events after the end of the reporting period regarding the Group and the Company that must be disclosed according to the IFRS.

Athens, March 20, 2010

President of the Board of Directors	Managing Director	Member of the Board of Directors	Chief Accounting Officer
Aristotelis Charalampakis	Periklis Livas	Nikolaos Karantanis	Charalampos Zantzas

INFORMATION
(Pursuant to Law 3401/2005, article 10)

The present document contains all the information required by article 10 of the Law 3401/2005 which the Company publicized during the fiscal year 2008. The full text of the announcements is available at the website of ALAPIS SA at the electronic address www.alapis.eu.

No.	Date	Subject of Announcement
1	8/1/2009 15:36	Disclosure of change of participation percentage.
2	11/2/2009 14:28	Announcement for the approval of the sale of fractional balances.
3	16/2/2009 16:01	Approval of the acquisition of the remaining percentage of PNG Gerolymatos SA.
4	24/2/2009 18:45	Announcement of other important facts.
5	25/2/2009 16:03	Response to Capital Markets Committee letter.
6	25/2/2009 16:52	Disclosure of change of participation percentage.
7	9/3/2009 10:46	Disclosure of change of participation percentage.
8	16/3/2009 15:34	Announcement of other important facts
9	19/3/2009 14:50	Announcement: Financial Calendar 2009.
10	23/3/2009 16:04	Abstract of draft merger agreement between subsidiaries.
11	24/3/2009 13:39	Abstract of draft merger agreement between subsidiaries. (translation)
12	26/3/2009 12:44	Abstract of draft merger agreement with subsidiaries.
13	26/3/2009 13:55	Announcement regarding the sale of fractional balances.
14	27/3/2009 9:55	Abstract of draft merger agreement with subsidiaries. (translation)
15	30/3/2009 14:16	Announcement: Financial Calendar 2009.Correct repetition.
16	30/3/2009 19:05	Announcement of financial results for FY 2008.
17	30/3/2009 19:35	Announcement for FY 2008 IR RELEASE
18	31/3/2009 18:08	Data and Information under IAS 31.12 2008.
19	31/3/2009 18:53	Announcement regarding the use of funds raised by share capital increase.
20	31/3/2009 19:31	Data and Information under IAS 31.12 2008 consolidated.
21	3/4/2009 12:42	Announcement of other important facts.
22	3/4/2009 14:01	Invitation of Shareholders to General Meeting.
23	9/4/2009 12:11	Completion of the sale of fractional balances.
24	27/4/2009 16:14	Decisions of the General Shareholders Meeting .
25	28/4/2009 11:17	Decisions of the General Shareholders Meeting (translation).
26	25/5/2009 15:13	Announcement date of the 1st Quarter 2009 Financial Results
27	25/5/2009 19:29	Announcement of other important facts.
28	26/5/2009 13:44	Approval of the merger with subsidiaries.
29	27/5/2009 17:16	Announcement for Q1 2009 IR RELEASE
30	27/5/2009 17:18	Consolidated financial results Q1 2009
31	28/5/2009 15:12	Data and Information under IAS 31.03 2009.
32	28/5/2009 15:14	Data and Information under IAS 31.03 2009 consolidated.
33	1/6/2009 15:55	Acquisition of a remaining percentage in a subsidiary
34	3/6/2009 13:19	Completion of the merger of subsidiary companies
35	5/6/2009 10:29	Dividend payment for the year 2008 .
36	5/6/2009 11:01	Dividend payment for the year 2008 (translation)
37	17/6/2009 17:03	Announcement of other important facts
38	30/6/2009 10:59	Announcement regarding the merger via absorption of a subsidiary and establishment of subsidiaries .
39	30/6/2009 11:50	Announcement regarding the merger via absorption of a subsidiary and establishment of subsidiaries (translation).
40	9/7/2009 10:35	Establishment of the companies GEROLYMATOS COSMETICS S.A. and GEROLYMATOS ANIMAL HEALTH S.A.
41	10/7/2009 15:55	Abstract Draft Merger Agreement between subsidiaries.
42	23/7/2009 9:31	Announcement date of 6M 2009 financial results.

No.	Date	Subject of Announcement
43	23/7/2009 17:40	Consolidated financial results - First half 2009
44	23/7/2009 18:42	Announcement for 6M 2009 IR RELEASE
45	24/7/2009 15:52	Data and Information under IAS 30.06.2009.
46	24/7/2009 16:21	Data and Information under IAS 30.06.2009 consolidated.
47	6/8/2009 9:56	Announcement - Response to the letter of the Hellenic Capital Market Committee.
48	6/8/2009 10:27	Announcement - Response to the letter of the Hellenic Capital Market Committee (translation).
49	6/8/2009 10:35	Announcement of a share capital increase and a rights issuing.
50	27/8/2009 17:51	Share capital increase through payment of cash and pre-emption right in favour of existing shareholders
51	27/8/2009 17:53	Share capital increase through payment of cash and pre-emption right in favour of existing shareholders (translation)
52	27/8/2009 17:54	Announcement for the publication of the Prospectus
53	11/9/2009 16:49	Announcement regarding the sale and transfer of the pre-emption rights that relate to the treasury shares.
54	18/9/2009 13:50	Disclosure of change of participation percentage
55	18/9/2009 14:10	Disclosure of change of participation percentage (correct repetition).
56	18/9/2009 16:18	Disclosure of change of participation percentage.
57	21/9/2009 20:11	Full coverage of the Share Capital Increase .
58	23/9/2009 14:36	Disclosure of change of participation percentage.
59	23/9/2009 15:27	Announcement of other important facts.
60	23/9/2009 17:11	Approval of the merger of subsidiaries.
61	23/9/2009 17:26	Listing and admission to trading of new shares issued pursuant to the share capital increase.
62	25/9/2009 11:10	Announcement par.5 article 9 L.3556.
63	28/9/2009 14:28	Disclosure of transactions .
64	28/9/2009 15:20	Disclosure of transactions .
65	28/9/2009 15:31	Announcement article.3&21 L.3556.
66	30/9/2009 14:06	Disclosure of change of participation percentage.
67	30/9/2009 16:53	Announcement regarding the percentage of treasury shares that is below 5% .
68	7/10/2009 15:03	Abstract Draft Merger Agreement with subsidiary PNG GEROLYMATOS COSMETICS S.A.
69	29/10/2009 12:41	New internal auditor .
70	29/10/2009 13:43	Establishment of the companies SAMBROOK MED SA, ALMEDIA PHARMACEUTICALS SA and MEDSYSTEMS SA .
71	29/10/2009 15:32	Announcement date of 9M 2009 financial results.
72	2/11/2009 16:35	Cooperation of Gerolymatos Cosmetics S.A. and Shiseido International Europe S.A.
73	2/11/2009 19:49	Consolidated financial results 9M 2009
74	2/11/2009 20:54	Announcement for 9M 2009 IR RELEASE
75	3/11/2009 16:56	Data and Information under IAS 30.09.2009.
76	3/11/2009 16:59	Data and Information under IAS 30.09.2009.
77	10/11/2009 14:24	Announcement of the establishment of the company SHISEIDO HELLAS SA .
78	31/12/2009 0:00	Announcement for the approval of the merger of the company with PNG GEROLYMATOS, acquisition of 50% of GENESIS ILAC

DATA AND INFORMATION

ALAPIS SA
(Company's Number in the Register of Societes Anonymes: 8057/06/B/86/11)
REGISTERED ADRESS : 2, AFTOKRATOROS NIKOLAOU STR, P.C. 17671 ATHENS
DATA AND INFORMATION FOR THE YEAR 1 JANUARY 2009 TO 31 DECEMBER 2009
According to L.2190, article 135 for entities published financial statements in accordance with IFRS

The following data and information aim at providing general information on the financial standing and the financial results of ALAPIS SA. We, therefore, recommend the reader, before proceeding to any kind of investment or other transaction with the company, to look to the company's website, where financial statements under IFRS together with the Audit report are presented.

COMPANY DETAILS

Authority :	Ministry of Development
Website :	www.alapis.eu
Board of Directors :	Aristotelis Charalampakis: President, Periklis Livas: Vice President & Managing Director, Nikolaos Korbis: Member, Evridiki Georgakaki: Member, Nikolaos Karantanis: Member
Approval date for issuing by the Board of Directors :	March 20th, 2010
Certified Auditor Accountant :	Vrasidas Damilakos R.N.SOEL (GR) 22791
Audit Company :	BDO CERTIFIED & REGISTERED AUDITORS AE
Type of Report	Unqualified Opinion

STATEMENT OF FINANCIAL POSITION (amounts in thousands €)

	The Group		The Company	
ASSETS	**31.12.2009**	**31.12.2008**	**31.12.2009**	**31.12.2008**
Property, plant and equipment	1.669.714	1.466.620	1.580.386	1.155.667
Investment properties	25.544	127	25.476	59
Intangible assets	879.442	793.212	606.688	522.143
Other non current assets	18.227	16.393	492.904	507.148
Inventories	164.869	149.801	39.922	10.812
Trade receivables	274.983	75.022	351.705	71.512
Other current assets	334.680	335.738	214.889	187.548
Non current assets available for sale	0	0	0	0
TOTAL ASSETS	**3.367.458**	**2.836.913**	**3.311.971**	**2.454.889**
EQUITY AND LIABILITIES				
Share capital	588.360	294.180	588.360	294.180
Other equity items	1.359.809	1.245.301	1.401.538	1.234.143
Total owners' equity (a)	1.948.169	1.539.481	1.989.898	1.528.323
Non controlling interests (b)	92	6.897	0	0
Total equity (c) = (a) + (b)	**1.948.261**	**1.546.377**	**1.989.898**	**1.528.323**
Long term borrowings	735.000	702.606	735.000	664.843
Provisions / other long term liabilities	153.674	123.492	121.974	49.001
Short-term borrowings	146.187	169.459	141.001	135.430
Other short term liabilities	384.335	294.980	324.098	77.292
Non current liabilities available for sale	0	0	0	0
Total liabilities (d)	**1.419.197**	**1.290.536**	**1.322.072**	**926.566**
TOTAL EQUITY AND LIABILITIES (c)+(d)	**3.367.458**	**2.836.913**	**3.311.971**	**2.454.889**

STATEMENT OF COMPREHENSIVE INCOME (amounts in thousands €)

The Group

	1.1. - 31.12.2009			1.1. - 31.12.2008		
	Continuing operations	**Discontinued operations**	**Total**	**Continuing operations**	**Discontinued operations**	**Total**
Revenue	1.226.416	6.045	1.232.462	1.120.712	15.573	1.136.285
Gross profit/(loss)	408.703	(171)	408.532	403.328	8.562	411.891
Profit before tax, financial and investing results (EBIT)	152.892	(10.005)	142.887	139.907	(21.640)	118.268
Profit/(loss) before tax	96.530	(8.674)	87.856	107.337	(21.650)	85.687
Profit/(loss) (a)	**56.717**	**(4.363)**	**52.354**	**77.177**	**(24.483)**	**52.695**
Owners of the parent	57.254	(4.363)	52.890	76.420	(24.483)	51.938
Non-controlling interests	(536)	0	(536)	757	0	757
Other comprehensive income (net of tax) (b)	(24.160)	0	(24.160)	(1.248)	(219)	(1.468)
Total comprehensive income (net of tax) (a) + (b)	32.558	(4.363)	28.194	75.929	(24.702)	51.227
Owners of the parent	33.100	(4.363)	28.737	75.172	(24.702)	50.470
Non-controlling interests	(543)	0	(543)	757	0	757
Net profit/(loss) per share - basic (in €)	0,0488	(0,0037)	0,0451	0,0793	(0,0254)	0,0539
Profit/(loss) before tax, financial, investing results, depreciation and amortisation	317.346	(9.204)	308.142	202.093	(18.490)	183.603

The Company

	1.1. - 31.12.2009			1.1. - 31.12.2008		
	Continuing operations	**Discontinued operations**	**Total**	**Continuing operations**	**Discontinued operations**	**Total**
Revenue	479.671	0	479.671	438.724	35	438.759
Gross profit/(loss)	294.027	(381)	293.646	262.459	3	262.462
Profit before tax, financial and investing results (EBIT)	136.759	(8.727)	128.032	92.577	(17.001)	75.576
Profit/(loss) before tax	82.116	(12.177)	69.939	92.280	(17.001)	75.279
Profit/(loss) (a)	**46.869**	**(9.365)**	**37.504**	**60.705**	**(19.719)**	**40.986**
Owners of the parent	46.869	(9.365)	37.504	60.705	(19.719)	40.986
Non-controlling interests	0	0	0	0	0	0
Other comprehensive income (net of tax) (b)	(24.007)	0	(24.007)	0	0	0
Total comprehensive income (net of tax) (a) + (b)	22.863	(9.365)	13.497	60.705	(19.719)	40.986
Owners of the parent	22.863	(9.365)	13.497	60.705	(19.719)	40.986
Non-controlling interests	0	0	0	0	0	0
Net profit per share - basic (in €)	0,0400	(0,0080)	0,0320	0,0630	(0,0205)	0,0425
Divident per share (in €)	0,0060	0,0000	0,0060	0,0110	0,0000	0,0110
Profit/(loss) before tax, financial, investing results, depreciation and amortisation	234.258	(8.254)	226.004	134.976	(14.589)	120.388

STATEMENT OF CASH FLOWS (amounts in thousands €)

	The Group		The Company	
	1.1. - 31.12.2009	**1.1. - 31.12.2008**	**1.1. - 31.12.2009**	**1.1. - 31.12.2008**
Operating activities				
Profits before taxes (continuous operation)	**96.530**	**107.337**	**82.116**	**92.280**
Profits before taxes (discontinuous operation)	**(8.674)**	**(21.650)**	**(12.177)**	**(17.001)**
Plus/ less adjustments for:				
Depreciation and amortization	164.454	62.185	97.499	42.399
Gain /(Loss) from disposal of tangible assets	(274)	3.176	93	1.807
Provisions	601	(2.996)	(5.435)	(2.846)
Goodwill impairment	29.428	74.019	26.287	74.019
Exchange differences	(2.893)	1.981	118	16
Results (income, expenses, gain, loss) from investing activity	(536)	(4.657)	6.939	(21.755)
Interest expense	56.898	37.227	47.704	22.052
Plus/less changes in working capital:				
Decrease / (increase) of inventories	(14.506)	34.558	(6.403)	15.415
Decrease / (increase) of trade receivables	(194.621)	81.744	(235.920)	176.573
Decrease / (increase) of other receivables	9.688	(25.875)	47.603	(37.197)
(Decrease) / Increase of trade liabilities (excluding borrowings)	84.152	20.504	71.021	(154.396)
(Decrease) / Increase of other liabilities (excluding borrowings)	19.632	15.289	28.259	18.694
Less:				
Interest paid	(64.351)	(29.104)	(52.022)	(15.237)
Taxes paid	(18.513)	(23.562)	(7.194)	(17.978)
Operating cash flow from discontinued operation	4.779	24.863	8.577	18.464
Net cash flows from operating activities (a)	**161.793**	**355.039**	**97.065**	**195.310**
Investing activities				
Acquisition/(Disposal) of subsidiaries, related, joint ventures and other investments	(133.868)	(237.133)	(234.401)	(184.311)
Purchase/(Disposal) of tangible and intangible assets	(471.927)	(732.484)	(349.379)	(692.247)
Interest received	1.104	5.240	808	3.948
Proceeds from dividends	0	(0)	18.476	19.581
Gains / (losses) on disposal of investments	408	(0)	(4.781)	0
Proceeds from grants / Guarantees paid	(4.948)	(54)	(4.793)	27
Investing cash flow form discontinued operation	16.159	(22.387)	21.550	0
Net cash flows from investing activities (b)	**(593.071)**	**(986.819)**	**(552.520)**	**(853.001)**
Financing activities				
Issue of share capital	423.063	80	423.063	0
Proceeds from borrowings	217.239	740.592	213.557	738.767
Payments of borrowings	(210.297)	(92.963)	(189.591)	0
Principal repayments of finance lease obligations	15.046	(5.054)	16.167	(3.631)
Dividents paid	(10.061)	(24.603)	(9.998)	(24.509)
(Purchase)of Treasury shares/Gain from disposal of share capital's issue rights	4.006	(95.616)	4.006	(95.616)
Financing activities from discontinued operation	0	0	0	0
Net cash flows from financing activities (c)	**438.997**	**522.436**	**457.204**	**615.011**
Net increase in cash and cash equivalents (a)+(b)+(c)	**7.719**	**(109.344)**	**1.748**	**(42.681)**
Cash and cash equivalents at beginning of year	**208.679**	**318.023**	**121.305**	**163.168**
Cash and cash equivalents of acquired Groups	0	0	35.372	818
Cash and cash equivalents at end of year	**216.398**	**208.679**	**158.426**	**121.305**

STATEMENT OF CHANGES IN EQUITY (amounts in thousands €)

	The Group		The Company	
	1.1. - 31.12.2009	**1.1. - 31.12.2008**	**1.1. - 31.12.2009**	**1.1. - 31.12.2008**
Equity balance at the beginning of the year (1.1.2009 and 1.1.2008 respectively)	**1.546.377**	**1.609.057**	**1.528.323**	**1.608.043**
Total comprehensive income (net of tax) (continuing and discontinued operations)	28.194	51.227	13.497	40.986
Share capital increase / (dicrease)	451.076	0	451.076	0
Acquisition of subsidiaries	(67.324)	6.140	0	0
Disposal of subsidiaries	0	85	0	0
Dividents	(10.062)	(24.515)	(9.999)	(24.515)
(Purchase) / disposal of treasury shares	0	(95.616)	0	(95.616)
Effect of subsidiaries merge	0	0	7.001	(575)
Equity balance at the end of the year (31.12.2009 and 31.12.2008 respectively)	**1.948.261**	**1.546.377**	**1.989.898**	**1.528.323**

ADDITIONAL DATA AND INFORMATION

1.The companies included in the consolidated financial statements , together with their registered addresses, the consolidation method in the financial statements of the Company and their share of participation are analyzed in note 3 of the financial statements and the tax unaudited FYs of the companies are analyzed in note 15 of the annual financial report.

2.On February 2009, ALAPIS SA proceeded with the acquisition of the remaining 46% and 17% stake of SANTA PHARMA SA and PNG GEROLYMATOS MEDICAL SA respectively and on March 2009, the remaining 40% stake of ANDREAS CHRISTOFOGLOU SA following which ALAPIS SA now controls 100% of the share capitals of the companies mentioned above. Furthermore the Company proceeded with the acquisition of 100% of the company BEAUTY WORKS SA which represents well known brand names in the cosmetics sector,the 100% of the company DILACO SA which at the date of the acquisition had the 40% of the share capital of the company MEDIMEC SA and also proceeded with the acquisition of the remaining 60% of this company which operates in the orthopedic material sector as the first one. On May 2009, the Company proceeded with the acquisition of the 1% stake of the company PHARMASOFT LTD and obtained the 35,20% stake of the company IPIROPHARM SA controlling the 100% and 91,20 of the companies respectively.On June 2009, ALAPIS SA proceeded with the acquisition of the 100% of GEROLYMATOS PRESTIGE SPA S BEAUTY SALON SA which offers a diverse line of facial and body therapies and the 1,88% of SUMADIJALEK SA following which ALAPIS SA now controls 97,79% of the share capital of this company.On the same month, the Company proceeded to the liquidation of its subsidiaries GLIKEIA IGEIA SA, GLIKEIA GEFSI SA, PROIONTA EBIK SA, CERTIFIED ORGANIC PRODUCTS LTD and THERAPEFTIKI SA and on September 2009 of EBIK SA and LYD SA with the aim of the clearance. On July 2009,ALAPIS SA established the company with the distinctive title GEROLYMATOS COSMETICS SA with core objective to distribute, export and trade cosmetic products and the company with the distinctive title GEROLYMATOS ANIMAL HEALTH SA with core objective to trade veterinary, pharmaceutical products and similar products, while on October 2009 ALAPIS SA established the company SAMBROOK MED SA,whose core objective is the production of pharmaceutical, parapharmaceutical and cosmetic products, the company ALMEDIA PHARMACEUTICALS SA,whose core objectiv is production of pharmaceutical (human and veterinary), parapharmaceutical (OTC), diet foods and cosmetic products as well as the establishment of the company MEDSYSTEMS SA,whose core objective is the trade and import of laboratory, medical and hospital equipment. On November 2009, GEROLYMATOS COSMETICS SA together with the foreign interest company SHISEIDO INTERNATIONAL EUROPE SA established the company SHISEIDO HELLAS SA with core objective to import, trade, distribute and sale of cosmetic products under SHISEIDO's name, with participation rate of 49% and 51% respectively.On December 2009, ALAPIS SA acquired the 50% of the pharmaceutical company GENESIS ILAC SA which has its headquarters in Istanbul and proceeded with the acquisition of the remaining 40% of MEDIMEC SA from its subsidiary,DILACO LTD.The activity of DILACO LTD and SCALONITA LTD was absorbed by the also 100% subsidiary PHARMACARE LTD.Finally, according to the private agreement of December 2009, the activity of detergents and cosmetics was transferred from company DALL SA to ALAPIS SA. Specifically, ALAPIS SA absorbed the detergent and cosmetics sector of company DALL SA and proceeded with the sale of that company in order to be liquidated. Further analysis is presented in Notes 20,21 and 31 of annual financial report.

3. On May 2009, the merger between the Company with its subsidiaries companies LAMDA APPLIED SA and ALAPIS PHARMA SA was completed through their absorption by the first, according to the provisions of articles 68-78 of the C.L. 2190/1920 and articles 1-5 of L. 2166/1993 and on December 2009, the merger of ALAPIS SA with its 100% subsidiary PNG GEROLYMANTOS SA was completed, through absorption of the second by the first, according to the provisions of articles 68-78 of the C.L. 2190/1920 and articles 1-5 of L. 2166/1993 after the spinoff of the sector of diagnostics of PNG GEROLYMATOS SA,which was contributed to subsidiary company MEDIMEC SA with transformation balance sheet date June 30,2009. This merger's contribution to turnover, earnings after taxes and non-controlling interest as well as equity of the parent Company is € 116.161th (24,22%), € 12.146th (32,39%) and € 4.451th (0,22 %) respectively.Further analysis is presented in Note 20 of annual financial report.

4. During the first quarter of 2009 the Management of Group decided to the divestment of organic sector and proceeded immediately with a) closure of retail stores under the name "Viologikos Kiklos", b) cease of production and distribution of organic products, c) commencement of disposal or liquidation procedure for the companies activated in the division of organic products (EBIK SA and its subsidiaries).This segment is presented at the current financial statements as discontinued operation according to IFRS 5 and some of the amounts of the previous period financial statements were reclassified in order to become similar and comparable to those of the current period. Further analysis is quoted in the note 31 of the annual financial report.

5. The financial statements of the Company are not included in consolidated financial statements of any other company.

6. There are no litigation matters which may have material impact on the financial position of the Group and the Company. The amount of provisions for any litigation matters on December 31, 2009 amounts up to € 13.753 th for the Group and € 12.658 th for the Company. The provisions for tax unaudited FYs on December 31, 2009 amount up to € 8.398th for the Group and € 4.455th for the Company.The Group and the Company have made no other provisions.

7. The number of employees at the end of current period for the Group and the Company is 2.994 and 1.364 respectively and for the period ended on December 31,2008 was 2.919 and 422 for the Group and the Company respectively.

8.The accumulated amounts of the transactions and balances on December 31, 2009 between the Company and the associated companies as defined in IAS 24,are as follows (amounts in th.€) :

	GROUP	COMPANY
a) Income :	292	176.381
b) Expenses:	5.754	136.389
c) Receivables:	2	180.718
d) Liabilities:	6.680	54.713
e) Rewards to Managers and Members of the Board of Directors	2.017	2.017
f) Receivables from Managers and Members of the Board of Directors	0	0
g) Liabilities to Managers and Members of the Board of Directors	55	55

9. The rights issue offered to existing shareholders by means of pre-emption rights, which was decided on August 5, 2009 by the Board of Directors of Alapis SA and took place from September 4, 2009 until September 18, 2009, has been fully subscribed with a payment of a total amount of € 451.076.101,20 and the issuance of 980.600.220 new,common and registered voting shares, of €0,30 nominal value and €0,46 subscription price each.The total amount of shares requested by those who exercised the pre-emption rights and those who exercised the oversubscription rights

ADDITIONAL DATA AND INFORMATION (continuation)

oversubscribed the share capital increase 1,522 times.In light of the above, the share capital of the company has been increased to €294.180.066 with the issuance and distribution of 980.600.220 new, common and registered voting shares,each having a nominal value of €0,30.The difference between the nominal value of the new shares and their subscription price amounting in total to €156.896.035 was credited,after the deduction of the expenses in respect of the rights issue, to the Equity account "Share Premium Account Excess Over par Value of Shares Issued". The trading of new shares commenced on September 25, 2009.

10. The Earnings per share were calculated based on the weighted average number of shares in circulation.

11. On December 31, 2009 the Company held 71.578.743 own shares. The purchase of own shares started on July 2008 and until the prescribed expiration period the company purchased 71.576.978 own shares of € 95.616 th total value (included commissions and expenses), with average cost €1,33 per share which represent the 3,65% of subordinated total share capital of the company and its total voting rights. On the increase of share capital which held within the current fiscal year,the Company didn't use the pre-emption rights which accounted for the own shares, but sold them instead. The earnings from that sale amounts at €4.006 th decreasing the acquisition cost of own shares with the same amount and reducing it to € 91.609 th, with average cost €1,28 per share.

12. In the consolidated financial statements for the year ended December 31, 2009 the following companies are fully consolidated to the Group for the first time: DILACO LTD, MEDIMEC SA, BEAUTY WORKS SA, GEROLYMATOS PRESTIGE SPA'S BEAUTY SALON SA, GEROLYMATOS COSMETICS SA, GEROLYMATOS ANIMAL HEALTH SA,SAMBROOK MED SA,ALMEDIA PHARMACEUTICALS SA, MEDSYSTEMS SA, while using the equity method the companies SHISEIDO HELLAS SA and GENESIS ILAC SA. The aforementioned companies were acquired or established during the current period and are consolidated in the financial statements of ALAPIS SA since their acquisition or establishment date. The consolidated financial statements for the period ended December 31, 2009 do not include the balance sheet figures of GLIKEIA IGEIA SA,GLIKEIA GEFSI SA,PROIONTA EBIK SA,CERTIFIED ORGANIC PRODUCTS LTD,THERAPEFTIKI SA, EBIK SA, LYD SA, DALL SA, DILACO LTD and SCALONITA LTD which were sold during the current period. Further analysis is quoted in the notes 20,21 and 31 of the annual financial report.
In the current year the merger of BIOCHEM DIAGNOSTICS SA, OMIKRON MEDICAL SA and LABOMED SA by absorption by the first was completed and were renamed to ALAPIS MEDICAL & DIAGNOSTICS SA,in accordance with the provisions of the articles of Cod.Law 2190/1920 and Law 2166/1993 as well as the merger by absorption of ALAPIS' subsidiary PHARMAGORA SA with its 100% subsidiary SANTE HELLAS SA by the absorption of the second from first, in accordance with the provisions of the articles of Cod. Law 2190/1920 and Law 2166/1993.

13.From the impairment test on the allocated goodwill in the operating segments of the Group, on December,31,2009, an impairment loss of € 29.428th in Group level and € 26.287th in Company level emerged. The amount € 26.287 concerns the Non health (Cosmetics and Detergents) segment which continued to present slowdown in growth and decrease in gross margins in its results, as a direct effect of the international financial crisis, in 2009. The rest amount € 3.141 of impairment, concerns specific subsidiaries of the Company which belong to the Human Health and Veterinary segments and are activated abroad and during the closing year presented objective impairment indications due to accumulated losses. Further analysis is quoted in the note 18 of the annual financial report.

14. Within fiscal year 2009 the accrued goodwill related to the companies that were bought the period 1.10.2008 to 31.12.2009 was finalized and is consolidated in the accompanying annual financial report. Further analysis is quoted in the note 7 of the annual financial report of the Company. The changes, on previously published financial statements and condenced data and information on turnover, earnings after taxes and non-controlling interests, total comprehensive income after taxes and equity of the Group due to the finalizing of purchase price allocation (PPA), are presented in the following table:

	GROUP 1.1-31.12.2008	
	Published	**Restated**
Turnover	1.136.285	1.136.285
Profit after tax and minority interest	52.126	51.938
Total comprehensive income after tax	51.490	51.227

	GROUP 1.1-31.12.2008	
	Published	**Restated**
Shareholders' equity	1.543.001	1.546.377

15. The amounts and the nature of other comprehensive income after tax are analyzed in the following table:

	GROUP		COMPANY	
Other comprehensive income	**1.1-31.12.2009**	**1.1-31.12.2008**	**1.1-31.12.2009**	**1.1-31.12.2008**
Currency translation differences	(153)	(1.248)	0	0
Issue of Share Capital Expenses	(28.013)	(219)	(28.013)	0
Disposal of treasuy shares' rights	4.006	0	4.006	0
Other comprehensive income (after tax)	**(24.160)**	**(1.468)**	**(24.007)**	**0**

16.There are no events after the end of the reporting period regarding the Group and the Company that must be disclosed according to the IFRS.

TABLE OF USE OF FUNDS RAISED FROM THE SHARE CAPITAL INCREASE

ALAPIS S.A.

Company's Number in the Registry of Societe Anonymes 8057/06/B/86/11

TABLE OF USE OF FUNDS RAISED FROM THE SHARE CAPITAL INCREASE OF THE COMPANY, BY PAYMENT IN CASH FOR THE PERIOD 01/07/2009 - 31/12/2009

amounts in €

According to the decision 25/17.07.2008 of the Board of Directors of Athens Exchange and the decision 7/448/11.10.2007 of the Board of Directors of the Hellenic Capital Market Commission, it is announced that from the share capital increase of the company by 294,180,066 euros, paid in cash, with a public listing held from 04/09/2009 to 18/09/2009 and the issue of 980,600,220 new common registered shares, with nominal value of 0.30 euros each, in accordance with the decision of the B' Repetitive Extraordinary Shareholders General Meeting of ALAPIS SA held on 29.09.2008 and the decision of the Board of Directors on 05.08.2009 and after the approval of the content of the Prospectus by Hellenic Capital Market Commission Decision with protocol number 2/520/24.08.2009, funds raised and have been certified with the decision of the company's Board of Directors on 21/09/2009: Total amount of 451,076,101.20 euros minus issuance expenses of 28,012,827.85 euros raised, and net amount to invest stands at 423,063,273.35 euros. Use of raised funds up to 31.12.2009 has as follows:

	INVESTING CATEGORIES OF FUNDS RAISED	EXPECTED INVESTED FUNDS ACCORDING TO THE PROSPECTUS up to 21.09.2011 (after the subtraction of issuance expenses from the 'A investing category)	01/07/2009 - 31/12/2009	TOTAL AMOUNT OF FUNDS THAT HAVE BEEN INVESTED UNTIL 31/12/2009	TOTAL AMOUNT OF FUNDS THAT HAVE NOT BEEN INVESTED UNTIL 31/12/2009
A	INVESTMENTS CONCERNING ORGANIC GROWTH (Through working capital increase or / and fixed asset purchase) - Participations / Acquisitions in similar businesses.	220.063.273,35	149.065.658,83	149.065.658,83	70.997.614,52
	A1. AQUISITIONS - PARTICIPATIONS IN SIMILAR BUSINESSES		0,00	0,00	
	A2. PURCHASE OF FIXED ASSETS		5.999.768,26	5.999.768,26	
	A3. SHARE CAPITAL INCREASE OF SUBSIDIARIES		0,00	0,00	
	A.4 WORKING CAPITAL INCREASE		143.065.890,57	143.065.890,57	
	WORKING CAPITAL OF COMPANY AND GROUP		143.065.890,57		
	A.5 EXPANSION OF THE PHARMACEUTICAL AND OTHER PRODUCT PORTFOLIO OF THE GROUP		0,00	0,00	
B	DECREASE OF DEBT	203.000.000,00	180.309.099,55	180.309.099,55	22.690.900,45
	TOTAL INVESTMENTS AMOUNT (A + B)		329.374.758,38	329.374.758,38	
C	NOT INVESTED FUNDS (placed on time deposits and current accounts)		93.688.514,97		0,00
	GRAND TOTAL	**423.063.273,35**	**423.063.273,35**	**329.374.758,38**	**93.688.514,97**

Athens, March 20, 2010

President of the BoD	Managing Director	Chief Accounting Officer
Aristotelis Charalabakis	**Periklis Livas**	**Charalampos Zantzas**

Findings Report from the Execution of Pre-Agreed Procedures regarding the Use of the Raised Capitals

To the Board of Directors of the Company «ALAPIS S.A.»

In accordance with the order we received from the Board of Directors of "ALAPIS S.A." (the Company), we carried out the pre-agreed procedures outlined below, within the framework of the provisions of the Athens Stock Exchange regulatory context, as well as of the relevant legislative framework of the capital market, as regards the Company's Raised Capital Allocation Report, on the subject of the share capital increase by payment in cash, which was carried out in September 2009. Company's Management has the responsibility of drafting the above mentioned Report. We undertook this responsibility in accordance with the International Standard for Related Services 4400, which is in effect for "Assignment Agreements for the Execution of Pre-Agreed Procedures Related to Provision of Financial Information". It is our responsibility to execute the above-mentioned pre-agreed procedures and to notify you of our findings. Procedures: 1. We compared the amounts referred to as disbursements in the attached Report "Allocation of Raised Capital from the Increase in the Company's Share Capital, by Payment in Cash", against the corresponding amounts that have been acknowledged in the accounting books and data of the Company, during the period to which they refer. 2. We have examined the Report for the thoroughness and consistency of its content against the information provided in the Information Bulletin, which was issued by the Company for this purpose, as well as against the relevant Decisions and Communications by the Company's competent bodies. Findings:

a) The amounts referred to as disbursements under every use / investment category in the attached "Allocation of Raised Capital from the Increase in the Company's Share Capital, by Payment in Cash", come from Company's books and data, for the time period that these are referred.

b) The content of the Report encompasses the minimum information required for this purpose in accordance with the Athens Exchange regulatory context, as well as the relevant legislative framework of capital market, and is in compliance with the information cited in the relevant Information Bulletin and relevant Decisions and Communications by the Company's competent bodies.

Taking into account that the our work does not constitute an audit or a review, in accordance with International Auditing Standards or International Standards for the Assignment of Review Works, we do not formulate any other assurances other than those mentioned above. Had we carried out supplementary procedures or had we carried out an audit or overview, additional matters may have been brought to our attention, beyond the ones cited in the previous paragraph.

The present Report is intended for the exclusive use by the Company's Board of Directors, in accordance with the Athens Exchange regulatory context, as well as the relevant legislative framework of capital market. It thus follows that it is forbidden to use the present Report for any other purposes, as its scope is confined solely to the data cited above and it does not extend to the Financial Reports that the Company prepared for the period ended on 31/12/2009, for which we have issued a separate Audit Report dated March 22, 2010.

Athens, March 22, 2010
The Certified Auditor Accountant

BDO

BDO Registered & Certified Auditors A.E.
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R.N. SOEL 111

Vrasidas Sp. Damilakos
R.N. SOEL 22791