



**Vassilopoulos**  
...even the bird's milk!

Headquarters: 81 Spaton Avenue – 153 44 Gerakas Attica  
Registration Nr 13363/06/B/86/17

**INTERIM FINANCIAL STATEMENTS  
IN ACCORDANCE WITH THE INTERNATIONAL ACCOUNTING STANDARD 34  
FOR THE PERIOD 1 JANUARY – 30 SEPTEMBER 2008  
FOR THE GROUP AND THE COMPANY  
«ALFA-BETA» VASSILOPOULOS S.A.  
Headquarters: 81 Spaton Avenue – 153 44 Gerakas Attica**

## **TABLE OF CONTENTS**

a) Interim Income Statement for the period ended 30.09.2008.....	page	2
b) Interim Balance Sheet as of 30.09.2008.....	page	3
c) Interim Statement of Recognized Income and Expense for the period ended on 30.09.2008.....	page	4
d) Interim Cash Flow Statement for the period ended on 30.09.2008.....	page	5
e) Notes to the Interim Financial Statements 30.09.2008.....	page	6-18

The interim condensed financial report was approved by the Board of Directors on October 29, 2008. The Board of Directors authorized the following to sign the interim condensed financial report on its behalf:

The Chairman  
of the Board of Directors

**Konstantinos K. Kyriakidis**  
Identity Card no Α 313230

The Chief Executive Officer  
& Member of the Board of Directors

**Konstantinos D. Macheras**  
Identity Card no Θ 724826

The Executive Financial Director

**Maria V. Kuhkalani**  
Identity Card no AB 348845  
License no 30034-A' Class

The Accounting Manager

**Aspasia G. Meletopoulou**  
Identity Card no. Σ 112901  
License no 001242-A' Class



**«ALFA-BETA» VASSILOPOULOS S.A.**  
**INTERIM INCOME STATEMENT**  
**FOR THE PERIODS ENDED SEPTEMBER 30, 2008**  
**(amounts in thousand EUR except for earnings per share)**

Group					Company				
Note	01.01.2008 - 30.09.2008	01.01.2007 - 30.09.2007	01.07.2008 - 30.09.2008	01.07.2007 - 30.09.2007	01.01.2008 - 30.09.2008	01.01.2007 - 30.09.2007	01.07.2008 - 30.09.2008	01.07.2007 - 30.09.2007	
Revenue	957.971	838.548	315.063	278.973	926.411	814.340	301.778	269.222	
Cost of Sales	(746.526)	(652.952)	(244.151)	(215.314)	(730.178)	(638.851)	(238.318)	(209.752)	
Gross Profit	211.445	185.956	70.912	63.659	196.233	175.489	63.460	59.470	
Other operating income	4.692	3.830	1.827	1.536	4.380	3.530	1.734	1.415	
Distribution cost	(157.226)	(132.453)	(48.510)	(43.965)	(139.310)	(125.089)	(41.863)	(41.540)	
Administrative expenses	(31.590)	(25.821)	(10.655)	(8.873)	(28.251)	(24.897)	(9.251)	(8.462)	
Assets impairment	7 170	-	-	-	170	-	-	-	
Profit from operations	27.491	31.512	13.574	12.357	33.223	29.033	14.080	10.883	
Finance costs	(4.061)	(1.777)	(1.989)	(540)	(3.555)	(1.777)	(1.655)	(540)	
Income from investments	1.070	847	348	252	352	395	49	55	
Profit before taxes	24.500	30.582	11.933	12.069	30.020	27.651	12.474	10.398	
Income tax expense	8 (7.735)	(8.078)	(3.563)	(3.140)	(8.383)	(7.290)	(3.414)	(2.708)	
Net Profit	16.765	22.504	8.370	8.929	21.637	20.361	9.060	7.690	
Attributable to:									
Equity holders of the parent	16.763	22.503	8.369	8.928	21.637	20.361	9.060	7.690	
Minority interest	2	1	1	1	-	-	-	-	
	<b>16.765</b>	<b>22.504</b>	<b>8.370</b>	<b>8.929</b>	<b>21.637</b>	<b>20.361</b>	<b>9.060</b>	<b>7.690</b>	
<b>Earnings per share (in EUR)</b>	<b>9 1,32</b>	<b>1,77</b>	<b>0,66</b>	<b>0,70</b>	<b>1,70</b>	<b>1,59</b>	<b>0,71</b>	<b>0,60</b>	

The notes set out on pages 6 to 18 constitute an integral part of the interim condensed financial statements.



**«ALFA-BETA” VASSILOPOULOS S.A.**  
**INTERIM BALANCE SHEET**  
**AS AT SEPTEMBER 30, 2008**  
**(amounts in thousand EUR)**

		<b>Group</b>		<b>Company</b>	
	<b>Note</b>	<b>30.09.2008</b>	<b>31.12.2007</b>	<b>30.09.2008</b>	<b>31.12.2007</b>
<b>ASSETS</b>					
<b>Non-Current Assets</b>					
Property, plant and equipment	<b>10</b>	300.066	202.166	202.510	191.823
Investment property		224	224	180	180
Goodwill	<b>21</b>	89.621	69.712	69.712	69.712
Intangible assets		1.560	1.892	1.362	1.768
Investment in subsidiaries	<b>21</b>	-	-	85.067	7.375
Long-term receivables		9.664	7.925	8.827	7.823
Deferred tax asset		1.489	-	-	-
<b>Total Non-Current Assets</b>		<b>402.624</b>	<b>281.919</b>	<b>367.658</b>	<b>278.681</b>
<b>Current Assets</b>					
Inventories		103.609	80.730	93.492	75.636
Trade and other receivables	<b>11</b>	35.828	35.046	45.476	49.259
Cash and cash equivalents		20.506	34.323	10.547	18.393
<b>Total Current Assets</b>		<b>159.943</b>	<b>150.099</b>	<b>149.515</b>	<b>143.288</b>
<b>TOTAL ASSETS</b>		<b>562.567</b>	<b>432.018</b>	<b>517.173</b>	<b>421.969</b>
<b>EQUITY &amp; LIABILITIES</b>					
<b>Shareholders Equity</b>					
Share Capital	<b>12</b>	19.099	19.099	19.099	19.099
Share Premium		13.560	13.560	13.560	13.560
Reserves		36.932	35.126	37.211	35.405
Retained Earnings	<b>13</b>	49.208	45.476	53.151	44.546
Equity attributable to equity holders of the parent		118.799	113.261	123.021	112.610
Minority Interest		4	2	-	-
<b>Total Equity</b>		<b>118.803</b>	<b>113.263</b>	<b>123.021</b>	<b>112.610</b>
<b>Long-term Liabilities</b>					
Long term borrowings	<b>14</b>	120.000	40.000	120.000	40.000
Retirement benefit obligation		18.530	16.788	17.262	15.924
Provisions		2.844	4.617	2.708	4.403
Deferred tax liability		-	530	736	267
Obligations under finance leases	<b>15</b>	2.395	-	-	-
Other long-term liabilities		271	257	272	255
<b>Total Long-term Liabilities</b>		<b>144.040</b>	<b>62.192</b>	<b>140.978</b>	<b>60.849</b>
<b>Short-term Liabilities</b>					
Short-term borrowings	<b>16</b>	40.900	3.500	18.600	3.500
Long-Term obligations under finance lease payable within one year	<b>15</b>	1.178	-	-	-
Trade and other payables	<b>17</b>	257.646	253.063	234.574	245.010
<b>Total Short-term Liabilities</b>		<b>299.724</b>	<b>256.563</b>	<b>253.174</b>	<b>248.510</b>
<b>TOTAL EQUITY &amp; LIABILITIES</b>		<b>562.567</b>	<b>432.018</b>	<b>517.173</b>	<b>421.969</b>

The notes set out on pages 6 to 18 constitute an integral part of the interim condensed financial statements.



**«ALFA-BETA» VASSILOPOULOS S.A.**  
**INTERIM STATEMENT OF RECOGNISED INCOME AND EXPENSE**  
**FOR THE PERIOD ENDED SEPTEMBER 30, 2008**  
**(amounts in thousand EUR)**

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	<b>Group</b>		<b>Company</b>	
	<b>Nine months ended</b>		<b>Nine months ended</b>	
	<b>30.09.2008</b>	<b>30.09.2007</b>	<b>30.09.2008</b>	<b>30.09.2007</b>
Profit of the period	16.765	22.504	21.637	20.361
<b>Total recognized income for the period</b>	16.765	22.504	21.637	20.361
Attributable to:				
Equity holders of the parent	16.763	22.503	21.637	20.361
Minority interest	2	1	-	-

The notes set out on pages 6 to 18 constitute an integral part of the interim condensed financial statements.



**«ALFA-BETA» VASSILOPOULOS S.A.**  
**INTERIM CASH FLOW STATEMENT**  
**FOR THE PERIOD ENDED SEPTEMBER 30, 2008**  
**(amounts in thousand EUR)**

	<b>Group</b>		<b>Company</b>	
	<b>Nine months ended</b>		<b>Nine months ended</b>	
	<b>30.09.2008</b>	<b>30.09.2007</b>	<b>30.09.2008</b>	<b>30.09.2007</b>
<b><u>Operating activities</u></b>				
Profit before tax	24.500	30.582	30.020	27.651
Plus/ (minus) adjustments for:				
Depreciation and amortization	17.259	13.910	14.473	13.151
Provision for impairment of tangible assets	(170)	-	(170)	-
Other provisions	430	1.516	427	1.475
Loss on disposal of fixed assets	(5.078)	10	(4.376)	10
Results from investing activity	(1.069)	(847)	(352)	(395)
Finance costs	4.061	1.777	3.555	1.777
Plus / (minus) adjustments for changes in working capital or relating to operating activities:				
(Increase) of inventories	(14.945)	(10.380)	(17.855)	(9.365)
Decrease / (increase) of receivables	1.856	3.396	2.474	664
(Decrease) / increase of liabilities (excluding bank loans)	(23.770)	(17.512)	(11.080)	(19.058)
Less:				
Interest paid	(2.836)	(3.733)	(2.506)	(3.733)
Income tax paid	(9.405)	(6.241)	(8.662)	(5.378)
<b>Net cash used in operating activities (a)</b>	<b>(9.167)</b>	<b>12.478</b>	<b>5.948</b>	<b>6.799</b>
<b><u>Investing activities</u></b>				
Acquisition of subsidiaries	(76.475)	-	(77.692)	-
Purchase of tangible and intangible assets	(42.436)	(18.897)	(25.450)	(18.749)
Proceeds on disposal of tangible and intangible assets	9.439	25	5.245	25
Interest received	1.049	847	335	395
<b>Net cash used in investing activities (b)</b>	<b>(108.423)</b>	<b>(18.025)</b>	<b>(97.562)</b>	<b>(18.329)</b>
<b><u>Financing activities</u></b>				
New borrowings raised	117.400	28.000	95.100	28.000
Repayment of borrowings	-	(44.138)	-	(44.138)
Repayment of finance leases	(2.295)	-	-	-
Dividends paid	(11.332)	(6.239)	(11.332)	(6.239)
<b>Net cash used in financing activities (c)</b>	<b>103.773</b>	<b>(22.377)</b>	<b>83.768</b>	<b>(22.377)</b>
<b>Net (decrease) in cash and cash equivalents of the period: (a)+(b)+( c )</b>	<b>(13.817)</b>	<b>(27.924)</b>	<b>(7.846)</b>	<b>(33.907)</b>
<b>Cash and cash equivalents beginning of the year</b>	<b>34.323</b>	<b>52.490</b>	<b>18.393</b>	<b>42.560</b>
<b>Cash and cash equivalents end of the period</b>	<b>20.506</b>	<b>24.566</b>	<b>10.547</b>	<b>8.653</b>

The notes set out on pages 6 to 18 constitute an integral part of the interim condensed financial statements.



## 1. GENERAL INFORMATION

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

At the end of the period, the Group's sales network numbered 195 stores of which 117 are company operated retail stores, 29 retail stores from the recent acquisition of for HOLDING AND FOOD TRADING COMPANY SINGLE PARTNER LIMITED LIABILITY COMPANY & CO LIMITED PARTNERSHIP, (formerly PLUS HELLAS E.P.E. & SIA E.E., renamed pursuant to Law 3190/1955), 39 are franchise stores and 10 are wholesale stores operating under the banner ENA Cash-and-Carry.

The number of people employed by the Group and the Company at the end current and previous period was the following:

	<b>Group</b>	<b>Company</b>
September 30, 2008	8.299	7.265
September 30, 2007	7.290	6.988

## 2. BASIS OF CONSOLIDATION

**2.1** The Consolidated Interim Financial Statements are prepared under the method of full consolidation. The same method has been applied for the preparation of the Interim Financial Statements of June 30, 2007. The companies included in the Consolidated Interim Financial Statements of "ALFA-BETA" VASSILOPOULOS S.A., their addresses as well as the participation of the parent company in their share capital, are shown in the table below:

<b>Company name</b>	<b>Registered Office</b>	<b>% of participation of the parent company in the share capital of its subsidiary</b>
"ALFA-BETA" VASSILOPOULOS S.A. (parent company)	Greece, Gerakas Attica	-----
ENA S.A. (subsidiary)	Greece, Gerakas Attica	99,96%
«P.L.LOGISTICS CENTER – DIANOMES – APOTHIKEFSIS - LOGISTICS – S.A. » (subsidiary)	Greece, Gerakas Attica	100,00%
HOLDING AND FOOD TRADING COMPANY SINGLE PARTNER LIMITED LIABILITY COMPANY & CO LIMITED PARTNERSHIP (former PLUS HELLAS E.P.E. & SIA E.E., renamed pursuant to Law 3190/1955)	Greece, Thessaloniki	99,9999%
HOLDING AND FOOD TRADING COMPANY SINGLE PARTNER LIMITED LIABILITY COMPANY (former PLUS HELLAS E.P.E., renamed pursuant to Law 3190/1955)	Greece, Thessaloniki	100,00%

(a) «P.L.LOGISTICS CENTER – DIANOMES – APOTHIKEFSIS - LOGISTICS – S.A.» was included for the first time in the consolidated financial statements of the group in First Quarter 2008.

(b) HOLDING AND FOOD TRADING COMPANY SINGLE PARTNER LIMITED LIABILITY COMPANY & CO LIMITED PARTNERSHIP, (former PLUS HELLAS E.P.E. & SIA E.E., renamed pursuant to Law 3190/1955) was included for the first time in the consolidated financial statements of the group in Second Quarter 2008.

(c) HOLDING AND FOOD TRADING COMPANY SINGLE PARTNER LIMITED LIABILITY COMPANY, (former PLUS HELLAS E.P.E., renamed pursuant to Law 3190/1955) was included for the first time in the consolidated financial statements of the group in Second Quarter 2008.



## **2. BASIS OF CONSOLIDATION-CONTINUED**

The following company is not included in the consolidated statements:

Company Name	% of participation	Reasons for excluding subsidiaries from consolidation
<b>SAK LTD</b>	40,00%	The participation of "ALFA-BETA" VASSILOPOULOS S.A. to the share capital of SAK S.A. is insignificant due to its immaterial financial value. Furthermore, it is noted that the company is dormant since 1984.

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**2.2.** DELHAIZE GROUP S.A., having its registered office in Brussels, Belgium and owner of the 61,28% of "ALFA-BETA" VASSILOPOULOS S.A. share capital, prepares consolidated financial statements in which the financial statements of the Group are incorporated. These consolidated financial statements, which are prepared under the method of full consolidation, are available at the registered office of the Belgian company.

## **3. BASIS OF PRESENTATION**

The Interim Financial Statements have been prepared according to the International Accounting Standard (IAS) 34.

## **4. BASIC ACCOUNTING PRINCIPLES**

The Interim Financial Statements have been prepared under the historical cost convention. The accounting policies adopted are consistent to those followed in the preparation of the Annual Financial Statements for the year ended on 31.12.2007.





## 5. BUSINESS SEGMENTS

The Group monitors its commercial activity through the following companies:

1. "ALFA-BETA" VASSILOPOULOS S.A., HOLDING AND FOOD TRADING COMPANY SINGLE PARTNER LIMITED LIABILITY COMPANY & CO LIMITED PARTNERSHIP, HOLDING AND FOOD TRADING COMPANY SINGLE PARTNER LIMITED LIABILITY COMPANY, food retail companies, and P.L.L.C. S.A., supply chain services company, and
2. ENA S.A., food wholesale company.

Period from 01.01.2008 until 30.09.2008				Period from 01.01.2007 until 30.09.2007			
"ALFA-BETA"- HOLDING & FOOD RETAIL LLC & CO LP - HOLDING AND FOOD RETAIL LLC- P.L.L.C. S.A.	ENA S.A	Elimination of Intercompany Transactions	Total	"ALFA-BETA"	ENA S.A	Elimination of Intercompany Transactions	Total
<b>Turnover (sales)</b>							
Retail sales	820.292	-	<b>820.292</b>	722.386	-	-	<b>722.386</b>
Sales to entrepreneurs	-	97.658	<b>97.658</b>	-	85.810	-	<b>85.810</b>
Intercompany sales	89.462	(89.462)	-	61.602	-	(61.602)	-
Sales to franchisees	37.519	-	<b>37.519</b>	28.386	-	-	<b>28.386</b>
Sales to third parties	2.502	-	<b>2.502</b>	1.966	-	-	<b>1.966</b>
<b>Total sales per segment</b>	<b>949.775</b>	<b>97.658</b>	<b>(89.462)</b>	<b>814.340</b>	<b>85.810</b>	<b>(61.602)</b>	<b>838.548</b>
<b>Profit before taxes</b>	<b>20.610</b>	<b>4.310</b>	<b>(420)</b>	<b>27.651</b>	<b>2.984</b>	<b>(53)</b>	<b>30.582</b>
<b>Profit after taxes</b>	<b>14.080</b>	<b>3.098</b>	<b>(413)</b>	<b>20.361</b>	<b>2.187</b>	<b>(44)</b>	<b>22.504</b>

«ALFA-BETA» VASSILOPOULOS S.A. is the main supplier of ENA S.A and HOLDING AND FOOD TRADING COMPANY SINGLE PARTNER LIMITED LIABILITY COMPANY & CO LIMITED PARTNERSHIP. It sells to them, goods that itself purchases and trades.



## 6. DIVIDEND

After proposal of the Company's Board of Directors, on 03.06.2008, the General Meeting of Shareholders approved the dividend distribution of eighty-nine cents (0,89 Euros) per share totaling to 11.332 Euros for the fiscal year 2007. The distribution of the dividend to the beneficiary shareholders took place on 18.06.2008 via EFG EUROBANK ERGASIAS S.A.

## 7. IMPAIRMENT CHARGES

Upon testing of tangible and intangible fixed assets no indications of their impairment was detected. Instead, during the period ended at 30.09.2008, a provision regarding prior periods was partially reversed due to the decrease of value of the tangible and intangible assets that were reviewed.

## 8. INCOME TAX EXPENSE

For «ALFA-BETA» VASSILOPOULOS S.A., ENA S.A., and P.L.L.C. S.A., interim period income tax is based on the annual income tax rate of 25% for the year 2008.

The taxable basis has been increased by the non tax deductible expenses. Deferred taxation for temporary differences between taxable and accounting basis has been calculated with an income tax rate of 25%.

For HOLDING AND FOOD TRADING COMPANY SINGLE PARTNER LIMITED LIABILITY COMPANY & CO LIMITED PARTNERSHIP and HOLDING AND FOOD TRADING COMPANY SINGLE PARTNER LIMITED LIABILITY COMPANY income tax is based on the annual income tax rate of 20% for the year 2008 applicable to partnerships.

## 9. EARNINGS PER SHARE

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

	<b>Group</b>			
	<b>01.01.2008 - 30.09.2008</b>	<b>01.01.2007 - 30.09.2007</b>	<b>01.07.2008 - 30.09.2008</b>	<b>01.07.2007 - 30.09.2007</b>
Net Profit of the period	16.765	22.504	8.370	8.929
Number of shares	12.732.720	12.732.720	12.732.720	12.732.720
Earnings per share (in Euro)	<b>1,32</b>	<b>1,77</b>	<b>0,66</b>	<b>0,70</b>

  

	<b>Company</b>			
	<b>01.01.2008 - 30.09.2008</b>	<b>01.01.2007 - 30.09.2007</b>	<b>01.07.2008 - 30.09.2008</b>	<b>01.07.2007 - 30.09.2007</b>
Net Profit of the period	21.637	20.361	9.060	7.690
Number of shares	12.732.720	12.732.720	12.732.720	12.732.720
Earnings per share (in Euro)	<b>1,70</b>	<b>1,59</b>	<b>0,71</b>	<b>0,60</b>



## 10. PROPERTY, PLANT AND EQUIPMENT

During the period 01.01-30.09.2008 the total investments of the Group amounted to 42.436 Euros and that of the Company to 25.450 Euros mainly for the establishment of new stores and the remodeling and maintenance of existing stores.

There is no encumbrance on property of the companies «ALFA-BETA» VASSILOPOULOS S.A., ENA S.A., P.L.L.C. S.A. and HOLDING AND FOOD TRADING COMPANY SINGLE PARTNER LIMITED LIABILITY COMPANY.

For HOLDING AND FOOD TRADING COMPANY SINGLE PARTNER LIMITED LIABILITY COMPANY & CO LIMITED PARTNERSHIP, there were prenotations of mortgage for which a part has already been released while for the rest of them the procedure of their release is in process.

At the acquisition date, the acquired HOLDING AND FOOD TRADING COMPANY SINGLE PARTNER LIMITED LIABILITY COMPANY & CO LIMITED PARTNERSHIP had tangible assets under finance leasing of cost value amounting to 6.616 Euros, which, after the application of IFRS for the first time, are included to Group's tangible assets, with a net book value of 3.051 Euros for the period ended at 30.09.08.

## 11. TRADE AND OTHER RECEIVABLES

	<b>Group</b>		<b>Company</b>	
	<b>30.09.2008</b>	<b>31.12.2007</b>	<b>30.09.2008</b>	<b>31.12.2007</b>
Trade receivables (from third parties)	7.103	8.836	6.141	8.006
Trade receivables (intercompany)	-	-	21.659	18.047
Debtors	7.117	5.487	5.303	4.712
Cheques and bills receivable	13.216	10.503	9.342	7.083
Receivables from suppliers	3.071	13.234	2.586	12.781
Provision for doubtful receivables	(5.514)	(4.980)	(3.593)	(3.273)
Other receivables	10.835	1.966	4.038	1.903
<b>Total</b>	<b>35.828</b>	<b>35.046</b>	<b>45.476</b>	<b>49.259</b>

## 12. SHARE CAPITAL

	<b>30.09.2008</b>	<b>31.12.2007</b>
<b>Share Capital divided in</b>		
12.732.720 common shares of 1,50 Euro (1 Euro and 50 cents) each	19.099	19.099
There were no changes in Company's share capital during the period 01.01-30.09.2008.		

## 13. RETAINED EARNINGS

	<b>Group</b>	<b>Company</b>
Balance at 01.01.2007	17.530	19.674
Transfer to reserves	(4.068)	(4.068)
Profit of the period attributable to Equity holders of the parent	22.503	20.361
Dividends distributed	(6.239)	(6.239)
<b>Balance at 30.09.2007</b>	<b>29.726</b>	<b>29.728</b>
Balance at 01.01.2008	45.476	44.546
Transfer to reserves	(1.700)	(1.700)
Profit of the period attributable to Equity holders of the parent	16.764	21.637
Dividends distributed	(11.332)	(11.332)
<b>Balance at 30.09.2008</b>	<b>49.208</b>	<b>53.151</b>



#### 14. LONG-TERM BORROWINGS

- (a) According to the decision of the Board of Directors dated on December 22, 2004 the Company issued, on February 7 2005, a five-year fixed interest rate bond loan amounted to 40.000 Euros, divided into 4 bearer bonds of 10.000 Euros each, which are transferable after the Company's consent. The bond loan was fully issued and covered by Alpha Bank and it will be fully repaid on February 9, 2010.
- (b) According to the decision of the Board of Directors dated on May 9, 2008, the Company issued a five-year fixed interest rate common bond loan on May 23, 2008. The bond loan amounted to 80.000 Euros, divided in 8 bearer, paper bonds of 10.000 Euros each, which are transferable after the Company's consent, and was funded in full equally by the banks Alpha Bank and Emporiki Bank. The bond loan was issued, intel alia, for funding the acquisition of the company PLUS HELLAS (renamed to HOLDING AND FOOD TRADING COMPANY SINGLE PARTNER LIMITED LIABILITY COMPANY & CO LIMITED PARTNERSHIP). The above loan will be fully paid on 28.05.2013.

	Long term borrowings Group/Company	
	30.09.2008	31.12.2007
Bond loan terminating on 09.02.2010	40.000	40.000
Bond loan terminating on 28.05.2013	80.000	-
<b>Total</b>	<b>120.000</b>	<b>40.000</b>

The above borrowings will be repaid as follows:

Due	Long term borrowings Group/Company	
	30.09.2008	31.12.2007
Within one year	-	-
In the second year	40.000	40.000
In the third to fifth years inclusive	80.000	-
<b>Total</b>	<b>120.000</b>	<b>40.000</b>

For each one of the loans, their interest rate is fixed until their termination, and is as follows:

	Group/Company	
	2008	2007
Bond loan terminating on 09.02.2010	3,895%	3,895%
Bond loan terminating on 28.05.2013	5,10%	-

Except as presented in the following table, management considers that the carrying amounts of financial assets and financial liabilities recorded at amortized cost in the financial statements approximate their fair values.

30.09.2008		
	Group / Company	
Carrying amount	Carrying amount	Fair Value
Bond loan terminating on 09.02.2010	40.000	38.959
Bond loan terminating on 28.05.2013	80.000	80.211



## **15. LONG TERM OBLIGATIONS UNDER FINANCE LEASES AND LONG TERM OBLIGATIONS UNDER FINANCE LEASES PAYABLE WITHIN ONE YEAR**

At the acquisition date, the acquired HOLDING AND FOOD TRADING COMPANY SINGLE PARTNER LIMITED LIABILITY COMPANY & CO LIMITED PARTNERSHIP had contractual obligations under finance leases amounted to 5.867 Euros, of which an amount of 1.427 Euros was payable within one year. At the end of the period, these amounts reach 2.395 Euros and 1.178 Euros respectively.

## **16. SHORT-TERM BORROWINGS**

During the period from 01.01.2008 until 30.09.2008, the Group and the Company periodically raised short-term loans for covering temporary needs such as to cover partially its working capital or its investments. The balance of short-term borrowings at 30.09.2008 amounted to 40.900 Euros and the average interest rate is 6,02%.

## **17. TRADE AND OTHER PAYABLES**

	<b>Group</b>		<b>Company</b>	
	<b>30.09.2008</b>	<b>31.12.2007</b>	<b>30.09.2008</b>	<b>31.12.2007</b>
Suppliers	161.612	165.308	155.810	161.633
Notes payable	2.583	3.525	2.583	3.525
Creditors	14.879	25.037	10.153	23.297
Cheques payable	20.130	12.222	19.946	12.083
Discounts to customers	4.248	3.503	3.751	3.497
Other payables	54.194	43.468	42.331	40.975
<b>Total</b>	<b>257.646</b>	<b>253.063</b>	<b>234.574</b>	<b>245.010</b>

## **18. RELATED PARTY TRANSACTIONS**

The transactions for the period among the Group, the Company and the related parties are the following:

- (a) During the period from 01.01.2008 up to 30.09.2008, between "ALFA-BETA" VASSILOPOULOS S.A. and ENA S.A., the following transactions have been effected:

	<b>01.01.2008- 30.09.2008</b>
Net Sales of merchandise and of packaging material from «ALFA-BETA» VASSILOPOULOS S.A. to ENA S.A. (net of vendor allowances)	70.474
«ALFA-BETA» revenue arising from rental of property to ENA S.A.	131
Purchases of ENA S.A. from «ALFA-BETA» VASSILOPOULOS S.A. (Net of vendor allowances)	70.474
ENA S.A. expenses arising from lease of property from «ALFA-BETA» VASSILOPOULOS S.A.	131
«ALFA-BETA» VASSILOPOULOS S.A. receivables from ENA S.A.	8.865

- (b) During the period from 01.04.2008 up to 30.09.2008, between "ALFA-BETA" VASSILOPOULOS S.A. and HOLDING AND FOOD TRADING COMPANY SINGLE PARTNER LIMITED LIABILITY COMPANY & CO LIMITED PARTNERSHIP, the following transactions have been effected:



## 18. RELATED PARTY TRANSACTIONS – CONTINUED

	01.04.2008- 30.09.2008
Net Sales of merchandise and packaging material from «ALFA-BETA» VASSILOPOULOS S.A. to HOLDING AND FOOD TRADING COMPANY SINGLE PARTNER LIMITED LIABILITY COMPANY & CO LIMITED PARTNERSHIP (net of vendor allowances)	14.423
Purchases of HOLDING AND FOOD TRADING COMPANY SINGLE PARTNER LIMITED LIABILITY COMPANY & CO LIMITED PARTNERSHIP from «ALFA-BETA» VASSILOPOULOS S.A. (Net of vendor allowances)	14.423
"ALFA-BETA" VASSILOPOULOS S.A. other revenue from HOLDING AND FOOD TRADING COMPANY SINGLE PARTNER LIMITED LIABILITY COMPANY & CO LIMITED PARTNERSHIP	43
Other expenses of HOLDING AND FOOD TRADING COMPANY SINGLE PARTNER LIMITED LIABILITY COMPANY & CO LIMITED PARTNERSHIP for purchasing materials and services from «ALFA-BETA» VASSILOPOULOS S.A.	43
«ALFA-BETA» VASSILOPOULOS S.A. receivables from HOLDING AND FOOD TRADING COMPANY SINGLE PARTNER LIMITED LIABILITY COMPANY & CO LIMITED PARTNERSHIP.	12.874
ALFA-BETA» VASSILOPOULOS S.A. liabilities to HOLDING AND FOOD TRADING COMPANY SINGLE PARTNER LIMITED LIABILITY COMPANY & CO LIMITED PARTNERSHIP.	1.043
Expenses of «ALFA-BETA» VASSILOPOULOS S.A. for storage services provided by HOLDING AND FOOD TRADING COMPANY SINGLE PARTNER LIMITED LIABILITY COMPANY & CO LIMITED PARTNERSHIP	1.356
HOLDING AND FOOD TRADING COMPANY SINGLE PARTNER LIMITED LIABILITY COMPANY & CO LIMITED PARTNERSHIP revenue for storage services provided to ALFA-BETA VASSILOPOULOS S.A.	1.356
Purchases of ALFA-BETA VASSILOPOULOS S.A. From HOLDING AND FOOD TRADING COMPANY SINGLE PARTNER LIMITED LIABILITY COMPANY & CO LIMITED PARTNERSHIP.	4.564
Net Sales of merchandise from HOLDING AND FOOD TRADING COMPANY SINGLE PARTNER LIMITED LIABILITY COMPANY & CO LIMITED PARTNERSHIP to «ALFA-BETA» VASSILOPOULOS S.A. (net of vendor allowances)	4.564

(c) During the period from 01.04.2008 up to 30.09.2008, between HOLDING AND FOOD TRADING COMPANY SINGLE PARTNER LIMITED LIABILITY COMPANY & CO LIMITED PARTNERSHIP and HOLDING AND FOOD TRADING COMPANY SINGLE PARTNER LIMITED LIABILITY COMPANY, transactions amounting to 17 Euro have been effected, which are not analysed due to their immaterial value.

(d) During the period from 14.02.2008 up to 30.09.2008, between "ALFA-BETA" VASSILOPOULOS S.A. and P.L.L.C. S.A., the following transactions have been effected:

	14.02.2008- 30.09.2008
Expenses of ALFA-BETA VASSILOPOULOS S.A. for storage services provided by P.L.L.C. S.A.	85
P.L.L.C. S.A. revenue for storage services provided to "ALFA-BETA" VASSILOPOULOS S.A.	85
Liabilities of ALFA-BETA VASSILOPOULOS S.A. to P.L.L.C. S.A.	101



## 18. RELATED PARTY TRANSACTIONS – CONTINUED

(e) During the period from 01.04.2008 up to 30.09.2008, between "ALFA-BETA" VASSILOPOULOS S.A. and HOLDING AND FOOD TRADING COMPANY SINGLE PARTNER LIMITED LIABILITY COMPANY, transactions amounting to 3 Euro have been effected, which are not analyzed due to their immaterial value.

(f) During the period from 01.04.2008 up to 30.09.2008, between "HOLDING AND FOOD TRADING COMPANY SINGLE PARTNER LIMITED LIABILITY COMPANY & CO LIMITED PARTNERSHIP and ENA S.A., transactions amounted to 13 Euro have been effected, which are not analyzed due their immaterial value.

(g) During the period from 01.01.2008 up to 30.09.2008, among the Group, the Company and the companies of DELHAIZE GROUP S.A. the following transactions have been effected:

	<b>01.01.2008- 30.09.2008</b>	<b>01.01.2008- 30.09.2008</b>
	<b>Group</b>	<b>Company</b>
Sales of merchandise to DELHAIZE GROUP S.A.	527	527
Purchases of merchandise from DELHAIZE GROUP S.A.	3.030	3.030
Administrative Expenses (services provided by DELHAIZE GROUP S.A.)	4.193	3.932
Other Income (charges to DELHAIZE GROUP S.A.)	214	214
Receivables from DELHAIZE GROUP S.A.	668	668
Liabilities to DELHAIZE GROUP S.A.	4.977	4.716
Sales of merchandise to MEGA IMAGE S.A.	1.258	1.258
Receivables from MEGA IMAGE S.A.	234	234
Other income (charges to MEGA IMAGE S.A.)	12	12

(h) The remuneration of the BoD members and Directors as at 30.09.2008 and 30.09.2007 is analysed as follows:

	<b>30.09.2008</b>	<b>30.09.2007</b>
Remunerations	1.869	2.094
Bonus	436	444
Employer's Contribution	80	70
Retirement Benefit Plans	89	80
Healthcare Plan Contribution	15	13
<b>Total</b>	<b>2.488</b>	<b>2.702</b>

## 19. CAPITAL COMMITMENTS

The Company's commitments for the acquisition of property, plant and equipment amount to 10.604 Euros while for the Group amount to 46.296 Euros.



## **20. CONTINGENT LIABILITIES AND ASSETS**

1. For the parent company "ALFA-BETA" VASSILOPOULOS S.A., a tax audit was conducted and concluded up to the fiscal year 2005. The only issue outstanding is the audit regarding the fee of the related company DELHAIZE GROUP S.A. for services provided in 2005, which has been referred to a special committee of the Ministry of Finance. Furthermore, for the fiscal years 2003, 2004 and 2005 withholding tax charges based on article 13 of the C.L. 2238/1994, amounting to 204 Euros were assessed, for which the Company has taken legal actions that are estimated to succeed.

For ENA S.A., a tax audit was conducted and concluded up to the fiscal year 2004.

For "ALFA-BETA" VASSILOPOULOS S.A. regarding fiscal periods 2006 up to 2007, and for ENA S.A. regarding fiscal periods 2005 up to 2007, a tax audit is currently in process.

For the company P.L.L.C. S.A., a tax audit was conducted and concluded up to the fiscal year 2006.

For HOLDING AND FOOD TRADING COMPANY SINGLE PARTNER LIMITED LIABILITY COMPANY & CO LIMITED PARTNERSHIP which started its operations on 10.02.2004 and has not been audited for all its operating fiscal years, a tax audit is currently in process and it is expected to be concluded soon. It is noted that for the two first fiscal periods which fall under the provisions of the L. 3697/2008 regarding outstanding fiscal cases, a settlement statement amounting to 18 Euros has been issued.

HOLDING AND FOOD TRADING COMPANY SINGLE PARTNER LIMITED LIABILITY COMPANY which started its operations on 10.02.2004, has not been audited for all its operating fiscal years.

For the two first fiscal periods which fall under the provisions of the L. 3697/2008 regarding outstanding fiscal cases, a settlement statement has not been issued and the estimated cost amounts to 2 Euros. For the following two fiscal periods the tax audit is pending. Regarding the aforementioned amounts arising from the provisions of the L. 3697/2008, a relevant provision has been made.

Finally, the outcome of the above tax audits for the unaudited fiscal years cannot be estimated at this stage and thus no relevant provision has been made in the financial statements.

2. On 05.07.2005 the Hellenic Competition Commission issued its decision no 284/IV/2005 and imposed a fine of 739 Euros (stamp duty included) to the parent Company for contravention of art. 1 of L.703/1977. The Company had appealed to the appropriate courts against the aforementioned decision and on 28.04.2006 the Administrative Court of Appeals issued its decision no 1471. According to this decision, the Administrative Court of Appeals accepted partially the Company's appeal and reduced the fine imposed to the amount of 130 Euros, while it ordered the refund of the already paid state duties amounting to 100 Euros as unduly paid. In addition, the Court allocated the court fees equally to both parties. This decision has been officially served to our Company on 08.09.2006. On 14.11.2006, the Company filed an appeal before the Greek Supreme Administrative Court (Conseil d'Etat), which was scheduled to be heard on October 8<sup>th</sup>, 2008, before the 2nd Session of the Court, but was canceled and rescheduled for 14.01.2009.

3. On 19.12.2007 the Hellenic Competition Commission issued its decision no 373/V/2007 and imposed a fine of 1.088 Euros (stamp duty is not included) for contravention of art. 1 of L.703/1977, which has been already paid. The Company has timely appealed to the appropriate courts against the aforementioned decision. Initially, the appeal was scheduled to be discussed on 12.06.2008, but it was cancelled and rescheduled for 22.01.2009.

4. By approval no. 41298/YPE/4/00267/N.3299/2004/16-10-2006 of the Minister and the Deputy Minister of Finance, the Company qualified under provisions of L.3299/2004 for a subsidy of its investment plan, for the modernization of its supply chain system in Mandra, Attica. The total qualifying expenditure for the grant amounts to 11.730 Euros, of which a 30% subsidy of 3.519 Euros will be received.





## 21. ACQUISITIONS OF SUBSIDIARIES-BUSINESS COMBINATION

(a) On 14.02.2008, "ALFA-BETA" VASSILOPOULOS S.A. acquired 100% of the share capital of "P.L. LOGISTICS CENTER-DIANOMES-APOTHIKEFSIS-LOGISTICS SOCIETE ANONYME" (P.L.L.C. S.A.) for an amount of 12.200 Euro. This transaction has been accounted for using the fair value method but it is not yet finalized as it is not yet audited by the independent auditors.

The assets and liabilities acquired in the transaction and the goodwill arising, which have been determined provisionally as of September 30, 2008, are as follows:

	Acquiree's carrying amount before combination	Fair value adjustments	Fair value
Property, plant and equipment	3.388	5.497	8.885
Other receivables	61	13	74
Cash and cash equivalents	4	-	4
Deferred tax liabilities	(1.399)	-	(1.399)
Other liabilities	(7)	6	(1)
	2.047	5.516	7.563

Goodwill arising on acquisition -provisional	4.637
Total consideration satisfied by cash	<u>12.200</u>

### Net cash flow arising on acquisition

Cash consideration paid	(12.200)
Cash and cash equivalents acquired	<u>4</u>
	<u>(12.196)</u>

The goodwill arising on acquisition of P.L.L.C. is attributed to the expected decrease in the storage and distribution cost of the Group and the anticipated economies of scale that will arise from its operation through a more rational and effective organization and coordination of its supply chain. Moreover, through the further enhancement of the centralization of purchases, better and more beneficial commercial agreements will be achieved.

(b) On April 1, 2008, "ALFA-BETA" VASSILOPOULOS S.A. acquired 100% of the share capital of the PLUS HELLAS E.P.E. & SIA E.E. for a cash consideration of 69.535 Euros that was subject to contractual adjustments. More specifically, 100% of the share capital was obtained through the direct acquisition of 99.9999% of the share capital of PLUS HELLAS E.P.E. & SIA E.E. (renamed to HOLDING AND FOOD TRADING COMPANY SINGLE PARTNER LIMITED LIABILITY COMPANY & CO LIMITED PARTNERSHIP) in exchange for the amount of 69.515 Euros, and the remaining 0.0001% was obtained through the acquisition of 100% of the share capital of the company PLUS HELLAS E.P.E., (renamed to HOLDING AND FOOD TRADING COMPANY SINGLE PARTNER LIMITED LIABILITY COMPANY) a general partner of PLUS HELLAS E.P.E. & SIA E.E., in exchange for the amount of 20 Euros which was paid in full.



## 21. ACQUISITIONS OF SUBSIDIARIES-BUSINESS COMBINATION-CONTINUED

The final acquisition price, after the contractual adjustments and as agreed with the seller, was reduced to 65.015 Euros.

This transaction has been accounted for using the fair value method but it is not yet finalized as it is not yet audited by the independent auditors.

(b.1) The assets and liabilities acquired in the transaction and the goodwill arising, which have been determined provisionally as of September 30, 2008, are as follows:

	Acquiree's carrying amount before combination	Adjustments	Acquiree's fair value
Property, plant and equipment	68.344	(938)	67.406
Intangible assets	291	-	291
Deferred tax assets	823	1.207	2.030
Inventories	7.934	-	7.934
Trade receivables	147	-	147
Other receivables	2.624	1.957	4.581
Cash and cash equivalents	1.211	-	1.211
Retirement benefit obligation	(313)	-	(313)
Trade receivables	(17.536)	-	(17.536)
Trade payables	-	-	-
Other liabilities	(16.403)	852	(15.551)
Contingent liabilities	-	-	-
	47.122	3.078	50.200

Goodwill arising on acquisition-provisional	15.272
Total consideration	65.472

### Net cash flow arising on acquisition

Cash consideration paid	69.515
Contractual adjustments of cash consideration paid	(4.520)
Directly attributable costs	477
Cash and cash equivalents acquired	(1.211)
	64.261

The operating results contributed by HOLDING AND FOOD TRADING COMPANY SINGLE PARTNER LIMITED LIABILITY COMPANY & CO LIMITED PARTNERSHIP in the period from the acquisition date 01.04.2008 until the period ended at 30.09.2008 is as follows:

Revenue	23.365
Gross profit	1.464
Operating profit (loss)	(8.944)
Profit (loss) before tax	(9.343)
Profit (loss) after tax	(7.486)



## **21. ACQUISITIONS OF SUBSIDIARIES-BUSINESS COMBINATION-CONTINUED**

(b.2) On April 1, 2008 the Company acquired 100% of the capital of HOLDING AND FOOD TRADING COMPANY SINGLE PARTNER LIMITED LIABILITY COMPANY, for cash consideration of 20 Euros. The transaction has been accounted using the purchase method of accounting. The assets and liabilities of the above mentioned company acquired, were based on the acquirees carrying amounts which represent fair values and are as follows:

	Acquiree's carrying amount before combination
Other receivables	47
Cash and cash equivalents	2
Other liabilities	(29)
	20
Goodwill arising on acquisition	-
Total consideration satisfied by cash	<u>20</u>
<u>Net cash flow arising on acquisition</u>	
Cash consideration paid	(20)
Cash and cash equivalents acquired	<u>2</u>
	<u>(18)</u>

The impact of the results of the companies HOLDING AND FOOD TRADING COMPANY SINGLE PARTNER LIMITED LIABILITY COMPANY for the period 01.04.2008-30.09.2008 and of P.L.L.C. S.A. for the period 14.02.2008-30.09.2008 in Groups' financial statements is immaterial.