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

ANNUAL FINANCIAL STATEMENTS
IN ACCORDANCE WITH THE INTERNATIONAL FINANCIAL REPORTING STANDARDS
THAT HAVE BEEN ADOPTED BY THE EUROPEAN UNION
FOR THE PERIOD 1 JANUARY – 31 DECEMBER 2005
FOR THE GROUP AND THE COMPANY
«ALFA-BETA» VASSILOPOULOS S.A.

Headquarters: 81 Spaton Avenue – 153 44 Gerakas Attica

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The annual financial statements were approved by the Board of Directors on February 27, 2006 and are subject to the approval of the Ordinary General Meeting of Shareholders. The Board of Directors authorized the following to sign the financial statements on its behalf:

The Chairman
of the Board of Directors

Raphael A. Moissis
Identity Card no K 325346

The Managing Director
& Member of the Board of Directors

Konstantinos D. Macheras
Identity Card no Θ 724826

The Executive Financial Director

Maria V. Kuhkalani
Identity Card no N 257221
License no 30034-A' Class

The Accounting Manager

Ioannis A. Milonidis
Identity Card no Ξ 016410
License no 13549-A' Class

«ALFA-BETA» VASSILOPOULOS S.A..
INCOME STATEMENT
FOR THE YEAR ENDED DECEMBER 31, 2005
(amounts in thousand EUR except for earnings per share)

		Group		Company	
	Note	**01.01.2005 - 31.12.2005**	**01.01.2004 - 31.12.2004**	**01.01.2005 - 31.12.2005**	**01.01.2004- 31.12.2004**
Turnover (sales)	**4**	908.001	873.114	880.342	847.548
Cost of Sales		(710.327)	(686.988)	(693.634)	(671.644)
Gross Profit		197.674	186.126	186.708	175.904
Other operating income	**5**	3.544	3.684	3.364	3.489
Distribution cost		(145.687)	(134.637)	(137.314)	(126.250)
Administrative expenses		(31.318)	(30.341)	(29.866)	(28.693)
Impairment charges		(62)	(82)	(62)	(82)
Profit from operations		24.151	24.750	22.830	24.368
Finance costs	**7**	(2.616)	(2.924)	(2.616)	(2.923)
Income from investments		590	1.256	238	949
Profit before taxes	**8**	22.125	23.082	20.452	22.394
Income tax expense	**10**	(9.830)	(5.637)	(8.755)	(6.365)
Profit after tax		12.295	17.445	11.697	16.029
Attributable to:					
Equity holders of the parent		12.294	17.445	11.697	16.029
Minority interest		1	-	-	-
		12.295	**17.445**	**11.697**	**16.029**
Earnings per share (in EUR)	**11**	**0,97**	**1,37**	**0,92**	**1,26**

The notes set out on pages 12 to 44 constitute an integral part of the financial statements.

«ALFA-BETA» VASSILOPOULOS S.A..
BALANCE SHEET
AT DECEMBER 31, 2005
(amounts in thousand EUR)

		Group		Company	
	Note	**31.12.2005**	**31.12.2004**	**31.12.2005**	**31.12.2004**
ASSETS					
Non-Current Assets					
Property, plant and equipment	**12**	169.501	151.282	159.123	140.512
Investment property	**13**	57	57	13	13
Goodwill	**14**	69.712	69.712	69.712	69.712
Intangible assets	**15**	21	23	1	-
Investment in subsidiaries	**16**	-	-	7.375	7.375
Long-term receivables	**17**	5.324	4.868	5.223	4.770
Deferred tax asset	**18**	894	4.328	866	3.225
Total Fixed Assets		**245.509**	**230.270**	**242.313**	**225.607**
Current Assets					
Inventory	**19**	73.937	82.770	69.073	77.072
Trade receivables	**20**	18.154	15.082	27.646	25.985
Income tax advances		115	115	-	-
Prepayments		448	229	438	210
Other receivables- accrued income	**21**	1.499	1.489	1.471	1.461
Cash and cash equivalents	**22**	30.363	13.113	26.728	7.320
Total Current Assets		**124.516**	**112.798**	**125.356**	**112.048**
TOTAL ASSETS		**370.025**	**343.068**	**367.669**	**337.655**
LIABILITIES					
Shareholders Equity					
Share Capital	**23**	19.099	19.099	19.099	19.099
Share Premium	**24**	13.560	13.560	13.560	13.560
Reserves	**25**	30.057	30.057	30.336	30.336
Retained Earnings	**26**	4.108	(8.186)	7.710	(3.987)
Equity attributable to equity holders of the parent		66.824	54.530	70.705	59.008
Minority Interests		1	-	-	-
Total Equity		**66.825**	**54.530**	**70.705**	**59.008**
Long-term Liabilities					
Long- term Borrowings	**27**	72.296	27.972	72.296	27.972
Retirement benefit plans	**28**	12.443	10.620	11.861	10.126
Derivative Instruments	**29**	12.001	16.656	12.001	16.656
Provisions	**30**	1.934	1.078	1.795	919
Other long-term liabilities		274	422	274	421
Total Long-term Liabilities		**98.948**	**56.748**	**98.227**	**56.094**
Short-term Liabilities					
Short- term Borrowings		-	15.400	-	15.400
Trade payables	**31**	165.103	174.017	160.744	169.381
Accrued expenses	**32**	9.954	8.853	9.421	8.486
Income tax payable		11.320	16.986	11.320	13.193
Other short-term liabilities	**33**	17.875	16.534	17.252	16.093
Total short-term Liabilities		**204.252**	**231.790**	**198.737**	**222.553**
TOTAL LIABILITIES & SHAREHOLDERS EQUITY		**370.025**	**343.068**	**367.669**	**337.655**

The notes set out on pages 12 to 44 constitute an integral part of the financial statements.

«ALFA-BETA» VASSILOPOULOS S.A.
CHANGES IN EQUITY STATEMENT
FOR THE YEAR ENDED DECEMBER 31, 2005
(amounts in thousand EUR)

	Share Capital	Share Premium	Reserves	Retained Earnings	Minority Rights	Total
Group						
As at 31.12.2005						
As at 01.01.2005	19.099	13.560	30.057	(8.186)	-	54.530
Net Profit of the year	-	-	-	12.294	1	12.295
As at 31.12.2005	**19.099**	**13.560**	**30.057**	**4.108**	**1**	**66.825**
As at 31.12.2004						
As at 01.01.2004	19.099	13.560	25.051	(17.569)	-	40.141
Changes from appropriation of 2003 profits	-	-	5.006	(5.006)	-	-
Dividends	-	-	-	(3.056)	-	(3.056)
Net Profit of the year	-	-	-	17.445	-	17.445
As at 31.12.2004	**19.099**	**13.560**	**30.057**	**(8.186)**	**-**	**54.530**

	Share Capital	Share Premium	Reserves	Retained Earnings	Minority Rights	Total
Company						
As at 31.12.2005						
As at 01.01.2005	19.099	13.560	30.336	(3.987)	-	59.008
Net Profit of the year	-	-	-	11.697	-	11.697
As at 31.12.2005	**19.099**	**13.560**	**30.336**	**7.710**	**-**	**70.705**
As at 31.12.2004						
As at 01.01.2004	19.099	13.560	25.051	8.411	-	66.121
Transfers as a result of merger	-	-	279	(20.365)	-	(20.086)
Changes from appropriation of 2003 profits	-	-	5.006	(5.006)	-	-
Dividends	-	-	-	(3.056)	-	(3.056)
Net Profit of the year	-	-	-	16.029	-	16.029
As at 31.12.2004	**19.099**	**13.560**	**30.336**	**(3.987)**	**-**	**59.008**

The notes set out on pages 12 to 44 constitute an integral part of the financial statements.

«ALFA-BETA» VASSILOPOULOS S.A.
CASH FLOW STATEMENT
FOR THE YEAR ENDED DECEMBER 31, 2005
(amounts in thousand EUR)

		Group		Company	
	Note	01.01.2005 - 31.12.2005	01.01.2004- 31.12.2004	01.01.2005 - 31.12.2005	01.01.2004- 31.12.2004
Operating activities					
Profit before tax		22.125	23.082	20.452	22.394
Plus / (minus) adjustments for:					
Depreciation and amortization		16.947	16.402	16.082	15.540
Provisions	**40**	3.341	2.354	3.318	1.186
(Gain) / Loss on disposal of fixed assets		319	(32)	314	48
Results from investing activity		(590)	(1.256)	(238)	(949)
Finance costs		2.616	2.924	2.616	2.923
Plus / (minus) adjustments for changes in working capital					
Decrease / (increase) of inventory		8.833	988	7.999	209
Decrease / (increase) of receivables		(3.632)	29.266	(2.272)	34.243
(Decrease) / increase of liabilities (excluding bank loans)		(8.797)	11.685	(8.867)	11.129
Less:					
Interest paid		(1.509)	(3.465)	(1.509)	(3.464)
Income tax paid		(12.048)	(4.132)	(8.255)	(4.132)
Net cash provided by (used in) operating activities (a)		**27.605**	**77.816**	**29.640**	**79.127**
Investing activities					
Purchase of tangible and intangible fixed assets		(35.654)	(32.471)	(35.173)	(31.354)
Investment in subsidiaries		-	-	-	(1.000)
Proceeds on disposal of tangible and intangible fixed assets		109	450	103	438
Interest received		590	1.256	238	949
Net cash used in investing activities (b)		**(34.955)**	**(30.765)**	**(34.832)**	**(30.967)**
Financing activities					
New bank loans raised (bond)		40.000	-	40.000	-
Repayment of borrowings		(15.400)	(49.540)	(15.400)	(49.540)
Dividends paid		-	(3.056)	-	(3.056)
Net cash provided by (used in) financing activities (c)		**24.600**	**(52.596)**	**24.600**	**(52.596)**
Net increase / (decrease) in cash and cash equivalents of the period (a)+(b)+(c)		**17.250**	**(5.545)**	**19.408**	**(4.436)**
Cash and cash equivalents beginning of the period		**13.113**	**18.658**	**7.320**	**11.756**
Cash and cash equivalents end of the period		**30.363**	**13.113**	**26.728**	**7.320**

The notes set out on pages 12 to 44 constitute an integral part of the financial statements.

1. General Information

"ALFA-BETA" VASSILOPOULOS S.A. is a Societe Anonyme, incorporated in Greece according to the regulations of C.L. 2190/1920, situated at 81, Spaton Avenue, 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, the Company's commercial activity encompasses wholesale trading through its subsidiary ENA S.A

The staff of the Group and that of the Company at the end of the fiscal year 2005 numbered 6.744 and 6.472 people respectively.

2. Basic Accounting Principles

2.1 Basis of Presentation

The financial statements have been prepared in accordance to International Financial Reporting Standards (IFRS), taking into consideration the provisions of IFRS 1 for first-time application and are expressed in thousand Euro, unless stated differently. The financial statements have been prepared on the historical cost basis.

The preparation of Financial Statements according to Generally Accepted Accounting Principles requires management to make assumptions and estimates, which may possibly affect both the reported amounts of assets and liabilities, as well as the disclosures of contingent assets and liabilities at the date of the Financial Statements and the stated amounts of revenues and expenses recognized during the period. The use of sufficient information and the application of subjective assessments are integral elements for the evaluation of assets, liabilities arising from personnel benefits, write-down of receivables, unaudited tax years and pending legal cases. The actual future results may differ from the above estimates.

2.2 Adoption of International Financial Reporting Standards (IFRS)

The company has adopted IFRS for the fist time for the preparation of the Financial Statements of the fiscal year ended on December 31, 2005. The company applied the provisions of IFRS 1 in the adjustments of the opening balances for the comparative figures of 2004. The impact from the application of IFRS on the financial statements of the comparative periods which were prepared in accordance with the accounting principles generally accepted in Greece is disclosed in note 39.

2. Basic Accounting Principles

2.2 Adoption of International Financial Reporting Standards (IFRS) - Continued

New standards, interpretations and revised standards
Certain new standards, interpretations and revised standards have been issued that are effective for years commencing from January 1st 2006 and thereafter .These are stated below:

- IAS 19 (Amendment), Employee Benefits (effective from 1 January 2006).
- IAS 39 (Amendment), Cash Flow Hedge Accounting of Forecast Intra-group Transactions (effective from 1 January 2006).
- IAS 39 (Amendment), The Fair Value Option (effective from 1 January 2006).
- IAS 39 and IFRS 4 (Amendment), Financial Guarantee Contracts (effective from 1 January 2006).
- IFRS 1 (Amendment), First-time Adoption of International Financial Reporting Standards andIFRS 6 (Amendment), Exploration for and Evaluation of Mineral Resources (effective from 1 January 2006).
- IFRS 7, Financial Instruments: Disclosures, and a complementary Amendment to IAS 1, Presentation of Financial Statements - Capital Disclosures (effective from 1 January 2007).
- IFRIC 4, Determining whether an Arrangement contains a Lease (effective from 1 January 2006).
- IFRIC 5, Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds (effective from 1 January 2006).

Management anticipate the future adoption of these new standards, interpretations and revisions will not have asignificant impact on the Group and Company financial statements either because they are not relevant to the Group's operation or because they refer to supplementary disclosure.

3. Summary Of Accounting Principles

The Accounting Principles applied are the following.

3.1 Basis of Consolidation

The consolidated financial statements incorporate the financial statements of "ALFA-BETA" VASSILOPOULOS S.A. (parent company) and of ENA S.A. (subsidiary).

The consolidated financial statements are prepared with the method of full consolidation. Specifically, the initial investment cost of the parent company in the subsidiary, any possible share capital increases as well as any provisions for the write-down of investments thereafter are eliminated. The equity of the subsidiary on the date of acquisition as well as any possible share capital increases thereafter are respectively eliminated from the total equity of the subsidiary company. The difference between the elimination in the participations of the parent company and the elimination in the equity of the subsidiary company is recorded as Goodwill.

All intra-group transactions, balances, income and expenses are eliminated on consolidation.

Minority interests in the net assets of consolidated subsidiaries are identified separately from the Group's equity therein. Minority interests consist of the amount of those interests at the date of the original business combination and the minority's share of changes in equity since the date of the combination. Losses applicable to the minority in excess of the minority's interest in the subsidiary's equity are allocated against the interests of the Group except to the extent that the minority has a binding obligation and is able to make an additional investment to cover the losses.

3.2 Goodwill

Goodwill arising after the merger by absorption of TROFO S.A. by "ALFA-BETA" VASSILOPOULOS S.A. represents the excess of the cost of the acquisition over the Company's interest in the fair value of the identifiable assets and liabilities of the absorbed company on the date of the acquisition.
Goodwill is recorded at cost . Until December 31, 2003 amortization has been calculated using a depreciation rate 5% according to IFRS 22. From January 1, 2004 Goodwill is no longer amortized but reduced, where considered necessary, by any losses arising from impairment according to IFRS 3, as applied.
Impairment of Goodwill applies if after the valuation of each cash-generating unit / store it appears that its net present value is lower than its proportionate goodwill. This valuation is performed annually.
For the purpose of impairment testing, goodwill is allocated to each of the Group's cash generating units expected to benefit from the synergies of the combination. The allocation has been made based on the sales of each cash-generating unit. Cash generating units to which goodwill has been allocated are tested for impairment annually.

3.3 Revenue Recognition

Retail sales at sales points (stores), wholesale sales from the central warehouse as well as sales of merchandise to subsidiaries or franchising enterprises are recognized as revenue.
Sales of goods are recognized when goods are received by the customer and title has passed.
Discounts and rebates to customers are recorded as sales' reductions.
Interest income is accrued on the accrual basis, by reference to the principal outstanding and at the effective applicable interest rate. Dividend income from investments is recognized when the shareholders' rights to receive payment have been established.

3.4 Leases

The Group has operating leases only.

The Group as lessor

Revenues form operating leases are recognized based on the straight-line method throughout the duration of the respective lease.

The Group as lessee

Rents payable in the case of operating lease affect the results based on the straight-line method throughout the duration of the respective lease.

3.5 Foreign Currencies

Transactions in currencies other than Euro are initially recorded at the rates prevailing on the dates of transactions. Monetary assets and liabilities denominated in such currencies are retranslated at the official rates prevailing on the balance sheet date. Gains and losses arising on exchange differences are included in the net profit or loss for the period.

3.6 Borrowing Costs

Borrowing costs are recognized in profit or loss when they are incurred.

3.7 Government Grants

Government grants for staff training are recognized as revenue over the periods necessary to match them with the related costs .

3.8 Retirement Costs

Payments to defined contribution retirement benefit plans are charged as an expense as they fall due. Payments made to state-managed retirement benefit schemes are dealt with as payments to defined contribution plans where the Group's obligations under the plans are equivalent to those arising in a defined contribution retirement benefit plan.

For defined benefit retirement benefit plans, the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuations being carried out at each balance sheet date. Actuarial gains and losses that exceed 10 per cent of the greater of the present value of the Group's defined benefit obligation and the fair value of plan assets are amortized over the expected average remaining working lives of the participating employees. Past service costs are recognized immediately to the extent that the benefits are already vested, and otherwise are amortized on a straight-line basis over the average period until the benefits become vested.

The retirement benefit obligation recognized in the balance sheet represents the present value of the defined benefit obligation adjusted by unrecognized actuarial gains and losses, by unrecognized past service costs and reduced by the fair value of plan assets. Any asset resulting from this calculation is limited to unrecognized actuarial losses and past service costs, plus the present value of available refunds and reductions in future contributions to the plan.

3.9 Taxation

Income tax expense represents the sum of the current and deferred tax.

The tax currently payable is based on taxable profit of the year. Taxable profit differs from profit as reported in the income statement as it excludes items of income or expense that are taxable or deductible in future years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using the tax rates that have been enacted or substantively enacted at the balance sheet date.

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that there will be taxable profits available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

(amounts in thousand EUR)

3.9 Taxation

Deferred tax is calculated at the tax rates which are expected to apply in the period when the liability is settled or the asset realised. Deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

3.10 Property, plant and equipment

Land and buildings are recorded at cost and stated at historical cost less depreciation and exclude therevaluation based on tax laws (i.e. L.2065/92 etc.). Additionally, the fixed assets of the acquired subsidiaries TROFO S.A. and ENA S.A. were revalued on the acquisition dateti Fixtures and equipment are stated at cost less accumulated depreciation and any accumulated impairment losses.
Depreciation is charged so as to write off the cost of assets, other than land and properties under construction, over their estimated useful lives, using the straight-line method. The estimated useful lives are stated below:

Tangible fixed asset	Estimated useful life
Owned buildings	40 years
Buildings' installations (Permanent or non-permanent)	10-15 years
Plant and machinery	5-10 years
Vehicles	4-9 years
Electronic equipment	1-10 years
Furniture-other equipment	1-10 years

The gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recorded in profit or loss.

3.11 Investment Property

Investment property was stated at book value on the date of IFRS first-time application. The Group does not provide depreciation on Investment Property when the net realizable value is equal or higher than the book value.

3.12 Impairment

At each balance sheet date, the Group reviews the carrying amounts (net book value) of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. An indication of impairment loss exists if the carrying amounts of tangible and intangible assets are estimated to be higher than their recoverable value. The recoverable value is the higher between the fair value reduced by the selling costs and the value in use. At each balance sheet date, the Group tests whether there is any indication of impairment of the cash generating units' (stores) . The Group considers as an indication of impairment loss of tangible and intangible assets when the cash generating units (stores) show negative operating cash flows during the last three consecutive years provided that they are not stores opened in the last three years or stores remodelled in the last two years. For these stores, at the balance sheet date, the Group evaluates the recoverable value of the cash generating unit (store) using a twenty year discounted cash flow method with the general assumptions that inflows will increase by the estimated inflation rate plus one base point, the structure of cash flows is based on historical data and a discount rate equal to the Company's weighted average cost of capital (wacc).

The Group proceeds to impairment when both of the following conditions apply:

- the carrying value of the cash generating unit (store) is higher than its value in use, and
- the carrying value of the cash generating unit (store) is higher than its fair value.

3.13 Inventories

Inventories of tradeable merchandise are stated at the lower of cost or net realizable value. The purchase cost of all tradeable inventories includes the invoice purchase value both increased by specific purchase expenses (transportation costs, insurance premiums etc.) and reduced by discounts and vendor allowances. Inventories are valued using the weighted average cost method.

3.14 Financial Instruments

Financial assets and financial liabilities are recognized on the Group's balance sheet when the Group becomes party to the contractual provisions of the instrument.

Trade receivables

Appropriate allowances for estimated irrecoverable amounts are recognised in profit or loss when there is objective evidence that the asset is impaired. The allowance recognised is calculated as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the effective interest rate computed at initial recognition.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits, and other short-term highly liquid investments (up to 3 months) that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

Trade payables

Trade payables are interest free and are shown at their nominal value reduced by any receivables arising from vendor allowances.

Derivative financial instruments

The Group does not use derivative financial instruments for speculative purposes.
Derivative financial instruments are initially measured at fair value on the contract date, and are remeasured to fair value at subsequent reporting dates.
Changes in the fair value of derivative financial instruments that do not qualify for hedge accounting , are recognised in profit or loss as they arise.

3.14 Financial Instruments

Bank Borrowings

Interest bearing bank loans and overdrafts are initially recorded at fair value and are subsequently measured at amortised cost, using method of effective interest method. Any difference between proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognised over the term of the borrowings in accordance with the Group's accounting policy for borrowing costs.

3.15 Provisions

Provisions are recognized when:

a) there is a present legal or presumptive engagement as a result of past events,
b) it is possible that an outflow for the settlement of the engagement will be demanded and
c) this outflow can be assessed reliably.

(amounts in thousand EUR)

4. Revenue

Group and Company revenue arise exclusively from retail store sales to consumers and wholesale sales of goods from to small third party operating units which are located in various regions of the country, as well as from sales of goods to franchisees , as stated below:

	Group		Company	
	01.01.2005-31.12.2005	**01.01.2004-31.12.2004**	**01.01.2005-31.12.2005**	**01.01.2004-31.12.2004**
Retail sales	795.055	770.881	795.055	770.881
Sales to franchisees and other third parties	17.593	11.156	17.593	11.156
Wholesales	95.353	91.077	67.694	65.511
Total	**908.001**	**873.114**	**880.342**	**847.548**

5. Other Operating Income

	Group		Company	
	01.01.2005-31.12.2005	**01.01.2004-31.12.2004**	**01.01.2005-31.12.2005**	**01.01.2004-31.12.2004**
Sales of auxiliary materials	146	141	282	270
Income from suppliers (coupons, quality control of products)	153	215	149	207
Training subsidy (OAED)	310	292	298	274
Other Income (related mainly to services provided and other fees)	671	1.131	577	845
Income deriving from contracts with the franchisees	620	217	263	212
Income from rents	1.644	1.688	1.795	1.681
Total	**3.544**	**3.684**	**3.364**	**3.489**

(amounts in thousand EUR)

6. Business Segments

The company monitors its commercial activity through the following companies:

1. "ALFA-BETA" VASSILOPOULOS S.A. and
2. ENA S.A.

	Period from 01.01.2005 until 31.12.2005				Period from 01.01.2004 until 31.12.2004			
	"ALFA-BETA"	ENA S.A.	Elimination of Intercompany Transactions	Total	"ALFA-BETA"	ENA S.A.	Elimination of Intercompany Transactions	Total
Turnover (sales)								
Retail sales	795.055	-	-	**795.055**	770.881	-	-	**770.881**
Sales to entrepreneurs	-	95.353	-	**95.353**	-	91.078	-	**91.078**
Intercompany sales	67.694	-	(67.694)	**-**	65.512	-	(65.512)	**-**
Sales to franchisees	15.930	-	-	**15.930**	9.371	-	-	**9.371**
Sales to third parties	1.663	-	-	**1.663**	1.784	-	-	**1.784**
Total sales per segment	**880.342**	**95.353**	**(67.694)**	**908.001**	**847.548**	**91.078**	**(65.512)**	**873.114**
Profit before taxes	**20.452**	**1.687**	**(14)**	**22.125**	**22.394**	**824**	**(136)**	**23.082**
Profit after taxes	**11.697**	**1.042**	**(444)**	**12.295**	**16.029**	**822**	**594**	**17.445**
Other information								
Fixed assets' net additions	30.962	413	-	**31.375**	30.222	1.101	(3)	**31.320**
Net depreciation of the period	(12.287)	(770)	(40)	**(13.097)**	(14.893)	(808)	33	**(15.668)**
Impairment of fixed assets	(62)	-	-	**(62)**	(82)	-	-	**(82)**
Total	**18.613**	**(357)**	**(40)**	**18.216**	**15.247**	**293**	**30**	**15.570**

(amounts in thousand EUR)

6. Business Segments - Continued

Assets and liabilities per segment as at 31.12.2005:

	Period from 01.01.2005 until 31.12.2005				Period from 01.01.2004 until 31.12.2004			
	"ALFA-BETA"	ENA S.A.	Elimination of Intercompany Transactions	Total	"ALFA-BETA"	ENA S.A.	Elimination of Intercompany Transactions	Total
Balance Sheet								
Assets								
Segment assets	347.221	20.890	1.914	**370.025**	315.839	24.870	2.359	**343.068**
Related companies' assets	20.448	-	(20.448)	**-**	21.816	-	(21.816)	**-**
Total assets	**367.669**	**20.890**	**(18.534)**	**370.025**	**337.655**	**24.870**	**(19.457)**	**343.068**
Liabilities								
Segment long-term and short-term liabilities	296.964	6.237	(1)	**303.200**	278.647	9.891	-	**288.538**
Liabilities to related companies	-	13.073	(13.073)	**-**	-	14.440	(14.440)	**-**
Total liabilities	**296.964**	**19.310**	**(13.074)**	**303.200**	**278.647**	**24.331**	**(14.440)**	**288.538**

The Group does not analyse the revenue per geographical region.

(amounts in thousand EUR)

7. Finance Costs

	Group		Company	
	01.01.2005 - 31.12.2005	**01.01.2004- 31.12.2004**	**01.01.2005 - 31.12.2005**	**01.01.2004- 31.12.2004**
Interest on bank overdrafts and loans	2.943	3.219	2.943	3.218
Loss/(Profit) from Bond's valuation	4.325	(2.195)	4.325	(2.195)
(Profit)/Losses due to translation of bond in foreign currency	(4.655)	1.896	(4.655)	1.896
Other finance costs	3	4	3	4
Total finance costs	**2.616**	**2.924**	**2.616**	**2.923**

The exchange difference arising from the translation of the bond from USD to Euros is accounted for and the derivative instrument is valued at fair value. Any change arising from the above affects the results for the year and is included in "Finance Costs".

8. Profit before Taxes

Profit before taxes for the year has been arrived at after charging /(crediting) the following :

	Group		Company	
	01.01.2005 - 31.12.2005	**01.01.2004- 31.12.2004**	**01.01.2005 - 31.12.2005**	**01.01.2004- 31.12.2004**
Depreciation of tangible assets for the period	16.606	15.946	15.745	15.084
Impairment losses	62	82	62	82
Depreciation of intangible assets for the period	341	456	337	455
Total depreciation and impairment losses of the period	17.009	16.484	16.144	15.621
Foreign exchange losses / (gains) from trading activities	(13)	(37)	(13)	(23)
Losses / (gains) from fixed assets disposals	319	(32)	314	48
Cost of inventory sold	683.656	662.641	599.304	581.895
Write-down of inventory	435	272	400	174
Staff remuneration and other benefits	107.878	99.097	102.563	93.942
Provision for staff retirement indemnity	1.823	1.317	1.735	1.263

(amounts in thousand EUR)

9. Divıdend

On 10.12.2004 by decision no. K2-14950/10.12.06 of the Minister of Development the absorption of the 100% subsidiary TROFO S.A. by "ALFA-BETA" VASSILOPOULOS S.A. was approved. the prior years transferred losses of the absorbed entity TROFO S.A. were netted off with the profits of the absorbing Company. For this reason and according to article 44a par. 2 of C.L. 2190/1920 the distribution of dividend for the fiscal year 2004 was not feasible.

The Board of Directors of the Company resolved to propose to the General Meeting of Shareholders the dividend distribution of thirty one cents (0.31 Euros) per share. The dividend is subject to the approval of the Annual Ordinary General Meeting of Shareholders and has thus not been accounted for as a liability in the financial statements. The distribution of the dividend to the recipient shareholders will take place on 12.05.2006 via EUROBANK.

10. Income tax

	Group		**Company**	
	01.01.2005 - 31.12.2005	**01.01.2004-31.12.2004**	**01.01.2005 - 31.12.2005**	**01.01.2004-31.12.2004**
Income Tax				
Current income tax:	5.242	7.464	5.242	7.464
– Interest on late payment of taxes related to prior years	1.014	-	1.014	-
– Additional tax	130	142	130	142
– Differences arising from previous years tax audit	10	-	10	-
Deferred tax:				
– Current period	2.426	1.076	1.843	696
– Tax proportion due to a decrease in income tax rate	1.008	(946)	516	(5)
– For the 2004 fiscal year impact arising from the readjustmentof the tax value of fixed assets (L.2065/1992)	-	(2.099)	-	(1.932)
Total	**9.830**	**5.637**	**8.755**	**6.365**

Income tax rate on estimated taxable income has changed from 35% in 2004 to 32% for 2005.

Income tax expenses are accounted for and charged to the income statement as follows:

	Group			
	01.01.2005-31.12.2005	**%**	**01.01.2004-31.12.2004**	**%**
Profit before taxes	22.125		23.082	
Tax proportion to income tax rate 32% (2004:35%)	7.080	32,0	8.079	35,0
Tax impact arising from non-deductible expenses	588	2,7	462	2,0
Additional Taxes	130	0,6	142	0,6
Interest on late payment of taxes related to prior years	1.014	4,6	-	0,0
Differences arising from previous years tax audit	10	0,0	-	0,0
Decrease in deferred tax assets/ liabilities arising from a decrease in income tax rate	1.008	4,6	(946)	(4,1)
For the 2004 fiscal year impact arising from the readjustment of the tax value offixed assets (L.2065/1992)	-	-	(2.100)	(9,1)
Income tax expenses and effective income tax rate for the period	**9.830**	**44,4**	**5.637**	**24,4**

10. Income Tax - Continued

	Company			
	01.01.2005-31.12.2005	**%**	**01.01.2004-31.12.2004**	**%**
Profit before taxes	20.452		22.394	
Tax proportion to income tax rate 32% (2004:35%)	6.545	32,0	7.838	35,0
Tax impact arising from non-deductible expenses	540	2,6	322	1,4
Additional Taxes	130	0,6	142	0,6
Interest on late payment of taxes related to prior years	1.014	5,0	-	0,0
Differences arising from previous years tax audit	10	0,0	-	0,0
Decrease in deferred tax assets/ liabilities arising from a decrease in income tax rate	516	2,5	(5)	0,0
For the 2004 fiscal year impact arising from the readjustment of the tax value of fixed assets (L.2065/1992)	-	-	(1.932)	(8,6)
Income tax expenses and effective income tax rate for the period	**8.755**	**42,8**	**6.365**	**28,4**

11. Earnings per share

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

	Group		Company	
	01.01.2005 - 31.12.2005	**01.01.2004-31.12.2004**	**01.01.2005 - 31.12.2005**	**01.01.2004-31.12.2004**
Net Profit of the period in thousand Euro	12.294	17.445	11.697	16.029
Weighted average number of shares of the period	12.732.720	12.732.720	12.732.720	12.732.720
Earnings per share (in Euro)	**0,97**	**1,37**	**0,92**	**1,26**

(amounts in thousand EUR)

12. Property, Plant and Equipment

	Land	Owned buildings	Installations in third parties' property	Furniture and Fixtures	Vehicles	Construction in progress and advances	Total
Group - 2005							
Cost							
As at 01.01.2005	32.740	68.413	44.068	107.948	7.092	1.222	261.483
Purchases-additions	3.566	1.466	5.896	15.591	769	8.027	35.315
Transfers	(2)	2	440	210	-	(650)	-
Sales and disposals	-	(107)	(151)	(3.754)	(267)	-	(4.279)
As at 31.12.2005	**36.304**	**69.774**	**50.253**	**119.995**	**7.594**	**8.599**	**292.519**
Accumulated depreciation							
As at 01.01.2005	463	14.776	24.156	66.468	4.256	-	110.119
Depreciation of the period	58	2.017	4.358	9.430	743	-	16.606
Transfers	(1)	1	-	-	-	-	-
Sales and disposals	-	(25)	(114)	(3.452)	(260)	-	(3.851)
As at 31.12.2005	**520**	**16.769**	**28.400**	**72.446**	**4.739**	**-**	**122.874**
Provision for impairment of assets							
As at 01.01.2005	-	-	-	82	-	-	82
Provision for the period	-	-	70	74	-	-	144
Reversal of impairment	-	-	-	(82)	-	-	(82)
As at 31.12.2005	**-**	**-**	**70**	**74**	**-**	**-**	**144**
Net book value							
As at 31.12.2005	**35.784**	**53.005**	**21.783**	**47.475**	**2.855**	**8.599**	**169.501**
Group - 2004							
Cost							
As at 01.01.2004	22.850	65.172	41.207	94.782	6.513	-	230.524
Purchases-additions	9.992	3.101	3.151	13.683	843	1.222	31.992
Transfers	-	155	(155)	-	-	-	-
Sales and disposals	(102)	(15)	(135)	(517)	(264)	-	(1.033)
As at 31.12.2004	**32.740**	**68.413**	**44.068**	**107.948**	**7.092**	**1.222**	**261.483**
Acculumated depreciation							
As at 01.01.2004	387	12.812	20.036	57.885	3.787	-	94.907
Depreciation of the period	77	1.963	4.121	9.043	742	-	15.946
Sales and dsiposals	-	-	(1)	(460)	(273)	-	(734)
As at 31.12.2004	**464**	**14.775**	**24.156**	**66.468**	**4.256**	**-**	**110.119**
Provision for impairment of assets							
As at 01.01.2004	-	-	-	-	-	-	-
Provision for the period	-	-	-	82	-	-	82
As at 31.12.2004	**-**	**-**	**-**	**82**	**-**	**-**	**82**
Net book value							
As at 31.12.2004	**32.276**	**53.638**	**19.912**	**41.398**	**2.836**	**1.222**	**151.282**

There is no encumbrances on the property of the Group.

(amounts in thousand EUR)

12. Property, Plant and Equipment - Continued

	Land	Owned buildings	Installations in third parties' property	Furniture and Fixtures	Vehicles	Construction in progress and advances	Total
Company - 2005							
Cost							
As at 01.01.2005	29.958	63.800	41.835	103.057	6.816	1.222	246.688
Purchases-additions	3.566	1.386	5.888	15.240	728	8.027	34.835
Transfers	(2)	2	440	210	-	(650)	-
Sales and disposals	-	(108)	(151)	(3.686)	(266)	-	(4.211)
As at 31.12.2005	**33.522**	**65.080**	**48.012**	**114.821**	**7.278**	**8.599**	**277.312**
Accumulated depreciation							
As at 01.01.2005	454	14.005	23.176	64.365	4.095	-	106.095
Depreciation of the period	57	1.852	4.141	8.993	702	-	15.745
Transfers	(1)	1	-	-	-	-	-
Sales and disposals	-	(25)	(114)	(3.396)	(260)	-	(3.795)
As at 31.12.2005	**510**	**15.833**	**27.203**	**69.962**	**4.537**	**-**	**118.045**
Provision for impairment of assets							
As at 01.01.2005	-	-	-	82	-	-	82
Provision for the period	-	-	70	74	-	-	144
Reversal of impairment	-	-	-	(82)	-	-	(82)
As at 31.12.2005	**-**	**-**	**70**	**74**	**-**	**-**	**144**
Net book value							
As at 31.12.2005	**33.012**	**49.247**	**20.739**	**44.785**	**2.741**	**8.599**	**159.123**
Company - 2004							
Cost							
As at 01.01.2004	13.455	49.285	27.747	70.488	6.001	-	166.976
Purchases-additions	9.992	3.064	3.025	12.753	843	1.222	30.899
Property owned through subsidiaries acquisition	6.613	11.302	11.354	20.330	230	-	49.829
Transfers	-	155	(155)	-	-	-	-
Sales and disposals	(102)	(7)	(135)	(513)	(258)	-	(1.015)
As at 31.12.2004	**29.958**	**63.799**	**41.836**	**103.058**	**6.816**	**1.222**	**246.689**
Accumulated depreciation							
As at 01.01.2004	380	11.119	13.871	48.157	3.551	-	77.078
Depreciation of the period	74	1.804	3.913	8.595	699	-	15.085
Property owned through subsidiaries acquisition	-	1.082	5.393	8.026	77	-	14.578
Sales and disposals	-	-	-	(413)	(233)	-	(646)
As at 31.12.2004	**454**	**14.005**	**23.177**	**64.365**	**4.094**	**-**	**106.095**
Provision for impairment of assets							
As at 01.01.2005	-	-	-	-	-	-	-
Provision for the period	-	-	-	82	-	-	82
As at 31.12.2005	**-**	**-**	**-**	**82**	-	**-**	**82**
Net book value							
As at 31.12.2004	**29.504**	**49.794**	**18.659**	**38.611**	**2.722**	**1.222**	**140.512**

There is no encumbrance on the Company's property.

(amounts in thousand EUR)

13. Investment Property

	Group	Company
	Investment property	**Investment property**
2005		
Book value		
As at 01.01.2005	57	13
As at 31.12.2005	**57**	**13**
2004		
Book value		
As at 01.01.2004	64	-
Assets acquired through the absorption of a subsidiary	-	20
Sales and disposals	(7)	(7)
As at 31.12.2004	**57**	**13**

14. Goodwill

	Group		Company	
	31.12.2005	**31.12.2004**	**31.12.2005**	**31.12.2004**
As at 01.01.2005	69.712	69.712	69.712	69.712
As at 31.12.2005	**69.712**	**69.712**	**69.712**	**69.712**

The impairment test method applied is the twenty-year Discounted Cash Flow under the general assumptions of increased cash inflow by the estimated inflation rate increased by one basis point, structure of cash flow based on historical data and a discounted rate (WACC) of 7,7%.

The Company, with the adoption of IFRS , provided for Goodwill impairment of 6.760 Euros, which was charged to shareholder equity as at 31.12.2003.

No impairment charge for the year ended 31.12.2005 was necessary from the impairment test performed.

(amounts in thousand EUR)

15. Intangible Assets

	Group Software	**Company Software**
2005		
Cost		
As at 01.01.2005	479	455
Purchases- additions	339	338
As at 31.12.2005	**818**	**793**
Accumulated depreciation		
As at 01.01.2005	456	455
Depreciation of the period	341	337
As at 31.12.2005	**797**	**792**
Net book value		
As at 31.12.2005	**21**	**1**
2004		
Cost		
As at 01.01.2004	110	43
Purchases- additions	479	455
Property owned though Subsidiaries' acquisition	-	67
Sales and disposals	(110)	(110)
As at 31.12.2004	**479**	**455**
Accumulated depreciation		
As at 01.01.2004	-	-
Depreciation of the period	456	455
As at 31.12.2004	**456**	**455**
Net book value		
As at 31.12.2004	**23**	**-**

Intangible assets comprise software and especially use licenses, operating systems and protection programs for computers. The depreciation period of software is 1 year.

(amounts in thousand EUR)

16. Investment in subsidiary

Information regarding subsidiary company is stated below:

Company Name	Registered Office	Percentage of participation of the parent company to the share capital of the subsidiary	Activity
ENA S.A.	Gerakas, Attica	99.96%	Wholesale and retail sale of consumer goods

The subsidiary is stated at cost and amounts to 7.375 Euro.

17. Long-term Receivables

	Group		Company	
	31.12.2005	**31.12.2004**	**31.12.2005**	**31.12.2004**
Guarantees	4.669	4.170	4.568	4.072
Other Receivables	655	647	655	647
Participation in related companies [1]	-	51	-	51
Total	**5.324**	**4.868**	**5.223**	**4.770**

[1] The Company participates in the following companies :

Company name	Particapation cost	Impairment provision	Net Participation Value
SAK LTD	6	(6)	-
ORA S.A.	59	(59)	-

(amounts in thousand EUR)

18. Deferred Tax Asset

Analysis for financial reporting purposes:

	Group		Company	
	31.12.2005	**31.12.2004**	**31.12.2005**	**31.12.2004**
Deferred tax assets	7.121	8.162	6.364	6.806
Deferred tax liabilities	(6.227)	(3.834)	(5.498)	(3.581)
Net deferred tax asset /(liability) of the period	**894**	**4.328**	**866**	**3.225**

The movements for the period in Company's net deferred tax position were as follows:

	Group		Company	
	31.12.2005	**31.12.2004**	**31.12.2005**	**31.12.2004**
As at January 1st	4.328	2.359	3.225	1.984
Charge to the income for the period	(2.426)	(1.076)	(1.843)	(696)
For the 2004 fiscal year impact arising from the readjustment of the tax value of fixed assets (L.2065/1992)	-	2.099	-	1.932
Effect of change in tax rate	(1.008)	946	(516)	5
At the end of the period	**894**	**4.328**	**866**	**3.225**

The calculation of the deferred tax is based on the effective tax rates:
35% for 2004
32% for 2005
29% for 2006
25% for 2007 and onwards.

(amounts in thousand EUR)

18. Deferred Tax Asset - Continued

The following are the major deferred tax liabilities and assets recognized by the Company and movements thereon during the period:

	Provision for staff termination indemnity	Accrued expenses	Inventories	Provision for impairment loss	Difference in net book values of assets	Derivative Instrument	Assessed losses utilized	Other	Total
Group									
As at 01.01.2004	2.599	1.755	1.995	-	(5.608)	276	1.333	9	2.359
Charge to the income of the period	56	(131)	563	26	1.773	(153)	(172)	7	1.969
As at 01.01.2005	**2.655**	**1.624**	**2.558**	**26**	**(3.835)**	**123**	**1.161**	**16**	**4.328**
Charge to income of the period	456	(183)	(637)	10	(2.393)	(83)	(632)	28	(3.434)
As at 31.12.2005	**3.111**	**1.441**	**1.921**	**36**	**(6.228)**	**40**	**529**	**44**	**894**

	Provision for staff termination indemnity	Accrued expenses	Inventories	Provision for impairment loss	Difference in net book values of assets	Derivative Instrument	Assessed losses utilized	Other	Total
Company									
As at 01.01.2004	2.445	1.730	1.958	-	(4.425)	276	-	-	1.984
Transfers due to merger	657	63	92	-	(1.994)	-	1.043	39	(100)
Charge to the income of the period	(570)	(218)	486	26	2.838	(153)	(1.043)	(25)	1.341
As at 01.01.2005	**2.532**	**1.575**	**2.536**	**26**	**(3.581)**	**123**	**-**	**14**	**3.225**
Charge to income for the period	434	(185)	(640)	10	(1.917)	(83)	-	22	(2.359)
As at 31.12.2005	**2.966**	**1.390**	**1.896**	**36**	**(5.498)**	**40**	**-**	**36**	**866**

(amounts in thousand EUR)

19. Inventories

	Group		Company	
	31.12.2005	**31.12.2004**	**31.12.2005**	**31.12.2004**
Merchandise	72.870	81.838	68.006	76.140
Raw materials, consumables, spare parts and packing materials	1.032	850	1.032	850
Advances for the purchase of inventories	35	82	35	82
Total	**73.937**	**82.770**	**69.073**	**77.072**

20. Trade Receivables

	Group		Company	
	31.12.2005	**31.12.2004**	**31.12.2005**	**31.12.2004**
Trade receivables (from third parties)	4.845	3.219	3.977	2.185
Trade receivables (intercompany)	-	-	13.064	14.430
Debtors	5.472	6.857	4.621	6.028
Cheques and bills receivable	7.522	6.121	4.281	3.109
Receivables from suppliers	5.385	3.491	4.934	3.557
Provision for doubtful receivables	(5.070)	(4.606)	(3.231)	(3.324)
Total	**18.154**	**15.082**	**27.646**	**25.985**

The average collection period of trade receivables for the Group in 2005 is 7,3 days against 6,3 days in 2004. Respectively, the average collection period of trade receivables for the Company in 2005 is 11,5 days against 11,2 days in 2004. Company's management considers that the carrying amount of trade and other receivables approximates their fair value.

Credit Risk

- The amounts presented in the balance sheet include provisions for doubtful receivables, estimated by the Company's management based on prior experience and the current economic environment. The Company estimates that, except for the provisions already made, there is no further risk deriving from trade receivables.

- The Company estimates that it has no significant concentration of receivables from individuals apart from its subsidiary ENA S.A., from which no case of credit risk arises. The rest of the receivables are spread over a large number of customers, debtors and suppliers.

21. Other Receivables – Accrued Income

	Group		Company	
	31.12.2005	**31.12.2004**	**31.12.2005**	**31.12.2004**
Due from the Greek State – Withholding taxes	374	352	354	329
Other accrued income	1.125	1.137	1.117	1.132
Total	**1.499**	**1.489**	**1.471**	**1.461**

(amounts in thousand EUR)

22. Cash and Cash equivalents

Cash and cash equivalents refer to Group's cash and short-term (up to 3 months) deposits. Company's management considers that the carrying amount of Cash and Bank Balances represents their fair value.

	Group		Company	
	31.12.2005	**31.12.2004**	**31.12.2005**	**31.12.2004**
Banks	25.810	8.952	22.584	3.412
Cash	4.553	4.161	4.144	3.908
Total	**30.363**	**13.113**	**26.728**	**7.320**

23. Share Capital

	31.12.2005	**31.12.2004**
Share Capital		
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 fiscal years 2004 and 2005.

24. Share Premium

	31.12.2005	**31.12.2004**
Share Premium	13.560	13.560

There were no changes in Company's share premium during the fiscal years 2004 and 2005.

25. Reserves

On 31.12.2005 tax free or specially taxed, according to tax income regulations, reserves amounted to 17.433 thousand Euro for the Group and 15.591 thousand Euro for the Company. The difference compared to the tables below arises from: a) the reserves of the subsidiary ENA S.A which are eliminated upon consolidation by the amount of the participation of the parent company and b) the reserves stated upon the acquisition of the absorbed TROFO S.A. which, upon the absorption, were accounted for as Goodwill reduction. In the event of distribution of the aformentioned reserves , subject to approval of the General Meeting of Shareholders, there will be a tax liability depending on the year of the distribution and the enacted tax rate ruling then. Indicatively, using the effective tax rates in a possible distribution of the above reserves of the Company, in 2006 the related tax liability would amount to 4.522 Euro while in 2007 it would amount to 3.898 Euro.

	Legal reserves	**Extraordinary reserves**	**Reserves arising from special regulation and laws**	**Revaluation Reserves for Investments**	**Total**
Group					
Balance as at 01.01.2004	2.811	11.045	11.195	-	25.051
Changes from appropriation of 2003 profits	400	3.443	1.163	-	5.006
Balance as at 31.12.2004 and at 31.12.2005	**3.211**	**14.488**	**12.358**	**-**	**30.057**

(amounts in thousand EUR)

25. Reserves - Continued

	Legal reserves	Extraordinary reserves	Reserves arising from special regulation and laws	Revaluation Reserves for Investments	Total
Company					
Balance as at 01.01.2004	2.811	11.045	11.195	-	25.051
Transfers due to merger	-	-	-	279	279
Changes from appropriation of 2003 profits	400	3.443	1.163	-	5.006
Balance as at 31.12.2004 and at 31.12.2005	**3.211**	**14.488**	**12.358**	**279**	**30.336**

There were no changes in the Company's reserves during 2005.

26. Retained Earnings

	Group	Company
Balance as at 01.01.2004	(17.569)	8.411
Changes from appropriation of 2003 profits and Transfers due to merger	(5.006)	(25.371)
Dividends paid	(3.056)	(3.056)
Net profit for the year 2004	17.445	16.029
Balance as at 01.01.2005	(8.186)	(3.987)
Net profit for the year	12.294	11.697
Balance as at 31.12.2005	**4.108**	**7.710**

27. Long-term Borrowings

	Group		Company	
	31.12.2005	**31.12.2004**	**31.12.2005**	**31.12.2004**
Bond due for settlement on 05.02.2007	32.296	27.972	32.296	27.972
Bond due for settlement on 09.02.2010	40.000	-	40.000	-
Total	**72.296**	**27.972**	**72.296**	**27.972**

The above borrowings will be settled as follows:

	Group		Company	
	31.12.2005	**31.12.2004**	**31.12.2005**	**31.12.2004**
In the second year	32.296	-	32.296	-
In the third to fifth years inclusive	40.000	27.972	40.000	27.972
Total	**72.296**	**27.972**	**72.296**	**27.972**

(amounts in thousand EUR)

27. Long – term Borrowings - Continued

The average interest rate paid was as follows:

	Group		Company	
	2005	**2004**	**2005**	**2004**
Bond loan contracted with related companies	3,305%	3,260%	3,305%	3,260%
Bank loans (Bonds)	3,895%	-	3,895%	-

Other principal information on Company's borrowings is stated below:

a) According to the decision of the General Meeting of "ALFA-BETA" VASSILOPOULOS on June 19, 2001 a bond loan agreement between the Company and DELCOR S.A., a member of DELHAIZE GROUP, was contracted on February 5, 2002, with a duration of five years, amounting to 38,100 thousand USD or equivalent 44,138 EUR according to the swap agreement, divided in 38 bonds, 1 of which was transferred from DELCOR S.A to DELFINANCE S.A. which is also a member of DELHAIZE GROUP. The aforementioned amount of 44,138 EUR will be fully repaid on February 5, 2007.
The foreign currency difference arising from the translation of the loan from USD to Euro is accounted for, while the derivative is valued at its fair value. Any change arising from the above affects the results for the year and it is included in "Finance Cost" .

b) According to the decision of the Board of Directors dated on December 22, 2004 the Company issued, on February 7 2005, a five-year bond loan amounting to 40,000 Euros, divided into 4 bearer bonds of 10,000 million Euros each, which are transferable with 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.

28. Retirement Benefit Plans

Defined Contribution Plans

Employees of the Group , in accordance with the relevant legislation, for social security and retirement purposes are covered by the Social Insurance Institute (I.K.A), the employer contributions are charged as an expense as they fall due.

Moreover, the Company provides to its managers a private pension plan. The obligation of the Company in this plan concerns only the payment of a fixed amount to a private insurance company (defined contribution plan). The amount charged to the results for the 2005 year 2005 amounted to 340 Euro for the Group and 327 Euro for the Company, while for the year 2004 the respective amounts are 318 and 307 thousand Euro, and is included in line "staff remuneration and other benefits".

Defined Benefit Plans

The amount included in the balance sheet arising from Company's obligation to contribute to defined retirement benefit plans was calculated based on an actuarial study and is as follows:

	Group		Company	
	2005	**2004**	**2005**	**2004**
Present value of obligations	14.467	12.607	13.703	11.983
Unrecognized actuarial losses	(1.755)	(1.757)	(1.588)	(1.642)
Unrecognized past service costs	(269)	(230)	(254)	(215)
Total	**12.443**	**10.620**	**11.861**	**10.126**

(amounts in thousand EUR)

28. Retirement Benefit Plans - Continued

The amounts recognized as expenses regarding the retirement benefit plan, are the following:

	Group		Company	
	2005	**2004**	**2005**	**2004**
Current service cost	1.562	1.320	1.482	1.258
Interests cost	561	498	533	474
Amortization of unrecognised losses	27	-	25	-
Amortization of past service cost	14	6	12	6
Additional Settlement and termination costs not provisioned but affecting the results of the year	437	379	396	302
Total	**2.601**	**2.203**	**2.448**	**2.040**

Note: The figures are based on an actuarial study.

The charge for the year is included in personnel expenses in the following lines of the Profit and loss Statement:

	Group		Company	
	2005	**2004**	**2005**	**2004**
Cost of Sales	215	184	215	184
Distribution cost	449	500	303	392
Administrative expenses	1.937	1.519	1.930	1.464
Total	**2.601**	**2.203**	**2.448**	**2.040**

The changes in the fair value of the defined benefits are as follows:

	Group		Company	
	2005	**2004**	**2005**	**2004**
Obligations at the beginning of the year	12.607	10.109	11.983	9.632
Current service cost	1.562	1.320	1.482	1.258
Interests cost	561	498	533	474
Actuarial gain	52	1.054	(5)	981
Benefits paid	(778)	(886)	(713)	(777)
Additional obligation	463	512	423	415
Total	**14.467**	**12.607**	**13.703**	**11.983**

(amounts in thousand EUR)

28. Retirement Benefit Plans - Continued

The principal assumptions used are the following:

	Group		Company	
	2005	**2004**	**2005**	**2004**
Discount rate	4,0%	4,5%	4,0%	4,5%
Expected rate of salary increases	4,0%	4,0%	4,0%	4,0%

29. Derivative Instrument

As analytically described in note 27, the derivative instrument stated below arose from the bond loan that "ALFA-BETA" contracted with DELCOR S.A. in USD. Parallel to this "ALFA-BETA" entered into a a swap agreement in order to be manage its exposure against any exchange risk.

	Group		Company	
	31.12.2005	**31.12.2004**	**31.12.2005**	**31.12.2004**
Balance as at 01.01.2005	16.656	14.760	16.656	14.760
Revaluation to fair value	(4.655)	1.896	(4.655)	1.896
Balance as at 31.12.2005	**12.001**	**16.656**	**12.001**	**16.656**

30. Provisions

	Group	Company
	Legal Cases	**Legal Cases**
As at 01.01.2005	1.078	919
Changes during the year	856	876
As at 31.12.2005	**1.934**	**1.795**

31. Trade payables

	Group		Company	
	31.12.2005	**31.12.2004**	**31.12.2005**	**31.12.2004**
Suppliers	129.963	128.091	126.985	125.505
Notes payable	4.411	4.684	4.411	4.684
Creditors	15.790	21.408	14.910	19.902
Cheques payable	11.858	16.163	11.838	15.993
Other obligations	480	428	15	69
Discounts to customers	2.601	3.243	2.585	3.228
Total	**165.103**	**174.017**	**160.744**	**169.381**

The Company's management considers that the carrying amount of trade payables approximates their fair value.

(amounts in thousand EUR)

32. Accrued Expenses

	Group		Company	
	31.12.2005	31.12.2004	31.12.2005	31.12.2004
Provision for bonus and vacation leave	4.738	3.937	4.419	3.657
Interests payable	2.744	1.310	2.744	1.310
Other obligations	2.472	3.606	2.258	3.519
Total	**9.954**	**8.853**	**9.421**	**8.486**

33. Other Short-term Liabilities

	Group		Company	
	31.12.2005	31.12.2004	31.12.2005	31.12.2004
Other Taxes payable (VAT, Withholding, etc.)	7.118	6.801	6.924	6.766
Social security funds	5.343	4.902	5.090	4.663
Salaries payable	3.789	3.330	3.613	3.163
Others	1.625	1.501	1.625	1.501
Total	**17.875**	**16.534**	**17.252**	**16.093**

34. Operating Leases

The Group has entered into leases and subleases the commitments are as follows:

Future Liabilities

	Group		Company	
	31.12.2005	31.12.2004	31.12.2005	31.12.2004
Within one year	19.643	17.266	19.169	16.813
In the second to fifth years inclusive	70.818	68.728	69.543	67.138
After five years	119.623	84.952	119.173	84.361

Future Receivables

	Group		Company	
	31.12.2005	31.12.2004	31.12.2005	31.12.2004
Within one year	1.544	1.467	1.700	1.613
In the second to fifth years inclusive	4.579	4.259	5.287	4.869
After five years	6.103	4.821	6.540	5.350

(amounts in thousand EUR)

35. Related Parties' Transactions

The transactions for the period between "ALFA-BETA" VASSILOPOULOS and related parties are the following:

1. During the period from January 1 up to December 31, 2005, between "ALFA-BETA" VASSILOPOULOS S.A. and ENA S.A., in the share capital of which the former participates by 99.96%, the following transactions have been effected:

	01.01.2005-31.12.2005
Net Sales of merchandise from «ALFA-BETA» to ENA (net of vendor allowances)	67.694
Sales of packing material from «ALFA-BETA» to ENA	129
«ALFA-BETA» revenue arising from rental of property to ENA S.A.	9
Purchases of ENA from «ALFA-BETA»	67.824
ENA S.A. expenses arising from hire of property from «ALFA-BETA»	159
«ALFA-BETA» receivables from ENA S.A.	13.066
«ALFA-BETA» liabilities to ENA S.A.	6

2. During the period from January 1, 2005 up to December 31, 2005, between the companies of the Group "ALFA-BETA" VASSILOPOULOS S.A. and GROUPE DELHAIZE S.A. that owns the 60.65% of "ALFA-BETA" share capital, the following transactions have been effected:

	01.01.2005-31.12.2005
Sales of merchandise to GROUPE DELHAIZE	10
Purchases of merchandise from GROUPE DELHAIZE	1.936
Administrative Expenses (services provided by GROUPE DELHAIZE)	1.618
Purchases of fixed assets from GROUPE DELHAIZE	34
Other Income (charges to GROUPE DELHAIZE)	219
Other Expenses (charges from GROUPE DELHAIZE)	35
Receivables from GROUPE DELHAIZE	208
Liabilities to GROUPE DELHAIZE	2.231

3. Liabilities arising as at December 31, 2005, from a Bond contract between the related companies DELCOR S.A. and DELFINANCE S.A. are stated below:

	DELCOR S.A.	**DELFINANCE S.A.**
Finance cost (interests, expenses)	1.473	4
Interests payable	1.330	3
Bond	32.212	85

(amounts in thousand EUR)

35. Related Parties' Transactions - Continued

4. The remuneration of Executive, Non executive-Independent members of the Compnay's Board of Directors as well as of the members of the Company's Executive Committee for years 2005 and 2004 are analysed as follows:

	2005	**2004**
Remunerations	1.834	1.787
Bonus	268	316
Employer's Contribution	92	89
Retirement Benefit Plans	66	61
Healthcare Plan Contribution	14	13
Total	**2.274**	**2.266**

36. Capital Commitments

The Company's commitments for the acquisition of property, plant and equipment amount to 9.731 Euro.

37. Contingent Liabilities

1. For the parent company "ALFA-BETA" VASSILOPOULOS S.A., a tax audit was conducted and concluded up to the fiscal year 2002 and the only pending issue is the audit regarding the fee of the related company GROUPE DELHAIZE S.A. for services provided, for the 2001-2002 fiscal years, which has been referred to a specific committee of the Ministry of Finance. As regards the absorbed subsidiary TROFO S.A., whose absorption by "ALFA-BETA" VASSILOPOULOS S.A. was approved by the decision of the Ministry of Development no K2-14950/10.12.04 and was listed in the Societes Anonymes Register on December 10, 2004, only the 2003 fiscal year is still unaudited. For ENA S.A., which is included in the consolidated statements, a tax audit has been conducted up to the fiscal year 2000. The liability, if any, that may result when such tax audits are performed can not be estimated with reasonable accuracy and thus no provision has been made.

2. Group's Cases under court or arbitration procedures:

   2.1 Doubtful accounts and bad debt include claims from the Greek State for taxation charges amounting to 206 Euros approximately, for which the appeal is pending , and for which the company has made a provision.
   2.2 In connection with the court case against the ex-owners of TROFO S.A., at 7th of December 2004 the 42/2004 decision from the Arbitration Court was issued and ruled in favor of "ALFA-BETA" VASSILOPOULOS S.A. the amount of six billion drachmas, or 17,608 Euro, an amount which had already reduced the acquisition price for the 100% shares of TROFO S.A. It is noted that the ex-owners of TROFO submitted on March 7, 2005 an application for the cancellation of the aforementioned decision, which, according to the decision of the Arbitration Court No 9420/2005, was rejected. The company in consultation with its legal advisors is assessing the procedures to follow in order to resolve the additional claim, amounting to 21,570 Euros (39,178-17,608) approximately.
   2.3 For the reliable and prompt communication with the investors, we notify that, on July 5, 2005, the Greek Competition Committee issued its decision no 284/IV/2005 related to the broader food retail sector. According to the decision above a fine of 739 Euros, stamp duty included, has been imposed on the company for contravention of the L.703/1977. Concerning the aforementioned the Management of the Company states that:

(amounts in thousand EUR)

37. Potential Liabilities - Continued

a. The company has made a relevant provision that is included in its published financial statements.
b. The Company has appealed to the appropriate courts against the decision issued by the Competition Committee and the relevant decision is pending, until which time the obligation to pay is postponed based on decision 117/2005 of the Appeals Board.

2.4 Other than the cases noted above there are no other cases under court procedures for which there are pending decisions or claims for cancellation of decisions issued that may significantly affect the financial position or the operation of the company for which provision has not been made.

38. Restatement of the Tax Audit Results of the Companies TROFO S.A. and ENA S.A. in the Published Financial Figures of the 2004 Fiscal Year

After the acquisition of TROFO and ENA in 2001, "ALFA-BETA" became aware of indications of fraud committed by the former owners of both companies before their acquisition. "ALFA-BETA" filed criminal charges against the persons involved, who have been prosecuted and indicted.
In the year 2005 the tax audit, which was in process on the date of transition to IFRS, was completed and the Greek tax authorities recently rejected the accounting records of TROFO and ENA for the years 1999 and 2000 because of forgery of the accounting records before their acquisition, and disallowed the tax losses incurred in 2000 and the determined the taxation of both companies on a fixed rate basis for the years 1999-2000.
On December 23, 2005, "ALFA-BETA" VASSILOPOULOS reached an agreement with the Greek tax authorities for the settlement of the tax audit of TROFO and ENA for certain years before the acquisition of these two entities by "ALFA-BETA" in early 2001. The settlement has been recorded in Alfa-Beta's consolidated financial statements as a EUR 10,232 increase of goodwill on the TROFO and ENA acquisition and a EUR 1,806 decrease of Group equity in the opening balance sheet of 2004, the first year for which IFRS reporting by "ALFA-BETA"is presented. The financial impact of the settlement further increased the tax burden by an amount of EUR 11.150 resulting mainly from the disallowance of tax losses incurred in 2000. The impact of the above accounting treatment in the published interim financial statements and the equity reconciliation table for the transition to IFRS, on the first-time application according to IFRS 1, are as follows:

	Group		Company	
	2004		2004	
	As previously reported	As restated	As previously reported	As restated
For the year ended December 31,				
Net Income Before Tax	23.082	23.082	22.394	22.394
Taxation	(2.564)	5.637	(1.837)	6.365
Net Income After Tax	25.646	17.445	24.231	16.029
At December 31,				
Goodwill	60.252	69.712	60.252	69.712
Deferred tax asset	6.857	4.328	5.755	3.225
Income tax receivable	2.772	115	2.658	-
Income tax payable	-	16.986	-	13.193
Accumulated profits	(21.118)	(25.630)	(15.501)	(20.016)

(amounts in thousand EUR)

39. Explanations about Transition to IFRS

The changes of the accounting policies resulted to the alteration of Company's Equity on January 1, 2005 and January 1, 2004 as stated below:

	Group		Company	
	01.01.2005	**01.01.2004**	**01.01.2005**	**01.01.2004**
Equity at the beginning of the period (per Greek GAAP)	81.458	43.519	89.395	62.715
Adjustment of fiscal year's 2003 dividend (stated into account "Dividends Payable" in the Balance Sheet of fiscal year 2003 based on Greek GAAP).	-	3.056	-	3.056
Readjustment of fixed assets' value due to the use of the asset's estimated useful life for the calculation of depreciation, restatement of the adjusted cost value based on tax Laws (L.2065/92 etc.) to historical cost and to the revaluation of fixed the assets of the subsidiaries that were acquired in 2000 during the first year of their acquisition as well as the calculation of the relative deferred taxes.	10.160	8.553	9.159	8.218
Write off of intangible assets that had been recorded according to Greek GAAP.	-	(90)	-	-
Equity adjustment so as the absorption of the subsidiary TROFO S.A. to be stated under IFRS and not according to L.2166/93 as stated in the Balance Sheet based on Greek GAAP.	3.284	-	3.284	-
Difference in valuation of participation on subsidiaries.	(8.906)	-	(8.906)	-
Difference in elimination of participation on subsidiaries.	8.906	-	-	-
Goodwill Adjustment.	(21.236)	(7.653)	(14.111)	-
Adjustment of the Provision for staff termination indemnity according to IFRS as well as the effect of the relative deferred taxes.	(6.655)	(5.087)	(6.358)	(3.695)
Adjustment of the provision for untaken leave pay according to IFRS as well as the effect of the relative deferred taxes.	(1.255)	(1.385)	(1.153)	(1.222)
Assessment of a proportion of vendor allowances to inventories as well as the effect of the relative deferred taxes.	(5.436)	(3.876)	(5.388)	(3.636)
Assessment of assets / liabilities arising from other deferred taxation according to IFRS.	2.234	3.462	1.073	1.086
Impact of the tax audit for the 1999 – 2000 fiscal years	(7.606)	-	(7.606)	-
Other	(37)	168	-	125
Calculation of financial derivatives, which are measured at fair value, as well as of currency differences arising from the translation of bond in foreign currency.	(381)	(526)	(381)	(526)
Equity at the beginning of the period per IFRS.	**54.530**	**40.141**	**59.008**	**66.121**

(amounts in thousand EUR)

39. Explanations about Transition to IFRS - Continued

The changes in the Results of the Period 01.01.2004 – 31.12.2004, due to IFRS transition are stated below:

	Group			
	LOCAL GAAP 01.01.2004-31.12.2004	**RECLASSIFICATIONS 01.01.2004-31.12.2004**	**ADJUSTMENTS 01.01.2004-31.12.2004**	**IFRS 01.01.2004-31.12.2004**
Turnover (sales)	934.556	(61.442)	-	873.114
Cost of Sales	(720.418)	35.219	(1.789)	(686.988)
Gross Profit	214.138	(26.223)	(1.789)	186.126
Other operating income	3.961	(353)	76	3.684
Distribution cost	(198.320)	24.538	8.804	(164.978)
Impairment charges	-	-	(82)	(82)
Profit from operations	19.779	(2.038)	7.009	24.750
Finance cost	(3.288)	66	298	(2.924)
Income from investements	1.125	131	-	1.256
Extraordinary expenses	(1.840)	1.840	-	-
Profit before taxes	15.776	(1)	7.307	23.082
Income tax expense	-	-	(5.637)	(5.637)
Other taxes not included in operating cost	(615)	-	615	-
Profit after tax	15.161	(1)	2.285	17.445
Minority interest	(1)	1	-	-
Net profit of the year	**15.160**	**-**	**2.285**	**17.445**

	Company			
	LOCAL GAAP 01.01.2004-31.12.2004	**RECLASSIFICATIONS 01.01.2004-31.12.2004**	**ADJUSTMENTS 01.01.2004-31.12.2004**	**IFRS 01.01.2004-31.12.2004**
Turnover (sales)	908.176	(60.628)	-	847.548
Cost of Sales	(705.035)	35.216	(1.825)	(671.644)
Gross Profit	203.141	(25.412)	(1.825)	175.904
Other operating income	3.650	(161)	-	3.489
Distribution cost	(187.674)	24.228	8.503	(154.943)
Impairment charges	-	-	(82)	(82)
Profit from operations	19.117	(1.345)	6.596	24.368
Finance cost	(3.280)	59	298	(2.923)
Income from investements	904	45	-	949
Extraordinary expenses	(645)	645	-	-
Profit before taxes	16.096	(596)	6.894	22.394
Income tax expense	-	-	(6.365)	(6.365)
Other taxes not included in operating cost	(596)	596	-	-
Profit after tax	15.500	-	529	16.029
Minority interest	-	-		-
Net profit of the year	**15.500**	**-**	**529**	**16.029**

(amounts in thousand EUR)

39. Explanations about Transition to IFRS - Continued

Correspondingly, the changes in the Balance Sheet of the year ended on 31.12.2004, due to IFRS transition are stated below:

		Group			
		LOCAL GAAP	RECLASSIFICATIONS	ADJUSTEMENTS	IFRS
ASSETS	**Note**	**31.12.2004**	**31.12.2004**	**31.12.2004**	**31.12.2004**
Non-Current Assets					
Property, plant and equipment	**1**	134.027	(57)	17.312	151.282
Investment property		-	57	-	57
Goodwill	**2**	78.910	-	(9.198)	69.712
Intangible fixed assets	**1**	177	(177)	23	23
Subsidiaries		72	(72)	-	-
Long-term receivables		4.170	698	-	4.868
Deferred tax asset	**3**	-	-	4.328	4.328
Total Fixed Assets		217.356	449	12.465	230.270
Current Assets					
Inventory	**4**	94.948	(4.074)	(8.104)	82.770
Trade receivables		11.856	3.226	-	15.082
Income tax advances	**5**	3.102	(2.987)	-	115
Prepayment		219	9	-	229
Other receivables- accrued income		12.656	(11.166)	-	1.489
Cash and Banks	**6**	38.425	(25.312)	-	13.113
Total Current Assets		161.206	(40.304)	(8.104)	112.798
TOTAL ASSETS		**378.562**	**(39.855)**	**4.361**	**343.068**
LIABILITIES					
Shareholders Equity					
Share Capital		19.099	-	-	19.099
Share Premium	**7**	44.709	-	(31.149)	13.560
Other Reserves	**7**	33.387	-	(3.330)	30.057
Retained Earnings	**8**	(15.737)	-	7.551	(8.186)
Total Shareholders Equity		81.458	-	(26.928)	54.530
Long-term Liabilities					
Long- term Borrowings	**9**	44.138	-	(16.166)	27.972
Retirement benefit plans	**10**	1.310	-	9.310	10.620
Derivative Instruments	**9**	-	-	16.656	16.656
Provisions		2.964	(1.886)	-	1.078
Other long-term liabilities		422	-	-	422
Total Long-term Liabilities		48.834	(1.886)	9.800	56.748
Short-term Liabilities					
Short- term Borrowings		15.400	-	-	15.400
Trade payables	**6**	211.709	(37.692)	-	174.017
Accrued expenses	**11**	6.216	792	1.845	8.853
Income tax payable	**12**	6.800	(9.458)	19.644	16.986
Other short-term liabilities		8.145	8.389	-	16.534
Total short-term Liabilities		248.270	(37.969)	21.489	231.790
TOTAL LIABILITIES & SHAREHOLDERS EQUITY		**378.562**	**(39.855)**	**4.361**	**343.068**

39. Explanations about Transition to IFRS - Continued

Notes

1. Adjustment of fixed assets' value due to the use of the asset's estimated useful life for the calculation of depreciation, to the restatement of the adjusted cost value based on tax Laws (L.2065/92 etc.) to historical cost and to the revaluation of fixed the assets of the subsidiaries that were acquired in 2000 during the first year of their acquisition
2. Goodwill Adjustment based on IFRS and not based on L.2166/93
3. Recognition of deferred tax assets / liabilities according to IFRS
4. Assessment of a proportion of vendor allowances to inventories
5. Net- off of prepaid tax with tax payable
6. Reduction in trade payables and cash balance with cheques expired at balance sheet date.
7. Equity adjustment so as the absorption of the subsidiary TROFO S.A. to be stated under IFRS and not according to L.2166/93 as stated in the Balance Sheet based on Greek GAAP.
8. Impact on Equity due to IFRS implementation (refer to Equity reconciliation)
9. Recognition of financial derivatives at their fair value as well as evaluation of the bond in foreign currency
10. Adjustment of the Provision for staff termination indemnity according to IFRS
11. Adjustment of the provision for untaken leave pay according to IFRS
12. IFRS: Impact of tax audit of the years 1999-2000. RECLASSIFICATION: Net- off of prepaid tax with tax payable and transfer of other tax payable

(amounts in thousand EUR)

39. Explanations about Transition to IFRS - Continued

		Company			
ASSETS	**Note**	**LOCAL GAAP 31.12.2004**	**RECLASSIFICATIONS 31.12.2004**	**ADJUSTMENTS 31.12.2004**	**IFRS 31.12.2004**
Non-Current Assets					
Property, plant and equipment	**1**	124.443	(13)	16.082	140.512
Investment property		-	13	-	13
Goodwill	**2**	71.785	-	(2.073)	69.712
Intangible fixed assets		139	(139)	-	-
Subsidiaries	**3**	20.147	(72)	(12.700)	7.375
Long-term receivables		4.072	698	-	4.770
Deferred tax asset	**4**	-	-	3.225	3.225
Total Fixed Assets		220.586	487	4.534	225.607
Current Assets					
Inventory	**5**	88.655	(3.586)	(7.997)	77.072
Trade receivables		22.931	3.054	-	25.985
Income tax advances	**6**	2.986	(2.986)	-	-
Prepayment		200	10	-	210
Other receivables- accrued income		12.302	(10.841)	-	1.461
Cash and Banks	**7**	29.122	(21.802)	-	7.320
Total Current Assets		156.196	(36.151)	(7.997)	112.048
TOTAL ASSETS		**376.782**	**(35.664)**	**(3.463)**	**337.655**
LIABILITIES					
Shareholders Equity					
Share Capital		19.099	-	-	19.099
Share Premium	**8**	44.709	-	(31.149)	13.560
Other Reserves	**8**	33.666	-	(3.330)	30.336
Retained Earnings	**9**	(8.079)	-	4.092	(3.987)
Total Shareholders Equity		89.395	-	(30.387)	59.008
Long-term Liabilities					
Long- term Borrowings	**10**	44.138	-	(16.166)	27.972
Retirement benefit plans	**11**	1.237	-	8.889	10.126
Derivative Instruments	**10**	-	-	16.656	16.656
Provisions		2.547	(1.628)	-	919
Other long-term liabilities		421	-	-	421
Total Long-term Liabilities		48.343	(1.628)	9.379	56.094
Short-term Liabilities					
Short- term Borrowings		15.400	-	-	15.400
Trade payables	**7**	203.071	(33.690)	-	169.381
Accrued expenses	**12**	5.916	874	1.696	8.486
Income tax payable	**13**	6.766	(9.422)	15.849	13.193
Other short-term liabilities		7.891	8.202	-	16.093
Total short-term Liabilities		239.044	(34.036)	17.545	222.553
TOTAL LIABILITIES & SHAREHOLDERS EQUITY		**376.782**	**(35.664)**	**(3.463)**	**337.655**

39. Explanations about Transition to IFRS - Continued

Notes:

1. Adjustment of fixed assets' value due to the use of the asset's estimated useful life for the calculation of depreciation, to the restatement of the adjusted cost value based on tax Laws (L.2065/92 etc.) to historical cost and to the revaluation of fixed the assets of the subsidiaries that were acquired in 2000 during the first year of their acquisition.
2. Goodwill Adjustment based on IFRS and not based on L.2166/93
3. Difference in evaluation of participation in a subsidiary (tax audit impact of the years 1999-2000 is also included)
4. Recognition of deferred tax assets / liabilities according to IFRS
5. Assessment of a proportion of vendor allowances to inventories.
6. Net- off of prepaid tax with tax payable
7. Reduction in trade payables and cash balance with cheques expired at balance sheet date
8. Equity adjustment so as the absorption of the subsidiary TROFO S.A. to be stated under IFRS and not according to L.2166/93 as stated in the Balance Sheet based on Greek GAAP.
9. Impact on Equity due to IFRS implementation (refer to Equity reconciliation)
10. Recognition of financial derivatives at their fair value as well as evaluation of the bond in foreign currency
11. Adjustment of the Provision for staff termination indemnity according to IFRS
12. Adjustment of the provision for untaken leave pay according to IFRS
13. IFRS: Impact of tax audit of the years 1999-2000. RECLASSIFICATION: Net- off of prepaid tax with tax payable and transfer of other tax payable

(amounts in thousand EUR)

39. Explanations about Transition to IFRS - Continued

Finally, the changes in the Balance Sheet of the year ended on 31.12.2003, due to IFRS transition is stated below:

		Group			
		LOCAL GAAP	RECLASSIFICATIONS	ADJUSTMENTS	IFRS
ASSETS	**Note**	**31.12.2003**	**31.12.2003**	**31.12.2003**	**31.12.2003**
Non-Current Assets					
Property, plant and equipment	**1**	119.528	(102)	16.227	135.653
Investment property	**1**	-	64	-	64
Goodwill	**2**	65.328	-	4.385	69.713
Intangible fixed assets	**1**	219	38	(147)	110
Subsidiaries		47	(47)	-	-
Long-term receivables		3.347	15.316	-	18.663
Deferred tax asset	**3**	-	-	2.259	2.259
Total Fixed Assets		188.469	15.269	22.724	226.462
Current Assets					
Inventory	**4**	94.842	(5.145)	(5.939)	83.758
Trade receivables		26.031	4.854	-	30.885
Income tax advances		3.079	(2.964)	-	115
Prepayment	**5**	223	10	15	248
Other receivables- accrued income		41.205	(38.901)	-	2.304
Cash and Banks	**6**	33.433	(14.775)	-	18.658
Total Current Assets		198.813	(56.921)	(5.924)	135.968
TOTAL ASSETS		**387.282**	**(41.652)**	**16.800**	**362.430**
LIABILITIES					
Shareholders Equity					
Share Capital		19.099	-	-	19.099
Share Premium		13.560	-	-	13.560
Other Reserves		25.051	-	-	25.051
Retained Earnings	**7**	(14.191)	3.056	(6.434)	(17.569)
Total Shareholders Equity		43.519	3.056	(6.434)	40.141
Minority interests		-	-	-	-
Total Equity		43.519	3.056	(6.434)	40.141
Long-term Liabilities					
Long- term Borrowings	**8**	44.138	-	(13.972)	30.166
Retirement benefit plans	**9**	960	-	8.343	9.303
Derivative Instruments	**8**	-	-	14.760	14.760
Provisions		1.630	(341)	-	1.289
Other long-term liabilities		253	34	-	287
Total Long-term Liabilities		46.981	(307)	9.131	55.805
Short-term Liabilities					
Short- term Borrowings		64.940	-	-	64.940
Trade payables	**6**	206.627	(57.542)	-	149.085
Accrued expenses	**10**	6.687	(400)	2.164	8.451
Income tax payable	**11**	7.663	(6.189)	11.939	13.413
Other short-term liabilities	**12**	10.865	19.730	-	30.595
Total short-term Liabilities		296.782	(44.401)	14.103	266.484
TOTAL LIABILITIES & SHAREHOLDERS EQUITY		**387.282**	**(41.652)**	**16.800**	**362.430**

39. Explanations about Transition to IFRS - Continued

Notes

1. Adjustment of fixed assets' value due to the use of the asset's estimated useful life for the calculation of depreciation, to the restatement of the adjusted cost value based on tax Laws (L.2065/92 etc.) to historical cost and to the revaluation of fixed the assets of the subsidiaries that were acquired in 2000 during the first year of their acquisition.
2. Goodwill Adjustment based on IFRS and not based on L.2166/93
3. Recognition of deferred tax assets / liabilities according to IFRS
4. Assessment of a proportion of vendor allowances to inventories.
5. Other
6. Reduction in trade payables and cash balance with cheques expired at balance sheet date.
7. Impact on Equity due to IFRS implementation (refer to Equity reconciliation)
8. Recognition of financial derivatives at their fair value as well as evaluation of the bond in foreign currency
9. Adjustment of the Provision for staff termination indemnity according to IFRS
10. Adjustment of the provision for untaken leave pay according to IFRS
11. IFRS: Impact of tax audit of the years 1999-2000. RECLASSIFICATION: Net- off of prepaid tax with tax payable and transfer of other tax payable
12. Adjustment of fiscal year's 2003 dividend (stated into account "Dividends Payable" in the Balance Sheet of fiscal year 2003 based on Greek GAAP).

(amounts in thousand EUR)

39. Explanations about Transition to IFRS - Continued

		Company			
		LOCAL GAAP	**RECLASSIFICATIONS**	**ADJUSTMETNS**	**IFRS**
ASSETS	**Note**	**31.12.2003**	**31.12.2003**	**31.12.2003**	**31.12.2003**
Non-Current Assets					
Property, plant and equipment	**1**	77.253	-	12.644	89.897
Investment property		-	-	-	-
Goodwill		-	-	-	-
Intangible fixed assets		43	-	-	43
Subsidiaries		84.714	-	-	84.714
Long-term receivables		2.775	15.269	-	18.044
Deferred tax asset	**2**	-	-	1.983	1.983
Total Fixed Assets		164.785	15.269	14.627	194.681
Current Assets					
Inventory	**3**	75.327	(3.007)	(5.570)	66.750
Trade receivables		76.643	2.746	-	79.389
Income tax advances		2.658	(2.658)	-	-
Prepayment		174	8	-	182
Other receivables- accrued income		37.147	(36.218)	-	929
Cash and Banks	**4**	21.859	(13.837)	-	8.022
Total Current Assets		213.808	(52.966)	(5.570)	155.272
TOTAL ASSETS		**378.593**	**(37.697)**	**9.057**	**349.953**
LIABILITIES					
Shareholders Equity					
Share Capital		19.099	-	-	19.099
Share Premium		13.560	-	-	13.560
Other Reserves	**5**	25.051	-	5	25.056
Retained Earnings	**5**	5.006	3.056	344	8.406
Total Shareholders Equity		62.716	3.056	349	66.121
Long-term Liabilities					
Long- term Borrowings	**6**	44.138	-	(13.972)	30.166
Retirement benefit plans	**7**	846	-	6.139	6.985
Derivative Instruments	**6**	-	-	14.760	14.760
Provisions		883	(197)	-	686
Other long-term liabilities		168	-	-	168
Total Long-term Liabilities		46.035	(197)	6.927	52.765
Short-term Liabilities					
Short- term Borrowings		63.440	-	-	63.440
Trade payables	**4**	184.213	(53.485)	-	130.728
Accrued expenses	**8**	5.693	(510)	1.880	7.063
Income tax payable	**9**	7.250	(5.472)	(99)	1.679
Other short-term liabilities		9.246	18.911	-	28.157
Total short-term Liabilities		269.842	(40.556)	1.781	231.067
TOTAL LIABILITIES & SHAREHOLDERS EQUITY		**378.593**	**(37.697)**	**9.057**	**349.953**

(amounts in thousand EUR)

39. Explanations about Transition to IFRS - Continued

Notes

1. Adjustment of fixed assets' value due to the use of the asset's estimated useful life for the calculation of depreciation, to the restatement of the adjusted cost value based on tax Laws (L.2065/92 etc.) to historical cost and to the revaluation of fixed the assets of the subsidiaries that were acquired in 2000 during the first year of their acquisition.
2. Recognition of deferred tax assets / liabilities according to IFRS
3. Assessment of a proportion of vendor allowances to inventories.
4. Reduction in trade payables and cash balance with cheques expired at balance sheet date.
5. Impact on Equity due to IFRS implementation (refer to Equity reconciliation)
6. Recognition of financial derivatives at their fair value as well as evaluation of the bond in foreign currency
7. Adjustment of the Provision for staff termination indemnity according to IFRS
8. Adjustment of the provision for untaken leave pay according to IFRS
9. Other

40. Note on the Cash Flow Statement

The provisions, which are included in the Cash Flow Statement, are analyzed as follows:

	Group		**Company**	
	2005	**2004**	**2005**	**2004**
Provision for impairment	62	82	62	82
Provision for legal cases	856	(210)	876	(280)
Provision for staff termination indemnity	1.823	1.317	1.735	1.263
Fine imposed by Competition Committee	739	-	739	-
Provision for doubtful receivables	(139)	1.165	(94)	121
Total	**3.341**	**2.354**	**3.318**	**1.186**

AUDITORS' REPORT

To the Shareholders of
«ALFA-BETA» VASSILOPOULOS A.E.

We have audited the accompanying financial statements as well as the consolidated financial statements of «ALFA-BETA» VASSILOPOULOS A.E., as of and for the year ended December 31, 2005. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with the Greek Auditing Standards, which are based on the International Standards on Auditing. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, evaluating the overall financial statement presentation as well as assessing the consistency of the Board of Directors' report with the aforementioned financial statements. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the aforementioned financial statements give a true and fair view of the financial position of the Company and that of the Group (of which this Company is the holding Company) as of December 31, 2005 and of the results of its operations, and those of the Group and their cash flows and changes in shareholders' equity for the year then ended in accordance with the International Financial Reporting Standards that have been adopted by the European Union and the Board of Directors' Report is consistent with the aforementioned financial statements.

Without qualifying our report, we draw your attention to note 37.a. to the financial statements which refers to the tax position of the Company and the Group and especially the unaudited fiscal years. The liability, if any, that may result from such audits can not be estimated with reasonable accuracy, and hence no provision has been made.

Athens, February 28, 2006
The Certified Public Accountant
Nicos Sofianos
Reg. No (ICPA (GR)): 12231
250-254 Kifissias Ave., 152 31 Halandri
Deloitte.