

Explanatory report of the Board of Directors according to the provisions of article 11a of L. 3371/2005

The present explanatory report of the Board of Directors to the Ordinary General Meeting of its Shareholders contains analytical information relative to the subjects of paragraph 1 article 11α L. 3371/2005.

1. Structure of company's share capital.

The company share capital amounts to 52,614,195.00 Euro divided to 42,091,356 ordinary shares of a nominal value of 1.25 Euro each. All the shares are listed for trading in the Securities Market of the Athens Exchange, in the category of Large Capitalization. Each ordinary registered share of the company provides the right of one vote. Each share provides all the rights and obligations defined by the law and the company's articles of association.

2. Restrictions to the transfer of the company s shares.

The transfer of the company s shares is implemented according to the law and there are no restrictions to the transfer provided in its articles of association.

3. Important direct or indirect participations within the meaning of the P.D. 51/1992.

On the 31.12.2006, the following shareholders that were holding a percentage over 5% of the total voting rights of the company are the following: Sarantopoulos Konstantinos, son of Ioannis with 24.234%, Giokaris Christos, son of Aggelis, with 9.175%, Giokaris Aggelos, son of Christos, with 9.704%.

4. Shares providing special control rights

There are no shares of the company providing special control rights.

5. Restrictions to the voting rights

No restrictions to the voting rights are provided in the company's articles of association.

6. Agreements between the company s shareholders.

No agreement is known to the company, nor do its articles of association provide the possibility for the shareholders to conclude agreements between them resulting to restrictions to the transfer of shares or restrictions as to the exercise of the voting rights.

7. Rules for the appointment and replacement of members of the Board of Directors and the modification of the articles of association which differentiate from the provisions of C.L. 2190/1920.

There is no differentiation to the rules for the appointment and replacement of members of the Board of Directors, as well as for the modification of the articles of association from the provisions of the C.L. 2190/1920.

8. Competence of the Board of Directors or certain of its members for the issuance of new shares or the purchase of company s own shares according to article 16 C.L. 2190/1920. According to article 13 par. 9 of the CL. 2190/1920, by decision of the General Meeting taken according to article 29 par. 2,3,4,31, a shares distribution plan for the members of the Board of Directors and the company s personnel may be established, as well as for its associated companies, as defined by article 42ε par. 5, in the form of share options according to the terms of this decision, a summary of which is submitted to the publicity formalities of article 7β of CL 2190/1920. The decision of the General Meeting must define the maximum number of shares that may be issued, which may not exceed the 1/10 of the outstanding issues, the share price and the terms for the shares distribution to the beneficiaries. The Board of Directors of the company by its own decision regulates any other detail, which may not otherwise be regulated by the General Meeting, issues the shares option certificates and each year in December it issues shares to the beneficiaries that have exercised their option, increasing accordingly the company's share and certifying the capital increase according to article 11 of CL.2190/1920.

Within the framework of the above provisions there is no decision of the company s General Meeting concerning a shares distribution plan to the members of the Board of Directors, its personnel, as well as its associated companies.

According to the provisions of article 16 par. 5 to 13 of CL 2190/1920, by decision of the General Meeting, the listed companies may acquire their own shares up to the 10% of its total shares, aiming at the preservation of the stock exchange value in cases where this price is considered to be substantially lower and does not reflect the financial situation and perspectives of the company.

Within the framework of these provisions there is no decision of the company s General Meeting concerning the acquisition of own shares, nor is there any contrary provision in the company s articles of association.

9. Important agreements concluded by the company which are put in force, modified or terminated in case of change in the control of the company upon public proposal.

There is no agreement of the company which is put in force, modified or terminated in case of change in the control of the company upon public proposal.

10. Important agreements with members of the Board of Directors or the company s personnel.

There is no special agreement of the company with members of the Board of Directors or with its personnel which provide the payment of compensation, especially in the case of dismissal or resignation without any substantiated reason or end of term or employment due to a public proposal.