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 2006
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 March 7, 2007 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 AB 050084

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 AB 348843
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..
INCOME STATEMENT
FOR THE YEAR ENDED DECEMBER 31, 2006
(amounts in thousand EUR except for earnings per share)

		Group		Company	
	Note	**01.01.2006 - 31.12.2006**	**01.01.2005 - 31.12.2005**	**01.01.2006 - 31.12.2006**	**01.01.2005 - 31.12.2005**
Revenue	**5**	1.030.249	908.001	1.000.880	880.342
Cost of sales		(803.946)	(710.327)	(787.293)	(693.634)
Grossprofit		226.303	197.674	213.587	186.708
Other operating income	**6**	4.510	3.544	4.333	3.364
Distribution cost		(164.069)	(145.687)	(155.073)	(137.314)
Administrative expenses		(32.964)	(31.318)	(31.451)	(29.866)
Impairment charges	**8**	(940)	(62)	(940)	(62)
Profit from operations		32.840	24.151	30.456	22.830
Finance costs	**9**	(3.198)	(2.616)	(3.198)	(2.616)
Income from investments		782	590	359	238
Profit before taxes	**10**	30.424	22.125	27.617	20.452
Income tax expense	**11**	(10.405)	(9.830)	(9.218)	(8.755)
Profit after tax		20.019	12.295	18.399	11.697
Attributable to:					
Equity holders of the parent		20.018	12.294	18.399	11.697
Minority interest		1	1	-	-
		20.019	**12.295**	**18.399**	**11.697**
Earnings per share (in EUR)	**12**	**1,57**	**0,97**	**1,44**	**0,92**

The notes set out on pages 6 to 41 constitute an integral part of the financial statements.

«ALFA-BETA» VASSILOPOULOS S.A.
BALANCE SHEET
AT DECEMBER 31, 2006
(amounts in thousand EUR)

		Group		Company	
	Note	**31.12.2006**	**31.12.2005**	**31.12.2006**	**31.12.2005**
ASSETS					
Non-Current Assets					
Property, plant and equipment	**14**	186.061	169.501	175.706	159.123
Investment property	**15**	224	57	180	13
Goodwill	**16**	69.712	69.712	69.712	69.712
Intangible fixed assets	**17**	979	21	773	1
Investment in subsidiaries	**18**	-	-	7.375	7.375
Long-term receivables	**19**	6.384	5.324	6.283	5.223
Deferred tax asset	**20**	725	1.332	906	1.262
Total Fixed Assets		**264.085**	**245.947**	**260.935**	**242.709**
Current Assets					
Inventories	**21**	72.755	73.937	67.732	69.073
Trade receivables	**22**	27.731	18.154	39.886	27.646
Income tax advances		-	115	-	-
Prepayments		397	448	379	438
Other receivables- accrued income	**23**	1.079	1.499	1.037	1.471
Cash and cash equivalents	**24**	52.490	30.363	42.560	26.728
Total Current Assets		**154.452**	**124.516**	**151.594**	**125.356**
TOTAL ASSETS		**418.537**	**370.463**	**412.529**	**368.065**
EQUITY & LIABILITIES					
Shareholders Equity					
Share Capital	**25**	19.099	19.099	19.099	19.099
Share Premium	**26**	13.560	13.560	13.560	13.560
Reserves	**27**	30.838	30.057	31.117	30.336
Retained Earnings	**28**	17.530	2.793	19.674	6.520
Equity attributable to equity holders of the parent		81.027	65.509	83.450	69.515
Minority Interests		1	1	-	-
Total Equity		**81.028**	**65.510**	**83.450**	**69.515**
Long-term Liabilities					
Borrowings	**29**	40.000	72.296	40.000	72.296
Retirement benefit obligation	**30**	16.840	14.196	15.970	13.447
Derivative instrument	**31**	-	12.001	-	12.001
Provisions	**32**	2.116	1.934	2.021	1.795
Other long-term liabilities		245	274	244	274
Total Long-term Liabilities		**59.201**	**100.701**	**58.235**	**99.813**
Short-term Liabilities					
Borrowings	**29**	28.929	-	28.929	-
Derivative instrument	**31**	15.199	-	15.199	-
Trade payables	**33**	195.805	165.103	190.384	160.744
Accrued expenses	**34**	11.219	9.954	10.718	9.421
Income tax payable		4.867	11.320	4.025	11.320
Other short-term liabilities	**35**	22.289	17.875	21.589	17.252
Total short-term Liabilities		**278.308**	**204.252**	**270.844**	**198.737**
TOTAL EQUITY & LIABILITIES		**418.537**	**370.463**	**412.529**	**368.065**

The notes set out on pages 6 to 41 constitute an integral part of the financial statements.

«ALFA-BETA» VASSILOPOULOS S.A.
STATEMENT OF RECOGNISED INCOME AND EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2006
(amounts in thousand EUR)

	Group		Company	
	31.12.2006	**31.12.2005**	**31.12.2006**	**31.12.2005**
Actuarial gain/(loss) on defined benefit plans	(978)	(1.753)	(929)	(1.586)
Deferred tax on actuarial gain/(loss) on defined benefit plans taken directly to Equity	244	438	231	396
Net income/(expense) recognized directly in Equity	(734)	(1.315)	(698)	(1.190)
Profit of the year	20.019	12.295	18.399	11.697
Total recognized income/(expense) for the year	19.285	10.980	17.701	10.507
Attributable to:				
Equity holders of the parent	19.284	10.979	17.701	10.507
Minority interests	1	1	-	-
	19.285	10.980	17.701	10.507
Effects of changes in accounting policy for the recognition of actuarial gain/(loss) in defined benefit plans				
Increase/(decrease) in retained earnings at the beginning of the period	-	(1.315)	-	(1.190)

The notes set out on pages 6 to 41 constitute an integral part of the financial statements.

«ALFA-BETA» VASSILOPOULOS S.A.
CASH FLOW STATEMENT
FOR THE YEAR ENDED DECEMBER 31, 2006
(amounts in thousand EUR)

		Group		Company	
	Note	**01.01.2006 - 31.12.2006**	**01.01.2005- 31.12.2005**	**01.01.2006 - 31.12.2006**	**01.01.2005- 31.12.2005**
Operating activities					
Profit before tax	**10**	30.424	22.125	27.617	20.452
Adjustments for:					
Depreciation and amortization		19.366	16.947	18.381	16.082
Provisions	**41**	767	3.279	706	3.256
Foreign exchange differences	**9/41**	(169)	(331)	(169)	(331)
Provision for impairment of fixed assets	**14/41**	940	62	940	62
(Gain) / Loss on disposal of fixed assets		97	319	93	314
Results (revenues, expenses, gains and losses) from investing activity		(782)	(590)	(359)	(238)
Interest & other financial expenses	**9/41**	3.367	2.947	3.367	2.947
Plus / (minus) adjustments for changes in working capital:					
Decrease / (increase) of inventories		1.182	8.833	1.341	7.999
Decrease / (increase) of receivables		(10.190)	(3.632)	(12.800)	(2.272)
(Decrease) / increase of liabilities (excluding bank loans)		36.642	(8.797)	35.536	(8.867)
Less:					
Interest paid		(3.066)	(1.509)	(3.066)	(1.509)
Income tax paid		(15.891)	(12.048)	(15.924)	(8.255)
Net cash provided by (used in) operating activities (a)		**62.687**	**27.605**	**55.663**	**29.640**
Investing activities					
Purchase of tangible and intangible fixed assets		(37.484)	(35.654)	(36.326)	(35.173)
Proceeds on disposal of tangible and intangible fixed assets		73	109	67	103
Interest received		782	590	359	238
Net cash provided by (used in) investing activities (b)		**(36.629)**	**(34.955)**	**(35.900)**	**(34.832)**
Financing activities					
New bank loans raised (bond)		-	40.000	-	40.000
Repayment of borrowings		-	(15.400)	-	(15.400)
Dividends paid		(3.931)	-	(3.931)	-
Net cash provided by(used in) financing activities (c)		**(3.931)**	**24.600**	**(3.931)**	**24.600**
Net increase / (decrease) in cash and cash equivalents of the period (a)+(b)+(c)		**22.127**	**17.250**	**15.832**	**19.408**
Cash and cash equivalents beginning of the year		**30.363**	**13.113**	**26.728**	**7.320**
Cash and cash equivalents end of the year		**52.490**	**30.363**	**42.560**	**26.728**

The notes set out on pages 6 to 41 constitute an integral part of the financial statements.

(amounts in thousand EUR)

1. General Information

"ALFA-BETA" VASSILOPOULOS S.A (the Company). 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. The Company is a food retailer 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 commercial activity of "ALFA-BETA" VASSILOPOULOS S.A. encompasses wholesale trading through its subsidiary ENA S.A
At the end of the fiscal year 2006, the Group's sales network numbered 148 stores of which 108 are company operated retail stores, 30 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 of the current and the previous year was the following:

	Group	**Company**
December 31, 2006	7.209	6.913
December 31, 2005	6.744	6.472

2. Adoption of New & Revised International Financial Reporting Standards (IFRS)

New standards, interpretations and revised standards

In the current year , the Group has adopted all the new and revised Standards and Interpretations issued by the International Accounting Standards Board (the IASB) and the International Finanacial Reporting Interpretation Committee (The IFRIC) that are relevant to its operations and effective for annual reporting periods beginning on 1 January 2006 . The adoption of these new and revised Standards has resulted in a change to the Group's accounting policy as noted in Note 3 .

In addition , the Group has elected to adopt IFRIC 11, in advance of its effective date of 01.03.2007. The impact of the adoption of this amendment is the recognition of the fair value of share options granted by the parent company (Delhaize) to employees of the Group with a corresponding increase in reserves as contribution from the parent.The impact of adoption is a charge to income of 181 Euros with an equal increase in reserves.

The following standards and interpretations were in issue but not yet effective :

IFRS 7, "Financial Instruments: Disclosures and a complementary amendment to IAS 1, Presentation of Financial Statements, Capital Disclosures"(effective for financial years beginning after 01.01.2007).
IFRS 7 introduces new disclosures to improve the information about financial instruments aiming to improve the disclosure regarding qualitative and quantitative information about exposure to risks arising from financial instruments including credit risk, liquidity risk and market risk (sensitivity analysis to market risk). The amendment to IAS 1 introduces disclosures about the level of an entity's capital and how it manages it. The Group will apply this standard as well as the amendment to IAS 1 with the additional disclosures, in 2007 .

2. Adoption of New & Revised International Financial Reporting Standards (IFRS) –Continued

IFRS 8, "Operating Segments"
(effective for financial years beginning after 01.01.2009).
IFRS 8 replaces IAS 14 "Segment Reporting" and adopts a management approach to segment reporting. The information reported would be that which management uses internally for evaluating the performance of operating segments. This standard has not yet been endorsed by the EU. The Group is estimating the impact of this standard; and will apply it when it is effective in the EU.

IFRIC 7, Applying the Restatement Approach under IAS 29 "Financial Reporting in Hyperinflationary Economies" (effective for financial years beginning after 01.03.2006).
IFRIC 7 requires entities to apply IAS 29 Financial Reporting in Hyperinflationary Economies in the reporting period in which an entity first identifies the existence of hyperinflation in the economy of its functional currency, as if the economy had always been hyperinflationary. IFRIC 7 is not relevant to the Group's operations.

IFRIC 8, Scope of IFRS 2 "Share-based Payments"
(effective for financial years beginning after 01.05.2006). IFRIC 8 clarifies that IFRS 2 Share-based payment will apply to any arrangement when equity instruments are granted or liabilities (based on the value of an entity's equity instrument) are incurred by an entity, when the identifiable consideration appears to be less that the fair value of the instruments given. IFRIC 8 is not relevant to the Group's operations as there are no such payments.

IFRIC 9, "Reassessment of Embedded Derivatives",
(effective for financial years beginning after 01.06.2006)
IFRIC 9 requires an entity to assess whether a contract contains an embedded derivative at the date an entity first becomes a party to the contract and prohibits reassessment unless there is a change to the contract that significantly modifies the cash flows. IFRIC 9 is not relevant to the Group's operations.

IFRIC 10, "Interim Financial Reporting and Impairment",
(effective for financial years beginning after 01.11.2006).
This Interpretation does not permit the write off of recognized impairment losses in the interim financial statements in relation to available for sale equity investments, unquoted equity instruments carried at cost. This Interpretation has not yet been endorsed by the EU; nevertheless the Group will apply it from 01.01.2007. No impact is expected in Group's Financial Statements.

IFRIC 12, Service Concession Arrangements,
(effective for financial years beginning after 01.01.2008).
The interpretation outlines an approach according to which entities providing public services should apply IFRS. IFRIC 12 is not relevant to the Group's operations.

3. Changes in Accounting Policy

In December 2004, an amendment to IAS 19 "Employee Benefits" was issued, providing an option to recognize actuarial gains and losses in full in the statement of recognized gains and losses in the period in which they occur. Before the amendment, IAS 19 required actuarial gains and losses that fell outside the allowed corridor (i.e., 10% of the greater of the present value of the defined benefit obligation or the fair value of plan assets) to be recognized in profit or loss, either in the period in which they occurred or spread over the remaining service lives of the employees.

3. Change in Accounting Policy - Continued

The company considers that a full recognition of the actuarial gains and losses enhances the transparency of its financial statements as the full obligation is reflected in the Balance sheet and therefore decided to apply the new option.

The change has been applied retrospectively with effect from the beginning of the comparative reporting period presented in these financial statements (1 January 2005) .The effect of the change on the comparative amounts are presented in detail in note 40 as well as in the relevant notes of the lines impacted.

4. Summary of Accounting Principles

The Accounting Principles applied are the following.

4.1 Basis of Preparation

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) issued by International Accounting Standards Board (IASB) effective at the date of preparation of the Financial Statements and as adopted by the European Union. The Group is not affected by the specific sections of IAS 39 related to hedging of deposit portfolios, which have not been adopted by the European Union. All amounts are expressed in thousand Euros, unless otherwise stated.

4.2 Basis of Consolidation

The consolidated financial statements incorporate the financial statements of the parent company "ALFA-BETA" VASSILOPOULOS S.A. and its subsidiary, ENA S.A. Subsidiaries are the entities controlled by the Company directly or indirectly through other subsidiaries.

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.

4. Summary of Accounting Principles - Continued

4.3 Use of Estimates

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 part of management's estimates. Actual future results may differ from the above estimates. The following are the key estimations and assumptions that may have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next fiscal year.

Impairment of Goodwill

As described in note 4.4, goodwill impairment requires an estimation of net present value of the stores to which Goodwill has been allocated, using a discounted cash flow method which requires the entity to estimate the future cash flows and a suitable discount rate. A discount rate of 7,9% was used. The carrying amount of goodwill at the balance sheet date was 69.712 Euros.

Impairment of Assets

The Group reviewed the carrying amounts (net book value) of its tangible and intangible assets to determine whether there is any indication of impairment loss.The method and estimates used to determine if there is an impairment are described in the note 4.5.4. The Company concluded that the fixed assets of four stores were impaired by of 983 Euros, which was charged to the results of the year.

Provision for Legal Cases

The Companies of the Group monitors pending court cases (Civil and Administrative ones) as well as the possible financial impact deriving from them and which may affect Company's financial status. Legal advisors evaluate each case and estimate the possible or probable loss. At 31.12.2006, Group's total pending legal cases amounted to 2.725 Euros (Company : 2.401 Euros) for which a provision of 1.093 Euros (Company: 1.015 Euros) has been recognised of which 267 Euros (Company : 229 Euros) was charged to the current year results .

Income tax

In order to determine the provision related to Group's income tax, the companies of the Group proceed to an analysis of taxable income (note 4.21). During the ordinary course of business, many transactions and calculations take place for which the precise estimate of tax is uncertain. In the event that the final income tax arising after the tax audit is performed is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

(amounts in thousand EUR)

4. Summary Of Accounting Principles-Continued

4.4 Goodwill

Goodwill arising on the acquisition of a subsidiary 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 subsidiary on the date of the acquisition.

Goodwill is recorded at cost less any accumulated losses. Until December 31, 2003 amortization had been calculated using a depreciation rate 5% according to IFRS 22 and is considered the deemed cost . From January 1, 2004, Goodwill is no longer amortized but impaired, if necessary (according to IFRS 3, as applied).

If the recoverable amount of the cash-generating unit / store is less than the carrying amount of the unit, the impairment loss is first allocated to reduce the allocated units goodwill and then to other assets of the unit.

For impairment testing purposes, 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, or more frequently when there is an indication that unit may be impaired.

4.5 Property, plant and equipment

4.5.1 Tangible Fixed Assets

Tangible fixed assets are stated at cost less depreciation and any impairment losses, except for land which is stated at cost less any impairment losses.

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

Installations- improvements in third parties' property are stated at cost less accumulated depreciation and any accumulated impairment losses. Depreciation is provided on a straight line basis over the relevant lease term.

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.

At the end of each period, the Company's Technical Support Department reviews the estimated useful life of tangible fixed assets and amends the useful life if necessary, the effect of any change is accounted for on a prospective future basis.

4. Summary Of Accounting Principles-Continued

4.5.2 Intangible Assets

Intangible assets are stated at historical cost less accumulated amortization and any accumulated impairment losses, where necessary. Amortization is charged on a straight-line basis over their estimated useful lives.

The estimated useful lives of intangible assets, are stated below:

Intangible fixed asset	Estimated useful life
Software serving the Central System and stores network	3 years
Software serving PCs function exclusively	1 year

The estimated useful life and amortization method are reviewed at the end of each annual reporting period, with the effect of any changes in estimate being accounted for on a prospective future basis.

4.5.3 Investment Property

Investment property was stated at net 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.

4.5.4 Impairment of Assets

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 based on historical data and a discount rate equal to the Company's weighted average cost of capital (WACC). In parallel, the Group estimates the fair value of the stores examined for an impairment loss taking into consideration any extra gains or losses arising from a probable closing of these stores.

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.

4.6 Inventories

Inventories are stated at the lower of cost or net realizable value. Cost of inventory includes the costs of purchase, and other specific costs incurred in bringing the inventories to their present location and condition (transportation costs, insurance premiums etc.) less discounts and vendor allowances. Cost is detemined using the weighted average cost method.

4. Summary Of Accounting Principles-Continued

4.7 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.

4.8 Trade receivables and Trade payables

Trade receivable are recorded at their nominal value less a provision for any doubtful receivable.

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

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

4.9 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits, as well as 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.

4.10 Derivative financial instruments

The Group does not use derivative financial instruments for speculative purposes, but only for limiting exchange risks.
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.

4.11 Bank Borrowings

Interest bearing bank loans and overdrafts are initially recorded at fair value and are subsequently measured at amortised cost, using the 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.

4.12 Provisions

Provisions are recognized when:

a) there is a present legal or constructive obligation as a result of past events,
b) it is probable that an outflow of resources will be required to settle the obligation
c) this outflow can be estimated reliably.

4. Summary Of Accounting Principles-Continued

4.13 Revenue Recognition

Sales of goods are recognized at the consideration received or receivable and when goods are received by the customer and the title has passed.

Sales are reduced for estimated discounts and similar allowances.

Interest income is recognized 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.

4.14 Cost of Sales

Purchases are recorded net of cash discounts and other supplier discounts and allowances. Cost of sales includes all costs associated with the delivery of the products to the retail sales points, including buying, warehousing and transportation costs.
Funding from suppliers to the customers, if available, is recognized as a reduction of cost of sales at the time the related products are sold.

4.15 Leases

Leases are classified as finance leases when the terms of the lease transfer substantially all the risks and rewards of ownership to the Company. All other leases are classified as operating leases.
The Group has operating leases only.
Rents paid on operating leases are charged to income on a straight-line basis over the term of the lease.
Revenues from operating leases are recognized based on the straight-line method throughout the duration of the respective lease.

4.16 Foreign Currencies

The functional and business currency of the economic environment in which the Group operates, is Euro.
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.

4.17 Borrowing Costs

Borrowing costs are recognized in profit or loss in the period they are incurred.

4.18 Government Grants

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

4. Summary of Accounting Principles-Continued

4.19 Employee Benefits

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.
During 2006 fiscal year the Group changed its recognition policy of actuarial gains or losses. Specifically, according to IAS 19, par.93A, the Group recognizes actuarial gains and losses in full in the statement of recognized gains and losses in the period in which they occur instead of using the method of the 10% corridor. Refer Note 3 and Note 40 for the effect of the change in accounting policy.
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 and the unrecognized past service costs reduced by the fair value of plan assets, if any.

4.20 Share-Based Payments

The members of the Executive Committee of the Company participate in the Delhaize Group S.A. (the parent company) equity-settled share-based compensation plan.

The equity – settled share based payments granted by the parent company to Company employees is measured at the fair value at the grant date. The fair value is determined using the Black-Scholes valuation model, and is expensed on a straight line basis over the vesting period to the profit and loss with a corresponding increase in equity as contribution from the parent.

4.21 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. The Group's liability for current tax is calculated using the tax rates that have been 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

4. Summary of Accounting Principles-Continued

4.21 Taxation - continued

probable 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.

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 amounts charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

4.22 Segment Reporting

The Group segments its business activity based on the Companies which are included in the consolidated financial statements since risks and return are affected predominantly by the fact that they operate in different sectors, the retail sector "ALFA-BETA" VASSILOPOULOS S.A. and the wholesale sector ENA S.A.. The Group does not monitor its sales per geographical region since total sales are realized in Greece.

(amounts in thousand EUR)

5. Revenue

Group and Company revenue arise exclusively from retail store sales to consumers and wholesale sales of goods to small third party entities which are located in various regions of the country, as well as from sales of goods to franchisees. The revenue recorded per category is stated below:

	Group		Company	
	01.01.2006 - 31.12.2006	**01.01.2005- 31.12.2005**	**01.01.2006 - 31.12.2006**	**01.01.2005- 31.12.2005**
Retail sales	899.736	795.055	899.736	795.055
Sales to franchisees and other third part	27.309	17.593	27.309	17.593
Wholesales	103.204	95.353	73.835	67.694
Total	**1.030.249**	**908.001**	**1.000.880**	**880.342**

6. Other Operating Income

Other income earned, related to the Group's operations is stated below:

	Group		Company	
	01.01.2006 - 31.12.2006	**01.01.2005- 31.12.2005**	**01.01.2006 - 31.12.2006**	**01.01.2005- 31.12.2005**
Sales of auxiliary materials	168	146	334	282
Income from suppliers (coupons, quality control of products)	209	153	194	149
Training subsidy (OAED)	318	310	318	298
Other Income (related mainly to services provided and other fees)	2.043	1.221	1.559	770
Income deriving from contracts with franchisees	115	70	115	70
Income from rents	1.657	1.644	1.813	1.795
Total	**4.510**	**3.544**	**4.333**	**3.364**

In 2006, the presention of certain income accounts was changed and the same reclassification was made to the relevant amounts of fiscal year 2005, so that the figures are comparable.
More specifically, the restatement of the 2005 amounts was: from the total of the line "Income deriving from contracts with franchisees" an amount of 550 Euros was transferred to the line "Other Income" for the Group, and for the Company an amount of 193 Euros.
This transfer was necessary since the above amounts were not related to "Income deriving from contracts with franchisees".

(amounts in thousand EUR)

7. Business Segments

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

	Period from 01.01.2006 until 31.12.2006				Period from 01.01.2005 until 31.12.2005			
	"ALFA-BETA"	**ENA S.A.**	**Elimination of Intercompany Transactions**	**Total**	**"ALFA-BETA"**	**ENA S.A.**	**Elimination of Intercompany Transactions**	**Total**
Turnover (sales)								
Retail sales	899.736	-	-	**899.736**	795.055	-	-	**795.055**
Sales to third party entities	-	103.204	-	**103.204**	-	95.353	-	**95.353**
Intercompany sales	73.835	-	(73.835)	**-**	67.694	-	(67.694)	**-**
Sales to franchisees	26.351	-	-	**26.351**	15.930	-	-	**15.930**
Sales to third parties	958	-	-	**958**	1.663	-	-	**1.663**
Total sales per segment	**1.000.880**	**103.204**	**(73.835)**	**1.030.249**	**880.342**	**95.353**	**(67.694)**	**908.001**
Profit before taxes	**27.617**	**2.853**	**(46)**	**30.424**	**20.452**	**1.687**	**(14)**	**22.125**
Profit after taxes	**18.399**	**1.658**	**(38)**	**20.019**	**11.697**	**1.042**	**(444)**	**12.295**

«ALFA-BETA» VASSILOPOULOS S.A. is the main supplier of ENA S.A. It sells to ENA, goods that itself purchases and trades. The sale price of these goods is based on the last purchase price from the third party supplier to «ALFA-BETA» VASSILOPOULOS S.A., increased by a specific rate of 1,03. «ALFA-BETA» VASSILOPOULOS S.A. provides discounts to ENA S.A. based on commercial agreement's scales.

(amounts in thousand EUR)

7. Business Segments - Continued

Assets and liabilities per segment as at 31.12.2006:

	Period from 01.01.2006 until 31.12.2006				Period from 01.01.2005 until 31.12.2005			
	"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	388.952	27.707	1.878	**418.537**	347.617	20.932	1.914	**370.463**
Related companies' assets	23.577	-	(23.577)	**-**	20.448	-	(20.448)	**-**
Total assets	**412.529**	**27.707**	**(21.699)**	**418.537**	**368.065**	**20.932**	**(18.534)**	**370.463**
Liabilities								
Segment long-term and short-term liabilities	329.079	8.430	-	**337.509**	298.550	6.404	(1)	**304.953**
Liabilities to related companies	-	16.201	(16.201)	**-**	-	13.073	(13.073)	**-**
Total liabilities	**329.079**	**24.631**	**(16.201)**	**337.509**	**298.550**	**19.477**	**(13.074)**	**304.953**
Other information								
Movements of fixed assets								
- additions	36.326	1.158	**-**	**37.484**	35.173	481	-	**35.654**
- cumulative depreciation	18.381	948	37	**19.366**	16.082	825	40	**16.947**
Impairment of fixed assets	940	-	-	**940**	62	-	-	**62**

(amounts in thousand EUR)

8. Impairment of Assets

The Company assessed whether there is an indication of impairment of the cash generating units' (stores) assets and concluded that fixed assets of four stores are impaired. The total impairment charge amounted to 983 Euros. Additionally, it was considered appropriate to partially reverse impairment provision for a store's assets, which had been recognized in the prior year.
The relevant provision per asset category as well as the above-mentioned reversal are analyzed in note 14.

9. Finance Costs

Group	**01.01.2006-31.12.2006**	**01.01.2005-31.12.2005**
Interest on bank overdrafts and loans	3.365	2.943
Loss/(Profit) from Bond's valuation	(3.367)	4.325
(Profit)/Loss due to translation of bond in foreign currency	3.198	(4.655)
Other finance costs	2	3
Total finance costs	**3.198**	**2.616**

Company	**01.01.2006-31.12.2006**	**01.01.2005-31.12.2005**
Interest on bank overdrafts and loans	3.365	2.943
Loss/(Profit) from Bond's valuation	(3.367)	4.325
(Profit)/Losses due to translation of bond in foreign currency	3.198	(4.655)
Other finance costs	2	3
Total finance costs	**3.198**	**2.616**

10. Profit before Taxes

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

	Group		**Company**	
	01.01.2006 - 31.12.2006	**01.01.2005-31.12.2005**	**01.01.2006 - 31.12.2006**	**01.01.2005-31.12.2005**
Depreciation of tangible assets for the year	19.170	16.606	18.227	15.745
Impairment losses	940	62	940	62
Depreciation of intangible assets for the year	196	341	154	337
Total depreciation and impairment losses of the year	**20.306**	**17.009**	**19.321**	**16.144**
Foreign exchange: losses / (gains) from trading activities	(40)	(13)	(40)	(13)
Losses / (gains) from fixed assets disposals	97	319	93	314
Cost of inventories sold	772.761	683.656	682.297	599.304
Inventory impairment	208	435	183	400
Staff remuneration and other benefits	119.835	107.878	114.123	102.563
Provision for staff retirement indemnity	1.666	1.823	1.594	1.735

(amounts in thousand EUR)

11. Income tax

Income tax rate on estimated taxable income has changed from 32% in 2005 to 29% for 2006.

	Group		Company	
	01.01.2006 - 31.12.2006	**01.01.2005-31.12.2005**	**01.01.2006 - 31.12.2006**	**01.01.2005-31.12.2005**
Income Tax				
Corporate Income tax:				
- Current tax:	8.255	5.242	7.427	5.242
- Interest on late payment of taxes related to prior years	29	1.014	29	1.014
- Additional tax	156	130	144	130
- Differences arising from prior years tax audit	1.114	10	1.031	10
Deferred tax:				
- Current year	393	2.426	157	1.843
- Tax proportion due to a decrease in income tax rate	458	1.008	430	516
Total	**10.405**	**9.830**	**9.218**	**8.755**

The total income tax expenses can be reconciled to the accounting profit as follows:

	Group			
	01.01.2005-31.12.2006	**%**	**01.01.2005-31.12.2005**	**%**
Profit before taxes	30.424	100	22.125	100
Income tax expensed calculated at 29% (2005:32%)	8.823	29,0	7.080	32,0
Tax impact arising from non-deductible expenses	414	1,3	588	2,7
Additional Taxes	156	0,5	130	0,6
Interest on late payment of taxes related to prior years	29	0,1	1.014	4,6
Differences arising from prior years tax audit	1.114	3,7		0,1
Decrease in deferred tax assets/ liabilities arising from a decrease in income tax rate	458	1,5	1.008	4,6
Increase in deferred tax assets/ liabilities arising from the tax audit	(589)	(1,9)	-	-
Income tax expenses and effective income tax rate for the year	**10.405**	**34,2**	**9.830**	**44,4**

(amounts in thousand EUR)

11. Income Tax - Continued

	Company			
	01.01.2006-31.12.2006	**%**	**01.01.2005-31.12.2005**	**%**
Profit before taxes	27.617	100	20.452	100
Income tax expensed calculated at 29% (2005:32%)	8.009	29,0	6.545	32,0
Tax impact arising from non-deductible expenses	409	1,4	540	2,6
Additional Taxes	144	0,5	130	0,6
Interest on late payment of taxes related to prior years	29	0,1	1.014	5
Differences arising from prior years tax audit	1.031	3,7	10	0,1
Decrease in deferred tax assets/ liabilities arising from a decrease in income tax rate	430	1,6	516	2,5
Increase in deferred tax assets/ liabilities arising from the tax audit	(834)	(3,0)	-	-
Income tax expenses and effective income tax rate for the year	**9.218**	**33,3**	**8.755**	**42,8**

During 2006, for the company "ALFA-BETA" VASSILOPOULOS S.A., a tax audit was conducted and concluded for the fiscal years 2003, 2004 and 2005. Income taxes amounting to 801 Euros were assessed and paid. As regards the subsidiary TROFO S.A., which was absorbed by "ALFA-BETA" VASSILOPOULOS S.A. on 10.12.2004, a tax audit was conducted and concluded for the fiscal year 2003, the income taxes that were assessed and paid amounted to 230 Euros. For ENA S.A., which is included in the consolidated statements, a tax audit has been conducted and concluded for the fiscal years 2001-2004. In total, the Group paid income taxes amounting to 1.114 Euros. These amounts refer to prior years taxes and relate to accounting differences defined by the tax audit. Part of these accounting differences are provisions made by the companies of the Group to cover potential future risks. Since the Group expects to reclaim or reverse these differences a deferred tax asset has been recognized based on the tax benefits expected to arise from their reversal or utilization. In addition, the Group has reversed the deferred tax asset recognized in prior years for the remaining prior years tax loss of ENA S.A. based on the accounting differences that arose from the tax audit.

Only the audit for the fee to the affiliate company Delhaize Group S.A. for the services rendered during 2005 to the Companies of the Group remains pending. The Companies have already applied to the Special Committee of the Ministry of Finance for the pre-approval of the deductibility of expenses for administrative, organizational support and generally for international services from their gross revenue. Furthermore, for the fiscal years 2003, 2004 and 2005 withholding income tax based on article 13, L. 2238/1994, of a total amount of 202 Euros, was assessed for which the Company will take legal actions that are estimated to succeed.

The tax rated used of 29% for the year 2006 and 32% for 2005 is the corporate tax rate payable by corporate entities on taxable profits under Greek tax law. 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% in 2006 and in the corresponding period of 2005 for the differences which will be utilised within 2006 with a rate of 29% and for the remaining future utilisations with a rate of 25%.

12. Earnings per share

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

	Group		Company	
	01.01.2006 - 31.12.2006	**01.01.2005- 31.12.2005**	**01.01.2006 - 31.12.2006**	**01.01.2005- 31.12.2005**
Net Profit of the year in thousand Euro	20.018	12.294	18.399	11.697
Weighted average number of shares of the year	12.732.720	12.732.720	12.732.720	12.732.720
Earnings per share (in Euro)	**1,57**	**0,97**	**1,44**	**0,92**

13. Divıdend

The Board of Directors of the Company resolved to propose to the General Meeting of Shareholders the dividend distribution of forty-nine cents (0,49 Euros) per share. The dividend is subject to the approval of the Annual Ordinary General Meeting of Shareholders, which will be convened on 07.06.2007 and has thus not been accounted for as a liability in the financial statements. The distribution of the approved dividend to the recipient shareholders will take place on 21.06.2007, through the bank EUROBANK EFG.

(amounts in thousand EUR)

14. Property, Plant and Equipment

	Land	Owned buildings	Installations on third parties' property	Furniture and Fixtures	Vehicles	Construction in progress and advances	Total
Group - 2006							
Cost							
Balance at 01.01.2006	36.304	69.774	50.253	119.995	7.594	8.599	292.519
Purchases-additions	465	6.930	4.770	18.648	1.532	4.095	36.440
Transfers	(5)	2.448	4.579	689	-	(7.987)	(276)
Disposal / retirement of assets	-	(2)	(16)	(4.112)	(199)	-	(4.329)
Asset retirement obligation	-	-	676	-	-	-	676
Balance at 31.12.2006	**36.764**	**79.150**	**60.262**	**135.220**	**8.927**	**4.707**	**325.030**
Accumulated depreciation							
Balance at 01.01.2006	520	16.769	28.400	72.446	4.739	-	122.874
Depreciation of the year	64	2.131	4.620	11.477	800	-	19.092
Transactions	-	-	-	-	-	-	-
Disposal / retirement of assets	-	(1)	(13)	(4.043)	(102)	-	(4.159)
Assets retirement obligation	-	-	78	-	-	-	78
Balance at 31.12.2006	**584**	**18.899**	**33.085**	**79.880**	**5.437**	**-**	**137.885**
Provision for impairment of							
Balance at 01.01.2006	-	-	70	74	-	-	144
Provision for the year	-	-	554	429	-	-	983
Reversal of impairment	-	-	(19)	(24)	-	-	(43)
As at 31.12.2006	**-**	**-**	**605**	**479**	**-**	**-**	**1.084**
Net book value							
Balance at 31.12.2006	**36.180**	**60.251**	**26.572**	**54.861**	**3.490**	**4.707**	**186.061**
Group - 2005							
Cost							
Balance 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)
Balance at 31.12.2005	**36.304**	**69.774**	**50.253**	**119.995**	**7.594**	**8.599**	**292.519**
Accumulated depreciation							
Balance at 01.01.2005	463	14.776	24.156	66.468	4.256	-	110.119
Depreciation of the year	58	2.017	4.358	9.430	743	-	16.606
Transfers	(1)	1	-	-	-	-	-
Sales and disposals	-	(25)	(114)	(3.452)	(260)	-	(3.851)
Balance at 31.12.2005	**520**	**16.769**	**28.400**	**72.446**	**4.739**	**-**	**122.874**
Provision for impairment of assets							
Balance at 01.01.2005	-	-	-	82	-	-	82
Provision for the year	-	-	70	74	-	-	144
Reversal of impairment	-	-	-	(82)	-	-	(82)
Balance at 31.12.2005	**-**	**-**	**70**	**74**	**-**	**-**	**144**
Net book value							
Balance at 31.12.2005	**35.784**	**53.005**	**21.783**	**47.475**	**2.855**	**8.599**	**169.501**

There are no encumbrances on the property of the Group. During the annual review of the useful life of the above tangible assets, buildings' installations and plant and machinery (see note 4.5.1), no change arose.

(amounts in thousand EUR)

14. Property, Plant and Equipment - Continued

	Land	Owned buildings	Installations on third parties' property	Furniture and Fixtures	Vehicles	Construction in progress and advances	Total
Company - 2006							
Cost							
Balance at 01.01.2006	33.522	65.080	48.012	114.821	7.278	8.599	277.312
Purchases-additions	459	6.831	4.610	17.901	1.504	4.095	35.400
Transfers	(5)	2.448	4.579	799	-	(7.987)	(166)
Sales and disposals	-	(2)	(16)	(4.090)	(327)	-	(4.435)
Asset retirement obligation	-	-	676	-	-	-	676
Balance at 31.12.2006	**33.976**	**74.357**	**57.861**	**129.431**	**8.455**	**4.707**	**308.787**
Accumulated depreciation							
Balance at 01.01.2006	510	15.833	27.203	69.962	4.537	-	118.045
Depreciation of the year	64	1.967	4.406	10.958	754	-	18.149
Transfers	-	-	-	-	-	-	-
Sales and disposals	-	(1)	(13)	(4.030)	(231)	-	(4.275)
Assets retirement obligation	-	-	78	-	-	-	78
Balance at 31.12.2006	**574**	**17.799**	**31.674**	**76.890**	**5.060**	**-**	**131.997**
Provision for impairment of assets							
Balance at 01.01.2006	-	-	70	74	-	-	144
Provision for the year	-	-	554	429	-	-	983
Reversal of impairment	-	-	(19)	(24)	-	-	(43)
Balance at 31.12.2006	**-**	**-**	**605**	**479**	**-**	**-**	**1.084**
Net book value							
Balance at 31.12.2006	**33.402**	**56.558**	**25.582**	**52.062**	**3.395**	**4.707**	**175.706**
Company - 2005							
Cost							
Balance 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)
Balance at 31.12.2005	**33.522**	**65.080**	**48.012**	**114.821**	**7.278**	**8.599**	**277.312**
Accumulated depreciation							
Balance at 01.01.2005	454	14.005	23.176	64.365	4.095	-	106.095
Depreciation of the year	57	1.852	4.141	8.993	702	-	15.745
Transfers	(1)	1	-	-	-	-	-
Sales and disposals	-	(25)	(114)	(3.396)	(260)	-	(3.795)
Balance at 31.12.2005	**510**	**15.833**	**27.203**	**69.962**	**4.537**	**-**	**118.045**
Provision for impairment of assets							
Balance at 01.01.2005	-	-	-	82	-	-	82
Provision for the year	-	-	70	74	-	-	144
Reversal of impairment	-	-	-	(82)	-	-	(82)
Balance at 31.12.2005	**-**	**-**	**70**	**74**	**-**	**-**	**144**
Net book value							
Balance at 31.12.2005	**33.012**	**49.247**	**20.739**	**44.785**	**2.741**	**8.599**	**159.123**

There are no encumbrances on the property of the Company. During the annual review of the useful life of the above tangible assets, buildings' installations and plant and machinery (see note 4.5.1), no change arose.

(amounts in thousand EUR)

15. Investment Property

During the year ended December 31, 2006, a new property purchased for store operation, includes a part which will not be used for the store due to its relative autonomy. The value of this part of the property, amounts to 167 Euros, is transferred to investment property.

	Group	Company
	Investment property	**Investment property**
2006		
Book value		
Balance at 01.01.2006	57	13
Tranfers	167	167
Balance at 31.12.2006	**224**	**180**
2005		
Book value		
Balance at 01.01.2005	57	13
Balance at 31.12.2005	**57**	**13**

16. Goodwill

	Group		Company	
	31.12.2006	**31.12.2005**	**31.12.2006**	**31.12.2005**
Deemed cost				
As at 01.01.2006	69.712	69.712	69.712	69.712
As at 31.12.2006	**69.712**	**69.712**	**69.712**	**69.712**

The Company, with the adoption of IFRS 1, has recorded Goodwill to imputed cost and to an impairment test at the end of each year.

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, of the structure of cash flow based on historical data and at a discounted rate (WACC) of 7,9%.

No impairment charge for the year-ended 31.12.2006 was necessary from the impairment test performed.

(amounts in thousand EUR)

17. Intangible Assets

	Group Software	Company Software
2006		
Cost		
Balance at 01.01.2006	818	793
Purchases- additions	1.044	926
Transfers	110	-
Balance at 31.12.2006	**1.972**	**1.719**
Accumulated depreciation		
Balance at 01.01.2006	797	792
Depreciation of the year	196	154
Balance at 31.12.2006	**993**	**946**
Net book value		
Balance at 31.12.2006	**979**	**773**
2005		
Cost		
Balance at 01.01.2005	479	455
Purchases- additions	339	338
Balance at 31.12.2005	**818**	**793**
Accumulated depreciation		
Balance at 01.01.2005	456	455
Depreciation of the year	341	337
Balance at 31.12.2005	**797**	**792**
Net book value		
Balance at 31.12.2005	**21**	**1**

The depreciation of intangible assets is recorded in the cost centers which utilize these assets based on the participation of each cost center in the Company's operation and is included in the lines of income statement as follows:

	Group	Company
Cost of Sales	2	2
Distribution cost	31	26
Administrative expenses	163	126
Total	**196**	**154**

(amounts in thousand EUR)

18. Investment in subsidiary

The companies included in the Consolidated Financial Statements, their addresses as well as the participation of the parent company in their share capital, are shown in the table below:

Company name	Registered Office	% of participation of the parent company in the share capital of its subsidiary
"ALFA-BETA" VASSILOPOULOS S.A. (parent company)	Greece, Gerakas Attica	-----
ENA S.A. (subsidiary)	Greece, Gerakas Attica	99,96%

The following companies are not included in the consolidated statements for the reasons stated below:

Company Name	% of participation	Reasons for excluding subsidiaries from consolidation
ORA S.A.	50,00%	According to decision No 33114/31.10.2006 of the Athens Prefecture, Division of Societes Anonymes, the company was liquidated and deregistered from the Societes Anonymes Register.
SAK LTD	40,00%	The participation of "ALFA-BETA" 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.

The Company DELHAIZE GROUP S.A., with 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.

19. Long-term Receivables

The Group has long-term receivables, the greater part of which are guarantees given regarding rental of property, provision of power etc. Long-term receivables are analyzed as follows:

	Group		Company	
	31.12.2006	**31.12.2005**	**31.12.2006**	**31.12.2005**
Guarantees	5.716	4.669	5.615	4.568
Other Receivables	668	655	668	655
Total	**6.384**	**5.324**	**6.283**	**5.223**

(amounts in thousand EUR)

20. Deferred Tax Asset

Analysis for financial reporting purposes:

	Group		Company	
	31.12.2006	**31.12.2005**	**31.12.2006**	**31.12.2005**
Deferred tax assets (published)	-	7.121	-	6.364
Deferred tax on recognized actuarial gain/(loss) in defined benefit plans taken directly to Equity	-	438	-	396
Deferred tax assets (restated)	-	7.559	-	6.760
Deferred tax assets	8.674	7.559	8.127	6.760
Deferred tax liabilities	(7.949)	(6.227)	(7.221)	(5.498)
Net deferred tax assets / (liabilities)	**725**	**1.332**	**906**	**1.262**

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

	Group		Company	
	31.12.2006	**31.12.2005**	**31.12.2006**	**31.12.2005**
Balance at 1 January (published)	-	4.328	-	3.225
Deferred tax on recognized actuarial gain/(loss) in defined benefit plans taken directly to Equity	-	438	-	396
Balance at 1 January (restated)	-	4.766	-	3.621
Balance at 1 January	1.332	4.766	1.262	3.621
Charge on the results of the year	(393)	(2.426)	(157)	(1.843)
Deferred tax on recognized actuarial gain/(loss) in defined benefit plans taken directly to Equity	244	-	231	-
Impact from change of tax rate	(458)	(1.008)	(430)	(516)
Balance at the end of the year	**725**	**1.332**	**906**	**1.262**

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

(amounts in thousand EUR)

20. Deferred Tax Asset - Continued

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

	Provision for staff retirement indemnity	Actuarial gains/losses recognized directly in Equity	Accrued expenses	Inventories	Difference in net book values of assets	Derivative Instrument	Assessed losses utilized	Other	Total
Group									
Balance at 01.01.2005	2.655	-	1.624	2.558	(3.809)	123	1.161	16	4.328
Charge to the income of the year	456	-	(183)	(637)	(2.383)	(83)	(632)	28	(3.434)
Deferred tax recorded directly in Equity for recognized actuarial gains/losses	-	438	-	-	-	-	-	-	438
Balance at 01.01.2006	**3.111**	**438**	**1.441**	**1.921**	**(6.192)**	**40**	**529**	**44**	**1.332**
Charge to income of the year	416	-	(174)	(146)	(1.453)	(42)	(529)	1.077	(851)
Deferred tax recorded directly in Equity for recognized actuarial gains/losses	-	244	-	-	-	-	-	-	244
Balance at 31.12.2006	**3.527**	**682**	**1.267**	**1.775**	**(7.645)**	**(2)**	**-**	**1.121**	**725**

	Provision for staff retirement indemnity	Actuarial gains/losses recognized directly in Equity	Accrued expenses	Inventories	Difference in net book values of assets	Derivative Instrument	Assessed losses utilized	Other	Total
Company									
Balance at 01.01.2005	2.532	-	1.575	2.536	(3.555)	123	-	14	3.225
Charge to the income of the year	434	-	(185)	(640)	(1.907)	(83)	-	22	(2.359)
Deferred tax recorded directly in Equity for recognized actuarial gains/losses	-	396	-	-	-	-	-	-	396
Balance at 01.01.2006	**2.966**	**396**	**1.390**	**1.896**	**(5.462)**	**40**	**-**	**36**	**1.262**
Charge to income of the year	398	-	(161)	(139)	(1.453)	(42)	-	810	(587)
Deferred tax recorded directly in Equity for recognized actuarial gains/losses	-	231	-	-	-	-	-	-	231
Balance at 31.12.2006	**3.364**	**627**	**1.229**	**1.757**	**(6.915)**	**(2)**	**-**	**846**	**906**

(amounts in thousand EUR)

21. Inventories

	Group		Company	
	31.12.2006	**31.12.2005**	**31.12.2006**	**31.12.2005**
Merchandise	71.711	72.870	66.689	68.006
Raw materials, consumables, spare parts and packing materials	885	1.032	884	1.032
Advances for the purchase of inventories	159	35	159	35
Total	**72.755**	**73.937**	**67.732**	**69.073**

The average days of stock for the Group and the Company is 19.2 days in 2006 against 22.2 days in 2005.

22. Trade Receivables

	Group		Company	
	31.12.2006	**31.12.2005**	**31.12.2006**	**31.12.2005**
Trade receivables (from third parties)	7.008	4.845	6.136	3.977
Trade receivables (intercompany)	-	-	16.189	13.064
Debtors	5.002	5.472	4.075	4.621
Cheques and bills receivable	11.177	7.522	7.521	4.281
Receivables from suppliers	9.637	5.385	9.186	4.934
Provision for doubtful receivables	(5.093)	(5.070)	(3.221)	(3.231)
Total	**27.731**	**18.154**	**39.886**	**27.646**

Changes in Provision for doubtful receivables in the year 2006 are analyzed as follows:

	Group	Company
Provision for doubtful receivables as at 31.12.2005	(5.070)	(3.231)
Increase of provision	(189)	(117)
Reversal of provision	166	125
Provision for doubtful receivables as at 31.12.2006	**(5.093)**	**(3.221)**

The average collection period of trade receivables for the Group in 2006 is 9,8 days against 7,3 days in 2005. The average collection period of trade receivables for the Company in 2006 is 14,5 days, against 11,5 days in 2005.

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 does not have significant concentration of credit risk arising from receivables apart from its subsidiary ENA S.A., for which there is no credit risk. The rest of the receivables consist of a large number of customers, debtors and suppliers.

(amounts in thousand EUR)

23. Other Receivables – Accrued Income

	Group		Company	
	31.12.2006	**31.12.2005**	**31.12.2006**	**31.12.2005**
Other receivables (subsidies – compensations)	661	1.096	624	1.077
Due from the Greek State – Withholding taxes	398	374	378	354
Other accrued income	20	29	35	40
Total	**1.079**	**1.499**	**1.037**	**1.471**

24. 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 their carrying amount of Cash and Bank represents their fair value.

	Group		Company	
	31.12.2006	**31.12.2005**	**31.12.2006**	**31.12.2005**
Banks	48.169	25.810	38.447	22.584
Cash	4.321	4.553	4.113	4.144
Total	**52.490**	**30.363**	**42.560**	**26.728**

25. Share Capital

	31.12.2006	**31.12.2005**
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 2005 and 2006.

26. Share Premium

	31.12.2006	**31.12.2005**
Share Premium	13.560	13.560

There were no changes in the Company's share premium during the fiscal years 2005 and 2006.

27. Reserves

On 31.12.2006 the Group and the Company have tax free or specially taxed reserves. In the event of distribution of these reserves, which are subject to approval of the General Meeting of Shareholders, income tax will be payable at the corporate rate effective in the year of the distribution. Indicatively, using the current tax rates if the above reserves were distributed, in 2007 taxation of 3.898 Euros would be payable.

(amounts in thousand EUR)

27. Reserves - Continued

	Legal reserves	Extraordinary reserves	Reserves arising from special regulation and laws	Participation & Bond Reserves	Total
Group					
Balance at 01.01.2006	**3.211**	**14.488**	**12.358**	**-**	**30.057**
Transfer from appropriation of profit	600	-	-	-	600
Equity Settled Employee Benefits Reserve provided by the parent company	-	181	-	-	181
Balance at 31.12.2006	**3.811**	**14.669**	**12.358**	**-**	**30.838**

	Legal reserves	Extraordinary reserves	Reserves arising from special regulation and laws	Participation & Bond Reserves	Total
Company					
Balance at 01.01.2006	**3.211**	**14.488**	**12.358**	**279**	**30.336**
Transfer from appropriation of profit	600	-	-	-	600
Equity Settled Employee Benefits Reserve provided by the parent company	-	181	-	-	181
Balance at 31.12.2006	**3.811**	**14.669**	**12.358**	**279**	**31.117**

The extraordinary reserves increase is equal to the cost of Equity Settled Employee Benefits provided by the parent company DELHAIZE GROUP S.A. (note 4.20 in the Summary of Accounting Principles). The cost is analyzed as follows:

	Group	Company
Balance at 01.01.2006	-	-
Employee Benefits	181	181
Balance at 31.12.2006	**181**	**181**

28. Retained Earnings

	Group	Company
Balance at 01.01.2005	(8.186)	(3.987)
Actuarial gains/losses recognised directly in Equity	(1.315)	(1.190)
Balance as at 01.01.2005- Restated	(9.501)	(5.177)
Net profit for the year 2005	12.294	11.697
Balance at 01.01.2006	**2.793**	**6.520**
Actuarial gains/losses recognised directly in Equity	(734)	(698)
Transfer to reserves	(600)	(600)
Dividend distributed	(3.947)	(3.947)
Net profit for the year	20.018	18.399
Balance at 31.12.2006	**17.530**	**19.674**

(amounts in thousand EUR)

29. Borrowings

During the period from 01.01.2006 until 31.12.2006, the Company did not raise any additional loan except a short-term loan of 5.000 Euros, which was raised in October and lasted 11 days. Bond loan contracted on 05.02.2002 with DELCOR S.A., member of the DELHAIZE GROUP S.A., with a duration of five years amounting to 38.100 thousand USD or equivalent 44.138 Euros, according to the swap agreement, is payable within one year on 05.02.2007. Swap agreement has been contracted in order to restrict the foreign exchange risk. The bond is revalued at the foreign exchange rate ruling at the end of the period, while the derivative is valued at its fair value. Any change arising from the above affects the results and is included in line "Finance Cost".
Due to the fact that the bond loan contracted with DELCOR S.A. matures on 05.02.2007, the liability was transferred to short-term liabilities in the line «Long-term Borrowings payable within one year». Long term borrowings represent the bond loan that the Company contracted with ALPHA BANK on 07.02.2005, maturing on 09.02.2010. Borrowings are as follows:

	Current borrowings Group/Company		**Long term borrowings Group/Company**	
	31.12.2006	**31.12.2005**	**31.12.2006**	**31.12.2005**
Bond loan terminating on 05.02.2007	28.929	-	-	32.296
Bond loan terminating on 09.02.2010	-	-	40.000	40.000
Total	**28.929**	**-**	**40.000**	**72.296**

The above borrowings will be repaid as follows:

	Current borrowings Group/Company		**Long term borrowings Group/Company**	
Due	**31.12.2006**	**31.12.2005**	**31.12.2006**	**31.12.2005**
Within one year	28.929	-	-	-
In the second year	-	-	-	32.296
In the third to fifth years inclusive	-	-	40.000	40.000
Total	**28.929**	**-**	**40.000**	**72.296**

The average interest rate paid was as follows:

	Group/Company	
	2006	**2005**
Bond loan contracted with related companies	3,857%	3,305%
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 S.A.. 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 fixed interest rate bond loan amounting to 40.000 Euros, divided into 4 bearer bonds of 10.000 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.

(amounts in thousand EUR)

29. Borrowings - Continued

Except as detailed in the following table, the directors consider that the carrying amounts of financial assets and financial liabilities recorded at amortised cost in the financial statements approximate their fair values:

	2006	
	Group / Company	
Financial liabilities	**Carrying amount**	**Fair Value**
Alpha Bank Bond	40.000	39.079

30. 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), and other supplementary Insurance Funds. The employer contributions are charged to the income statement the fiscal year they refer to.
Moreover, the Company provides to its officers a private pension plan. The obligation of the Company in this plan is in respect of the payment of a fixed amount to a private insurance company (defined contribution plan). The amount charged to the results for the year 2006 amounted to 381 Euro for the Group and 366 Euro for the Company, while for the year 2005 the respective amounts are 340 and 327 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 it does not bear savings . The recognition policy, as described in the Summary of Accounting Principles, has changed. The impact of theses changes in the Financial Statements is stated in note 40. The capitalized obligations and the transactions due to the change of recognition method are analyzed as follows:

	Group		**Company**	
	2006	**2005**	**2006**	**2005**
Obligations at the beginning of the year (Corridor Method)	-	10.620	-	10.126
Actuarial (gains)/losses recognized directly in Equity	-	1.753	-	1.586
Obligations at the beginning of the year (restated) (SORIE Method)	14.196	12.373	13.447	11.712
Actuarial (gains)/losses recognized directly in Equity	978		929	-
Charge for the year	2.531	2.601	2.385	2.448
Benefits paid	(865)	(778)	(791)	(713)
Total at the end of the year	**16.840**	**14.196**	**15.970**	**13.447**

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

(amounts in thousand EUR)

30. Retirement Benefit Plans - Continued

	Group		Company	
	2006	**2005**	**2006**	**2005**
Current service cost	1.564	1.562	1.484	1.482
Interests cost	569	561	539	533
Current losses recognized	-	27	-	25
Past service cost	17	14	14	12
Additional benefits	381	437	348	396
Total at the end of the year	**2.531**	**2.601**	**2.385**	**2.448**

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

	Group		Company	
	2006	**2005**	**2006**	**2005**
Cost of Sales	240	215	240	215
Distribution cost	297	449	288	303
Administrative expenses	1.994	1.937	1.857	1.930
Total	**2.531**	**2.601**	**2.385**	**2.448**

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

	Group		Company	
	2006	**2005**	**2006**	**2005**
Obligations at the beginning of the year	14.467	12.607	13.703	11.983
Current service cost	1.564	1.562	1.484	1.482
Interests cost	569	561	539	533
Actuarial (gain) / loss	978	52	929	(5)
Benefits paid	(865)	(778)	(791)	(713)
Additional costs and obligations	456	463	423	423
Defined benefits obligation before the prior years' unrecognized cost	17.169	14.467	16.287	13.703
Prior years' unrecognized cost	(329)	(271)	(317)	(256)
Obligations at the end of the year	**16.840**	**14.196**	**15.970**	**13.447**

	Group		Company	
	2006	**2005**	**2006**	**2005**
Present value of capitalized obligations	17.169	14.467	16.287	13.703
Prior years' unrecognized cost	(329)	(271)	(317)	(256)
Total	**16.840**	**14.196**	**15.970**	**13.447**

The principal assumptions used are the following:

	Group/Company	
	2006	**2005**
Discount rate	4,0%	4,0%
Expected rate of salary increases	4,0%	4,0%

(amounts in thousand EUR)

31. Derivative Instrument

As analytically described in note 29, the derivative instrument stated below was entered in order to manage the foreign exchange risk from the bond loan that "ALFA-BETA" VASSILOPOULOS S.A. contracted with DELCOR S.A. in USD.

	Group		Company	
	31.12.2006	31.12.2005	31.12.2006	31.12.2005
Balance at 01.01.2006	**12.001**	**16.656**	**12.001**	**16.656**
Revaluation to fair value	3.198	(4.655)	3.198	(4.655)
Balance at 31.12.2006	**15.199**	**12.001**	**15.199**	**12.001**

32. Provisions

	Group	Company
Balance at 01.01.2006	**1.934**	**1.795**
Changes during the year	182	226
Balance at 31.12.2006	**2.116**	**2.021**

33. Trade payables

	Group		Company	
	31.12.2006	31.12.2005	31.12.2006	31.12.2005
Suppliers	158.798	129.963	155.188	126.985
Notes payable	3.784	4.411	3.784	4.411
Creditors	18.972	15.790	17.727	14.910
Cheques payable	10.953	11.858	10.942	11.838
Other obligations-advance payments to customers	590	480	42	15
Discounts to customers	2.708	2.601	2.701	2.585
Total	**195.805**	**165.103**	**190.384**	**160.744**

The Company's management considers that the carrying amount of trade payables approximates their fair value.
The average payment period of trade payables for the Group in 2006 is 92.5 days against 88,1 days in 2005. The average payment period of trade payables for the Company in 2006 is 101.8 days against 97.8 days in 2005.

34. Accrued Expenses

	Group		Company	
	31.12.2006	31.12.2005	31.12.2006	31.12.2005
Provision for bonus and vacation leave	5.220	4.738	4.857	4.419
Interests payable	2.990	2.744	2.990	2.744
Other	3.009	2.472	2.871	2.258
Total	**11.219**	**9.954**	**10.718**	**9.421**

(amounts in thousand EUR)

35. Other Short-term Liabilities

	Group		Company	
	31.12.2006	**31.12.2005**	**31.12.2006**	**31.12.2005**
Other Taxes payable (VAT, withholding taxes, other taxes)	9.216	7.118	9.013	6.924
Social security funds	6.254	5.343	5.965	5.090
Salaries payable	4.634	3.789	4.426	3.613
Others	2.185	1.625	2.185	1.625
Total	**22.289**	**17.875**	**21.589**	**17.252**

36. Operating Leases

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

Future Liabilities

	Group		Company	
	31.12.2006	**31.12.2005**	**31.12.2006**	**31.12.2005**
Within one year	21.868	19.643	21.374	19.169
In the second to fifth years inclusive	79.169	70.818	78.226	69.543
After five years	215.561	119.623	215.256	119.173

Future Receivables

	Group		Company	
	31.12.2006	**31.12.2005**	**31.12.2006**	**31.12.2005**
Within one year	1.211	1.544	1.380	1.700
In the second to fifth years inclusive	3.769	4.579	4.509	5.287
After five years	7.064	6.103	7.318	6.540

During 2006, lease charges amounting to 20.707 Euros for the Group and 20.234 Euros for the Company were charges to the income statement.

37. Related Parties' Transactions

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

a. During the period from 01.12.2006 up to 31.12.2006, 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:

	01.01.2006-31.12.2006
Net Sales of merchandise from «ALFA-BETA» VASSILOPOULOS S.A. to ENA S.A. (net of vendor allowances)	73.835
Sales of packing material from «ALFA-BETA» VASSILOPOULOS S.A. to ENA S.A.	163
«ALFA-BETA» VASSILOPOULOS S.A. revenue arising from rental of property to ENA S.A.	164
Purchases of ENA S.A. from «ALFA-BETA» VASSILOPOULOS S.A.(net of vendor allowances)	73.998
ENA S.A. expenses arising from rental of property from «ALFA-BETA» VASSILOPOULOS SA.	164
«ALFA-BETA» VASSILOPOULOS S.A. receivables from ENA S.A.	16.195
«ALFA-BETA» VASSILOPOULOS S.A. liabilities to ENA S.A.	6

(amounts in thousand EUR)

37. Related Parties' Transactions – Continued

b. During the period from 01.12.2006 up to 31.12.2006, between the companies of the Group "ALFA-BETA" VASSILOPOULOS S.A. and DELHAIZE GROUP S.A. that owns the 61,28% of "ALFA-BETA" VASSILOPOULOS S.A. share capital, the following transactions have been effected:

	01.01.2006-31.12.2006	01.01.2006-31.12.2006
	Group	**Company**
Sales of merchandise to DELHAIZE GROUP S.A.	24	24
Purchases of merchandise from DELHAIZE GROUP S.A.	2.354	2.354
Administrative Expenses (services provided by DELHAIZE GROUP S.A.)	2.754	2.634
Other Income for services provided to DELHAIZE GROUP S.A.	322	322
Other Expenses for services provided by DELHAIZE GROUP S.A.	69	68
Receivables from DELHAIZE GROUP S.A.	109	109
Liabilities to DELHAIZE GROUP S.A.	3.626	3.506

c. Liabilities for both Company arising at 31.12.2006, 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 costs (interest/ expenses)	1.721	5
Interest payable	1.575	4
Bond	28.853	76

d. The remuneration of the BoD members and Directors at 31.12.2006 and 31.12.2005 is analyzed as follows:

	31.12.2006	31.12.2005
Remunerations	2.413	1.834
Bonus	215	268
Employer's Contribution	96	92
Retirement Benefit Plans	85	66
Healthcare Plan Contribution	15	14
Total	**2.824**	**2.274**

38. Capital Commitments

The Groups and the Company's commitments for the acquisition of property, plant and equipment amount to 3.830 Euros and 3.819 Euros correspondingly.

39. Contingent Liabilities and Gains

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 pending is the audit regarding the fee of the related company DELHAIZE GROUP S.A. for services provided in 2005, that 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 202 thousand Euros were assessed, for which the Company has taken legal actions that are estimated to succeed.

   For ENA S.A., which is included in the consolidated financial statements, the only unaudited fiscal years are 2005 and 2006 for which the outcome of the tax audit cannot be estimated at this stage and thus no relevant provision has been made in the financial statements.

   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 amounted to 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 a cassation before the Greek Supreme Administrative Court (Conseil d' Etat), which is scheduled to be heard on March 26, 2008, before the 2nd Session of the Court. Consequently, the Company has not reversed the relevant provision made in its published financial statements.

2. The Hellenic Anti-Trust Commission after having investigated the companies that produce and trade dairy products, on 15.12.2006 issued a statement accusing "ALFA-BETA" VASSILOPOULOS S.A of:
   a. Resale price fixing clauses in its agreements concluded with two suppliers of dairy products, and
   b. Failure to notify to the Hellenic Anti-Trust Commission of these agreements between "ALFA-BETA" VASSILOPOULOS S.A. and these suppliers.

   For each of the above accusations the Hellenic Anti-Trust Commission in its statement proposes the imposition of a fine to "ALFA-BETA" VASSILOPOULOS S.A., but does not determine the amount of the fine for any of the categories.

3. 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 will be received of 3.519 Euros.

(amounts in thousand EUR)

40. Restatement of the Financial Statements of the Fiscal Year 2005 Due to the Change in Recognition Policy of Actuarial Gains or Losses

Since the actuarial study was prepared at the Balance Sheet date, the interim Financial Statements are not affected. The recognized actuarial gains and losses deriving from the new method, were calculated on the opening Balance Sheet of fiscal year 2005, and effect neither the Income Statement of the year nor the Cash Flow Statement. They are presented in detail in the Statement of Recognised Income and Expense (page 4). They impact on the Balance Sheet of the Group and the Company at 31.12.2005 is as follows:

	Group			Company		
	31.12.2005			31.12.2005		
	Published	Restated	Change	Published	Restated	Change
ASSETS						
Non-Current Assets						
Property, plant and equipment	169.501	169.501	-	159.123	159.123	-
Investment property	57	57	-	13	13	-
Goodwill	69.712	69.712	-	69.712	69.712	-
Intangible fixed assets	21	21	-	1	1	-
Subsidiaries	-	-	-	7.375	7.375	-
Long-term receivables	5.324	5.324	-	5.223	5.223	-
Deferred tax asset	894	1.332	438	866	1.262	396
Total Fixed Assets	**245.509**	**245.947**	**438**	**242.313**	**242.709**	**396**
Current Assets						
Inventory	73.937	73.937	-	69.073	69.073	-
Trade receivables	18.154	18.154	-	27.646	27.646	-
Income tax advances	115	115	-	-	-	-
Prepayment	448	448	-	438	438	-
Other receivables- accrued income	1.499	1.499	-	1.471	1.471	-
Cash and Banks equivalents	30.363	30.363	-	26.728	26.728	-
Total Current Assets	**124.516**	**124.516**	**-**	**125.356**	**125.356**	**-**
TOTAL ASSETS	**370.025**	**370.463**	**438**	**367.669**	**368.065**	**396**
EQUITY & LIABILITIES						
Shareholders Equity						
Share Capital	19.099	19.099	-	19.099	19.099	-
Share Premium	13.560	13.560	-	13.560	13.560	-
Other Reserves	30.057	30.057	-	30.336	30.336	-
Retained Earnings	4.108	2.793	(1.315)	7.710	6.520	(1.190)
Equity attributable to equity holders fo the parent	66.824	65.509	(1.315)	70.705	69.515	(1.190)
Minority Rights	1	1	-	-	-	-
Total Equity	**66.825**	**65.510**	**(1.315)**	**70.705**	**69.515**	**(1.190)**
Long-term Liabilities						
Borrowings	72.296	72.296	-	72.296	72.296	-
Retirement benefit plans	12.443	14.196	1.753	11.861	13.447	1.586
Derivative Instruments	12.001	12.001	-	12.001	12.001	-
Provisions	1.934	1.934	-	1.795	1.795	-
Other long-term liabilities	274	274	-	274	274	-
Total Long-term Liabilities	**98.948**	**100.701**	**1.753**	**98.227**	**99.813**	**1.586**
Short-term Liabilities						
Borrowings	-	-	-	-	-	-
Trade payables	165.103	165.103	-	160.744	160.744	-
Accrued expenses	9.954	9.954	-	9.421	9.421	-
Income tax payable	11.320	11.320	-	11.320	11.320	-
Other short-term liabilities	17.875	17.875	-	17.252	17.252	-
Total short-term Liabilities	**204.252**	**204.252**	**-**	**198.737**	**198.737**	**-**
TOTAL EQUITY & LIABILITIES	**370.025**	**370.463**	**438**	**367.669**	**368.065**	**396**

(amounts in thousand EUR)

41. Note on the Cash Flow Statement

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

	Group		Company	
	2006	**2005**	**2006**	**2005**
Provision for asset retirement obligation	(676)	-	(676)	-
Other provisions	182	856	226	876
Provision for staff termination indemnity	1.666	1.823	1.594	1.735
Fine imposed by Hellenic Competition Commission	(609)	739	(609)	739
Equity Settled Employee Benefits provided by the parent company	181	-	181	-
Provision for doubtful receivables	23	(139)	(10)	(94)
Total	**767**	**3.279**	**706**	**3.256**

In 2006, the Company presented certain figures more analytically. For comparison purposes, the figures of 2005 were restated as follows:

	Group		Company	
	Published	Restated	Publisthed	Restated
Other provisions	3.341	3.279	3.318	3.256
Provisions for impairment of fixed assets	-	62	-	62
	3.341	**3.341**	**3.318**	**3.318**
Interest & other financial expenses	2.616	2.947	2.616	2.947
Foreign exchange differeces	-	(331)	-	(331)
	2.616	**2.616**	**2.616**	**2.616**

INDEPENDENT AUDITOR'S REPORT

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

Report on the Financial Statements

We have audited the accompanying financial statements of «ALFA-BETA» VASSILOPOULOS A.E. ("The Company") and the consolidated financial statements of the Company and its subsidiaries ("The Group"), which comprise the balance sheet as at December 31, 2006, and the income statement, statement of recognized income and expense and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards as these were adopted by the European Union. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Greek Auditing Standards which are harmonised with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company and that of the Group as of December 31, 2006, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards as these were adopted by the European Union.

Without qualifying our report, we draw your attention to note 39.1 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.

Report on Other Legal and Regulatory Requirements

The content of the Directors Reports on the Company and the Group financial statements consist of 7 and 5 pages respectively and is consistent with the accompanying financial statements.

Athens, March 8, 2007

The Certified Public Accountant

Nicos Sofianos
Reg. No (ICPA (GR)): 12231
Deloitte.
Hadjipavlou Sofianos & Cambanis S.A.
250 – 254 Kifissias Avenue
152 31 Chalandri
Reg. No. SOEL: E 120