

**M.J.MAILLIS GROUP
INTERIM FINANCIAL STATEMENTS
THREE MONTHS 2006**



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OF DIRECTORS**

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**M.J.MAILLIS S.A.
PACKING SYSTEMS
P.C.S.A.2716/06/B/86/43
XENIAS 5 & CHARILAOU TRIKOUPH
145 62 KIFISSIA, ATHENS**

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BALANCE SHEET AS AT 31 MARCH 2006

<i>Amounts in Euro '000</i>					
		GROUP		COMPANY	
ASSETS	Note	31/03/2006	31/12/2005	31/03/2006	31/12/2005
Non Current Assets					
Tangible Assets		128,619	131,346	69,314	69,169
Intangible Assets		115,961	116,429	3,374	3,631
Investments in Subsidiaries	4			165,116	165,073
Investments in Associates (equity method)					
Deferred Tax Assets		15,494	16,236	4,765	4,765
Other Receivables		6,104	6,264	232	232
		266,178	270,275	242,801	242,870
Current Assets					
Inventories		84,044	87,057	14,976	19,115
Trade and Other Receivables		105,521	98,647	114,583	124,552
Deferred Tax Assets		5,857	4,564	765	765
Cash and Cash Equivalents		15,864	20,941	5,778	4,691
		211,286	211,209	136,102	149,123
Total Assets		477,464	481,484	378,903	391,993
EQUITY					
Equity Attributable to Company's Shareholders					
Share Capital		55,379	55,379	55,379	55,379
Share Premium		139,138	139,138	139,138	139,138
Own Shares					
Fair Value Reserves					
Reserves		19,620	18,433	17,511	17,511
Retained Losses / earnings		-25,122	-27,013	12,872	11,659
Translation Differences Reserve		2,375	3,770		
		191,390	189,707	224,900	223,687
Minority Interest		1,790	1,672		
Total Equity		193,180	191,379	224,900	223,687
LIABILITIES					
Non Current Liabilities					
Loans		123,107	128,532	113,074	113,047
Deferred Tax Liabilities		3,091	3,040	1,981	1,918
Retirement and Termination Benefit Obligations		6,069	6,076	429	429
Government Grants		7,934	8,171	5,163	5,344
Financial Instruments					
Other Non Current Liabilities		635	870	334	334
		140,836	146,689	120,981	121,072
Current Liabilities					
Trade and Other Payables		69,430	69,201	26,123	28,091
Deferred Tax Liabilities		7,441	7,125	4,188	3,894
Current Tax Liabilities		9,009	9,714	2,711	2,849
Loans		55,533	55,032		12,400
Provisions		2,035	2,344		
		143,448	143,416	33,022	47,234
Total Liabilities		284,284	290,105	154,003	168,306
Total Equity and Liabilities		477,464	481,484	378,903	391,993

The notes on pages 7 to 14 are an integral part of the interim financial statements

INCOME STATEMENT FOR THE PERIOD 1 JANUARY - 31 MARCH 2006

<i>Amounts in Euro '000</i>	Note	GROUP		COMPANY	
		01/01/2006- 31/03/2006	01/01/2005- 31/03/2005	01/01/2006- 31/03/2006	01/01/2005- 31/03/2005
Sales		94,309	93,403	32,644	33,489
Cost of Sales		-69,195	-66,301	-24,783	-25,409
Gross Profit		25,114	27,102	7,861	8,080
Other Operating Income		1,688	1,635	255	53
Administrative Expenses		-5,753	-5,320	-2,208	-1,907
Distribution Costs		-10,973	-10,586	-2,722	-2,721
Other Operating Expenses		-1,719	-1,599	-52	-16
Restructuring Costs		-484			
Earnings before Tax and Financial Expense		7,873	11,232	3,134	3,489
Financial Expenses		-2,555	-3,007	-1,370	-1,745
Earnings before Tax		5,318	8,225	1,764	1,744
Income Tax for the Period		-1,000	-1,874	-194	-77
Earnings after Tax		4,318	6,351	1,570	1,667
Deferred Tax		-215	-504	-357	-481
Earnings after Income Tax and Deferred Tax		4,103	5,847	1,213	1,186
Depreciation		5,297	5,069	1,859	1,597
Earnings before Tax, Financial expenses, Amortisation, Depreciation (EBITDA)		13,170	16,301	4,993	5,086
Earnings before Tax, Financial expenses, Amortisation, Depreciation and Restructuring costs		13,654	16,301	4,993	5,086
<u>Earnings after tax distributed as follows:</u>					
Company Shareholders		4,023	5,770	1,213	1,186
Minority Interest		80	76		
Earnings after Tax per share (expressed in €)	8	0.06	0.08	0.02	0.02

The notes on pages 7 to 14 are an integral part of the interim financial statements

CASH FLOW STATEMENT

<i>Amounts in Euro '000</i>	Note	GROUP		COMPANY	
		31/03/2006	31/03/2005	31/03/2006	31/03/2005
Cash Flows from Operating Activities					
Earnings before Tax		5,319	8,225	1,764	1,744
Adjustments for:					
Depreciation and Amortisation		5,297	5,068	1,859	1,596
Provisions		-276	554	0	-34
Exchange Differences		-418	-322	-82	0
(Gain) / Loss from Investing Activities		-545	-478	-403	-464
Interest Payable and related expenses		2,718	3,120	1,773	1,944
Profit from Operations before working capital changes					
Decrease / (Increase) in Inventories		3,013	-10,816	4,139	-8,236
Decrease / (Increase) in Receivables		-6,875	1,320	10,450	2,816
Increase / (Decrease) in Payables (excluding Banks)		-246	-2,164	-2,946	-2,639
Less:					
Interest Paid and other related expenses		-1,480	-2,912	-365	-1,735
Tax Paid		-2,103	-2,323	-241	
Total Cash Inflows / (Outflows) from Operating Activities (a)		4,404	-728	15,948	-5,008
Cash Flows from Investing Activities					
Acquisition of subsidiary, related companies, joint ventures and other investments		-742	-700	-743	-700
Purchase of Intangible Assets, Property, Plant and Equipment		-2,694	-3,218	-1,747	-250
Proceeds of sale of Tangible and Intangible Assets		84	95		18
Interest Received		114	53	3	199
Dividends Received					
Total Cash Inflows / (Outflows) from Investing Activities (b)		-3,238	-3,770	-2,487	-733
Cash Flows from Financing Activities					
Proceeds of issuance of Share Capital					6,908
Proceeds of loans issued		384	7,767		
Payments of Borrowings		-5,096		-12,374	
Payments of Finance Lease Liabilities		-313	-928		
Dividends Paid		-1		-1	
Total Cash Inflows / (Outflows) from Financing Activities (c)		-5,026	6,839	-12,375	6,908
Net increase/(decrease) in Cash and Cash Equivalents (a) + (b) + (c)		-3,860	2,341	1,086	1,167
Cash and Cash Equivalents in Beginning of Period		20,940	9,000	4,692	1,945
Exchange Differences Adjustment		-1,215	-704		
Cash and Cash Equivalents at End of Period		15,865	10,637	5,778	3,112

The notes on pages 7 to 14 are an integral part of the interim financial statements

NOTES ON THE FINANCIAL STATEMENTS

1. General information

M.J.Maillis SA (the “Company”) and its subsidiaries (together the “Group”) are involved in the manufacture and distribution of end of line industrial solutions. The Group operates in Greece and another 20 countries in Europe and North America.

The Company is located in Greece, Xenias 5, 14 562 Kifissia. The website of the Company is www.maillis.gr.

The shares of the Company are publicly traded on the Athens Stock Exchange.

In the 1st Quarter of 2006 Consolidated Turnover posted a marginal increase of 1%, reaching € 94.3 mln. If we exclude the price effect -steel prices as well as plastics in the 1st quarter 2006 were significantly lower than those of the 1st quarter 2005- volume sales posted an increase of 5.3%.

The plastic strapping division generated the highest increase in volume sales, following the successful start-up of the Group’s operations in South Carolina. The first production line installed in mid-2005 is running at full capacity and the second line that was installed in April this year, is operational as of May.

As presented in the Annual General Shareholders’ Meeting, the Group is working on a specific 3-year Business Plan, which combines streamlining and investments in order to achieve 25% cumulative growth until 2008.

2. Basis of preparation of the Interim Financial Statements

The unaudited Interim Financial Statements of the Company and the Group for the 3 month period of 2006 have been prepared in accordance with the International Financial Reporting Standards (IFRS) and specifically in accordance with IAS 34 “Interim Financial Statements”

The accounting principles that have been used in the preparation of the interim Financial Statements are in accordance with those used for the preparation of the Company and Group Financial Information as at 31/12/2005. This information was published in the internet site of the company.

The preparation of the Financial Statements according to the general accepted accounting principles demands for the use of calculations and assumptions which affect the above mentioned balances of the assets and liabilities, the acknowledgment of contingencies and the amounts of the income and expenses relating to the period from 1st January 2005 to 31st March 2006. The calculations are based to the best knowledge of the Company and the Group in relation to the current situation.

3. Segment Information

Primary Segment Information – Business Segment

At 31st March 2006 the Group is divided in 3 major Business Segments:

- (1) Production and sale of packaging consumables
- (2) Production and sale of packaging machines
- (3) Merchandise and other non core products

The Company produces and sells only packaging consumables

The segment results for the 3 months ended at 31 March 2006 and 31 March 2005 are as follows:

3 months to 31 March 2006

	Consumables	Machines	Other	Non Classified	Total
<i>Amounts in Euro '000</i>					
Total Sales	58.634	34.413	1.262		94.309
Operating Income	2.674	4.113	22	1.064	7.873
Finance Cost -Net				2.555	2.555
Associate Share	0	0			
Earnings before Tax	2.674	4.113	22	-1.491	5.318
Income Tax					1,215
Net Profit					4.103

3 months to 31 March 2005

	Consumables	Machines	Other	Non Classified	Total
<i>Amounts in Euro '000</i>					
Total Sales	55,107	35,960	2,336		93,403
Operating Income	5,375	4,390	26	1,435	11,226
Finance Cost -Net				3,007	3,007
Associate Share	5	1			6
Profit before Tax	5,380	4,391	26	-1,572	8,225
Income Tax					2,379
Net Profit					5,846

The other elements of the income statement are as follows:

3 months to 31 March 2006

	Consumables	Machines	Other	Non Classified	Total
<i>Amounts in Euro '000</i>					
Depreciation of Tangible Assets	2,522	1,652	113	61	4,348
Amortisation of Intangible Assets	550	360	14	24	948

3 months to 31 March 2005

	Consumables	Machines	Other	Non Classified	Total
<i>Amounts in Euro '000</i>					
Depreciation of Tangible Assets	2,404	1,572	74	91	4,141
Amortisation of Intangible Assets	536	354	17	20	927

Inter-segment transfers or transactions are entered into under the normal commercial terms and conditions that would also be available to unrelated third parties.

The segment assets and liabilities at 31 March 2006 and at 31 March 2005 are as follows:

31 March 2006

	Consumables	Machines	Other	Non Classified	Total
<i>Amounts in Euro '000</i>					
Assets	363,737	94,662	3,021	16,044	477,464
Liabilities	185,763	69,067	2,028	27,426	284,284

31 March 2005

	Consumables	Machines	Other	Non Classified	Total
<i>Amounts in Euro '000</i>					
Assets	354,130	86,151	6,667	15,469	462,417
Related Companies	224	49			273
Total Assets	354,354	86,200	6,667	15,469	462,690
Liabilities	192,568	67,376	3,006	19,959	282,909

4. Investments in Consolidated subsidiaries

Below are listed the Group subsidiary companies with their respective addresses and the percentage of ownership:

<u>Directly Controlled</u>	Investment %
M.J.MAILLIS SA, Athens	Parent
STRAPTECH SA, Athens	99%
M.J.MAILLIS BULGARIA EOOD, Sofia, Bulgaria	100%
M.J.MAILLIS ROMANIA S.A., Bucurest, Romania	81,7%
HELERO BV, Amsterdam, Holland	100%
M.J.MAILLIS FRANCE SAS, Souassi, France	99,9%
MARFLEX M.J.MAILLIS POLAND SP ZOO, Warsaw, Poland	100%
M.J.MAILLIS ESPANA SL, Barcelona, Spain	100%
M.J.MAILLIS CZECH SRO, Prague, Czech	100%
M.J.MAILLIS ALBANIA LTD, Tirana, Albania	100%
EUROPACK SA, Luxembourg	100%
COLUMBIA SRL, Milan, Italy	100%
M.J.MAILLIS HUNGARY KFT, Budapest, Hungary	100%
CONTIPAK GMBH, Vienna, Austria	100%
OY M.J.MAILLIS FINLAND AB, Vantaa, Finland	100%
M.J.MAILLIS SVERIGE AB, Stockholm, Sweden	100%
M.J.MAILLIS HOLDING GMBH, Wuppertal, Germany	100%
M.J.MAILLIS NETHERLANDS BV, Leusden, Holland	100%
MEGA SRL, Gamoblo, Italy	99,9%
<u>Indirectly Controlled</u>	
M.J.MAILLIS UK LTD, Nottingham, UK	100%
SIAT SPA, Como, Italy	100%
SICME SRL, Varese, Italy	100%
SIAT BENELUX, Wvaalwijk, Holland	51%
TAM SRL, Milan, Italy	71%
SIAT USA, Delaware, USA	100%
MAILLIS SANDER GMBH, Wuppertal, Germany	100%
SANDER GMBH & CO KG, Wuppertal, Germany	100%
M.J.MAILLIS BELGIUM NV, Dendermonde, Belgium	100%
WULFTEC INTERNATIONAL INC, Ayer's Cliff, Canada	100%
M.J.MAILLIS d.o.o- Beograd, Serbia Montenegro	100%
MAILLIS STRAPPING SYSTEMS, Canton, U.S.A.	100%
<u>Joint Venture</u>	
COMBI PACKAGING SYSTEMS, Canton, USA	50%

MAILLIS STRAPPING SYSTEMS USA INC became the sole shareholder, after acquiring and subsequently merging with Wulftec Investment Ltd, owner of the remaining 45% of MSN. Wulftec Investment Ltd was previously owned 100% by Wulftec International Inc (Group's subsidiary in Canada).

The merger procedures for the companies MAILLIS STRAPPING SYSTEMS USA INC – WULFTEC INVESTMENT Ltd were concluded in April 2006 with effective date that of February 24, 2006. As of that date, both companies WULFTEC INVESTMENT Ltd and MSN ceased to exist.

The values of the above listed companies in the Balance Sheet of the parent company are as follows:

<i>Amounts in Euro '000</i>	Cost	Investment %
Straptech	4.922	99%
M.J. Maillis Espana S.A.	8.514	100%
Helero B.V. (Netherlands)	28.176	100%
Europack	50.739	100%
Contipak	3.448	100%
Columbia SRL	5.958	100%
M.J.M.Finland	2.388	100%
M.J.Maillis Albania	53	100%
M.J.M.Sverige	1.949	100%
M.J.M.Bulgaria	325	100%
M.J.M.Romania	2.693	81,7%
MJ Maillis Poland	21.959	100%
MJ Maillis Czech	1.984	100%
MJ Maillis France	5.425	99,9%
M.J. Maillis Hungary KFT	2.130	100%
M.J.M.Holding GMBH	22.862	100%
Sander Packaging BV	699	100%
Mega SRL	2.402	100%
Impairment charge M.J.Maillis Spain	-1.511	
	165.116	

5. Contingencies

The Group has contingent liabilities in respect of bank and other guarantees and other matters arising in the ordinary course of business. It is not anticipated that any material liabilities will arise from the contingent liabilities. The Group has given guarantees in the ordinary course of business amounting to € 97 million.

6. Encumbrances

As at 31 March 2006 no encumbrances exist on Company's and Group's fixed assets.

7. Related Parties Transactions

The related party transactions are as follows:

	GROUP		COMPANY	
	01/01- 30/03/2006	01/01 - 31/12/2005	01/01- 30/03/2006	01/01 - 31/12/2005
<i>Amounts in Euro '000</i>				
Sales of goods and services				
- Associate	21	125	16,016	70,593
Purchase of goods and services				
- Associate	818	2,437	693	2,424
Year End Balances arising from purchases - sales of goods and services				
Receivables from Associate	34	70	65,486	63,109
Loans Receivable from Associates			26,940	40,432
Payables to Associate	808	784	2,023	1,389

8. Earnings per Share

	GROUP		COMPANY	
	31/3/2006	31/12/2005	31/3/2006	31/12/2005
<i>Amounts in Euro '000</i>				
Earnings attributable to the Company's shareholders	4,023	5,770	1,213	1,186
Weighted Average number of shares	72,502,880	71,800,449	72,502,880	71,800,449
Basic Earnings per share (expressed in Euro)	0.06	0.08	0.02	0.02

9. Personnel

The number of employees as at 31 March 2006 was 2,048 for the Group and 319 for the Company.

10. Unaudited tax years

The parent company has been audited by tax authorities until year 2004.

The unaudited tax years of the remaining affiliates are as following:

- a) BALKAN EOOD has been audited until FY 2000
- b) M.J.MAILLIS ROMANIA SA has been audited until FY 2002
- c) STRAPTECH SA has been audited until FY 2004
- d) M.J.MAILLIS ESPANA SL has been audited until FY 1998
- e) MARFLEX M.J.MAILLIS GROUP Sp Zoo has not been tax audited since incorporation in 1997
- f) M.J.MAILLIS ALBANIA LTD has been audited until FY 2002
- g) SANDER GMBH & COKG has been audited until FY 2004
- h) M.J.MAILLIS FRANCE SAS has been audited until FY 2002
- i) SIAT SPA has been audited until FY 1998
- j) CONTIPAK GMBH has been audited until FY 1999
- k) M.J.MAILLIS HUNGARY KFT has been audited until FY 2002
- l) M.J.MAILLIS CZECH SRO has been audited until FY 2004
- m) SANDER NV has been audited until FY 2001
- n) WULFTEC INTERNATIONAL INC has been audited until FY 2005
- o) M.J.MAILLIS SVERIGE AB has been audited until FY 2002
- p) COLUMBIA has been audited until FY 2004
- q) M.J.MAILLIS NETHERLANDS BV has not been tax audited since incorporation
- r) M.J.MAILLIS UK has been audited until FY 2003

11. Post Balance Sheet events

The Annual General Shareholders meeting of 24th May 2006, approved the distribution of € 0.06 dividend per share and the Board of Directors fees to the amount of € 30,000.

The General Assembly also decided the increase of the Board of Directors' members to seven, from which four are executive and three are independent. The following were elected for a four year term:

1) Mich. Maillis Executive Member, 2) Ch. Stavrinouidakis Executive Member, 3) I. Kourouglos Executive Member, 4) S. Orestides Independent Member, 5) I. Gounaris Independent Member, 6) K. Kotsilinis Independent Member, 7) Maria Maillis Executive Member.