NIREUS AQUACULTURE S.A.

Annual Financial Statements

For the the year 2006

from 1 January to 31 December 2006

in accordance with the International Financial Reporting Standards (IFRS)

This is to certify that the attached Annual Financial Statements are those which have been approved by the Board of Directors of NIREUS AQUACULTURE AE on 9 March 2007 and have been published by filing them with the Public Companies (S.A.) Register and by posting them on the company's web site, at the address, www.nireus.gr. It is noted that, the published in the press summary financial information aim to provide to any reader certain elements of financial information but they do not present a comprehensive view of the financial position and the results of the operations of the Company and the Group, in accordance with International Financial Reporting Standards. Attention is also drawn to the fact that, for simplification purposes, certain financial information published in the press may have been reclassified or amalgamated.

Aristides Belles

Chairman of the Board of Directors

NIREUS Aquaculture AE

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AUDITORS' REPORT

To the Shareholders of NIREUS CHIOS AQUACULTURE AE

We have audited the accompanying financial statements OF THE PARENT COMPANY as well as the consolidated financial statements of NIREUS AQUACULTURE S.A , as of and for the year ended 31 December 2006, which consist of : Balance Sheet, Income Statement of Changes in Equity and Cash Flow ended at 31/12/2006 as well as the summary of the important accounting policies and other explanatory notes.

Management's responsibility for the Financial Statements

The Management of the company has the responsibility for the preparation and the fair presentation of Financial Statements according to IFRS, as they have been adapted in European Union.

This responsibility includes the plan, the implementation and the maintenance of the internal audit system for the preparation and fair presentation of Financial Statements avoiding any misstatement coming from mistake or fraud. The responsibility includes also the appropriate accounting policies for their implementation as well as their accounting evaluations according to the present conditions.

Auditor's Responsibility

Our responsibility is to express our opinion for Financial Statements, based on our audit. We implemented our audit according to : Greek Audited Standards which are based on the international Standards on Auditing. Those standards require and perform the audit to obtain reasonable assurance about whether the Financial Statements are free of Material misstatements.

The Audit includes examining, on the test basis, evidence supporting the amounts and disclosures in the Financial Statements. The procedures have been selected by the judgment of the auditor and include the evaluation of material misstatements in the financial statements, due to fraud or mistake. For the evaluation of this risk, the auditor has taken into consideration the internal audit system in regards with the preparation and fair presentation of the financial statements aiming at planning and auditing procedures for these circumstances and not for the expressing of audit opinion on the performance of the internal audit system of the company. The audit also includes assessing the accounting principles used and significant estimates made by management as well as the evaluation of the total presentation of the financial statements.

We believe that our audit provides a reasonable basis of our opinion.

Opinion:

In our opinion, the aforementioned financial statements give a true and fair value view of the financial position of the Company and that of the Group (of which this company is the holding company), as of 31 December 2006, and of the results of its operations and those of the Group and their cash flow and changes in shareholders' equity for the year ended at 31/12/2006 in accordance with the International Financial Reporting Standards adopted by the European Union.

Without qualifying our opinion, we draw attention to the following matters:

As far the un-audited periods, we note the followings: a) The subsidiary company 'OCTAPUS S.A" (group of SEAFARM IONIAN) is under tax inspection for the fiscal years 2002-2004, until now the tax inspection has not been finalized yet. b) The tax returns for the fiscal year 2005-2006 for the parent company as well as for some subsidiaries have not been inspected for the tax authorities and consequently, the possibility exist of additional taxes and penalties being assessed at the time when the returns will be examined and will be accepted as final. The outcome of these tax inspection cannot be protected at present and therefore no provision has been made in these financial statement in these respect.

Because, for ten consolidated by full consolidation subsidiaries of total percentages (prior to intercompany elimination) 17,14% of consolidated total asset, the total value of the Equity is negative (for seven companies of the Group SEAFARM IONIAN S.A and for two companies of the Group NIREUS S.A) or less than one half (1/2) of the paid up share capital (for the company SEAFARM IONIAN SA) concur the condition for the application of the provision of articles 47 and 48 of C.L 2190/1920 and it is necessary for these companies to take the appropriate reconstruction measures in order to be removed the concurring application of these articles(it has been approved for five companies of SEAFARM IONIAN Group to be absorbed from the parent company SEAFARM IONIAN)

The context of the Board of Directors' Report is in agreement with attached financial statements.

Athens, 09 March 2007

SOL S.A.
CERTIFIED PUBLIC ACCOUNTANTS • AUDITORS
SOEL Reg. Number 125

STYLIANOS M. XENAKIS

Certified Public Accountant Auditor

SOEL Reg. No. 11541

SOL S.A. – Certified Public Accountants Auditors

Income statement

		GROUP	
		31/12/2006	**31/12/2005**
Fair value Biological assets at 01/01		**114.600.471**	**98.221.241**
Opening inventories at acquisition of subsidiary with biological assets		**13.153.647**	**2.605.567**
Purchases in the period		473.732	13.832.619
Sales in the period		81.478.578	75.114.878
Fair value biological assets at the end of 31 December 2006		**153.068.570**	**114.600.471**
Gain or Loss due to changes in fair value of biological assets at 31 December 2006		**106.319.298**	**75.055.922**
Sales	**6.23**	80.003.841	63.002.018
Disposals		94.281.505	71.591.261
Personnel fees & expenses		29.882.847	21.949.888
Third parties fees and utilities	**6.24**	17.434.735	13.670.991
Other expenses	**6.26**	17.712.524	12.517.612
Finance (costs)/Income	**6.25**	(5.613.845)	(3.325.173)
Depreciation		7.108.782	5.157.292
Other income/(expenses)	**6.27**	1.014.775	1.322.231
Results for the period before taxes		**15.303.676**	**11.167.953**
Income tax	**6.28**	(1.711.747)	(3.346.129)
Deferred income tax	**6.28**	(1.176.461)	108.304
Prior years' tax audit differences	**6.28**	(2.725.025)	(196.830)
Other not charged to the operating cost taxes	**6.28**	(1.463)	(887)
Stock Options Expenses	**6.16**	(764.625)	-
Profit for the period		**8.924.355**	**7.732.411**
Attributable to:			
Equity holders of the company		9.045.157	7.461.220
Minority interest		(120.802)	271.190
Total		**8.924.355**	**7.732.411**
Net Earnings per share – basic in €	**6.29**	**0,224**	**0,193**

		COMPANY	
		31/12/2006	**31/12/2005**
Fair value Biological assets at 01/01		**100.369.326**	**87.365.929**
Opening inventories at acquisition of subsidiary with biological assets		**9.700.237**	**-**
Purchases in the period		615.244	12.781.915
Sales in the period		82.656.140	75.954.575
Fair value biological assets at the end of 31 December 2006		**128.315.642**	**100.369.326**
Gain or Loss due to changes in fair value of biological assets at 31 December 2006		**100.286.975**	**76.176.057**
Sales	**6.23**	71.901.640	56.089.620
Disposals		97.117.520	70.500.838
Personnel fees & expenses		22.160.455	18.100.861
Third parties fees and utilities	**6.24**	16.241.958	14.274.585
Other expenses	**6.26**	15.109.296	11.082.224
Finance (costs)/Income	**6.25**	(4.239.577)	(2.724.169)
Depreciation		4.713.072	4.298.671
Other income/(expenses)	**6.27**	590.621	1.645.338
Results for the period before taxes		**13.197.358**	**12.929.666**
Income tax	**6.28**	(1.257.364)	(2.984.774)
Deferred income tax	**6.28**	(287.743)	(3.128)
Prior years' tax audit differences	**6.28**	(1.115.958)	(89.771)
Other not charged to the operating cost taxes	**6.28**	(1.463)	-
Stock Options Expenses	**6.16**	(764.625)	-
Profit for the period		**9.770.205**	**9.851.993**
Attributable to:			
Equity holders of the company		9.770.205	9.851.993
Minority interest		-	-
Total		**9.770.205**	**9.851.993**
Net Earnings per share – basic in €	**6.29**	**0,242**	**0,255**
Net Earnings per share – basic in €		**0,080**	**0,075**

Balance Sheet

		GROUP		COMPANY	
		31/12/2006	31/12/2005	31/12/2006	31/12/2005
ASSETS					
Non-current assets					
Property, plant and equipment	**6.1**	53.656.698	49.991.367	43.169.594	37.304.506
Investment property	**6.2**	5.379.441	2.458.630	2.152.900	2.138.330
Goodwill	**6.3**	15.137.782	6.882.944	9.719.551	5.718.910
Intangible assets	**6.3**	9.121.012	645.337	615.724	511.475
Investments in subsidiaries	**6.4**	401.920	39.414	9.600.234	11.091.627
Investments in associates	**6.5**	1.333.861	852.084	518.959	518.959
Available-for-sale financial assets	**6.7**	2.054.485	2.384.016	123.229	2.384.016
Other long-term receivables	**6.8**	216.812	178.226	124.224	123.491
Biological assets	**6.9**	63.220.524	47.342.576	52.347.777	40.877.803
		150.522.535	**110.774.594**	**118.372.192**	**100.669.116**
Current assets					
Biological assets	**6.9**	89.848.047	67.257.895	75.967.865	59.491.523
Inventories	**6.10**	11.410.594	12.585.913	9.886.969	7.118.793
Trade and other receivables	**6.11**	54.709.198	52.657.176	57.379.341	56.723.250
Other receivables	**6.12**	20.005.388	13.845.082	19.806.802	20.388.432
Other current assets	**6.13**	910.295	1.543.114	515.895	1.312.246
Financial assets at fair value through profit or loss	**6.14**	1.304	595	1.304	595
Cash and cash equivalents	**6.15**	11.410.746	2.589.807	10.681.222	1.938.495
		188.295.572	**150.479.582**	**174.239.398**	**146.973.333**
Total assets		**338.818.107**	**261.254.176**	**292.611.590**	**247.642.449**
EQUITY & LIABILITIES					
Equity					
Share capital	**6.16**	51.165.774	50.460.643	51.165.774	50.460.643
Share premium account	**6.16**	37.664.159	37.152.013	37.664.159	37.152.013
Fair value reserves	**6.16**	10.491.934	11.424.075	9.436.057	8.691.297
Other reserves	**6.16**	12.855.509	11.391.293	13.123.657	8.069.038
Retained earnings		4.392.176	(2.088.957)	11.192.706	10.337.463
Capital and reserves attributable to Equity holders of the Company		**116.569.552**	**108.339.066**	**122.582.353**	**114.710.453**
Minority interest		**5.621.601**	**1.895.374**	-	-
Total equity		**122.191.153**	**110.234.440**	**122.582.353**	**114.710.453**
Non-current liabilities					
Borrowings	**6.17**	83.219.532	61.071.987	51.829.195	55.411.896
Deferred income tax liabilities	**6.6**	4.555.751	3.601.570	4.333.010	4.516.611
Retirement benefit obligations	**6.18**	2.155.854	1.538.117	1.876.440	1.318.626
Government grants	**6.19**	6.057.942	5.806.629	5.039.770	4.654.290
Other non-current liabilities	**6.20**	5.297.740	460.721	308.471	-
Total non-current liabilities		**101.286.819**	**72.479.024**	**63.386.886**	**65.901.422**
Current liabilities					
Trade & other payables	**6.21**	65.587.982	45.409.458	63.768.320	43.589.359
Borrowings	**6.17**	28.426.099	19.037.394	28.424.023	15.888.935
Deferred payables	**6.17**	6.537.680	499.410	5.368.777	38.576
Other current liabilities	**6.22**	14.788.374	13.594.450	9.081.231	7.513.704
Total current liabilities		**115.340.135**	**78.540.712**	**106.642.351**	**67.030.574**
Total Liabilities		**216.626.954**	**151.019.736**	**170.029.237**	**132.931.996**
Total Equity and Liabilities		**338.818.107**	**261.254.176**	**292.611.590**	**247.642.449**

Statement of Changes in Equity

		GROUP		COMPANY	
		31/12/2006	31/12/2005	31/12/2006	31/12/2005
ASSETS					
Non-current assets					
Property, plant and equipment	**6.1**	53.656.698	49.991.367	43.169.594	37.304.506
Investment property	**6.2**	5.379.441	2.458.630	2.152.900	2.138.330
Goodwill	**6.3**	15.137.782	6.882.944	9.719.551	5.718.910
Intangible assets	**6.3**	9.121.012	645.337	615.724	511.475
Investments in subsidiaries	**6.4**	401.920	39.414	9.600.234	11.091.627
Investments in associates	**6.5**	1.333.861	852.084	518.959	518.959
Available-for-sale financial assets	**6.7**	2.054.485	2.384.016	123.229	2.384.016
Other long-term receivables	**6.8**	216.812	178.226	124.224	123.491
Biological assets	**6.9**	63.220.524	47.342.576	52.347.777	40.877.803
		150.522.535	**110.774.594**	**118.372.192**	**100.669.116**
Current assets					
Biological assets	**6.9**	89.848.047	67.257.895	75.967.865	59.491.523
Inventories	**6.10**	11.410.594	12.585.913	9.886.969	7.118.793
Trade and other receivables	**6.11**	54.709.198	52.657.176	57.379.341	56.723.250
Other receivables	**6.12**	20.005.388	13.845.082	19.806.802	20.388.432
Other current assets	**6.13**	910.295	1.543.114	515.895	1.312.246
Financial assets at fair value through profit or loss	**6.14**	1.304	595	1.304	595
Cash and cash equivalents	**6.15**	11.410.746	2.589.807	10.681.222	1.938.495
		188.295.572	**150.479.582**	**174.239.398**	**146.973.333**
Total assets		**338.818.107**	**261.254.176**	**292.611.590**	**247.642.449**
EQUITY & LIABILITIES					
Equity					
Share capital	**6.16**	51.165.774	50.460.643	51.165.774	50.460.643
Share premium account	**6.16**	37.664.159	37.152.013	37.664.159	37.152.013
Fair value reserves	**6.16**	10.491.934	11.424.075	9.436.057	8.691.297
Other reserves	**6.16**	12.855.509	11.391.293	13.123.657	8.069.038
Retained earnings		4.392.176	(2.088.957)	11.192.706	10.337.463
Capital and reserves attributable to Equity holders of the Company		**116.569.552**	**108.339.066**	**122.582.353**	**114.710.453**
Minority interest		**5.621.601**	**1.895.374**	-	-
Total equity		**122.191.153**	**110.234.440**	**122.582.353**	**114.710.453**
Non-current liabilities					
Borrowings	**6.17**	83.219.532	61.071.987	51.829.195	55.411.896
Deferred income tax liabilities	**6.6**	4.555.751	3.601.570	4.333.010	4.516.611
Retirement benefit obligations	**6.18**	2.155.854	1.538.117	1.876.440	1.318.626
Government grants	**6.19**	6.057.942	5.806.629	5.039.770	4.654.290
Other non-current liabilities	**6.20**	5.297.740	460.721	308.471	-
Total non-current liabilities		**101.286.819**	**72.479.024**	**63.386.886**	**65.901.422**
Current liabilities					
Trade & other payables	**6.21**	65.587.982	45.409.458	63.768.320	43.589.359
Borrowings	**6.17**	28.426.099	19.037.394	28.424.023	15.888.935
Deferred payables	**6.17**	6.537.680	499.410	5.368.777	38.576
Other current liabilities	**6.22**	14.788.374	13.594.450	9.081.231	7.513.704
Total current liabilities		**115.340.135**	**78.540.712**	**106.642.351**	**67.030.574**
Total Liabilities		**216.626.954**	**151.019.736**	**170.029.237**	**132.931.996**
Total Equity and Liabilities		**338.818.107**	**261.254.176**	**292.611.590**	**247.642.449**

Cash Flow Statement

	GROUP		COMPANY	
	31/12/2006	**31/12/2005**	**31/12/2006**	**31/12/2005**
Cash flows from operating activities				
Profit before taxes	15.303.676	11.167.952	13.197.359	12.929.666
Plus/less adjustments for:				
Depreciation for the year	7.108.782	5.157.292	4.713.072	4.298.671
Provisions	60.886	158.196	-	-
Government Grants	(1.932.520)	(1.780.591)	(1.368.154)	(976.476)
Retirement benefit obligations	452.672	109.335	355.682	201.253
Portfolio measurement	(709)	-	(709)	-
Dividends	(33)	-	(51.230)	(533.839)
Interest income	(121.016)	(69.204)	(117.026)	(67.380)
Other non-cash items	(578.406)	(165.476)	24.569	(117.254)
Proceeds from sale of property, plant and equipment	266.650	64.942	(78.196)	181.834
	6.246.693	4.778.091	4.437.833	3.325.388
Debit interest and similar expenses				
Plus/less adjustments of working capital to net cashor related to operating activities:				
Decrease/(increase) in inventories	(23.646.241)	(12.749.563)	(20.073.171)	(14.654.747)
Decrease/(increase) in receivables	1.802.949	(6.168.055)	8.920.556	2.619.251
(Decrease)/increase in payable accounts (except Banks)	11.112.400	3.431.779	7.121.777	(8.769.231)
Less:				
Interest paid and similar expenses	(6.246.693)	(4.778.091)	(4.437.833)	(3.325.388)
Taxes paid	(4.776.475)	(4.169.904)	(2.818.045)	(3.348.701)
Net cash generated from operating activities (a)	**5.052.615**	**(5.013.297)**	**9.826.484**	**(8.236.953)**
Cash flows from investing activities				
Acquisition of subsidiaries, associates, joint-ventures and other investments	(864.779)	(2.108.241)	(6.394.887)	(2.126.275)
Proceeds on disposal of subsidiaries, associates, joint-venturesand other investments	5.067.048	225	2.208.381	225
Purchase of property, plant and equipment (PPE) and of intangible assets	(9.078.454)	(7.156.922)	(6.325.215)	(6.920.423)
Proceeds on disposal of PPE and intangible assets	1.005.635	2.021.144	378.036	1.482.133
Government Grants	1.515.139	660.460	1.167.617	552.468
Interest received	121.016	69.204	117.026	67.380
Dividends received	33	-	51.230	533.839
Net cash generated from investing activities (b)	**(2.234.362)**	**(6.514.130)**	**(8.797.812)**	**(6.410.653)**
Cash flows from financing activities				
Cash received from issue of share capital	1.130.300	-	1.130.084	-
Proceeds on issued/raised bank loans	7.924.954	15.326.628	9.671.135	18.247.089
Sale of treasury shares	-	292.000	-	292.000
Dividends paid	(3.158.353)	(2.631.949)	(3.158.353)	(2.532.899)
Net cash (generated) from financing activities (c)	**5.896.901**	**12.986.679**	**7.642.866**	**16.006.190**
Net increase/(decrease) in cash and cash equivalentsfor period (a) + (b) + (c)	**8.715.154**	**1.459.251**	**8.671.538**	**1.358.584**
Cash and cash equivalents at beginning of the period	**2.695.593**	**1.130.556**	**2.009.683**	**579.911**
Cash and cash equivalents at end of the period	**11.410.747**	**2.589.807**	**10.681.221**	**1.938.495**

1. Information on the Company

1.1 General Information

The company was established in 1988 in Chios with its object being the creation of production units – culture of fish, process of products, preparation of fishmeal and the trading of the products.

In 1995 the company was listed on the Athens Stock Exchange and since then began its spectacular development in the sector of aquaculture having as a result, today, to be in the Main Market of the ATHEX and having the highest position in the sector.

The main activities of the Group is the production of spawn, production of fish as well as the distribution and trading of various products in domestic and international markets, the production of equipment such as nets, cages etc. for fish farming units, the production and trade in fruit preserves, related sweets and confectionary, the production and trade of fish feed and animal food, the production and trade of processed fish as well as standardized delicacies for catering purposes and the industrial production of dairy products and the processing, production and trade of related food stuffs.

The group operates in Greece and the Company's shares are traded on the Athens Stock Exchange.

The company has its registered office in Greece in the Municipality of Kampohoron – Chios and has offices and production facilities in Koropi – Attica, Dimokritou Street, Portsi.

The company's web site is www.nireus.gr.

These Financial Statements have been approved for issue by the company's Board of Directors on 09/03/2007

We consider important to report the following: (a) Parent company "NIREUS SA' having fulfilled the agreement of article 44 Laws 1892/1990 , 27/4/2006, and according to decision of Extraordinary General Assembly(25/8/2006), shareholders "SEAFARM IONIAN A.E. ", participates since 18/1/2006 in the increase of the share capital of the company SEAFARM IONIAN AE, as strategic investor by paying in cash until 31/12/2006 the amount of € 5.862.777.78 holding percentage of voting rights 16.78% on the total voting rights of the company and equal percentage on its share capital.

Since 'Nireus' has undertaken the Management of the "Seafarm Ionian " group controlling completely the activities of the SFI group (as Strategic Investor) and meet the requirements of IAS 27 , it consolidates with the method of total consolidation the financial statements of SFI group , starting from the first quarter 2006. According to no 18402/28.6.2006 and the 18433/7.7.2006 pre-Agreement and Private Contract under date 4/7/2006, it was agreed 'Nireus' to purchase 3.144.907 nominal shares of "Seafarm Ionian " on a total price of Euro 7.731.000 .The payment and the corresponding delivery of shares will be realized in installments that will began from 6/7/2006 and will expire in the 30/6/2010.

The Group SEAFARM IONIAN (Seafarm Ionian AE & its subsidiaries) is involved in the wider fied of aquaculture and is considered as one of the largest producers of sea bass and sea bream in the world.

NIREUS SA with the undertaking of the Management of the company SEAFARM IONIAN AE & its subsidiaries as strategic investor will proceed in replanning of the Group of SEAFARM IONIAN with the aim of its reorganisation and the reinforcement of its leading position in the sector of aquaculture worldwide.

Besides based on the special agreement between **'Nireus'** as Strategic Investor of ´´ Seafarm Ionian & the **Banks-creditors** which participate in the Share Capital of ´´ Seafarm Ionian are also mentioned the following:

1. a)The INVESTOR (**'Nireus')** whenever after the expiration of the 10th year and up to the expiration of the 15th year from the payment of the increase, it is eligible for **'Nireus'** to buy & also the **CONTRACTING BANKS-creditors** are compelled to sell proportionally, based on their participation in the share capital composition of **SFI** at the date of their

entry, globally percentage of action 30% at least of the total shares of **Seafarm Ionian,** on a purchased price defined as in the next paragraph.
B) It is defined as fixed price for the INVESTOR the nominal value of action equal to 1,00 Euros of henceforth interest calculated with interest-rate Euribor of the year + margin of interest-rate 1.00% and with annual compound interest for the time period from the date of certification of increase of capital (from now on “the increase”) and up to the date of repurchase
4. The INVESTOR in case of not exercise or partial exercise of the right of previous paragraph, is obliged to buy exclusively from the contracting Banks at the expiry of 15th year from the increase of the remaining action up to the completion of percentage of action of 31,80% of total shares of company proportionally, based on their participation in the share capital composition of **SFI** at the date of their entry.
5. It is able however the CONTRACTING BANKS CREDITORS at the time interval from the expiry of 10th year up to the expiry of the 14th from the payment of increase to oblige the INVESTOR to buy the percentage that is reported in paragraph 4 in the price that is defined according to paragraph 3[b] under the condition of simultaneous issuing in this joint and proportionally equal in amount with its value transaction of loan, duration of equal time up to the completion of 10 years with interest-rate Euribor of year + margin of interest-rate 1,00% plus legal taxes. The international activity of NIREUS S.A will be realized via NIREUS INTERNATIONAL LDT as a subsidiary 100% company, based in Cyprus which will be the Holding company of all foreign Investment of the Group. NIREUS INTERNATIONAL LTD also holds MIRAMAR PROJECTS CO LDT based in London (England)(100% subsidiary). MIRAMAR PROJECTS CO LDT has established MIRAMAR SU URUNLERI VE BALIK YEMI URETIMI SANAYI VE TICARET based in Turkey. Turkeys law demands at least five share holders for every company , thus the MIRAMAR SU URUNLERI VE BALIK YEMI URETIMI SANAYI VE has the following sharing composition:
1) MIRAMAR PROJECTS CO 99,92% 2) NIREUS SA. 0,02% 3) PROTEUS CONSTRUCTION S.A 0,02% 4) Aristidis Belles 0,02% 5) Nikolaos Haviaras 0,02%.
The - annual financial statements include the company’s - annual financial statements in accordance with the IFRS for the period ended on 31 December 2006 2006, of “NIREUS AQUACULTURE AE” (the Company) and the - annual consolidated financial statements of the Company according to the IFRS for the period ended 31 December 2006 (the Group). The Group’s structure and the subsidiaries are presented in Note 6.4 of the financial statements.

1.2 Nature of Activities

“NIREUS AQUACULTURE AE” (the Company) and the Group is involved in a range of activities in the aquaculture sector. More specifically:

- Production of spawn
- Production of fish
- Production of fish feed
- Processing/Manufacturing of fished fish
- Processing/Manufacturing of pre-cooked meals
- Distribution and Trading of various products both in domestic and international markets

The company produces spawn, produced from the hatching of eggs obtained from spawn – generating adult fish. The Company itself to supply its fish production – fattening units, uses most of this spawn.

Then the fish production is distributed in the domestic and international markets.

Therefore, the company is to a significant degree well established and the object of its activities is of a wide range.

The production of various kinds of fish was, and remains the Company's most primary activity. The fattening process requires the most time, from the minute spawn is produced, until the product reaches the market.

Processing is one of the most important areas of development for the Company. This sector mostly involves the processing of fresh, frozen, smoked fish and oiled fish.

The company has been awarded for its export activities.

Moreover, the company, following the absorption of its subsidiary company FEEDUS AE in the year 2005 is involved in the production and trade of fish feed as well as the production and trade of sweets and other similar confectionary products.

1.3 The Company's position in the sector of Aquaculture

The company holds the leading position in the sector of Aquaculture:

* Largest producer of sea bass and sea bream in the world
* Pioneer in the development of new kinds of fish (tuna, lingua, new species
* Pioneer in research (food, spawn, fish equipment)
* Scattered production units for dissemination of risk
* Worldwide distribution network

NIREUS AE and the other companies contribute to the up till now development of the group. The new conditions requisition the re-planning of the group, in order to strengthen the clarity of its object and it's further rationalization. Leading part of the re-planning was the merger of "FEEDUS AE" with NIREUS AE. After the re-planning there will be a small number of companies, the size of NIREUS AE will be significantly increased, the cost will further be rationalised and significant synergies will arise, strengthening the efficiency and value of the group.

Finally, the activities and products of the group will be the aquaculture, the fish products and the fish feed, with emphasis on well establishment of production and achievement of added value.

1.4 "NIREUS AE" Group

The activities of the companies of the **NIREUS AE GROUP** are as follows:

- The company **"THETIS AE"** (UNDER LIQUIDATION since 1/7/2005) was involved in the preparation, processing and trade of fresh and frozen products.
- The company **"PROTEUS CONSTRUCTION AE"** is involved in the production of equipment such as nets, cages etc. for fish farming units.

- The company **"NIREUS FISHERIES & AQUACULTURE CONSULTANTS AE"** (UNDER LIQUIDATION) was involved in the implementation of research projects financed by the European Union and the sale of know-how to NIREUS AE.
- The company **"ALPINO AE"** is involved in the industrial production of dairy products and the processing, production and trade of foodstuffs.
- The company **"AQUACOM LTD"** is involved in general trade and holdings.
- The company **"FISH OF AFRICA LTD"** is principally involved in the provision of sea-food raw materials.

The foreign company **"ILKNAK"**, which was acquired in 2005, is involved in the aquaculture sector..

- The company **"BLUEFIN TUNA AE"**, which was established in June 2003, has as its main activity the production, process and trade of tuna.
- The company **"A-SEA AE"** has as main object the exploitation of sea-food restaurant chains through franchising.
- The company **"QUALITY HELLENIC FISHING"** is a quality management and certification company. As such this non-profit civil partnership has an advisory role in the fish-farming sector.
- The company **"PER MARE RESEARCH AE"** (UNDER LIQUIDATION) was involved in research and development of technologies that relate to cultivation of aquatic organisms, with a view to industrial exploitation of its research.
- The company **"HELLENIC AGRICULTURAL EXPORTS AE"** (UNDER LIQUIDATION) is involved in the advertising and promotion of Greek agricultural products, fish farming products, foodstuffs and drinks.
- The company **"AQUACULTURE INFORMATION NETWORK"** is involved in informing the aquaculture sector and is a non-profit civil partnership company.
- The company **"NIREUS INTERNATIONAL LTD"** is the holding company of NIREUS SA involved in the investments regarding with international activities of the Group The company " MIRAMAR PROJECTS CO LTD" , the subsidiary of NIREUS INTERNATIONAL LTD, is the holding company for the investments in Turkey. The company "MIRAMAR SU URUNLERI VE BALIK YEMI URETIMI SANAYIA VE TICARET A.S is involved in aquaculture sector and fish feed production.

The subsidiaries, "FOKIDA FISH FARMING", 'EUROCATERERS ABEE", INTERPESCA S.A", "MILOKOPIS FISH FARMING S.A " have been absorbed by parent company 'NIREUS AQUACULTURE S.A" dated at 30/6/2006.

NIREUS AQUACULTURE SA through its participation by 16,780% in SEAFARM IONIAN AE and the undertaking of the **management of the Group SEAFARM IONIAN** (participation from 24.1.2006) as **Strategic Investor** controls fully the activities of the following companies, where they are **fully consolidated** in its financial statements:

- The company **"SEAFARM IONIAN AE"** is involved in the stockfarming and trade of fish and especially sea bass and sea bream.
- The company **"SEAFARM KALAMOS AE"** is involved in the stockfarming of sea bass and sea bream.
- The company **"SEAFARM IONIAN (CENTRAL EUROPE) GMBH"** is involved in the sector of the trade of food and especially fresh fish and other fish.
- The company **"OCTAPUS AE"** is involved in the sector of stockfarming of fish, small fish and similar products as well as the processing, preparation of the above products.
- The company **"SETA AE"** is involved in the stockfarming of sea bass and sea bream.

- The company **"NIKTON AE"** is involved in the stockfarming of fish.
- The company **"NIRIS AE"** is involved in the stockfarming of fish.
- The company **"AQUA TERRAIR AE"** (consolidation with equity method) is involved in the management of ships and provision of services for the recreation of third parties.

1.5 Group Structure "NIREUS AE"

The company has the following participations, table set out below:

COMPANY	PARTICIPATION PERCENTAGE
THETIS S.A (UNDER LIQUITATION)	100,00%
AQUACOM LTD	100,00%
FISH OF AFRICA LTD	100,00%
ALPINO ABEET	98,77%
NIREUS CONSULTANTS AE (ΥΠΟ ΕΚΚΑΘΑΡΙΣΗ)	55,00%
PROTEUS CONSTRUCTIONS A.E.B.E.	50,00%
A-SEA AEBE	61,22%
PER MARE RESEARCH AE (ΥΠΟ ΕΚΚΑΘΑΡΙΣΗ)	39,00%
BLUFIN TUNA AE	25,00%
QUALITY HELLENIC FISHING	2,63%
HELLENIC AGRICULTURAL EXPORTS A.E	5,71%
ILKNAK SU URUNLERI SAN Ve TIC A.S.	45,30%
INFORMATION NETWORK FOR AQUACULTURE	14,00%
SEAFARM IONIAN A.E.	16,78%
SEAFARM KALAMOS A.E.	16,65%
ALPHA ZOOTROFES LOKRIDOS	14,51%
SEAFARM IONIAN (CENTRAL EUROPE)GMBH	16,78%
OCTAPUS A.E.	16,77%
SETA S.A	12,28%
NIKTON S.A	16,77%
NIRIIS S.A	16,77%
AQUA TERRAIR A.E.	8,22%
NIREUS INTERNATIONAL LTD	100,00%
MIRAMAR PROJECTS CO LTD - UK	100,00%
MIRAMAR SU URUNLERI VE BALIK YEMI URETIMI SANAYI VE TICARET A.S.	99,95%

1.6 Operations and main activities

The Group is active in the development and production of fish (biological assets), which then sells to various customers. At 31/12/2006 the Fair value of Spawn amounted to € 18.045.000 the fish to € 135.023.571 Basis of preparation of the financial statements

2. Basis of preparation of the financial statements

The consolidated financial statements of "NIREUS AQUACULTURE" AE at 31 December 2006 covering the period from 1 January to 31 December 2006 have been prepared under the historical cost convention as amended with the adjustment of certain assets and liabilities items at current value, the going concern basis and are in accordance with the International Financial Reporting Standards (IFRS) as these have been published by the International Accounting Standards Board (IASB), as well as their interpretations, as published by the International Financial Reporting Interpretations Committee (I.F.R.I.C.) of the IASB and which have been adopted by the European Union.

The International Accounting Standards Board (IASB) has issued a series of standards that are referred to as "IFRS Stable Platform 2005". The Group adopts the IFRS Stable Platform 2005 from 1 January 2005 , which includes the following standards:

IAS	1	Presentation of Financial Statements
IAS	2	Inventories
IAS	7	Cash Flow Statements
IAS	8	Accounting Policies, Changes in Accounting Estimates and Errors
IAS	10	Events After the Balance Sheet Date
IAS	11	Construction Contracts
IAS	12	Income Taxes
IAS	14	Segment Reporting
IAS	16	Property, Plant and Equipment
IAS	17	Leases
IAS	18	Revenue
IAS	19	Employee Benefits
IAS	20	Accounting for Government Grants and Disclosure of Government Assistance
IAS	21	The Effects of Changes in Foreign Exchange Rates
IAS	23	Borrowing Costs
IAS	24	Related Party Disclosures
IAS	26	Accounting and Reporting by Retirement Benefit Plans
IAS	27	Consolidated and Separate Financial Statements
IAS	28	Investments in Associates
IAS	29	Financial Reporting in Hyper-inflationary Economies
IAS	30	Disclosures in the Financial Statements of Banks and Similar Financial Institutions
IAS	31	Interests in Joint Ventures
IAS	32	Financial instruments: Disclosure and Presentation
IAS	33	Earnings per Share
IAS	34	Interim Financial Reporting
IAS	36	Impairment of Assets
IAS	37	Provisions, Contingent Liabilities and Contingent Assets
IAS	38	Intangible Assets
IAS	39	Financial Instruments: Recognition and Measurement
IAS	40	Investment Property
IAS	41	Agriculture
IFRS	1	First-time Adoption of International Financial Reporting Standards
IFRS	2	Share-based Payment
IFRS	3	Business Combinations
IFRS	4	Insurance Contracts
IFRS	5	Non-current Assets Held for Sale and Discontinued Operations

The accounting policies mentioned below have been implemented with consistency for all the periods presented.

The preparation of financial statements in conformity with IFRS requires the use of estimates and assumptions in the process of applying the Company's policies. Significant management assumptions in the process of applying the company's accounting policies are mentioned where necessary.

3. Basic Accounting Policies

The accounting policies based on which are prepared the accompanying financial statements and which the Group systematically applies are the following:

3.1 New accounting standards and IFRIC interpretations

The International Accounting Standards Board (IASB) as well as the International Financial Reporting Interpretations Committee (IFRIC) has already published a series of new accounting standards and interpretations, which are not included in the "IFRS Stable Platform 2005". The IFRS and the IFRIC are mandatory for accounting periods beginning on 1 January 2006. The Group's assessment of the impact of these new standards and interpretations is set out below:

- IFRS 6, Exploration for and Evaluation of Mineral Resources

The Group does not have any exploration and evaluation assets. This standard will not affect the Group's financial statements.

- IFRIC 3, Emission Rights

Not applicable to the Group and will not affect the Group's financial statements.

- IFRIC 4, Determining whether an Asset contains a Lease/IFRS for Oil and Gas Emission rights

Not applicable to the Group and will not affect the Groups' financial statements.

- IFRIC 5, Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds.

Not applicable to the Group and will not affect the Group's financial statements.

3.2 Segment Reporting

A business segment is a group of assets and operations engaged in providing products or services that are subject to risks and returns that are different from those of other business segments.

A geographical sector is defined as a geographical area providing products and services within a particular economic environment that is subject to risks and returns that are different from those of segments operating in other economic environments.

The primary activity segments of the Group are aquaculture, the production and sale of fish meal, the production of foodstuffs & confectionery products as well as their resale and other related services. As for the geographical area, the Group is active in the Greek Territory, the Euro zone and in Other countries.

3.3 Consolidation

Subsidiaries: are all entities that are managed or controlled, directly or indirectly, by another entity (parent company), either through the holding of the majority of the shares of the investee company or through its dependence on the know-how provided by the group. That is to say that subsidiaries are entities on which the parent company exercises control. Nireus AE gains and exercises control through voting rights. The existence of potential voting rights that are exercisable during the preparation of the financial statements is considered in order to assess whether the parent company controls the subsidiaries. The subsidiaries are fully consolidated (full consolidation) with the acquisition method from the date on which control is transferred to the group and are de-consolidated from the date on which control ceases.

The purchase method of accounting is used to account for the acquisition of subsidiaries by the Group. The cost of an acquisition is measured, as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date, irrespective of the extent of any minority interest. The excess of the cost of acquisition over the fair value of the Group's share of the identifiable net assets acquired is recorded as goodwill. If the cost of acquisition is less than the fair value of the identifiable assets acquired, the difference is recognised directly in the income statement.

Especially for the business combinations that took place before the date of transition of the Group to the IFRS (1st January 2004) was used the exemption of IFRS 1 and was not retrospectively applied the purchase method. Within the framework of the above exemption, the Company did not recalculate the cost of subsidiaries acquired before the date of transition to the IFRS, or the fair value of the assets and liabilities acquired on the date of the acquisition. Therefore, the goodwill recognised on the transition date was based on the exemption of the IFRS 1 and was calculated according to the previous accounting policies and was presented in the same way that it was presented in the last published financial statements of the group, before the transition to the IFRS.

Inter-company transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Subsidiaries' accounting policies have been changed where necessary to ensure consistency with the policies adopted by the Group.

Associates: are entities over which the Group has significant influence but do not meet the conditions to be considered either as subsidiaries or participation in a joint-venture. The assumptions used by the group have a shareholding of between 20% and 50% of the voting rights of a company states a significant influence on this company. Investments in associates are accounted for by the equity method of accounting and are initially recognised at cost. At the end of each year, the cost is increased with the percentage of the investing company of the changes in equity of the invested company and is decreased with the received dividends from the associate.

As regards to the surplus acquisition, this reduces the value of the participation with charge of the income statement, when its value is reduced. The Group by applying the IFRS 3 does not perform depreciation and the goodwill will be presented in the net book value that has been formed until 31/12/2003, less any impairments of its value.

The Group's share of its associates' post-acquisition profits or losses is recognised in the income statement, and its share of post-acquisition movements in reserves is recognised in reserves. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment in associates. When the Group's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

Unrealised gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in the associates. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates have been changed where necessary to ensure consistency with the policies adopted by the Group.

The companies participating in the interim financial statements are set out in the following table

COMPANY	COUNTRY OF INCORPORATION	PARTICIPATION PERCENTAGE	CONSOLIDATION METHOD
AQUACOM LTD	BRITISH VIRGIN ISLAND	100,00%	FULL CONSOLIDATION
ALPINO S.A	GREECE	98,77%	FULL CONSOLIDATION
PROTEUS CONSTRUCTION S.A.	GREECE	50,00%	FULL CONSOLIDATION
A-SEA AEBE	GREECE	61,22%	FULL CONSOLIDATION
NIREUS INTERNATIONAL LTD	CYPRUS	100,00%	FULL CONSOLIDATION
MIRAMAR PROJECTS CO LTD - UK	ENGLAND	100% direct	FULL CONSOLIDATION
MIRAMAR SU URUNLERI VE BALIK YEMI URETIMI SANAYI VE TICARET A.S.	TURKEY	99,93% direct + 0,02% indirect = 99,95%	FULL CONSOLIDATION
ILKNAK	TURKEY	3,096% indirect + 42,203% direct = 45,299%	FULL CONSOLIDATION
BLUFIN TUNA AE	GREECE	25,00%	NET EQUITY
SEAFARM IONIAN A.E.	GREECE	16,78% indirect	FULL CONSOLIDATION
SEAFARM KALAMOS A.E.	GREECE	16,647% direct	FULL CONSOLIDATION
ALPHA ZOOTROFES LOKRIDOS	GREECE	14,506% direct	FULL CONSOLIDATION
SEAFARM IONIAN (CENTRAL EUROPE)GMBH	GERMANY	16,78% direct	FULL CONSOLIDATION
OCTAPUS A.E.	GREECE	16,771% diect	FULL CONSOLIDATION
SETA A.E	GREECE	12,282% direct	FULL CONSOLIDATION
NIKTON A.E	GREECE	16,771% direct	FULL CONSOLIDATION
NIRIIS A.E	GREECE	16,771% dierct	FULL CONSOLIDATION
AQUA TERRAIR A.E.	GREECE	8,222% direct	NET EQUITY

3.4 Biological Assets and Agricultural Activity

Agricultural activity is the management by an enterprise of the biological transformation of biological assets for sale, into agricultural produce, or into additional biological assets. A biological asset is a living animal or plant under management by an enterprise, while agricultural produce is the harvested product of the enterprise's biological assets, which are intended for sale, process or consumption. The right of management of biological assets can arise from ownership or from another type of legal action.

With the definition **"Agricultural Activity"** we describe a diverse range of activities, which have certain common features such as:

- ✓ Capability of change, for example, living animals and plants, which are capable of biological transformation.

- ✓ Management of change, creating, reinforcement or at least stabilising conditions necessary in order for the living organism to develop.
- ✓ Measurement of change, that is the difference brought about by biological transformation so much in quality (ripeness, fat cover) as also in quantity (weight, progeny) of the enterprise's biological assets.

An enterprise should recognise a biological asset or agricultural produce when, and only when:

1) The enterprise controls the asset as a result of past events.
2) It is probable that future economic benefits associated with the asset will flow to the enterprise.
3) The cost of the asset can be measured reliably.

A biological asset should be measured upon initial recognition and at each balance sheet date at its fair value less estimated point-of-sale costs, except for the case where the fair value cannot be measured reliably.
If an active market exists for a biological asset or agricultural produce, the quoted price in that market is the appropriate basis for determining the fair value of that asset. If an enterprise has access to different active markets, the enterprise uses the most relevant one.
If an enterprise has access to two active markets, it would use the price existing in the market expected to be used.
There is a presumption that fair value can be measured reliably for a biological asset. However, that presumption can be rebutted only on initial recognition for a biological asset for which market-determined prices or value are not available and for which alternative estimates of fair value are determined to be clearly unreliable. In such a case, that biological asset should be measured at its cost less any accumulated depreciation and any accumulated impairment losses. Once the fair value of such a biological asset becomes reliably measurable, an enterprise should measure it at fair value less estimated point-of-sale costs.
The company after the initial recognition of the biological assets measures them at each subsequent balance sheet date at fair value less the estimated until disposal cost.
A gain or loss that may arise on initial recognition of a biological asset and its subsequent measurement (less the estimated point-of-sale costs in both circumstances), are recognised in the results for the year in which it arises. Gain may arise also on initial recognition of biological assets, as for example, the birth of a living organism.
Biological assets are divided into subcategories depending on the stage of ripeness so that the reader of the financial statements is informed for the timing of future cash flows, which the enterprise expects to have from the exploitation of the biological assets.

3.5 Foreign currency translation

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the Group operates (the "functional currency"). The interim financial statements are presented in Euros, which is the parent Company's and all of its subsidiaries functional and presentation currency.

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions.

Foreign exchange gains and losses resulting from the settlement of such transactions at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement. Translation differences on non-monetary items measured at fair value through profit or loss, are reported as part of their fair value gain or loss.

The Group's operations abroad in foreign currency (which comprise an inseparable part of the parent's operations), are translated into the functional currency using the exchange rates prevailing at the dates of the transactions, while the assets and liabilities of the operations abroad, including goodwill and the adjustments of the fair value, resulting from the consolidation are translated into Euro with the exchange rates prevailing at the balance sheet date.

The individual financial statements of the companies participating in the consolidation, and which are initially presented in a different currency from that of the presentation currency of the Group are translated into Euro. The assets and liabilities have been translated into Euro at the exchange rate prevailing at the closing date of the balance sheet. The income and expenses have been translated into the Group's presentation currency at the average exchange rates of the referred period. Any exchange differences arising from that procedure have been debited/(credited) to the reserve for translation of subsidiaries balance sheets in foreign currency of the equity.

3.6 Property, plant and equipment

All property, plant and equipment are presented in the financial statements at cost or at values of cost incurred as defined according to the fair values at the date of transition, less the accumulated depreciation and impairments of assets. Cost includes all directly attributable expenditure for the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow the Group and the cost of the item can be measured reliably. All repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

Depreciation on assets (except land which is not depreciated) is calculated using the straight-line method over its estimated useful lives, as follows:

Buildings	40 years
Plant & Mchinery	7-8 years
Vehicles	5-7 years
Furnitures & other equuipments	3-5 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the income statement. All repairs and maintenance are charged to the income statement during the financial period in which they incurred.
Company-developed property, plant and equipment are added to the cost of the assets, which include the direct payroll cost of the staff that participates in the development (respective employer contributions), the cost of consumables and other general costs.

3.7 Investment Property

Investment property are investments that concern all property (in which are included land, buildings or part thereof) that is held by the owner (or by the lessee under a finance lease), or for the purpose of earning rentals from their leasing either for the increase of their value (strengthening of capital) or for both.
Investment property is initially recognised at cost, which is surcharged with all expenses related to the transaction for their acquisition (e.g. notary fees, broker's fees, transfer taxes).
After the initial recognition the investment property is measured at fair value, that is, at the cost at which the property can be exchanged between informed and willing parties in a usual trade transaction. A professional qualified valuer determines the fair value of the investment property annually.
Any change at fair value of investment property is presented in the income statement in the financial period in which it arises.
At 31/12/2006the Group has classified in investment property, land and buildings amounted € 5.379.440,57

3.8 Intangible assets

Intangible assets include goodwill, concessions and industrial property rights such as exploitation in fish farming, as well as the computer software.

Goodwill: Goodwill represents the excess of the cost of acquisition over the fair value of the Group's share of the net identifiable assets of the acquired subsidiary/associate at the date of acquisition. The company at the date of acquisition recognizes goodwill arising from the acquisition, as an asset item, and disclosed it at cost. This cost is equal to the amount by which the consolidation cost exceeds the enterprises share assets, liabilities and in the contingent liabilities of the acquired company.
After the initial recognition goodwill is measured at cost less accumulated losses owing to decrease of its value. Goodwill is not depreciated, but is tested annually for impairment of its value, if there are events that provide evidence for loss under IAS 36.
In the circumstance where the cost of acquisition is less than the company's share in equity of the acquired enterprise, then the first calculates once again the cost of the acquisition, measures the asset items, the liabilities and contingent liabilities of the acquired enterprise and is directly recognised in the income statement as profit any difference remains after the recalculation.

Concessions and industrial property rights: The concessions and the industrial property rights concern the licences for aquacultures and are measured at fair value according to the appraisal of qualified appraisers, less amortisation.

Amortisation is calculated using the straight-line method over the useful life of these assets, which has duration of the duration of the exploitation licence of the ocean. The measurement appraisal is found in progress and will be stated in the financial statements when completed by applying standard 38 in connection with standard 20. This standard in paragraph 44 states, "in some cases, an intangible asset may be acquired free of charge, or for nominal consideration, by way of a government grant. This may occur when a government transfers or allocates to an enterprise intangible assets such as airport landing rights, licences to operate radio or television stations, import licences or quotas or rights to access other restricted resources". Under IAS 20, Accounting for Government Grants and Disclosure of government Assistance, an enterprise may choose to recognise both the intangible asset and the grant at fair value initially.

Computer software: Acquired computer software licences are capitalized on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortised over their estimated useful lives 1 to 3 years. Costs associated with developing or maintaining computer software programs are recognised as an expense as incurred.

3.9 Impairment of assets

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment and whenever events indicate that the carrying amount may not be recoverable. Assets that are subject to amortisation are tested for impairment whenever events indicate that the carrying amount may not be recoverable. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. The loss due to decrease of the assets value is recognised by the enterprise, when the carrying amount of these assets (or cash-generating units) is higher to their recoverable amount.

The net costs to sell are considered the amount from the disposal of an asset within the frame of a reciprocal transaction, in which the parties have full knowledge and enter willingly, after the deduction of any additional direct disposal costs of the asset, while the value in use is the present value of the estimated future cash flows, expected to flow to the enterprise from the use of an asset and from its distribution at the end of its estimated useful life.

3.10 Financial Instruments

A financial instrument is any contract that gives rise to both a financial asset of one enterprise and a financial liability or equity instrument of another enterprise.
The financial instruments of the Group are classified in the following categories based on the essence of the contract and the purpose for which they were acquired.

i) Financial assets at fair value through profit or loss
They refer to financial assets that satisfy any of the following presumptions:

- ✓ Financial assets held for trade purposes (including derivatives, except those that are defined and effectively hedged, those acquired or created for the purpose of disposal or reacquisition and those that comprise part of the portfolio from recognised financial instruments).
- ✓ During the initial recognition is defined by the enterprise as an item that is measured at fair value, with recognition of changes in the income statement.

ii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. In this category (Loans and receivables) are not included:

- ✓ receivables from advances for purchase of goods or services,
- ✓ receivables that have to do with tax transactions, that have been imposed legislatively by the State,
- ✓ whatever is not covered by a contract so that it gives the right to the enterprise for receiving cash or other financial assets.

Loans and receivables are included in current assets, except for maturities greater than 12 months after the balance sheet date. The latter are included in the non-current assets.

iii) Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities that the Group's management has the positive intention and ability to hold to maturity. The Group did not hold any investment in this category.

iv) Available-for-sale financial assets

Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories.

Then, the available-for-sale financial assets are measured at fair value and gains or losses are recognised in a reserve under equity until the assets are sold or characterized as impaired.

On sale or when characterized as impaired, gins or losses are transferred to the income statement. Impairment losses that have been recognised in the income statement are not reversed through the income statement.

Purchases and sales of investments are recognised on trade-date the date on which the Group commits to purchase or sell the asset. Investments are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Investments are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership.

Loans and receivables are carried at amortised cost using the effective interest rate method.

Realised and unrealised gains and losses arising from changes in the fair value of the financial assets at fair value through profit or loss' category are included in the income statement in the period in which they arise.

The fair values of quoted investments are based on current bid prices. If the market for a financial asset is not active, the Group establishes fair value by using valuation techniques. These include the use of recent arm's length transactions, reference to other instruments that are substantially the same, and discounted cash flow analysis refined to reflect the issuer's specific circumstances.

The Group assesses at each balance sheet date whether there is objective evidence that a financial asset or group of financial assets is impaired. In the case of equity securities classified as available for sale, a significant or prolonged decline in the fair value of the security below its cost is considered in determining whether the securities are impaired. If such evidence exists, the cumulative loss -measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in profit or loss- is removed from equity and recognised in the income statement.

3.11 Inventories

At the balance sheet date, inventories are stated at the lower of cost and net realizable value. Net realizable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses. Cost of inventories does not include finance expenses.
The cost of inventories includes all costs of purchase, conversion and other costs realised in order for the inventories to reach their present state and position.

The cost of purchase of inventories comprises the purchase price, import duties and other taxes (other than those subsequently recoverable by the enterprise from the tax authorities), and transport, handling and other costs directly attributable. Trade discounts, debates and other similar items are deducted in determining the costs of purchase.
The costs of conversion of inventories include costs directly related to the units of production, such as direct labour. They also include a systematic allocation of fixed and variable production overheads that are incurred in converting materials into finished goods. Fixed production overheads are those indirect costs of production that remain relatively constant regardless of the volume of production, such as depreciation and maintenance of factory buildings and equipment, and the cost of factory management and administration. Variable production overheads are those indirect costs of production that vary directly, or nearly directly, with the volume of production, such as indirect materials and indirect labour. The allocation of fixed production overheads to the costs of conversion is based on the normal capacity of the production facilities. Normal capacity is the production expected to be achieved on average over a number of periods or seasons under normal circumstances, taking into account the loss of capacity resulting from planned maintenance. The actual level of production may be used if it approximates normal capacity.
Other costs are included in the cost of inventories only to the extent that they are incurred in bringing the inventories to their present location and condition. For example, it may be appropriate to include non-production overheads or the costs of designing products for specific customers in the cost of inventories.

3.12 Trade receivables

Trade receivables are recognised initially at fair value and subsequently, measured at amortised cost using the effective interest method, less provision for impairment. In case the amortised value or cost of a financial asset exceeds the current value, then this asset is valued at its recoverable amount, e.g. at the current value of its future cash flows, which is calculated based on the real initial interest rate. The loss is directly transferred to the income statement. The amount of the impairment loss, e.g. when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of receivables, is recognised in the income statement.

3.13 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks and other short-term highly liquid investments with original maturities of three months, such as products of the financial market and the bank deposits as well as the overdraft bank accounts. The products of the financial market are financial assets measured at fair value through the income statement.

3.14 Non-current assets classified as held-for sale

The assets held for sale comprise the other assets (including goodwill) and the property, plant and equipment that the Group intends to sell within the year starting from the date on which they were classified as “held for sale”.
The assets, which are classified as «held for sale», are valued at the lowest price between their carrying amounts right before their classification as held for sale and their fair value less the cost of sale. The assets classified as “held for sale” are not subject to depreciation. The gains or losses occurring from the sale and revaluation of the “held for sale” assets is included in the “Other income” and “Other expenses” items respectively, in the income statement.
The Group has not classified non-current assets as held for sale.

3.15 Share capital

Expenses realised for the issue of shares are shown in equity as a deduction, net of tax, from the proceeds. Expenses related to the issue of shares for acquisition of enterprises are included in cost of the enterprise that is acquired. Where any Group company purchases the Company’s equity share capital (treasury shares), the consideration paid, including any directly attributable incremental costs, is deducted from equity attributable to the Company’s equity holders until the shares are cancelled, reissued or disposed of. Every gain or loss from sale of treasury shares net from direct for the transaction of other expenses & taxes is shown as a reserve in equity.

3.16 Borrowings

Borrowings are recognised initially at fair value. Borrowings are subsequently stated at amortised cost using the effective interest method. Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

3.17 Income tax & deferred tax

The taxes charged to the period consist of current and deferred taxes, i.e. taxes and tax relieves related to the financial benefits incurring within the period but have been charged or are going to be charged from the tax authorities to different periods. The income tax is recognised in the income statement of the period, except when the tax concerns transactions directly classified in equity, in which case it is directly charged in equity.

Current income taxes include short-term liabilities or receivables attributable to the tax authorities related to payable taxes on the period's taxable income and any additional prior period's taxes.
Current taxes are calculated according to effective tax rates and tax laws prevailing in the relevant periods, based on taxable profits for the year. All changes in short-term tax assets or liabilities are recognised as tax expenses in the income statement.
Deferred taxes are calculated with the liability method in all temporary tax differences as of preparation date of the balance sheet occurring between the tax base and the book value of the assets and liabilities. The deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction, other than business combination, that at the same time of the transaction affects neither accounting nor taxable profit or loss.
Deferred tax assets and liabilities are determined using tax rates that (and laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled. In case it is not possible to determine the time of reversal of the temporary tax differences, the tax rate used is that of the fiscal year following that of the balance sheet.
Deferred tax assets are recognised only to the extent that is likely that taxable profit will be generated in the future, which will generate the deferred tax asset.
The deferred income tax is recognised for the temporary tax differences arising from investments in subsidiaries and related parties, except where the Group controls the timing of reversal of the temporary tax differences and it is probable that the temporary differences will not reverse in the foreseeable future.
Most of the changes in the deferred assets or liabilities are recognised as part of the tax expenses in the period's income statement. Only these changes in the assets or liabilities affecting temporary tax differences are directly recorded in equity, such as the revaluation of the value of property, and cause the slight change in the deferred tax receivables or liabilities to be debited against the equity account.

3.18 Employee benefits

Short-term benefits: Short-term benefits to employees (except for indemnities for termination or retirement) in money or in kind are recognised as an expense when they are accrued. Any outstanding amounts are classified as a liability, while in case the amount already paid exceeds the amount of the benefits, the company recognises the excessive amount as an asset (prepaid expense) only to the extent that the prepayment will lead to a reduction of future or in return payments.

Benefits on retirement: The benefits on retirement include a lump sum pension indemnity or other benefits (social security or medical coverage) paid to employees upon retirement in exchange for their service. Therefore, they include both defined contribution plans and defined benefit plans. The accrued cost of the defined contribution plans is recorded as an expense in the period to which it refers.

- **Defined contribution plan**

According to the defined contribution plan, the company's obligation (legal or inferred) is limited to the amount agreed to be contributed to the entity (e.g. social security entity), which manages the contributions and grants the benefits. Therefore, the amount of benefits received by the employee is defined by the amount contributed by the company (or the employee as well) and the paid investments of these contributions.
The contribution paid by the company in a defined contribution plan is recognized either as a liability after deducting the contribution paid or as an expense.

- **Defined benefit plan**

The liability recorded in the balance sheet for the defined benefit plan is the current value of the liability for the defined benefit less the fair value of the assets of the plan (if any) and the changes occurring from any other actuarial profit or loss and the cost of work experience. The commitment of the defined benefit is calculated on a yearly basis from an independent actuary with the projected unit credit method. For prepayment thereof, the exchange rate of the long-term Greek Government bonds is used.
The actuarial profits or losses are part of both the benefit obligation of the undertaking and the cost that will be recognized in the Income Statement. Those arising from adjustments based on historical data that are higher or lower than the 10% margin of the accumulated obligation are recorded in the Income Statement within the anticipated average insurance time of the participants to the plan. The cost of previous service is recognized directly in the Income Statement, except for the case where the changes in the plan are dependent upon the remaining time of service of the employees. In the said case, the cost of previous service is recorded in the Income Statement using the straight-line method within the maturity period.

Employee termination benefits: The benefits due to termination of the employment relationship are paid when employees leave before their normal retirement date. The Group records such benefits when it is committed, either when it actually terminates the employment of current employees based upon a detailed formal plan without possibility of withdrawal, or when it provides the said benefits as an incentive for voluntary redundancy. When these benefits are due for payment in a period, which exceeds twelve months from the balance sheet date, they must be prepaid according to the returns of high quality company bonds or government bonds.
In case of an offer made to encourage voluntary redundancy, the valuation of employment termination benefits should be based on the number of employees expected to accept the offer.
In case of an employment termination where the number of employees that will be using those benefits cannot be determined, they are not recorded but presented as contingent liability.

3.19 Government grants

The Group recognizes the government grants, which satisfy the following criteria: **a)** There is reasonable assurance that the enterprise will comply with all attached conditions and **b)** the grants will be received. Grants are recognised at fair value and recognised on a systematic basis in income, based on the correlation principle of the grants with the respective cost, which will be granted.

Government grants related to assets are included in the long-term liabilities as deferred income and are recognised on a systematic basis and correctly in income over the useful lives of the asset.

3.20 Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is more likely than not that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated. Provisions are re-examined on the date of preparation of each balance sheet and are adjusted so as to disclose the present value of the expense expected to be required to settle the obligation. Contingent liabilities are not recognised in the financial statements, but are disclosed, unless the possibility of outflow of resources incorporating financial benefits is low. Contingencies are not recognised in the financial statements but disclosed as long as the inflow of economic benefits is probable.

3.21 Revenue and Expense Recognition

Revenue: Revenue comprises the fair value of the produced Fish and Other Biological assets, sale of goods and services net of value added tax, rebates and discounts and after eliminated sales within the Group. Revenue is recognised as follows:

- **Fair value of produced Fish:** It is recognised at sale (of the fish) after their gathering. Products are delivered to the customer; the customer has accepted the products and collectibility of the related receivables is reasonably assured.
- **Sales of goods:** Sales of goods are recognised when a Group entity has delivered products to the customer, the customer has accepted the products and collectibility of the receivables is reasonably assured.
- **Gain/Loss due to changes in Fair Value of Biological Assets:** A gain or loss is recognised during the year/period and arise from changes so much as in price as also in the quantity of the Biological assets.
- **Sales of services:** Sales of services are recognised in the accounting period in which the services are rendered, by reference to completion of the specific transaction assessed on the basis of the basis of the actual service provided as a proportion of the total services to be provided.

- **Royalty income:** The fair value of the rendered rights is recognised as deferred income and is depreciated in the income statement depending on the time of execution of the agreements for which have been pledged as an exchange.
- **Interest income:** Interest income is recognised on a time-proportion basis using the effective interest method. When a receivable is impaired, the Group reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at original effective interest rate of the instrument, and continues unwinding the discount as interest income.
- **Dividend income:** Dividend income is recognised when the right to receive payment is established.

Expenses: Expenses are recognised in the income statement on an accrual basis. Payments realised for operating leases are transferred in the income statement as expenses, during the time of use of the leased element. The expenses from interest are recognised on an accrued basis.

3.22 Leases

The Group is the lessee: Leases of property, plant and equipment where the Group has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lease's inception at the lower of the fair value of the leased property and the present value of the minimum lease payments. Each lease payment is allocated between the liability and finance charges so as to achieve a constant rate on the finance balance outstanding. The corresponding rental obligations, net of finance charges, are included in other long-term payables. The interest element of the finance cost is charged to the income statement over the lease period. The property, plant and equipment acquired under finance leases is depreciated over the shorter of the asset's useful life and the lease term.

Leases where the lessor retains substantially all the risks and rewards of ownership are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the income statement on a straight-line basis over the period of the lease.

The Group is the lessor: When assets are leased out under a finance lease, the present value of the minimum lease payments is recognised as a receivable. The difference between the gross receivable and the present value of the receivable is recognised as unearned finance income. Lease income is recognised over the term of the lease using the net investment method, which reflects a constant periodic rate of return.

3.23 Dividend distribution

Dividend distribution to the Company's shareholders is recognized as a liability in the Group's financial statements in the period in which the dividends are approved by the Company's shareholders.

3.24 Discontinued Operations

A discounted operation is a component of an entity that either has been disposed of, or that is classified as held for sale and represents a separate major line of business or geographical area of operations, is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations or is a subsidiary acquired exclusively with a view to resale. The Group discloses according to the IFRS 5 "Non-current assets held for Sale and Discontinued Operations" all the necessary information defined by the standard.

3.25 Related-party transactions

The transactions and inter-company balances between the related parties and Group are disclosed according to IAS 24 "Related Party Disclosures". These transactions concern the transactions between the management, the principal shareholders and the subsidiaries of a group with the parent company and other subsidiaries that comprise the Group.

4. Financial risk management

4.1 Financial risk factors

The Group's activities expose it to a variety of financial risks, market risk (including currency risk, fair value interest risk and price risk), credit risk, liquidity risk and cash flow interest-rate risk. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Group's financial performance.
The finance department in cooperation with the other directly involved departments of the Group carries out the risk management.

4.2 Market risk

Foreign exchange risk

The Group operates internationally. The exposure to foreign exchange risk is zero because the transactions over a percentage of 90% are realised in Euro.
To manage their foreign exchange risk, the finance department makes respective provisions wherever deemed necessary.

Price risk

The Group is exposed to equity securities price risk because of investments held by the Group and classified on the consolidated balance sheet either as available-for-sale or at fair value through profit or loss. The values of these assets are not considerable so that any large changes to create risks for the Company. There is no significant risk from changes in issue prices of the biological assets, which have a fixed and anticipated within the year small variation. The Group estimates the price risk changes of the biological assets regularly and examines the need to take actions to face the financial risk.
The department of financial analysis of the sector operates as to this purpose, which collects information for the offer of the product from the domestic and international production, as well, the changes in demand from the existing Traditional International market and the New markets opening in Eastern Europe and America. This information is assessed and are defined the parameters of the size of the inventories of the product and the expected prices for the following two (2) years.

4.3 Credit risk

The Group has no significant concentrations of credit risk. The wholesale of fresh fish are made to customers with an appropriate credit history. Moreover, the sale of spawn is realized in total with the term of retention of ownership of the product up until its payment. Therefore, because the time needed up until the cycle of production of fresh fish is completed is greater than the credit time of sale, the receivable is fully secured.

4.4 Liquidity risk

The liquidity risk is maintained at low levels. The Company has planned investments in fixed equipment (property), which do not offer to the production operation of the enterprise and operate as placement of low yield. Moreover, it has placed as an object the liquidation of its portfolio from participations, which did not return any yield.

4.5 Cash flow and fair value interest rate risk

The Group's income and operating cash flows are substantially independent of changes in market interest rates. The Group does not have assets with interest. Group policy, estimating the present economic junctures and in general the fluctuation of the interest rates of the Euro, is to maintain its total borrowings at products with floating interest rates EURIBOR and SPREAD.

At the end of the accounting period, the total borrowings were loans with floating interest rates.

The risk of change of the interest rates mainly arises from the long-term borrowings, which have duration until the year 2007. The Company's estimation is that there can be no problem from fluctuation of interest rates for this period and therefore has not proceeded in production agreements to be secured from this risk.

5. Segment information

Primary reporting format - Business segment

The Group is active in five business sectors:

Aquaculture, fish meal, foodstuffs & Confectioneries, Pet and Services - Other.

31 DECEMBER 2006	***SEGMENT ACTIVITY***				
	AQUACULTURE	***FISHMEAL***	***FOODSTUFFS & CONFECTION***	***OTHER + PET***	***TOTAL***
Total gross segment sales	*137.670.186*	*33.565.333*	*15.182.103*	5.732.617	192.150.239
Inter-segment sales	*17.876.377*	*9.151.885*	*3.592.416*	47.142	30.667.820
Net Sales	**119.793.809**	**24.413.448**	**11.589.687**	**5.685.475**	**161.482.419**
Operating profit	*16.095.398*	*4.700.092*	*(1.340.551)*	1.462.582	20.917.521
Finance costs/income	*(3.858.732)*	*(1.071.509)*	*(628.667)*	*(54.937)*	(5.613.845)
Profit before income tax	**12.236.666**	**3.628.582**	**(1.969.218)**	**1.407.645**	**15.303.676**
Income tax expense					(1.711.747)
Deferred tax					(1.176.461)
Prior years' tax audit differences					(2.725.025)
Other not charged to the operating cost taxes					(1.463)
Έξοδα από παροχή Δικαιώματος Προαίρεσης βάσει του ΔΠΧΠ 2					(764.625)
Profit for the year					**8.924.355**

31 DECEMBER 2005	***SEGMENT ACTIVITY***				
	AQUACULTURE	***FISHMEAL***	***FOODSTUFFS & CONFECTION***	***OTHER + PET***	***TOTAL***
Total gross segment sales	*105.339.851*	*25.359.145*	13.003.443	5.807.021	149.509.460
Inter-segment sales	*7.533.285*	*2.386.623*	833.244	639.412	11.392.564
Net Sales	***97.806.566***	***22.972.522***	**12.170.199**	**5.167.609**	**138.116.896**
Operating profit	*13.657.238*	*2.700.421*	(2.824.352)	959.818	14.493.125
Finance costs/income	*(1.703.365)*	*(851.683)*	(739.054)	(31.071)	(3.325.173)
Profit before income tax	***11.953.873***	***1.848.738***	**(3.563.406)**	**928.747**	**11.167.952**
Income tax expense					(3.346.129)
Deferred tax					108.304
Prior years' tax audit differences					(196.830)
Other not charged to the operating cost taxes					(887)
Profit for the year after tax					**7.732.411**

NIREUS AQUACULTURE AE

Secondary reporting format - Geographical segments

The registered office of the Group is in Greece and its main activity is developed in countries within the euro zone.

	GROUP		COMPANY	
	31/12/2006	**31/12/2005**	**31/12/2006**	**31/12/2005**
GREECE	58.517.927	58.593.541	63.271.112	52.990.179
EURO ZONE	89.673.042	71.359.330	80.413.122	71.125.568
OTHER COUNTRIES	13.291.449	8.164.024	10.873.546	7.928.448
	161.482.419	**138.116.896**	**154.557.780**	**132.044.195**

6.1 Property, plant a

The land and buildings were measured at the date of transition to the IFRS (01/01/2004) at deemed cost, according to the provisions of the IFRS 1. As deemed cost, is considered the fair value of the fixed equipment at the date of the transition to the IFRS, which was determined after appraisal by independent qualified valuers. The company will re-estimate at regular time periods its above category of property, plant and equipment. In concern of the other property, plant and equipment the measurement at the date of transition was made at cost less the accumulated depreciation. A determination of their useful lives and their residual values was made and according to this will be performed depreciation.

The property, plant and equipment is analysed as follows:

GROUP	Land	Buildings	Machinery & Equipment	Vehicles	Furniture and other equipment	Work in progress	Total
Cost							
Balance at 31 December 2005	7.438.378	20.596.683	40.687.718	4.611.542	5.025.877	1.657.273	**80.017.470**
Balance at 1 January 2005 of new companies	-	748.006	1.103.249	114.651	182.111	6.289	**2.154.307**
Additions	-	494.557	3.464.138	604.417	349.204	2.661.092	**7.573.409**
Disposals/write-offs	-	(2.394)	(904.591)	(376.919)	(685.866)	-	**(1.969.770)**
Transfers	-	565.303	-	-	-	(577.187)	**(11.884)**
Re-estimation	380.085	(271.931)	(136.408)	(13.062)	(8.726)	-	**(50.042)**
Exchange Differences	-	43.742	124.590	5.675	3.865	(31)	**177.841**
Balance at 31 December 2005	**7.818.463**	**22.173.967**	**44.338.696**	**4.946.303**	**4.866.466**	**3.747.435**	**87.891.330**
Accumulated Depreciation							
Balance at 31 December 2005	-	(1.018.223)	(24.983.281)	(3.427.741)	(3.758.563)	-	**(33.187.807)**
Balance at 1 January 2005 of new companies	-	(456.246)	(445.343)	(96.954)	(58.544)	-	**(1.057.087)**
Depreciation of the period	-	(642.527)	(3.155.492)	(383.051)	(429.182)	-	**(4.610.252)**
Disposals/write-offs/transfers	-	(67.328)	363.566	292.681	540.779	-	**1.129.697**
Transfers	-	-	-	-	-	-	**-**
Re-estimation	-	-	-	-	-	-	**-**
Exchange Differences	-	59.251	(214.710)	(12.253)	(6.802)	-	**(174.514)**
Balance at 31 December 2005	**-**	**(2.125.074)**	**(28.435.259)**	**(3.627.318)**	**(3.712.312)**	**-**	**(37.899.964)**
Net book amount at 31 December 2005	**7.818.463**	**20.048.894**	**15.903.436**	**1.318.985**	**1.154.154**	**3.747.435**	**49.991.366**
Cost							
Balance 1 January 2006	7.818.463	22.173.967	44.338.696	4.946.303	4.866.466	3.747.435	**87.891.330**
Balance 1January 2006 of new companies	66.030	6.480.181	12.355.563	2.487.817	1.170.643	34.294	**22.594.528**
Additions	324.527	292.147	4.149.955	594.524	264.350	3.194.730	**8.820.233**
Disposals/write-offs	(579.401)	(3.691.233)	(384.252)	(286.310)	(347.726)	-	**(5.288.922)**
Transfers	-	1.835.091	1.247.257	394.001	22.841	(3.540.100)	**(40.910)**
Re-estimation	182.511	(1.069.501)	(40.811)	-	(16.040)	-	**(943.842)**
Exchange Differences	-	(117.230)	(176.310)	(15.548)	(9.529)	(0)	**(318.616)**
Balance 31 December 2006	**7.812.129**	**25.903.422**	**61.490.098**	**8.120.788**	**5.951.005**	**3.436.359**	**112.713.801**
Accumulated Depreciation							
Balance 1 January 2006	-	(2.125.074)	(28.435.259)	(3.627.318)	(3.712.312)	-	**(37.899.964)**
Balance 1 January 2006 of new companies	-	(4.247.701)	(8.800.965)	(1.874.693)	(960.830)	-	**(15.884.188)**
Depreciation of the period	-	(1.049.774)	(4.639.408)	(584.104)	(497.177)	-	**(6.770.463)**
Disposals/write-offs/transfers	-	363.731	182.806	239.794	337.744	-	**1.124.074**
Transfers	-	-	-	-	-	-	**-**
Re-estimation	-	137.968	-	-	-	-	**137.968**
Exchange Differences	-	71.650	139.661	15.580	8.578	-	**235.469**
Balance 31 December 2006	**-**	**(6.849.201)**	**(41.553.164)**	**(5.830.741)**	**(4.823.998)**	**-**	**(59.057.104)**
Net book amount at 31 December 2006	**7.812.129**	**19.054.222**	**19.936.934**	**2.290.046**	**1.127.007**	**3.436.359**	**53.656.697**

COMPANY	Land	Buildings	Machinery & Equipment	Vehicles	Furniture and other equipment	Work in progress	Total
Cost							
Balance at 31 December 2005	5.865.179	10.260.373	21.819.701	3.392.714	3.412.694	343.115	**45.093.776**
Balance at 1 January 2005 of new companies	765.511	4.150.738	7.510.653	236.050	529.788	776.095	**13.968.835**
Additions	-	414.847	3.154.563	512.912	329.942	2.396.451	**6.808.714**
Disposals/write-offs	-	(2.394)	(226.477)	(161.732)	(444.592)	-	**(835.194)**
Transfers	-	565.303	-	-	-	(565.303)	**-**
Re-estimation	380.085	(271.931)	-	-	-	-	**108.154**
Exchange Differences	-	-	-	-	-	-	**-**
Balance at 31 December 2005	**7.010.775**	**15.116.937**	**32.258.440**	**3.979.944**	**3.827.832**	**2.950.358**	**65.144.286**
Accumulated Depreciation							
Balance at 31 December 2005	-	(299.092)	(14.986.621)	(2.642.290)	(2.460.004)	-	**(20.388.007)**
Balance at 1 January 2005 of new companies	-	-	(3.650.601)	(172.397)	(422.797)	-	**(4.245.796)**
Depreciation of the period	-	(556.811)	(2.624.495)	(309.826)	(387.930)	-	**(3.879.063)**
Disposals/write-offs/transfers	-	-	217.812	111.042	344.231	-	**673.085**
Transfers	-	-	-	-	-	-	**-**
Re-estimation	-	-	-	-	-	-	**-**
Exchange Differences	-	-	-	-	-	-	**-**
Balance at 31 December 2005	**-**	**(855.903)**	**(21.043.905)**	**(3.013.471)**	**(2.926.501)**	**-**	**(27.839.781)**
Net book amount at 31 December 2005	**7.010.775**	**14.261.034**	**11.214.535**	**966.473**	**901.331**	**2.950.358**	**37.304.505**
Cost							
Balance 1 January 2006	7.010.775	15.116.937	32.258.440	3.979.944	3.827.832	2.950.358	**65.144.286**
Balance 1January 2006 of new companies	410.797	1.446.407	4.686.354	657.122	446.517	784.987	**8.432.185**
Additions	-	123.509	2.742.786	368.785	230.227	2.616.154	**6.081.461**
Disposals/write-offs	-	-	(109.944)	(63.245)	(325.348)	-	**(498.536)**
Transfers	-	1.835.091	1.247.257	394.001	22.841	(3.536.156)	**(36.966)**
Re-estimation	-	-	-	-	-	-	**-**
Exchange Differences	-	-	-	-	-	-	**-**
Balance 31 December 2006	**7.421.572**	**18.521.944**	**40.824.894**	**5.336.607**	**4.202.069**	**2.815.343**	**79.122.429**
Accumulated Depreciation							
Balance 1 January 2006	-	(855.903)	(21.043.905)	(3.013.471)	(2.926.501)	-	**(27.839.781)**
Balance 1 January 2006 of new companies	-	(339.597)	(3.030.301)	(355.380)	(356.752)	-	**(4.082.030)**
Depreciation of the period	-	(563.829)	(3.104.276)	(381.324)	(385.719)	-	**(4.435.149)**
Disposals/write-offs/transfers	-	-	56.200	25.541	322.384	-	**404.125**
Transfers	-	-	-	-	-	-	**-**
Re-estimation	-	-	-	-	-	-	**-**
Exchange Differences	-	-	-	-	-	-	**-**
Balance 31 December 2006	**-**	**(1.759.330)**	**(27.122.282)**	**(3.724.635)**	**(3.346.589)**	**-**	**(35.952.835)**
Net book amount at 31 December 2006	**7.421.572**	**16.762.614**	**13.702.611**	**1.611.973**	**855.480**	**2.815.343**	**43.169.594**

On the non-current assets of the parent company “NIREUS AE” have been registered real mortgages for an amount of € 15.000.000,00for securing a debenture loan in favour of Eurobank the outstanding balance of which at 31 December 2006 amounted to € 50.000.000,00and a pre-notice of real mortgage of € 1.220.000,00securing a long-term loan by the National Bank of Greece, the outstanding balance of which at 31 December 2006amounted to 1.052.882.86. There is also a pre-notice of real mortgage amounted Euros 1.244.740,00 in favor of Agriculture Bank in order to secure credit balance which at 31 December 2006 reched the amount of 455.206,29 Euros. On the fixed assets of ALPINO ABEE' has been registered a pre-notice of real mortgage of € 4.225.000,00 for securing a Bond loan in favor of ALPHA Bank, the outstanding balance of which at 31 December 2006 amounted to € 4.225.000,00

On the land of the consolidated subsidiary company “SEAFARM IONIAN AE” is registered a mortgage of € 200.000,00 in favour of the Attica Bank, as well as a mortgage of € 100.000,00 and pre-notice of mortgage of € 80.000,00 in favor of a third party. Moreover, on the non-current assets of the consolidated subsidiaries: (a) “OCTAPUS AE” there are registered pre-notices of mortgage of € 296.404,99 to secure loans of the National Bank of Greece and amount of € 381.511,37 to secure a loan of the Bank of Cyprus and (b) “ALFA ANIMAL FOOD LOKRIDAS AE” there are registered pre-notices of mortgage of € 352.164,35

6.2 Investment property

The land and buildings that concern investments under IAS 40 were measured at the date of transition to the IFRS (01/01/2004) at deemed cost, according to the provisions of the IFRS 1. As deemed cost, is considered the fair value of the fixed equipment at the date of transition to the IFRS, which was determined after an appraisal by independent qualified valuers. The company at regular time periods will re-estimate its above category of property, plant and equipment.

The investment property is analysed as follows:

	GROUP			COMPANY		
	Land	**Buildings**	**Total**	**Land**	**Buildings**	**Total**
Carrying Value at 01 January 2005	**3.377.330**	**261.300**	**3.638.630**	**3.277.030**	**261.300**	**3.538.330**
Sales /Wrire-off	(1.090.000)	(90.000)	**(1.180.000)**	(1.150.000)	(250.000)	**(1.400.000)**
Carrying Value at 31 Decemper 2005	**2.287.330**	**171.300**	**2.458.630**	**2.127.030**	**11.300**	**2.138.330**
Carrying Value at 31 December 2005 by absorbed company- New percentage	20.500	-	**20.500**	-	-	**-**
Sales /Wrire-off	293.971	2.606.339	**2.900.311**	(145.430)	160.000	**14.570**
Carrying Value at 31 December 2006	**2.601.801**	**2.777.639**	**5.379.441**	**1.981.600**	**171.300**	**2.152.900**

6.3 Goodwill & Intangible assets

Goodwill and Intangible assets are analyzed as follows:

GROUP	Software	Goodwill	Rights	Total
Cost				
Balance at 1 January 2005	**1.332.824**	**2.541.116**	**-**	**3.873.940**
Balance at 1 January 2005 of new companies	**15.599**	**-**	**-**	**15.599**
Additions	181.047	4.341.828	-	4.522.875
Disposals-Impairments	(282.624)	-	-	(282.624)
Transfers	994	-	-	994
Carrying Value at 31 December 2005	**1.247.840**	**6.882.944**	**-**	**8.130.784**
Accumulated Depreciation				
Balance at 1 January 2005	**(355.526)**	**-**	**-**	**(355.526)**
Balance at 1 January 2005 of new companies	**(9.266)**	**-**	**-**	**(9.266)**
Additions	(547.040)	-	-	(547.040)
Disposals-Impairments	310.874	-	-	310.874
Transfers	(1.543)	-	-	(1.543)
Balance at 31 December 2005	**(602.501)**	**-**	**-**	**(602.501)**
Carrying Value at 31 December 2005	**645.338**	**6.882.944**	**-**	**7.528.282**
Cost				
Balance at 1 January 2006	**1.247.840**	**6.882.944**	**-**	**8.130.784**
Balance at 1 January 2006 of new companies	**212.203**	**-**	**-**	**212.203**
Additions	258.221	8.254.838	-	8.513.059
Disposals-Impairments	(13.725)	-	-	(13.725)
Transfers	36.804	-	-	36.804
Excange Differences	(2.610)	-	-	(2.610)
Balance at 31 December 2006	**1.738.733**	**15.137.782**	**8.500.000**	**25.376.514**
Accumulated Depreciation				
Balance at 1 January 2006	**(602.501)**	**-**	**-**	**(602.501)**
Balance at 1 January 2006 of new companies	**(183.824)**	**-**	**-**	**(183.824)**
Depreciations of the period	(338.318)	-	-	(338.318)
Tranferes	4.800	-	-	4.800
Re-estimation	-	-	-	-
Excange Differences	2.124	-	-	2.124
Balance at 31 December 2006	**(1.117.720)**	**-**	**-**	**(1.117.720)**
Carrying Value at 31 December 2006	**621.013**	**15.137.782**	**8.500.000**	**24.258.795**

COMPANY	Software	Goodwill	Rights	Total
Cost				
Balance at 1 January 2005	**930.171**	**2.009.935**	**-**	**2.940.106**
Balance at 1 January 2005 of new companies	**82.542**	**-**	**-**	**82.542**
Additions	111.711	3.708.975	-	3.820.686
Disposals-Impairments	(106.851)	-	-	(106.851)
Transfers	-	-	-	-
Carrying Value at 31 December 2005	**1.017.573**	**5.718.910**	**-**	**6.736.483**
Accumulated Depreciation				
Balance at 1 January 2005	**(181.017)**	**-**	**-**	**(181.017)**
Balance at 1 January 2005 of new companies	**(39.258)**	**-**	**-**	**(39.258)**
Additions	(419.609)	-	-	(419.609)
Disposals-Impairments	133.787	-	-	133.787
Transfers	-	-	-	-
Balance at 31 December 2005	**(506.097)**	**-**	**-**	**(506.097)**
Carrying Value at 31 December 2005	**511.476**	**5.718.910**	**-**	**6.230.386**
Cost				
Balance at 1 January 2006	**1.017.573**	**5.718.910**	**-**	**6.736.483**
Balance at 1 January 2006 of new companies	**212.351**	**531.181**	**-**	**743.532**
Additions	243.754	3.469.460	-	3.713.214
Disposals-Impairments	-	-	-	-
Transfers	36.804	-	-	36.804
Excange Differences	-	-	-	-
Balance at 31 December 2006	**1.510.482**	**9.719.551**	**-**	**11.230.033**
Accumulated Depreciation				
Balance at 1 January 2006	**(506.097)**	**-**	**-**	**(506.097)**
Balance at 1 January 2006 of new companies	**(110.737)**	**-**	**-**	**(110.737)**
Depreciations of the period	(277.922)	-	-	(277.922)
Tranferes	-	-	-	-
Re-estimation	-	-	-	-
Excange Differences	-	-	-	-
Balance at 31 December 2006	**(894.757)**	**-**	**-**	**(894.757)**
Carrying Value at 31 December 2006	**615.724**	**9.719.551**	**-**	**10.335.276**

The Group's and the Company's Goodwill has arisen as follows:

The Group's and the Company's Goodwill has arisen as following:	
From acqisition in the year 2004 of subsidiary "OINOYSSES FISH FARMING A.E	2.009.935
From acqisition in the year 2005 of subsidiary company 'FEEDUS A.E"	3.708.975
From acquisition in prior years of a subsidiary company of the consolidation 'FOKIDA FISH FARMING A."	531.181
From consolidation of the acquired in the year 2005 foreign company "ILKNAK SI IRUNLERI SAV VE TIC S.A"	413.987
From the absorption of "EKAL FISH FARMING SA" in 2006	3.469.460
From the consolidation of the SEAFARM IONIAN purchased in 2006	5.004.244
	15.137.781

The account "Aquaculture licences" on Group level concerns the fair value of the aquaculture licenses of the companies of the Group "SEAFARM IONIAN AE", which arose following a study by an independent appraisal firm (in the frame of the participation of "NIREUS AQUACULTURE AE" in the increase of the Share Capital of "SEAFARM IONIAN AE") and was determined to the amount of € 8.500.000,00

The said fair value is not depreciated, but will be examined for impairment of its value, if there are events that provide indications for loss, according to IAS 36.

6.4 Investments in subsidiaries

In the individual financial statements, the investments in subsidiary companies have been measured at impaired acquisition cost.

	GROUP 31/12/2006 #	COMPANY 31/12/2006
Beginning of the year	**39.414**	**11.091.627**
Additions /decreases due to absorbion	362.506	(1.491.394)
Total	**401.920**	**9.600.234**

The amount of € 401.920 that is disclosed in the - annual financial statements at 31/12/2006 concerns by € 39.414 the impaired cost of subsidiary company "THETIS AE", which was not consolidated in the current period 2006 , since it was put under liquidation and by amount € 362.506 the impaired cost of the subsidiary company of the Group SEAFARM IONIAN AE. "DIATROFIKI AE", which was not consolidated in the present period2006 for the same reason.

We deem expedient to state that:

(a) In the individual financial statements is included participation (acquired in the period 1/1-31/12/2006) of 5.862.777,78 (percentage 16,78%) of "NIREUS AE" in "SEAFARM IONIAN AE", in capacity as strategic investor fully undertaking the Management of the Company (realisation from 27.4.2005 agreement of article 44 of L. 1892/1990).

The participation percentages of the company in investments, which are unlisted on the ATHEX, (besides "SEAFARM IONIAN AE", which is listed on the ATHEX, but is suspended from trading since 06/08/2003) have as follows:

Company	Cost	Impairment	Balance Sheet Value	Country of Incorporation	Participation percentage
THETIS A.E(Under Liquidation)	1.690.060	(1.650.646)	39.414	GREECE	100,00%
PROTEUS EQUIPMENT A.E	29.347	-	29.347	GREECE	50,00%
ALPINO A.E	17.307.473	(15.548.567)	1.758.906	GREECE	98,77%
AQUACOM LTD	1.141.394	-	1.141.394	VIRGIN ISLANDS	100,00%
A-SEAS	575.445	(337.159)	238.287	GREECE	61,22%
NIREUS INTERNATIONAL LTD	530.000	-	530.000	CYPRUS	100,00%
MIRAMAR SU URUNLERI VE BALIK YEMI URETIMI SANAYI VE TICARET A.S.	108	-	108	TOURKEY	0,02%
SEA FARM IONIAN	5.862.778	-	5.862.778	GREECE	16,78%
	27.136.604	**(17.536.371)**	**9.600.234**		

6.5 Investments in associates

In the individual financial statements of the Company the investments in associates have been valued at impaired cost.

	GROUP		COMPANY	
	31/12/2006	31/12/2005	31/12/2006	31/12/2005
Beginning of the year	**852.084**	**151.770**	**518.959**	**483.554**
Additions due to Equity increase	-	200.000	-	256.000
Additions/impairments due to percentage change	-	-	-	(220.595)
Impairment/Recoverable	481.777	500.314	-	-
Total	**1.333.861**	**852.084**	**518.959**	**518.959**

The amount of € 481.777 that is disclosed in Impairment/Recoverable of the Group at 31/12/2006 concerns the profit for the year period 01/01 – 31/12/2006 that arose from consolidation by the net equity method of the company BLUEFIN TUNA AE.

The company's interest in its associates, all of which are unlisted on the ATHEX, is as follows:

NAME OF THE COMPANY	Cost	Impairment	Net book amount	Country of incorporation	% Participation Percentage
PER MARE RESEARCH A.E	22.891	(9.932)	12.959	ΕΛΛΑΔΑ	39%
ILKNAK	56.000	-	56.000	ΤΟΥΡΚΙΑ	3,10%
BLUEFIN TUNA A.E	450.000	-	450.000	ΕΛΛΑΔΑ	25%
	528.891	**(9.932)**	**518.959**		

6.6 Deferred income tax

Deferred income tax assets and liabilities as arise from relative temporary tax differences, are as follows:

	GROUP				COMPANY			
	31/12/2006		31/12/2005		31/12/2006		31/12/2005	
	TAX ASSETS	TAX LIABILITIES	TAX ASSETS	TAX LIABILITIES	TAX ASSETS	TAX LIABILITIES	TAX ASSETS	TAX LIABILITIES
Non-current Assets								
Intangible assets	598.725	186.121	522.361	389.242	218.606		224.552	389.242
Property, Plant & Equipment	247.206	226.575	306.724	298.278	240.454		32.497	109.725
Other long-term receivables			-	49.570			-	49.570
Current Assets								
Inventories	608.425	8.621.228	164.200	6.997.420	10.833	6.783.781	24.545	6.409.866
Receivables	2.660.076	52.494	2.485.456	-	1.655.064	2.618	1.477.555	-
Non-current liabilities								
Retirement benefit obligations	583.457	16.542	316.577	-	469.110		-	-
Other non-current liabilities		135.846	-	77.402		135.846	-	77.402
Provisions		4.832	-	4.833		4.832	269.400	4.833
Current liabilities								
Adjustment of tax rate from 35% to 32% and from 32% to 29%	59.356	69.359	558.741	138.884	-	-	530.369	34.890
	4.757.246	9.312.995	4.354.060	7.955.629	2.594.068	6.927.077	2.558.918	7.075.529
		4.555.750		*3.601.570*		*4.333.009*		*4.516.611*

The income tax rate applicable to the Group for year 2006 is equal to 29%.

The offsetting of deferred income tax assets and liabilities occurs when there is, from the company side, legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes relate to the same fiscal authority.

6.7 Available-for-sale financial assets

	GROUP		COMPANY	
	31/12/2006	31/12/2005	31/12/2006	31/12/2005
Beginning of the period	**2.384.016**	**2.378.016**	**2.384.016**	**2.378.016**
Tranfers	4.682.269	-	-	-
Additions	2.000	6.000	2.000	6.000
Disposals/Write offs	(5.013.800)	-	(2.262.787)	-
Total	**2.054.485**	**2.384.016**	**123.229**	**2.384.016**

6.8 Other non-current liabilities

	GROUP		COMPANY	
	31/12/2006	31/12/2005	31/12/2006	31/12/2005
Given Warranties	216.812	178.226	124.224	123.491
Total	**216.812**	**178.226**	**124.224**	**123.491**

6.9 Biological assets

The biological assets of the Group were measured at their fair value, according to IAS 41. The fair value was determined based on market prices at the Balance Sheet date.

Biological assets are the reserves of spawn-generating adult fish, fish and spawn at that time and are measured at fair value (i.e. selling price) based on IAS 41. This method has as a consequence in periods with intensive harvesting the significant growth of reserves and gains that arise from the difference between cost of produce and measurement at selling prices.

Fair value reconciliation of biological assets is presented is the following table:

	GROUP		COMPANY	
	31/12/2006	31/12/2005	31/12/2006	31/12/2005
Balance of biological assets at 1 January 2006	**114.600.471**	**98.221.241**	**100.369.326**	**87.365.929**
Opening inventories at date of acquisition of subsidiary with biological assets	**13.153.647**	**2.605.567**	**9.700.237**	-
Increases due to purchases of biological assets	473.732	13.832.619	615.244	12.781.915
Gain/Loss arising from changes in fair value attributable to price or quantity changes of biological assets	106.319.298	75.055.921	100.286.975	76.176.057
Decreases due to sales	(81.478.578)	(75.114.878)	(82.656.140)	(75.954.575)
Balance of biological assets at 31 December 2006	**153.068.570**	**114.600.471**	**128.315.642**	**100.369.326**
ANALYSIS OF BIOLOGICAL ASSETS IN BALANCE SHEET				
A) Biological assets below 200gr (Assets – Non-current assets)	63.220.524	47.342.576	52.347.777	40.877.803
B) Biological assets above 200gr (Inventories - Current assets)	89.848.047	67.257.895	75.967.865	59.491.523
TOTAL BIOLOGICAL ASSETS	**153.068.570**	**114.600.471**	**128.315.642**	**100.369.326**

In order to compare the financial statement of Group as far as biological assets are concerned, according to IFRS, we note that in the current year 2006, an amount of € 2.683.773,59 regards the influence of biological assets of SEAFARM IONIAN Group, which is consolidated for the first time in the present year 2006.

6.10 Inventories

The inventories of the Group and the Company are as follows:

	GROUP		COMPANY	
	31/12/2006	31/12/2005	31/12/2006	31/12/2005
Merchandise	1.420.773	955.533	1.413.569	374.030
Finished and semi-finished goods	5.722.487	4.623.638	5.566.643	3.690.573
Sub-products and scrap	-	309	-	309
Work in progress	126.499	3.378.347	126.499	171.658
Raw and auxiliary materials-Package materials	4.042.380	3.953.755	2.663.380	2.758.741
Consumables	82.806	103.967	75.421	78.818
Spare parts	-	6.108	-	6.108
Packing items	42.248	45.826	41.457	38.555
Less: Impairment	(26.599)	(481.570)	-	-
Total	**11.410.594**	**12.585.913**	**9.886.969**	**7.118.793**

6.11 Trade and other receivables

The trade and other receivables of the Group and the Company are as follows:

	GROUP		COMPANY	
	31/12/2006	31/12/2005	31/12/2006	31/12/2005
Trade receivables	23.680.773	23.102.377	28.447.707	29.008.593
Notes receivable	1.148.456	1.277.259	1.123.671	649.975
Cheques receivable	29.879.970	28.118.093	27.807.963	27.063.559
Prepayments	-	159.447	-	1.122
Total	**54.709.198**	**52.657.176**	**57.379.341**	**56.723.250**

All the receivables are current and there is no need for discount at the balance sheet date. There is no concentration of credit risk with respect to trade receivables, as the Group has a large number of customers, internationally dispersed.

6.12 Other receivables

The other receivables of the Group and the Company are as follows:

	GROUP		COMPANY	
	31/12/2006	31/12/2005	31/12/2006	31/12/2005
Sundry debtors	8.384.142	5.365.015	11.121.812	12.947.906
Claims from Greek State	11.246.343	8.265.832	8.440.290	7.266.703
Other receivables	-	92.250	-	81.521
Disputed debtors	70.379	37.017	30.000	30.000
Cash accommodation to personnel	-	21.069	-	21.069
Prepayments to personnel	304.525	63.900	214.700	41.234
Total	**20.005.388**	**13.845.082**	**19.806.802**	**20.388.432**

6.13 Other current assets

The other current assets of the Group and the Company are as follows:

	GROUP		COMPANY	
	31/12/2006	31/12/2005	31/12/2006	31/12/2005
Deferred expenses	477.372	488.028	345.825	434.164
Accrued income-period	339.086	927.572	76.233	750.567
Purchases under delivery	93.837	120.552	93.837	120.552
Discounts & Rebates on year purchases under settlement	-	640	-	640
Other prepayments and accrued income	-	6.323	-	6.323
Total	**910.295**	**1.543.114**	**515.895**	**1.312.246**

6.14 Financial assets at fair value through profit or loss

Concerns placements of high liquidity in shares with short-term investment horizon. The financial assets at fair value through profit or loss of the Group and the Company are as follows:

	GROUP		COMPANY	
	31/12/2006	31/12/2005	31/12/2006	31/12/2005
Securities	595	329	595	329
Additions/purchases	709	595	709	595
Disposals/Sales	-	(329)	-	(329)
TOTAL	1.304	595	1.304	595

6.15 Cash and cash equivalents

The cash and cash equivalents of the Group and the Company are as follows:

	GROUP		COMPANY	
	31/12/2006	31/12/2005	31/12/2006	31/12/2005
Cash in hand	125.857	106.013	60.514	19.998
Sight bank deposits	10.629.752	2.483.793	10.340.000	1.918.497
Time bank deposits	655.137	-	280.708	-
Total	**11.410.746**	**2.589.807**	**10.681.222**	**1.938.495**

The cash and cash equivalents represent cash and bank deposits available at first call.

6.16 Equity

i) Share capital

The share of NIREUS AE is freely traded in the Athens Stock Exchange.

	GROUP					COMPANY				
	Number of Shares	Share Capital (ordinary shares)	Treasury Shares	Share premium	Total	Number of Shares	Share Capital (ordinary shares)	Treasury Shares	Share premium	Total
At 1 January 2005	**29.005.671**	**47.723.123**	**(479.554)**	**36.223.490**	**83.467.059**	**29.005.671**	**46.989.187**	**(479.554)**	**36.223.490**	**82.733.123**
Share Capital Increase	11.362.843	3.471.455		(62.602)	**3.408.853**	11.362.843	3.471.455	-	(62.602)	**3.408.853**
Sale of treasury shares	-	-	479.554	-	**479.554**	-	-	479.554	-	**479.554**
Change due to absorption of subsidiary	-	-	-	991.125	**991.125**	-	-	-	991.125	**991.125**
Share capital from horizontal merger	-	(733.936)	-	-	**(733.936)**	-	-	-	-	-
Balance at 31/12/2005	**40.368.514**	**50.460.643**	-	**37.152.013**	**87.612.656**	**40.368.514**	**50.460.643**	-	**37.152.013**	**87.612.656**
Change due to absorption of subsidiary	69.755	87.194	-	(0)	**87.194**	69.755	87.194	-	(0)	**87.194**
Other Changes	494.350	617.938	-	512.147	**1.130.084**	494.350	617.938	-	512.147	**1.130.084**
Balance at 31 December 2006	**40.932.619**	**51.165.774**	-	**37.664.159**	**88.829.933**	**40.932.619**	**51.165.774**	-	**37.664.159**	**88.829.933**

The Group's share premium capital from the issue of shares for cash at a value which exceeds their nominal value.
In the present year 2006 completed the absorption, according to the Law 2166/1993, of subsidiaries companies "EKAL FISH FARMING S.A" , "EUROCATERERS ABEE", "MILOKOPIS FISH FARMING A.E", and "INTERPESCA S.A " from parent company 'NIREUS AQUACULTURE S.A" based on Balance Sheet of merge dated at 30/6/2006.

The results of the absorptions are the followings: a) Nireus Share Capital raised by 87.193,75 Euros b) the difference from the issue of share capital premium decreased by 0.15 Euros c) a new reserved fund created for future Share Capital increase by 387.775,12 Euros.

We refer that Income Statement of the Company includes the Income Statements of absorbed subsidiaries companies "EKAL FISH FARMING S.A" "EUROCATERERS ABEE", "MILOKOPIS FISH FARMING A.E", and "INTERPESCA S.A " for the period 1/7-31/12/2006, while the consolidated Income Statement includes the Income Statements of absorbed subsidiaries companies "EKAL FISH FARMING S.A" "EUROCATERERS ABEE", "MILOKOPIS FISH FARMING A.E", for the period 1/1-31/12/2006.

At 5/6/2006, the company NIREUS S.A approved the Stock Option program offering 1.400.000 nominal shares after vote, for the year ending 2006, 2007 and 2008 to the Board of Director, General Managers, Departmental Managers and supervisors with at least 3 year working service in Group. In case of stopping any cooperation with company, the aforementioned right stops. The price for share buying will be lower by 40% from the average stock price during the period 1/10-1/11 of each year.(2006-2007-2008). The offer of stock option rights will be made every first 15 days of November each year according to the schedule. The Stock Option Rights will be implemented partially within the period of three years (2006-2008) from the above effective date , therefore, 40% in November 2006, 30% in November 2007, and 30% in November 2008, but always within the first 15 days of November of each year. In case that a member does not act the Stock Option right within deadline, then he loses the right.
The accounting policy of stock option plan which was offered according to the plan was made in accordance with IFRS 2 . Stock Options depending on the share price .
In 2006 , the stock options that were accepted reached the amount of 494.350 shares. The fair value of the stock options amounted in 1.547 Euro per share and that comes as the difference between the fair value of the share at the effective date of stock option plan (average share price of the period from 1/11 till 15/11/2006 = Euros 3,832) and the purchasing price of the stock option right (Euros 2,286) . Because of the uncertainty both for the number and the fair value of shares that will be exercised for the years 2007 and 2008, there was not any provision made in the current year 2006 regarding the stock option rights of next years 2007 and 2008.

ii) Fair Value Reserves

The analysis of reserves at fair value is as follows:

	GROUP	COMPANY
Balance at 1 January 2005	**10.937.319**	**7.667.186**
Tranafers	486.756	1.024.111
Balance at 31/12/2005	**11.424.075**	**8.691.297**
Tranfers	37.997	744.759
Revaluarions 2006	(970.138)	-
Balance at 31 December 2005	**10.491.934**	**9.436.057**

iii) Other reserves

The other reserves of the Company are as follows:

	COMPANY						
	LEGAL RESERVE	IMPAIRMENT LOSS OF PARTICIPATIONS	TAX-FREE RESERVES UNDER SPECIAL LAW PROVISIONS	RESERVES WITH ADJUSTMENTS TO IFRS	RESERVES FUNDS FOR FUTURAL CAPITAL INCREASE	OTHER RESERVES	TOTAL
Balance at 1 January 2005	**1.531.912**	**(3.598.628)**	**4.171.564**	**-**	**-**	**525.241**	**2.630.090**
Tranfers	852.465	-	2.656.100	-	-	-	**3.508.565**
Changes throughout the year	434.964	-	1.974.974	-	-	(479.554)	**1.930.384**
Balance st 31 December 2005	**2.819.341**	**(3.598.628)**	**8.802.639**	**-**	**-**	**45.687**	**8.069.038**
Tranfers from subsidiaries's absorpions	45.751	-	121.841	-	-	6.367	**173.959**
Changes from subsidiaries's absorpions	-	3.598.628	-	-	387.775	-	**3.986.403**
Adjustments to IFRS	-	-	-	764.625	-	-	**764.625**
Changes throughout the year	129.632	-	-	-	-	-	**129.632**
Υπόλοιπο 31/12/2006	**2.994.724**	**-**	**8.924.479**	**764.625**	**387.775**	**52.054**	**13.123.657**

In the above financial statements of the company the impairment loss of participations of Euro 3.598.628, that concerns two subsidiaries, remained in the account "Other reserves" and was not recognised, according to IFRS 1 "First - time adoption of IFRS", in the account "Retained earnings" because the company's management trusts that in the near future these subsidiaries will turn to a significant profit and this loss will be recoverable.

6.17 Borrowings

The non-current and current borrowings are as follows:

The maturity of non-current borrowings is as follows:				
	GROUP		**COMPANY**	
	31/12/2006	**31/12/2005**	**31/12/2006**	**31/12/2005**
Between 1 and 2 years	8.488.681	11.144.173	6.872.849	9.973.142
Between 2 and 5 years	38.371.283	27.149.633	28.691.785	22.660.572
Over 5 years	36.359.568	22.778.181	16.264.562	22.778.182
	83.219.532	**61.071.987**	**51.829.195**	**55.411.896**

6.18 Retirement benefit obligations

The Group and the company recognises as retirement benefit obligation the present value of the legal commitment that has assumed for the payment of lump sum compensation to retired personnel. The relative obligation was determined based on actuarial calculations.

The respective obligation of the Group and the Company is as follows:

	GROUP		**COMPANY**	
	31/12/2006	**31/12/2005**	**31/12/2006**	**31/12/2005**
Balance liability at beginn	1.538.117	1.109.129	1.318.626	903.513
Tranfers	165.065	-	202.132	-
Current service cost	14.810	117.743		93.660
Interest cost	6.665	49.550	-	40.658
Compensation paid	(4.602)	(163.315)	-	(66.627)
Net actuarial (profit)/losses	435.799	425.010	355.682	347.422
Total liability at end of th	**2.155.854**	**1.538.117**	**1.876.440**	**1.318.626**

The principal actuarial assumptions used were as follows:

	31/12/2006	**31/12/2005**
Discount rate	4,5%	4,5%
Future salary increases	3,5%	3,5%
Inflation	2,5%	2,5%
Percentage of retirements	0,5%	0,5%

6.19 Government Grants

The analysis of Grants of the Group and the Company, is as follows:

	GROUP	COMPANY
Balance at 1 January 2005	**6.926.759**	**3.186.915**
Tranfers	-	1.891.382
Receipts	52.982	16.241
Changes throughout the year	(1.173.112)	(440.248)
Balance at 31 December 2005	**5.806.629**	**4.654.290**
Tranfers	668.694	586.017
Receipts	1.515.139	1.167.617
Changes throughout the year	(1.932.520)	(1.368.154)
Balance at 31 December 2006	**6.057.942**	**5.039.770**

6.20 Other non-current liabilities

The analysis of other non-current liabilities, of the Group and the Company, is as follows:

	GROUP		COMPANY	
	31/12/2006	31/12/2005	31/12/2006	31/12/2005
Greek State (Taxes due)	-	5.514	-	-
Liability for purchase of PPE assets	5.297.740	455.206	308.471	-
TOTAL	**5.297.740**	**460.721**	**308.471**	**-**

The other non-current liabilities at concerning the Group arise from liabilities of the Group "SEAFARM IONIAN AE" owing to its subject to article 44 of L. 1892/90.

6.21 Trade and other payables

The analysis of the balances of trade and other payables of the Group and the Company, is as follows:

	GROUP		COMPANY	
	31/12/2006	31/12/2005	31/12/2006	31/12/2005
Trade payables	20.473.365	12.173.959	20.448.037	13.743.909
Cheques payable	44.531.045	32.173.604	42.833.706	29.405.289
Promissory notes	486.577	440.161	486.577	440.161
Notes payable	96.995	621.735	-	-
Total	**65.587.982**	**45.409.458**	**63.768.320**	**43.589.359**

6.22 Other current payables

Follows analysis of other current payables:

	GROUP		COMPANY	
	31/12/2006	31/12/2005	31/12/2006	31/12/2005
Wages and salaries payable	1.428.797	1.066.144	1.096.502	896.608
Dividends	91.858	510.608	1.637	132.351
Social security	1.775.564	1.518.995	1.133.317	943.786
Taxes – duties	4.601.283	4.289.501	2.791.046	3.555.442
Accrued expenses	3.534.556	1.061.807	1.946.191	956.818
Sundry creditors	3.356.317	5.147.395	2.112.537	1.028.698
Total	**14.788.374**	**13.594.450**	**9.081.231**	**7.513.704**

6.23 Sales of merchandise and other inventories

Follows analysis of sales of merchandise and other inventories:

	GROUP		COMPANY	
	31/12/2006	31/12/2005	31/12/2006	31/12/2005
Merchandise & goods	70.011.138	54.030.945	62.865.060	47.822.081
Sales of other inventories and junk	9.460.427	8.920.363	9.031.049	8.247.465
Sales of services	532.276	50.711	5.532	20.073
Total sales of merchandise and other inventori	**80.003.841**	**63.002.018**	**71.901.640**	**56.089.620**

6.24 Third party fees and benefits

	GROUP		COMPANY	
	31/12/2006	31/12/2005	31/12/2006	31/12/2005
Third party fees and expenses	9.634.679	7.866.213	10.098.952	9.251.188
Third party benefits	7.800.056	5.804.778	6.143.007	5.023.397
Total third party fees and benefits	**17.434.735**	**13.670.991**	**16.241.958**	**14.274.585**

6.25 Finance results

Follows analysis of finance income and expenses:

	GROUP		COMPANY	
	31/12/2006	31/12/2005	31/12/2006	31/12/2005
Investment income	481.777	686.897	-	533.839
Income on available-for-sa	4.458	36.916	52.757	35.106
Other interest expenses	116.613	32.278	115.499	32.274
Other equity income	30.000	-	30.000	-
Interest and similar exper	(6.246.693)	(4.081.263)	(4.437.833)	(3.325.388)
Finance cost	**(5.613.845)**	**(3.325.173)**	**(4.239.577)**	**(2.724.169)**

6.26 Other operating expenses

Follows analysis of other operating expenses:

	GROUP		COMPANY	
	31/12/2006	31/12/2005	31/12/2006	31/12/2005
Taxes-duties (other than the non-incorporatedin the operating cost taxes)	644.727	481.351	313.344	418.660
Transportation expenses	9.880.367	7.117.622	9.125.760	6.940.791
Travelling expenses	756.666	576.891	668.834	493.147
Sales promotion and advertising expenses	2.794.490	1.608.098	2.456.934	1.070.065
Exhibition and demonstration expenses	185.191	224.154	179.039	161.418
Special export expenses	107.382	97.300	101.756	80.906
Subscriptions – Memberships	173.099	138.481	155.474	129.333
Donations and subsidies	93.732	68.747	71.855	67.747
Printed matter and stationery	138.832	121.625	122.620	106.385
Consumable materials	1.464.817	1.056.596	1.044.108	962.932
Publication expenses	122.381	102.442	62.984	78.542
Expenses for participating interests and	13.812	1.223	11.333	1.223
Valuation differences of participating interests	-	104	-	104
Losses from sale of participating interests and	54.406	-	54.406	-
Sundry expenses	496.168	444.796	295.301	337.298
Estimated – prepaid sundry expenses (Acc.	-	-	(14.389)	-
Operating provisions	786.454	478.184	459.936	233.675
Total other operating expenses	**17.712.524**	**12.517.612**	**15.109.296**	**11.082.224**

6.27 Other income/(expenses)

Follows analysis of other income and expenses:

	GROUP		COMPANY	
	31/12/2006	31/12/2005	31/12/2006	31/12/2005
Grants and other sales revenue	602.727	138.692	116.534	82.686
Income from side business	362.004	419.872	648.290	653.879
Other income	2.449.585	3.080.704	1.209.202	1.914.363
Φορολογ. Πρόστιμα & προσαυξήσεις	(34.523)	-	(17.669)	-
Exchange differences	(191.571)	27.465	(105.120)	37.768
Other extraordinaty expenses	(301.934)	-	(121.741)	-
Destructions of inappropriate inventories	(372.142)	(409.309)	(205.786)	(228.091)
Loss from sale of fixed assets	(429.032)	-	(6.477)	-
Profit from sales of fixed assets	131.131	-	84.672	-
Surcharges on insurances contribution	(3.053)	-	-	-
Taxes from previous years	(109.381)	-	-	-
Other expenses from previous years	(1.089.037)	(1.935.194)	(1.011.283)	(815.268)
Total Other Income/(Expenses)	**1.014.775**	**1.322.231**	**590.621**	**1.645.338**

The income from side business concerns, mainly, income from rendering of services to third parties as well as to income from rentals.

In other income is included mainly income from exchange differences, as well as proportionate in the year grants.

6.28 Income tax expense

The income tax expense of the Group and the Company, is as follows:

	GROUP		COMPANY	
	31/12/2006	31/12/2005	31/12/2006	31/12/2005
Current tax	(1.711.747)	(3.346.129)	(1.257.364)	(2.984.774)
Prior years' tax audit differences	(2.725.025)	(196.830)	(1.115.958)	(89.771)
Other non-incorporated in the operating cost taxes	(1.463)	(887)	(1.463)	-
Deferred tax	(1.176.461)	108.304	(287.743)	(3.128)
Total	**(5.614.696)**	**(3.435.541)**	**(2.662.528)**	**(3.077.673)**
Profit before tax	**15.303.676**	**11.167.952**	**13.197.358**	**12.929.666**
Tax rate	29%	32%	29%	32%
Estimated tax charge	**(4.438.066)**	**(3.573.745)**	**(3.827.234)**	**(4.137.493)**
Deferred income tax asset	(1.176.461)	108.304	(287.743)	(3.128)
Other adjustments (tax-free reserves, other tax relieve	2.726.319	227.616	2.569.870	1.152.719
Tax audit differences	(2.725.025)	(196.830)	(1.115.958)	(89.771)
Other non-incorporated in the operating cost taxes	(1.463)	(887)	(1.463)	-
Actual Tax Charge	**(5.614.696)**	**(3.435.541)**	**(2.662.528)**	**(3.077.673)**

For the annual period of 2006 the tax charge has been calculated at tax rate 29% on taxable profit.

6.29 Earnings per share

Analysis of earnings per share of the Group and the Company as follows:

	GROUP		COMPANY	
	31/12/2006	31/12/2005	31/12/2006	31/12/2005
Profit attributable to equity holders of the	9.045.157	7.461.220	9.770.205	9.851.993
Weighted average number of ordinary shares	40.432.536	38.643.579	40.432.536	38.643.579
Basic earnings per share (€ per share)	**0,224**	**0,193**	**0,242**	**0,255**

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the parent Company by the weighted average number of ordinary shares in issue during the year, excluding ordinary shares purchased by the Company and held as treasury shares.

6.30 Critical accounting estimates and judgements

The preparation of the financial statements under IFRS necessitates the use of certain critical accounting estimates and the management to exercise its judgement in selecting appropriate assumptions concerning matters, which may cause a material effect on the reported carrying amounts of assets and liabilities, the required disclosures for contingent receivables and payables as of the date the financial statements are prepared as well as the reported amounts of revenue and expenses that were recognised during the accounting period. The use of available information and the application of judgement by management constitute integral part of making estimates. Future results may differ from the above estimates, while the variances may have a material effect on the financial statements. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

7. Commitments and Contingences

The company and the Group has contingent liabilities in respect of Bank, other guarantees and other matters arising in the ordinary course of business, as following,

Information in respect of contingent liabilities

There are no disputed or under arbitration cases of national or arbitrary courts that may have a material effect on the financial position or operation of the Group.

	31/12/2006	31/12/2005
Liabilities		
Letters of guarantee for securing good performance of suppliers contracts	143.613	15.298
Letters of guarantee for securing liabilities	542.723	284.111
Other collaterals for securing liabilities	488.208	448.808
Ceded real mortgages & pre-notices on land and buildings	3.159.252	3.156.904
Total	**4.333.794**	**3.905.121**

	31/12/2006	31/12/2005
Receivables		
Notes receivable for securing execution of contract terms	171.093	171.093
Letters of guarantee for securing receivables	176.596	176.596
Cheques receivable for securing execution of contract terms	101.133	350.000
Other collaterals for securing receivables	151.274	140.274
Bills of exchange from trade debtors for guarantee	29.347	29.347
Total	**629.443**	**867.310**

Information in respect of contingent receivables

8. Real liens

On the fixed assets of the parent company "NIREUS SA" there have been registered mortgages of € 15.000.000,00 to secure a Bond loan in favour of EUROBANK, the balance of which at 31 December 2006 amounted to € 50.000.000,00 and registered pre-notice of mortgage of € 1.220.000,00, to secure a long-term loan of the National Bank of Greece, the balance of which at 31 December 2006 amounted to

€ 1.052.882, 86 and amount in Euro 1.244.740 in favor of Agriculture Bank to secure credit balance which at 31 December 2006 reached the amount 455.206,29 Euros.

Moreover, on the property of a consolidated subsidiary ALPINO S.A, has been given a mortgage of € 4.225.000,00 to secure a Bond loan in favour of ALPHA BANK, the balance of which at 31 December 2006 amounted to € 4.225.000,00. On the land of consolidated subsidiary company "SEAFARM IONIAN S.A" have been registered mortgage amounted Euros 200.000 in favor of Attica Bank as well as a mortgage amounted Euros 100.000 and pre-notice of mortgage amounted 80.000 Euros in favor of third part. Besides, on fixed assets of its consolidated subsidiaries we have the following : a) OCTAPUS S.A has been registered

Pre-notice mortgage amounted Euros 296.404, 99 to secure the loan of National Bank of Greece AND AMOUNT euros 381.511,37 to secure the loan of Bank of Cyprus and b) for ALPHA ZOOTROFES LOKRIDAS have been registered pre-notice mortgage amounted Euros 352.164,35

9. Related – party transactions

The sharing composition of NIREUS S.A in 31/12/2006 is the following

The amounts of the purchases and the sales of the company, cumulatively from the beginning of the current year as well as the balance of receivables and payables of the company that have arisen from the transactions with related parties at the end of the current year are as follows:

Surname - Name	Number of Shares	Percentage
BELLES ARISTIDIS	10.793.001	26,74%
PROTON BANK S.A.	3.220.000	7,98%
HAVIARAS NIKOLAOS	3.053.841	7,57%
SAMPO EURO VALUE FUND	1.696.321	4,20%
EFG EUROBANK ERGASIAS	1.390.000	3,44%
Other Sahreholders < 5%	20.779.456	50,07%
Total	**40.932.619**	**100,00%**

The above transactions were made on the basis of market terms

a) Purchases of goods and services	**GROUP**	**COMPANY**
Purchases of goods & merchandise		12.577.745
Purchases of other services		300.382
Total	-	**12.878.127**

b) Sales of goods and services	**GROUP**	**COMPANY**
Sales of goods & merchandise		5.281.520
Sales of other services		1.298.371
Total	-	**6.579.891**

c) Receivables from related parties	**GROUP**	**COMPANY**
Subsidiaries of NIREUS Group		10.527.518
	-	**10.527.518**

d) Payables to related parties	**GROUP**	**COMPANY**
Subsidiaries of NIREUS Group		2.653.838
	-	**2.653.838**

e) Loans to Directors

Th[...] of the Group.

Compentation and other short-term labour allowanc	**GROUP**	**COMPANY**
Attendance expenses	1.458.730	865.506
Directors' fees from 2005 profit	617.807	617.807
	2.076.537	**1.483.314**

στ) Managers Fees

	GROUP	**COMPANY**
Managers Fees	1.621.703	1.465.361
	1.621.703	**1.465.361**

10. Un-audited by tax authorities financial years

The un-audited by the tax authorities financial years for the companies forming part of the Group are as follows:

	UN-AUDITED
A. NAME OF COMPANIES FOR «NIREUS AQUACULTURE SA.»	
NIREUS AQUACULTURE S.A	2005 και 2006
AQUACOM LTD	---
ALPINO ABEE	2001-2006
PROTEUS CONSTRUCTIONS S.A	2005 και 2006
A-SEA	2003-2006
ILKNAK SU URUNLERI SAN Ve TIC A.S.	---
NIREUS INTERNATIONAL LTD	---
MIRAMAR PROJECTS CO LTD - UK	---
MIRAMAR SU URUNLERI VE BALIK YEMI	---
BLUEFIN TUNA A.E.	2004- 2006
B. NAME OF COMPANIES FOR «SEAFARM IONIAN A.E.»	
SEAFARM IONIAN A.E.	2005 και 2006
SEAFARM KALAMOS A.E.	------
B. NAME OF COMPANIES FOR «SEAFARM IONIAN A.E.»	2003-2006
SEAFARM IONIAN (CENTRAL EUROPE) GMBH	------
OCTAPUS A.E.	2002-31/05/2006
SETA S.A	------
NIKTON S.A	2003-31/05/2006
NIRIIS S.A	------
AQUA TERRAIR A.E.	------

11. Significant events for the period 1/1-31/12/2006

In the current year 2006 the parent company NIREUS AQUACULTURE S.A absorbed , according to the L. 2166/1993, the subsidiaries companies 'EKAL FISF FARMING S.A', "EUROCATERERS ABEE", "MILOKOPIS FISF FARMING S.A" and "INTERPESCA A.E" having Merge Balance Sheet dated 30/6/2006.

Based on the above absorptions, we have the followings : a) Parent company increased its Share Capital amounted to 87.193.75 Euros. B) The difference come by issued shared above par decreased by 0.15 Euros c) New reserve find created for Share capital increase in future amounted to 387.775.12 Euros.

The results of the absorption is : a) the Income statement of parent company includes the income statement of absorbed subsidiaries companies from 1/7-31/12/2006, while the consolidated income statement of Group includes the income statements of absorbed subsidiaries companies from 1/1-31-12/2006. We note that if the Balance Sheet of merge had standed with date 30/6/2006 the sales would have been 132.4 mill Euros and the Profit before Taxes 12,0 Euros.

) For the subsidiaries companies of Group SEAFARM IONIAN , 'OCTAPUS S.A", "SEAFARM KALAMOS S.A", "SETA S.A", "NIKTON S.A", and "NIRIIS S.A", the Board of Directors has decided to be absorbed by the parent company SEAFARM IONIAN standed with Balance Sheet of merge dated 31/5/2006.

The subsidiary company of SEAFARM IONIAN , OCTAPUS S.A", is being audited for the periods 2002-2004 and the audition has not still completed

In the frames of internalisation of parent company, has been in process the organization the new companies which they incorporate the new activities. The company NIREUS INTERNATIONAL will play an important role in coordination of the others and it will concentrate the participations to the other companies . On 23/5/2006, NIREUS S.A announced the generation of NIREUS INTERNATIONAL LDT as a subsidiary 100% company, based in Cyprus and its initial nominal share capital is 530.000 Euro. NIREUS INTERNATIONAL LTD also holds MIRAMAR PROJECTS CO LDT based in London (England)(100% subsidiary). MIRAMAR PROJECTS CO LDT has £10.000 as the present nominal capital MIRAMAR PROJECTS CO LDT has established MIRAMAR SU URUNLERI VE BALIK YEMI URETIMI SANAYI VE TICARET based in Turkey. Having as initial nominal capital l.000.000 EURO (1.770.126 YTL) . Because of Turkey law demands at least five share holders for every company, thus the MIRAMAR SU URUNLERI VE BALIK YEMI URETIMI SANAYI VE has the following sharing composition:

) MIRAMAR PROJECTS CO 99,92% 2) NIREUS SA. 0,02% 3) PROTEUS CONSTRUCTION S.A 0,02% 4) Aristidis Belles 0,02% 5) Nikolaos Haviaras 0,02%. Miramar S.A is recorded in Μητρώο Ανωνύμων Εταιρειών στην Σμύρνη!!

According with the articles No 18402/28-6-2006 and 18433/7-7-2006 of preliminary agreements and the Private Agreement date 4/7/2006, NIREUS AQUACULTURE S.A decided to buy 3.144.907 nominal shares of SEAFRAM IONIAN amounted 7.731.000.00 Euros. The payment of price and the submission of shares would be made in parts starting from 6/7/2006 and will be ended at 30/6/2010.

The Board of directors of Hellenic Commission Market Stock with decision 400/5-10-2006, decided the write- off of Shares from Stock Market of SEAFARM IONIAN according to the article 17 Law 3371/2005.

12. Number of employed personnel

The number of employed personnel of the Company amounted at 31 December 2006 to 763 and of the Group to 1.198 persons and at 31 December 2006 number to 588 and 866 persons, respectively. ΡΩΤΗΣΟΥΜΕ ΤΗΝ κ ΕΛΕΘΕΡΑΚΗ

13. Events after the Balance Sheet date

At 5/3/2007, the final agreement was signed between the shareholders of KEGO S.A and NIREUS S.A, according to which the 51% of Kego's shares are finally transferred to the following new shareholders :

a) NIREUS S.A : 20%, b) TEMBLE TRADING LTD (owned by Aristidis Belles) : 20%, c) NORTH PRINCIPAL INVESTMENT FUND LTD : 11%.

After the finalization of the legal and financial audit of Kego, the affiliated parties agreed to a new determination of the purchasing value which will be 1,89 Euros per share. The transfer of 51% of the shares of Kego S.A was realized through Athens stock exchange on 6/3/2007.
In the next coming period, as the Greek Law indicates, the buyers will submit open public offer for the acquisition of the Total shares of Kego S.A

This acquisition is expected to contribute towards the increase of the productive capacity of fish-feed of the NIREUS Group and further growth and utilization of its research program for the curtailment of the production cycle and therefore, to the reduction of the production cost of its final products.
NIREUS AQUACULTURE S.A. announces that, in the context of the implementation of its strategic planning for the internationalization of its production activity, it proceeded, as of 25/1/2007, through its subsidiary company NIREUS INTERNATIONAL LTD, to the 100% acquisition of the Spanish company PREENGORDE DE DORADAS PARA MARICULTURA S.L. (PREDOMAR). This company is active on the sector of production and sale of fishfarming juveniles, and possesses a hatchery unit and a juvenile pre fattening unit (juveniles of up to 10 gr size) of a total capacity of 20.000.000 pieces, annually, in the region of Carboneras of South Spain. The total amount for this acquisition is at 1.750.000 euros, and is to be paid in sections, until May 2008. The determination of this amount was derived based on the valuation of the company that undertaken by the international house Deloitte, in combination with negotiations between the two parties, while the funding for this acquisition is to come from own capital.
Through this acquisition the presence of NIREUS Group is reinforced in Spain (so far sales of juveniles and market size fish), in the area of production, in the juvenile sector. Therefore, an increase in juvenile sales is expected in the fish farming companies of that country, with a consecutive increase of the NIREUS client list in the Iberian peninsula, where demand is very intensive. The expected direct positive effect for the NIREUS Group refers to the increase of its juvenile production by 10% and it is therefore expected that, through this activity, the Group turnover is to rise by 5.000.000 euros in 2007 while the related earnings before taxes are to reach 1.000.000 euros.

Board of Director's Decision for Share Capital Increase and the issue of Convertible Bond in Bond's Shares
In accordance with Legislation and the company's Charter and upon decision of the Board of Directors of the Societe Anonyme under trade name "NIREUS AQUACULTURE S.A." and trade mark "NIREUS S.A.",the shareholders of the company are invited to Extraordinary General Assembly on Thursday 29th , March 2007 at 14:00 noon at the company's headquarters in Koropi, Attica, 1st km. of Koropi – Vari Avenue and Demokritou street, in accordance with the special permission granted in 5.3.2007 by the Ministry of Development, provided for by the article 25 of the CL 2190/1920, as it applies, in order to discuss and decide upon the following issues of the agenda:

1. Capital increase of € 10.233.154,75 by the capitalization of Above Par Reserves and subsequently, increase of the par value of each share from €1,25 to €1,50, in order to cover NIREUS 's participation in particular investment projects – Amendment of the relevant (article 5) article of the Company's charter.

2. Capital increase by payment in cash, with preferential right in favor of outstanding shareholders by issuing new ordinary shares at above par price – Amendment of the relevant (article 5) article of the Company's charter. Provisioning for preferential rights in favor of outstanding shareholders. Set of duration and deadline for exercising the preferential rights and finalization of the rest terms of the said capital increase. Dividend right for the shares deriving from the said capital increase. Listing on the Athens Exchange, of the new shares that will be issued due to the said capital increase. Granting authorisation to the Board of Directors of the Company, to proceed to the settlement of all issues referring to the

issuance of the relevant prospectus, to the granting of permissions and approvals from the Capital Market Committee and the Athens Exchange, to the listing of the new shares on the Athens Exchange, as well as to any other relevant issue.

3. Issuance of a non-listed on the Athens Exchange convertible bond Loan in favor of outstanding shareholders. Provisioning for preferential rights in favor of outstanding shareholders. Granting authorisation to the Board of Directors of the Company to define the details of the terms of the said convertible bond Loan , to proceed to the issuance of the relevant prospectus, to the conclusion and signing of the contract with the Representative, and to proceed to any other necessary action for the conclusion of the said issue.

4. Under decision made on 8/3/2007, it was approved the absorption of the following subsidiaries of SEAFARM IONIAN : OCTAPUS S.A, SETA S.A, NIKTON S.A, NIRIIS S.A , SEAFARM KALAMOS S.A . These companies will be absorbed by SEAFARM IONIAN S.A

Chios , 09 March 2007

THE PRESIDENT AND MANAGING DIRECTOR	**THE MANAGING DIRECTOR & EXECUTIVE MEMBER**	**THE GENERAL FINANCE DIRECTOR OF THE GROUP**	**THE DIRECTOR OF FINANCIAL SERVICES**	**THE ACCOUNTS DEPT. MANAGER**
ARISTIDES ST. BELLES	**NIKOLAOS EMM. CHAVIARAS**	**DIMITRIOS I. PAPANICOLAOU**	**MICHAEL ANT. GINIS**	**JOHN KONSTANTOPOULOS**
ID. No. Λ 771851	**ID. No. AA 499020**	**ID. No. Σ 260153**	**ID. No. T 267637**	**ID. NO AB 264939**

CONSOLIDATED REPORT

OF THE BOARD OF DIRECTORS
OF "NIREUS AE"
ON THE 12th CONSOLIDATED BALANCE SHEET
OF THE COMPANIES OF THE GROUP
BASED ON IFRS FOR THE YEAR 2006
(1/1/2006-31/12/2006)

Athens, 09 March 2007

Dear Shareholders,

We have the honour to submit according to the Law the annual individual and consolidated Financial Statements for the year 2006((1/1/2006-31/12/2006)duly signed and we set out here below certain information relevant to the evolution of the business and the financial position of all the enterprises that are included in the consolidation.

The Board of Directors attempting an overall retrospective reference on the business operations of the group, the data of the Balance Sheet and of the Income Statement for the year in question, makes known to you the following:

1. **The Consolidated Sales** of the Group amounted to € 161.4 mil increased by 16.9% as against € 138,1 in 2005.

2. The Gross Consolidated Profit **amounted to € 41.9 mil. as against € 37.0mil. in the preceding year, presenting an increase of 13.2%**

3. The Measurement of Biological assets **at fair value in the year 2006 had positive influence on the profits of the Group , by € 6.6 mil. due to increased biological mass production**

4. The Consolidated Earnings Before Interest, Tax, Depreciation and Amortisation (EBITDA) **amounted to € 28,0 mil. as against € 19,6 mil. in the year2005.**

5. The Consolidated Net Earnings Before Interest and Taxes (EBIT) **amounted to € 20.9 mil. as against € 14.5 mil. in the year2005.**

6. The Consolidated Net Profit before Taxes **amounted to € 15.3 mil. as against € 11.1 mil. in the year 2005.**

7. **The Consolidated** Profit after Taxes and before Minority Interest **amounted to € 8.9 mil. as against € 7,7mil. in the year2005.**

8. **The Consolidated** Profit after Taxes and after Minority Interest **amounted to €9,0 mil. as against € 7,4 mil. in the preceding year.**

9. **The Property, plant and equipment (PPE)** of the Group after depreciation **arose to € 53,7mil. as against € 49,9mil in the year 2005(increase 7.3%**

10. The biological assets of the Group **arose to € 153,0 mil. as against € 114,6 mil. in the year 2005, presenting an increase of 33,5**

11. **The balance of trade receivables** amounts to € 54,7 mil . as against € 52,6 mil. in relation to the preceding year, change which relates to the total increase of turnover of the Group that occurred in the current year.

12. **The working capital** (trade receivables + biological & other inventories – trade payables) is presented increased in relation to the preceding year by € 19,1 mil. supporting the increase of sales by 14,1%.

13. The Non-current and Current Liabilities **in total amounted at the end of the year 2006to € 216,6 mil. as against € 151,0mil. in the preceding year.**
The borrowings **reached an amount of € 118,0mil. as against € 80,4 mil. at the end of 2005** **The total** Shareholders Equity **of the Group rose to € 122,1 mil. as against € 110,2 mil. in 2005, presenting an increase of 10,8%**

15.The Group has the followings branches per Geographical Areas :

BRANCHES			
Geographical Area	**SEAFARM IONIAN**	**NIREUS**	**TOTAL OF GROUP**
Central Greece	**9**	**11**	**20**
Western Greece	**4**	**13**	**17**
Eastern Greece & W. AEGEAO ISLAND		**4**	**4**
North Greece		**1**	**1**
TOTAL	**13**	**29**	**42**

14. Events after the Balance Sheet date

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15. **Forecasted course of the Group**

The Group of Companies NIREUS for the year 2007 aims at a profitable management and strengthening of its leading position in the field. For the year 2007 is expected a total turnover of € 195 mil. and a total before taxes profit of € 19.0 mil. (These results don't include the financial results of KEGO S.A).

The NIREUS GROUP having expanded the volume of production in two (2) main categories of products ***(fresh fish, spawn)*** and having re-planned a larger production of processed fresh and frozen products (fillets, de-gutted), in combination with the improved production and the stability of the finished product prices, anticipates improved results of sales approximately. € 156mil.

The sector of ***fish feed*** (the company FEEDUS AE finally absorbed by "NIREUS AE" in the year) is expected to retain its profitability in 2006 and to remain the first productive unit of fish feed in Greece. The anticipated turnover is € 23mil.

The sector of ***confectionery products*** with the addition of the ***chewing-gum production***, a particularly potential product, is expected to reach a turnover of approximately € 10 mil. adding to the company a significant profit margin.

The Company NIREUS S.A is expected its turnover to reach € 190mil approximately with profit € 15 mil .

The company **PROTEUS CONSTRUCTION AE** is mainly expected to cover the Group in matters of equipment but also to realise the increased needs of the investment plans of the companies of the Group SEAFARM IONIAN, the management of which since mid 2005 is undertaken by the parent NIREUS AE. The year 2007is foreseen profitable in results of at least € 1.5 mil. with anticipated turnover of € 6mil.

The Group SEAFRAM IONIAN is expected to increase its sales in fresh fish and juvenile and as a result its total sales ti reach the amount of € 24 mil and the EBT to be approximately € 1.5 mil .

The company **ILKNAK (subsidiary in Turkey)** is expected to constitute the vehicle for the consolidation of the sector of Aquaculture in Turkey. For the year 2007 is expected turnover of € 4.5 mil. and profits before taxes of € 0.8 mil.

By virtue of the till now dynamic activity of the companies of the Group, the investment plans that are in progress, the collaborators in the field of development of the productive potentiality and after taking into consideration the market prospects, we are optimistic that also the year will be an extremely satisfactory year from the point of view of sales and results.

In the year 2007, it is expected for ALPINO and A-SEA , subsidiaries companies of the NIREUS, to absorbed following the reengineering plan of the Group

Athens, 09 March 2007

The Chairman of the Board of Directors
and Managing Director
of the Parent Company
of the Group NIREUS AE

Aristides St. Belles

It is certified that the present Report of the Board of Directors to the Annual General Meeting of Shareholders, which comprises of four (4) pages, is what is referred to, in the Auditors' Report issued and submitted by us on 09 March 2007

Athens, 09 March 2007

SOEL Reg. Number 125

STYLIANOS M. XENAKIS
Certified Public Accountant Auditor
SOEL Reg. No. 11541
SOL S.A. - Certified Public Accountants Auditors