



DELTA HOLDING S.A.

INTERIM FINANCIAL STATEMENTS FOR THE PERIOD
ENDED MARCH 31, 2006
IN ACCORDANCE WITH INTERNATIONAL FINANCIAL
REPORTING STANDARDS (IFRS)

DELTA HOLDING S.A.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
AS OF MARCH 31, 2006
(All amounts in thousands of Euro, unless otherwise stated)

INDEX TO FINANCIAL STATEMENTS

	<u>Page</u>
Income Statement for the period ended March 31, 2006	2
Consolidated Income Statement for the period ended March 31, 2006	3
Balance Sheet as of March 31, 2006	4
Consolidated Statement of Changes in Equity for the period ended March 31, 2006	5
Statement of Changes in Equity for the period ended March 31, 2006	6
Cash Flow Statement for the period ended March 31, 2006	7
Notes to the Financial Statements	10-20
Appendix I– Subsidiaries of Delta Holding S.A. and tax unaudited years by entity	I-1

DELTA HOLDING S.A.

DELTA HOLDING S.A.

**STATEMENT OF INCOME
FOR THE PERIOD ENDED MARCH 31, 2006
(All amounts in thousands of Euro, except per share data)**

	<u>Company</u>	
	<u>1/1-31/03 2006</u>	<u>1/1-31/03 2005</u>
REVENUES:		
Net sales	4.510	4.105
Cost of sales	(1.962)	(2.471)
Gross profit	<u>2.548</u>	<u>1.634</u>
Selling, general and administrative expenses	(1.699)	(1.638)
Other income/(expenses)	54	-
Financial income	25.141	4.705
Financial expenses	(15.029)	(10.227)
PROFIT BEFORE INCOME TAXES	<u>11.015</u>	<u>(5.526)</u>
Income taxes	(3.501)	1.142
NET PROFIT	<u><u>7.514</u></u>	<u><u>(4.384)</u></u>
Earnings per share (in Euro)		
Basic	0,18	-
Diluted	-	-
Weighted average number of shares, basic and diluted		
Basic	41.959.477	40.598.268
Diluted	-	45.304.692

The accompanying notes and appendix are an integral part of these financial statements

DELTA HOLDING S.A AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF INCOME
FOR THE PERIOD ENDED MARCH 31,2006

(All amounts in thousands of Euro, except per share data)



	1/1-31/03/2006			1/1-31/03/2005		
	Continuing Operations	Discontinued Operations (contribution to the group)	Total	Continuing Operations	Discontinued Operations (contribution to the group)	Total
REVENUES						
Net sales	138.082	11.598	149.680	133.251	12.829	146.080
Cost of sales	(79.451)	(7.958)	(87.409)	(78.848)	(7.791)	(86.639)
Gross Profit	58.631	3.640	62.271	54.403	5.038	59.441
Selling, general and administrative expenses	(41.599)	(8.935)	(50.534)	(40.866)	(5.004)	(45.870)
Other income/(expenses)	2.022	(460)	1.562	6.756	159	6.915
Financial income	24.822	(367)	24.455	3.655	1.522	5.177
Financial expenses	(15.006)	(564)	(15.570)	(9.740)	(3.429)	(13.169)
Share of profit/(losses) of associates valued with equity method	(27)		(27)	18		18
PROFIT BEFORE INCOME TAXES	28.843	(6.686)	22.157	14.226	(1.714)	12.512
Income taxes	(9.377)	1.644	(7.733)	(4.478)	78	(4.400)
NET PROFIT	19.466	(5.042)	14.424	9.748	(1.636)	8.112
Attributable to:						
Equity holders of the parent	18.410		13.740	5.261		3.653
Minority interests	1.056		684	4.487		4.459
	19.466		14.424	9.748		8.112
Earnings per share (in Euro)						
Basic	0,44		0,33	0,34		0,12
Diluted	-		-	0,24		-
Weighted average number of shares, basic and diluted						
Basic	41.959.477		41.959.477	33.496.828		33.496.828
Diluted	-		-	38.203.252		38.203.252

The accompanying notes and appendix are an integral part of these financial statements

**BALANCE SHEET
FOR THE YEAR ENDED MARCH 31, 2006**


(All amounts in thousands of Euro, unless otherwise stated)

	Group		Company	
	March 31, 2006	December 31, 2005	March 31, 2006	December 31, 2005
ASSETS				
Non-Current Assets:				
Property, plant and equipment	361.809	364.894	6.042	6.227
Goodwill	151.317	151.317	-	-
Intangible assets	195	215	1	1
Investments in subsidiaries	-	-	362.340	361.765
Investments in associates	170	198	-	-
Other investments	-	-	-	-
Investments available for sale	10.840	10.546	10.139	9.827
Bond loans	-	-	168.000	166.500
Derivatives	126	-	-	-
Other long term assets	1.598	1.652	112	112
Deferred income taxes	12.827	8.370	5.450	6.986
Total non-current assets	538.882	537.192	552.083	551.418
Current Assets:				
Inventories	55.898	43.797	-	-
Trade accounts receivable	113.712	107.398	6.690	6.709
Prepayments and other receivables	25.651	32.491	3.445	4.670
Securities	-	-	-	-
Financial assets at fair value through profit and loss	5.361	4.827	5.189	4.599
Cash and cash equivalents	89.544	99.762	12724	18644
Total current assets	290.166	288.275	28.048	34.622
Assets of disposal group classified as held for sale	231.256	207.225	128.410	128.410
TOTAL ASSETS	1.060.304	1.032.692	708.541	714.450
EQUITY AND LIABILITIES				
Equity attributable to equity holders of parent				
Share capital	130.901	120.417	130.901	120.417
Paid-in surplus	102.789	93.214	102.789	93.214
Treasury shares	-	-	-	-
Accumulated deficit	(27.628)	(41.125)	(54.239)	(61.754)
Foreign exchange differences	(2.139)	(1.854)	-	-
Legal, tax free and special reserves	84.134	83.979	70.683	70.683
Other reserves	3.056	3.056	1.300	1.300
	291.113	257.687	251.434	223.860
Minority interests	62.180	61.450	-	-
Total Equity	353.293	319.137	251.434	223.860
Non-Current Liabilities:				
Long-term borrowings at amortised cost	207.816	205.081	426.470	244.000
Long-term borrowings at fair value through profit and loss	182.470	190.655	-	190.655
Grants	9.643	9.877	-	-
Deferred income taxes	45.395	38.053	-	-
Reserve for staff retirement indemnities	10.553	10.235	1.058	1.014
Derivative financial instruments	15.953	16.484	15.953	16.580
Other long-term liabilities	4.322	4.839	-	-
Total non-current liabilities	476.152	475.224	443.481	452.249
Current Liabilities:				
Trade accounts payable	84.796	95.066	1.267	2.702
Short-term borrowings	11.838	16.457	-	23
Current portion of long-term debt	4.999	20.556	-	20.357
Income taxes payable	23.497	15.883	1.155	-
Accrued and other current liabilities	22.005	33.148	11.204	15.259
Total current liabilities	147.135	181.110	13.627	38.341
Liabilities directly associated with the assets classified as held for sale	179.724	153.221	-	-
Intragroup loans to operations classified as held for sale	(96.000)	(96.000)	-	-
TOTAL LIABILITIES AND EQUITY	1.060.304	1.032.692	708.541	714.450

The accompanying notes and appendix are an integral part of these financial statements

DELTA HOLDING S.A AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED IN MARCH 31, 2006



(All amounts in thousand of Euro, unless otherwise stated)

	Group							Total	Minority interests	Total equity
	Attributable to equity holders of the parent									
	Share capital	Paid-in surplus	Legal, tax free and special reserves	Other reserves	Fair value reserve	Exchange Differences	Accumulated deficit			
Balance, January 1, 2006	<u>120.417</u>	<u>93.214</u>	<u>83.633</u>	<u>3.056</u>	<u>346</u>	<u>(1.854)</u>	<u>(41.124)</u>	<u>257.688</u>	<u>61.450</u>	<u>319.138</u>
Profit for the period	-	-	-	-	-	-	13.740	13.740	684	14.424
Share Capital Increase from settlement of convertible bond	10.484	9.575	-	-	-	-	-	20.059	-	20.059
Movement of legal reserves	-	-	155	-	-	-	(155)	-	-	-
Exchange differences	-	-	-	-	-	(285)	-	(285)	-	(285)
Other	-	-	-	-	-	-	(89)	(89)	46	(43)
Balance March 31, 2006	<u>130.901</u>	<u>102.789</u>	<u>83.788</u>	<u>3.056</u>	<u>346</u>	<u>(2.139)</u>	<u>(27.628)</u>	<u>291.113</u>	<u>62.180</u>	<u>353.293</u>

The accompanying notes and appendix are an integral part of these financial statements

DELTA HOLDING S.A

STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED IN MARCH 31, 2006



(All amounts in thousand of Euro, unless otherwise stated)

	Company						
	Share capital	Paid-in surplus	Legal, tax free and special reserves	Other reserves	Fair value reserve	Accumulated deficit	Total equity
Reformatted Balance , January 1, 2006	120.417	93.214	70.221	1.300	462	(61.753)	223.861
Share Capital Increase from settlement of convertible bond	10.484	9,575	-	-	-	-	20.059
Profit for the period	-	-	-	-	-	7.514	7.514
Balance, March 31,2006	130.901	102.789	70.221	1.300	462	(54.239)	251.434

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DELTA HOLDING S.A AND SUBSIDIARIES

CASH FLOW STATEMENT

FOR THE PERIOD ENDED MARCH 31, 2006

(All amounts in thousands of Euro, unless otherwise stated)



	Group		Company	
	1/1-/31/3/2006	1/1-31/3/2005	1/1-/31/3/2006	1/1-31/3/2005
Cash flows from operating activities				
Profit before income taxes	22.157	12.512	11.014	(5.526)
Adjustments to reconcile to net cash provided by operating				
Depreciation and amortisation	9.191	7.306	271	222
Provisions	938	(627)	44	(226)
Interest and other related income	(3.457)	(3.502)	(5.058)	(3.344)
Interest and other related expenses	5.910	6.112	5.551	4.169
Gain from valuation and disposal of investments, financial assets and derivatives	(9.565)	6.025	(9.800)	4.697
Gain/ (loss) on disposal of property, plant and equipment	4	(90)	(3)	-
Losses on equity investees	27	(18)	-	-
Amortization of government grants	(280)	(294)	-	-
Profit before working capital changes	24.924	27.424	2.019	(8)
(Increase)/Decrease in:				
Inventories	(20.721)	(23.317)	-	-
Receivables	(16.989)	(56.150)	942	(24)
(Increase)/Decrease in:				
Liabilities (except bank)	(3.926)	4.910	(2.539)	(2.623)
Income taxes paid	(179)	(1.286)	-	155
Interest paid	(15.366)	(5.832)	(14.914)	(4.367)
Cash Flows from Operating Activities:	(32.257)	(54.251)	(14.492)	(6.867)
Cash Flows from Investing Activities:				
Capital expenditure for property, plant and equipment	(6.565)	(9.155)	(88)	(20)
Proceeds from disposal of property, plant and equipment	146	1.104	5	-
Interest and other related income received	9.850	3.502	10.375	3.344
Acquisition of investments available for sale	(1.157)	(4.830)	(1.697)	(2.735)
Cash Flows for Investing Activities:	2.274	(9.379)	8.595	589
Cash Flows from Financing Activities:				
Net change in short-term borrowings	14.994	38.862	(23)	6.072
Net change of long term borrowings	4.217	198	-	-
Increase/Decrease of long-term liabilities from leasing	(479)	-	-	-
Increase/Decrease in sort-term liabilities from leasing	(46)	-	-	-
Grants receipts	-	2.160	-	-
Net Cash used in Financing Activities	18.686	41.220	(23)	6.072
Effect of exchange rates changes on cash	(41)	(826)	-	-
Net Increase/Decrease of cash and cash equivalents	(11.297)	(22.410)	(5.920)	(206)
Cash and cash equivalents at beginning of year	101.840	78.787	18.644	642
Cash and cash equivalents of discontinued operations	(959)	(766)	-	-
Cash and cash equivalents at end of period	89.543	54.785	12.724	436

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DELTA HOLDING S.A.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
AS OF MARCH 31, 2006

(All amounts in thousands of Euro, unless otherwise stated)

1. CORPORATE INFORMATION:

Delta Holding S.A. (the parent) is a corporation formed under the laws of the Hellenic Republic whose shares are publicly traded on the Athens Stock Exchange. References to the "Group" or "Delta" include, unless the contents indicate otherwise, Delta Holding S.A. and its consolidated subsidiaries. Delta was founded in 1952 by Mr. Aristides Daskalopoulos as a family-run business producing yoghurt and distributing milk. Over more than 50 years, Delta has grown to one of the largest manufacturing groups in Greece. Its main lines of business are (i) the production and distribution of dairy products, such as milk and related products, ice cream, yogurt and fruit juices, (ii) quick service restaurants and café bars and, (iii) the production and distribution of general frozen foods such as vegetables, ready made recipes/meals and pastries. As further described in Note 5, in late 2005 the Group concluded a binding agreement with the Nestle Group for the sale of the Delta Ice Cream subgroup.

The Company's registered office is in Athens at 59 Panepistimiou Street, 105 64, while its headquarters are in Athens at 10 Ziridi Street, 151 23 Marousi. The life of Delta Holding S.A., according to its Articles of Association, is eighty (80) years as of December 31, 1968, with a possible extension permitted following a decision of the General Meeting of its Shareholders.

As at March 31, 2006 and 2005, the Company's average number of employees was approximately 5,591 and 5,333, respectively.

A full list of the consolidated subsidiaries together with their related unaudited years by tax authorities is provided in Appendix I.

The accompanying interim separate and consolidated financial statements concern the three-month period from January 1 2006 to March 31, 2006 and have been prepared in accordance with International Financial Reporting Standards (IFRS) as they have been adopted by European Union and specifically in accordance with the provisions of IAS 34 "Interim Financial Statements".

2. BASIS OF PRESENTATION:

The interim consolidated financial statements of the first quarter 2006 have been prepared under the same accounting principles and measurement basis followed at the preparation and presentation of consolidated and stand-alone Financial Statements for the year ended at December 31, 2005.

Certain line items of the previous period's financial statements were reclassified in order to conform to the current year's presentation.

The accompanying interim financial statements should be read in conjunction with the annual Financial Statements for the year ended at December 31, 2005 which have been published at the Company's web site and include full analysis of the accounting principles, methods and assessments that have been implemented together with the analysis of the most significant captions of the financial statements .

DELTA HOLDING S.A.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
AS OF MARCH 31, 2006
(All amounts in thousands of Euro, unless otherwise stated)

3. NEWLY ISSUED STANDARDS, INTERPRETATIONS AND AMENDMENTS OF EXISTING STANDARDS

The International Accounting Standards Board, as well as the IFRIC, have already issued a number of new accounting standards and interpretations or have amended valid standards, whose application is mandatory for the accounting periods beginning at January 1, 2006 onwards (unless otherwise mentioned below). The Group's and company's management's assessment regarding the effect of these new standards and interpretations is as follows:

IAS 19 (amendment) Employee benefits (valid since January 1, 2006): This amendment provides entities the choice of an alternative method for actuarial gain or loss recognition. It is probable that this amendment will set new recognition criteria for cases where multi-employer retirement plans exist, for which no sufficient information, in order to apply fixed grants accounting. In addition new disclosures are added. This amendment is not applicable for the group.

IAS 39 (amendment) Cash flow hedges accounting for anticipated group transactions (valid since January 1, 2006): This specific amendment allows the exchange difference risk due to a highly probable anticipated group transaction, to be recognized as a hedging item in the consolidated financial statements, under the condition that (a) this transaction is performed in a currency different from the one used by the company, involved in the transaction and (b) the exchange difference risk will influence the consolidated income statement. This amendment is not expected to have effect in the group's financial statements under the condition that the structure of the relevant transactions will remain as they are.

IAS 39 (amendment) fair value measurement considerations (valid since January 1, 2006): This amendment alters the definition of the financial instruments at fair value through profit or loss and limits the ability to classify financial instruments in this category. The group considers that this specific amendment will not materially affect its financial instruments classification, as the group has not classified other financial instruments at fair value through profit or loss, except these held for trading. The group and the company will apply this amendment since January 1, 2006

IAS 39 and IFRS 4 (amendment) Financial guarantee contracts (valid since January 1, 2006): This amendment requires that financial guarantee contracts issued, except the ones that proved by the company to be insurance contracts, to be initially recognized at fair value and later to be valued at the greater value between (a) the balance of relevant fees that have been received and postponed and (b) the expense required to regulate the commitment at the Balance Sheet date. The management has come to the conclusion, that this amendment is not applicable for the group and the company.

IFRS 1 (amendment) First time adoption of International Financial Reporting Standards and IFRS 6 Exploration for and Evaluation of mineral resources (valid since January 1, 2006): These amendments are not relevant with the group's operations.

DELTA HOLDING S.A.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
AS OF MARCH 31, 2006

(All amounts in thousands of Euro, unless otherwise stated)



IFRS 6 Explorations and Evaluation of mineral reserves (valid since January 1, 2006) : Not applicable for the Group and will not affect the financial statements.

IFRS 7 Financial Instruments: Disclosures and supplementary adjustment in IAS 1 Presentation of Financial Statements (valid since January 1, 2007): IFRS 7 introduces added disclosures in order to improve the incoming information relating to the financial instruments. It requires the disclosure of quality and quantity information regarding the risk exposure due to financial instruments. More specifically it defines minimum required disclosures relating to credit risk, cash flow risk as well as market risk (imposes the sensitivity analysis concerning the market risk). IFRS 7 replaces the IAS 30 (Disclosures in the Financial Statements of banks and similar Financial Institutions) and the disclosure requirements of IAS 32, (Financial Instruments: disclosure and presentation) It is applicable in all entities that prepare financial statements according to IFRS. The adjustment to IAS 1 introduces disclosures relating the amount of entities' capital as well as its management. The group and the company has assessed the effect of IFRS 7 and the adjustment of IAS 1 and came to the conclusion that the additional disclosure required by their application is the sensitivity analysis regarding the market risk and the capital disclosures. The group will apply IFRS 7 and the amendment of IAS 1 from January 1, 2007

IFRIC 3, Emission Rights: This interpretation was not adopted by the E.U. and was later withdrawn by the International Accounting Standards Board. It does not apply to the Group and will not affect the financial statements.

IFRIC 4, Determining whether an arrangement contains a lease (valid since January 1, 2006): IFRIC 4 requires to be determined, whether a business agreement is or includes a lease or not. More specifically it requires an assessment of the following data (a) whether the fulfilment of the agreement depends on the use of specific fixed asset(s) and (b) whether the agreement gives the lessee only the right to use the asset. The application of the Interpretation 4 is not expected to alter the accounting treatment of any of the Group's contracts in force.

IFRIC 5: Right to Interest arising from Decommisioning, Restoration and Enviornmental Rehabilitation Funds (valid since January 1, 2006): IFRIC 5 is not applicable for the Group and the company.

IFRIC 6: Liabilities arising from participating in a specific market – waste electrical and electronic equipment (valid since January 1, 2005): IFRIC 6 is not applicable for the Group and the company.

IFRIC 7: Applying the restatement approach under IAS 29 financial reporting hyperinflationary economies (valid since March 1, 2006): IFRIC 7 is not applicable for the Group and the company.

IFRIC 8: Scope of IFRS 2 (valid since May 1, 2006): Is not applicable for the Group and will not affect the financial statements.

IFRIC 9: Remeasurment of embedded derivatives (valid since June 1, 2006): Is not applicable for the Group and will not affect the financial statements.

DELTA HOLDING S.A.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
AS OF MARCH 31, 2006
 (All amounts in thousands of Euro, unless otherwise stated)

4. SEGMENT INFORMATION:

Segment Information

March 31, 2006					Continuing Operations	Discontinued Operations	Consolidated
	Food	Restaurants and café bars	Services	Eliminations			
Segment revenues							
Segment revenues	134,453	18,658	4,510	(19,539)	138,082	11,598	149,680
Profit before tax	15,969	1,460	11,595	(181)	28,843	(6,686)	22,157

March 31, 2005					Continuing Operations	Discontinued Operations	Consolidated
	Food	Restaurants and café bars	Services	Eliminations			
Segment revenues							
Segment revenues	13,438	16,643	4,106	(18,936)	13,251	12,829	146,080
Profit before tax	18,322	1,678	(5,529)	(245)	14,226	(1,714)	12,512

The following tables present revenues and profit before taxes information regarding the Group's geographical segments for the periods ended March 31, 2006 and March 31, 2005.

March 31, 2006	Greece	Foreign activities	Eliminations	Continuing operations	Discontinued operations	Consolidated
	Revenues					
Segment revenues	148,646	8,975	(19,539)	138,082	11,598	149,680
Profit before tax	29,597	(574)	(180)	28,843	(6,686)	22,157

March 31, 2005	Greece	Foreign Activities	Eliminations	Continuing operations	Discontinued operations	Consolidated
	Revenues					
Segment Revenues	143,274	8,912	152,186	14,977	(17,483)	149,680
Profit before tax	14,456	(15)	14,441	(1,714)	(215)	12,512

DELTA HOLDING S.A.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
AS OF MARCH 31, 2006
 (All amounts in thousands of Euro, unless otherwise stated)

5. DISCONTINUED OPERATIONS:

In late 2005, the Group reached a binding agreement with NESTLE Group for the sale of Delta Ice Cream SA and its subsidiaries (Delta Ice Cream subgroup). The criteria set forth in IFRS 5 in connection with the classification and measurement of Delta Ice Cream subgroup as disposal group of the subgroup Delta Ice Cream held for sale were satisfied within the last days of December 2005. Consequently, the assets and liabilities of Delta Ice Cream subgroup as of December 31, 2005 and March 31, 2006 as well as its income statement for the 1st quarter of 2006 and 2005 were classified (reclassified) in accordance with the provisions of IFRS 5, while the assets and liabilities of the subgroup at the day of reclassification were also measured in accordance with the provisions of IFRS 5. No impairment loss resulted from the above measurement. The consideration price agreed between the two parties was determined as a multiple of earnings before interest, income taxes, depreciation and amortization (EBITDA) for the rolling twelve month period from October 1, 2004 to September 30, 2005, less the net debt of the subgroup as of September 30, 2005 plus or minus the net change in the working capital through to the date of the completion of the transaction.

Delta Ice Cream's Statements of income for the periods March 31, 2005 and 2006 are separately presented in the consolidated Statement of Income under the title "DISCONTINUED OPERATIONS" while summarized information of the sub group's assets and liabilities as at March 31, 2006 are as follows:

ASSETS	March 31, 2006	December 31, 2005
Non - Current Assets		
Property, plant and equipment	117,906	117,775
Goodwill	50,783	50,783
Other non current assets	4,162	682
Total Non Current Assets	172,851	169,240
Current Assets		
Inventories	21,631	13,401
Trade accounts receivable	27,602	17,477
Other current receivables	7,998	4,864
Financial assets at fair value through profit and loss	215	164
Cash	959	2,079
Total Current Assets	58,405	37,985
TOTAL ASSETS	231,256	207,225
LIABILITIES		
Non - Current liabilities		
Long term loans and borrowings	98,754	98,754
Less: Intragroup loans to discontinued operations	(96,000)	(96,000)
Grants	789	835
Deferred tax liabilities	8,892	6,490
Other long- term liabilities	2,525	3,132
Total non-current liabilities	14,960	13,211

DELTA HOLDING S.A.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
AS OF MARCH 31, 2006
 (All amounts in thousands of Euro, unless otherwise stated)

Current Liabilities		
Trade accounts payable	18,150	12,982
Short - term borrowings	41,640	22,027
Current portion of loans and borrowings	1,373	1,341
Other current liabilities	10,356	7,659
Total current liabilities	71,519	44,009
TOTAL LIABILITIES	86,479	57,220

The investment cost of subsidiary Delta Ice cream amounting to €128,410 was presented as disposal group held for sale in the parent's separate financial statements.

6. PROPERTY, PLANT AND EQUIPMENT

The property, plant and equipment movement for the period ended March 31, 2006 is analyzed as follows:

	<u>Group</u>	<u>Company</u>
COST		
At January 1, 2006	613,799	11,231
PP&E of discontinued operations	(153,846)	-
January 1, 2006	459,953	11,231
Additions	6,534	88
Transfers from CIP	111	-
Disposals	(539)	(12)
Other transfers	(304)	-
PP&E of discontinued operations	(3,415)	-
Translation adjustments	132	-
March 31, 2006	462,537	11,307
ACCUMULATED DEPRECIATION		
January 1, 2006	(131,444)	(5,004)
PP&E of discontinued operations	36,320	-
January 1, 2006	(95,124)	-
Depreciation expense	(9,143)	(271)
Disposals	392	10
Other transfers	205	-
PP&E of discontinued operations	3,036	-
Translation adjust,	(94)	-
March 31, 2006	(100,728)	(5,264)
NET BOOK VALUE		
March 31, 2006	361,809	6,042

DELTA HOLDING S.A.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
AS OF MARCH 31, 2006
 (All amounts in thousands of Euro, unless otherwise stated)

7. RELATED PARTY DISCLOSURES:

i) Transactions with related parties:

The consolidated financial statements include the financial statements of Delta Holding S.A. and its subsidiaries listed in Appendix I. The Company has also investments in associates. In relation to Delta Holding S.A, there is no ultimate parent in the form of a legal entity, as the majority of the share capital (40,7% of common shares as of March 31, 2006) is owned by Mr. Dimitris Daskalopoulos and there are no other senior shareholders who hold a significant part of Delta Holding S.A.'s share capital.

Delta purchases goods and services from and makes sales of goods to certain related companies in the ordinary course of business. Such related companies consist of associates or companies, which have common ownership and/or management with Delta.

Account balances with associates are as follows:

Group

	March 31, 2006	December 31, 2005
Due from:		
Arma Investments S.A.	32	39
VALTOP Holdings S.A. (Dodoni group of companies)	94	28
Nea Makri Restaurants S.A.	33	28
Café Halcyon S.A.	24	23
Aristotelous 27 Restaurants Patisseries S.A.	13	23
Desmos Developments S.A.	15	20
Marina Zeas	68	105
	279	266

Company

Due from subsidiaries	March 31, 2006	December 31, 2005
Trade receivables:		
Goody's S.A	17	23
Delta Dairy S.A	5,266	3,808
General Frozen Foods S.A.	68	248
Delta Ice Cream S.A.	1,116	2,527
Hellenic Catering S.A.	190	192
S. Nendos S.A.	1	1
Vigla S.A.	20	10
	6,678	6,809

Receivables from loans:

Delta Dairy S.A.	(a)	50,000	50,000
General Frozen Foods S.A.	(a)	19,000	19,000



DELTA HOLDING S.A.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
AS OF MARCH 31, 2006

(All amounts in thousands of Euro, unless otherwise stated)

Delta Ice Cream S.A.	(a)	73,000	73,000
Vigla S.A.	(a)	3,000	1,500
Delta International Holding Ltd.	(a)	23,000	23,000
		168,000	166,500
Other Receivables		1,040	-
Total receivables from subsidiaries		175,718	173,309
Liabilities		March 31, 2006	December 31, 2005
Commercial liabilities:			
Delta Dairy S.A.		-	235
		-	235
Liabilities from loans:			
Delta Food Participations Ltd	(b)	44.000	44.000
Other liabilities		329	-
Total liabilities from subsidiaries		44,329	44,235

- (a) The Company issued Bond loan in € and US \$ of seven and ten years, bearing fixed and floating interest rate coupon. Proceeds from the above loan amounting to €168 million were used for the financing of subsidiaries and the repayment of their borrowings. These Bond loans floating bear interest rate at Euribor +1.3 -1.5% mature and in 2-7 years.
- (b) Relates to bond by Delta Holding on July 22, 2005 and purchased by its subsidiary. The loan that which is payable at maturity on July 22, 2012 bears interest rate Euribor +1.30%, payable semi-annually.

Transactions with associates for the year ended March 31, 2006 and 2005 are analyzed as follows:

Group

	Sales to related parties	
	March 31, 2006	March 31, 2005
Inventories, materials and supplies:		
Volos Restaurants S.A.	-	129
Arma Investments S.A.	87	89
Akti Dymeon S.A.	-	74
Nea Makri Restaurants S.A.	42	4
Desmos Developments S.A.	19	14
Thisio Café S.A.	-	1
Café Halcyon S.A.	18	1
Marina Zeas	23	-
Aristotelous 27 Restaurants Patisseries S.A.	8	6
Total	197	318

Sales to related parties



DELTA HOLDING S.A.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
AS OF MARCH 31, 2006

(All amounts in thousands of Euro, unless otherwise stated)

	<u>March 31, 2006</u>	<u>March 31, 2005</u>
Commercial Services:		
Volos Restaurants S.A.	-	29
Akti Dymeon S.A.	-	19
Arma Investments S.A.	20	21
Desmos Developments S.A.	17	17
Nea Makri Restaurants S.A.	11	11
Café Halcyon S.A.	13	13
Thisio Café S.A.	-	10
Marina Zeas	23	-
Aristotelous 27 Restaurants Patisseries S.A.	7	7
Total	<u>91</u>	<u>127</u>

Company

	<u>Charges to subsidiaries</u>	
	<u>1/1 -31/03/2006</u>	<u>1/1 -31/03/2005</u>
Services:		
Goody's S.A	42	34
Delta Dairy S.A	2.623	2.510
General Frozen Foods S.A.	171	88
Delta Ice Cream S.A.	1.521	1.324
Hellenic Catering S.A.	156	150
Vigla S.A.	8	-
	<u>4,521</u>	<u>4,106</u>
Interest charges:		
Delta Dairy S.A.	475	-
General Frozen Foods S.A.	175	-
Delta Ice Cream S.A.	694	-
Vigla S.A.	28	-
Delta International Holding	230	-
	<u>1,602</u>	<u>-</u>
Total charges to related parties	<u>6,123</u>	<u>4,106</u>

DELTA HOLDING S.A.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
AS OF MARCH 31, 2006
 (All amounts in thousands of Euro, unless otherwise stated)

	Charges from subsidiaries	
	<u>1/1 -31/03/2006</u>	<u>1/1 -31/03/2005</u>
Services:		
Delta Ice Cream S.A.	-	9
Delta Dairy S.A.	-	171
Interest charges:		
Delta Food Participations Ltd.	421	-
Total liabilities	<u>421</u>	<u>180</u>

Sales and services rendered to related parties are made at normal market prices. Outstanding balances at year-end are unsecured and settlement occurs in cash. No related guarantees have been provided or received for the above receivables. For the period ended March 31, 2006 and 2005, the Company has not raised any provision for doubtful debts relating to amounts owed by related parties.

Compensation of key management personnel of the Company for the periods ended March 31, 2006, and 2005, has as follows:

	<u>1/1 -31/03/2006</u>	<u>1/1 -31/03/2005</u>
Short-term employee benefits	620	551
Social security contributions	14	14
Total compensation paid to key management personnel	<u>634</u>	<u>565</u>

8. SHARE CAPITAL:

At December 31, 2005, the Company's share capital amounted to € 120,417 and comprised 40,958,268 registered shares of €2.94 par value each.

At March 31, 2006, the Company's share capital amounted to € 130,901 (after the growth mentioned below) and comprised 44,524,314 registered shares of €2.94 par value each. Until April 27, 2005, the share capital of the Company consisted of 29,096,509 common shares and 11,501,759 non-voting preference shares.

The non-voting preference shareholders had the following rights:

- (i) To first receive the minimum dividend distribution and then participate equally in any additional dividend distribution,
- (ii) In case that no dividends are distributed or, the distribution is less than the minimum dividend for on or more fiscal years, then the cumulative shortfall will be covered from future years profits and,
- (iii) To first receive their paid-in capital in case the Company is dissolved and then equally participate in any additional distributions in excess of the Company's total paid-in capital

DELTA HOLDING S.A.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
AS OF MARCH 31, 2006

(All amounts in thousands of Euro, unless otherwise stated)

On April 27, 2005, at an extraordinary shareholders' meeting with the participation of preference shareholders, the preference shareholders waived their rights and agreed for the conversion of the preference shares into common registered voting shares. Also, at the same extraordinary shareholders' meeting the shareholders approved the conversion of the preference shares to common shares and approved to convert all shares from bearer to registered shares.

In November 2005 the bond holders of a part (60,000 titles) of the Company's convertible bond, used the right of converting their bond into shares. Consequently, following the decision of the Company's Board of Directors on December 19, 2005, the Company's Share Capital was increased by €1,058 with the issuance of 360,000 shares of nominal value of €2.94 (full amount) each. The carrying value of the bonds the transition date was recognized in share capital according to IFRS 32. The difference between the nominal value of the shares and the carrying value of the bonds amounted to €1,762 was recognized in share premium.

Finally, on January 20, 2006 the remaining bond holders of the convertible bond (594,341 titles) decided the conversion of their bonds to shares of the Company. Consequently, following a decision of the Company's Board of Directors on January 27, 2006, the Company's share capital was increased by €10,484 with the issuance of 3,566,046 common registered shares of a nominal value €2.94 (full amount) each. The difference between the nominal value of shares and the carrying value of the bonds amounted to €9,575 was recognized in the share premium.

9. CONTINGENCIES AND COMMITMENTS:

(a) Litigation and claims:

The Company and its subsidiaries are parties to various lawsuits (as a defendant or as a plaintiff) and arbitration proceedings in the normal course of business. Management and the Company's legal advisors estimate that all of the lawsuits are expected to be settled without any material adverse effect on the Group's or the Company's financial position or results of operations.

(b) Commitments:

(i) Guarantees:

The Group has the following contingent liabilities at March 31, 2006:

- It has issued letters of guarantee for good performance for a total amount of €1,144.
- It has provided guarantees for repayment of bank overdrafts and commercial liabilities of various subsidiaries and associates aggregating to €3,345.
- It has provided guarantees for good performance of subsidized investment programs aggregating to €963.
- It has provided guarantees for its participation in various competitions aggregating to €135.

(ii) Operating Lease Commitments:

As of March 31, 2006, the Group has entered into a number of operating lease agreements relating to the rental of buildings and transportation equipment which expire on various dates through 2025.

DELTA HOLDING S.A.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
AS OF MARCH 31, 2006
 (All amounts in thousands of Euro, unless otherwise stated)

Future minimum rentals payable under non-cancelable operating leases as at March 31, 2006, are as follows:

	<u>Group</u>	<u>Company</u>
Within one year	7,408	699
2-5 years	26,488	1.834
After 5 years	31,694	-
Total	<u>65,590</u>	<u>2,533</u>

10. SUBSEQUENT EVENTS

(a) Merger through absorption of Chipita International S.A. by Delta Holding S.A

On December 19, 2005 the Board of Directors of Delta Holding S.A. (acquirer) announced its decision to merge by absorption Chipita International S.A. (acquiree) according to the provisions of L. 2166/1993. December 31, 2005 was determined to be the date on which the merged entities will prepare the conversion balance sheets. According to the merger agreement concluded the existing shareholders of Chipita will exchange 1 share of Chipita with 0.33 shares Of Delta Holdings, which will be issued upon the share capital increase of the acquirer. Confirmation of the true and fair of the share exchange ratio was assigned to international firms, after considering the result of the legal and financial due diligence reviews performed. The merger is estimated to have been completed by July 2006. Through to completion of above merger, and the legal merger of the direct subsidiaries of Delta Holding (discussed under (b) below), the Group will operate under the transitional name "Brandco". The merger will create a strong group of companies that enumerates almost 100 subsidiaries worldwide with consolidated turnover of approximately €1 billion.

The above merger, according to the provisions of L.2166/93 will be reflected in the tax books of the company through horizontal summation of line items of the balance sheets of the acquirer and the acquiree at the conversion date (pooling of interest method as at December 31, 2005).

In accordance with IFRS, above merger falls within the scope of IFRS 3 "Business Combinations" and accordingly purchase accounting has to be applied, which mean that the acquirer will proceed to a purchase price allocation, after identifying the intangible assets acquired and determining the fair value of the assets, liabilities reflected in the consolidated balance sheet of the acquiree, at the date in which the acquirer will have acquired control. The merger is estimated to have been completed legally and operationally by July 2006.

(b) Merger through absorption of the subsidiaries Goody's S.A., General Frozen Foods S.A. and Delta Dairy S.A.

On December 19, 2005 the Board of Directors of Delta Holding S.A. announced its decision to merge by absorption its subsidiaries Goody's S.A. General Frozen Foods S.A. and Delta Dairy S.A. according to the provision of L 2166/1993. December 31, 2005 was determined to be the date of preparation of the conversion Balance Sheets. The existing shareholders of Goody's will exchange 1 share of their company with 1.05 shares of Delta

DELTA HOLDING S.A.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
AS OF MARCH 31, 2006
 (All amounts in thousands of Euro, unless otherwise stated)

Holding and the existing shareholders of General Frozen Foods will exchange 1 share of their company with 0.54 shares of Delta Holding. Delta Dairy is a wholly owned subsidiary of the parent. The mergers are estimated to have been completed by July 2006 while they are not expected to affect the consolidated financial position and consolidated result of operations of the Group.

(c) Acquisition of Nestle plant in Plati Imathias:

The Group announced the conclusion of a non-binding memorandum agreement with Nestle, aiming to the acquisition of the concentrated Vlahas milk. Such operations include the products with the trademark Vlahas, the plant facility of Nestle at Plati Imathias, as well as the milk production license of Nestle in Northern Greece. The indicative consideration price is €2.8 million plus the price of finished goods at the completion date of the transaction.

The brand name Vlahas has a 27% market share of concentrated milk market, which is estimated to total annual sales of approximately €220 million and corresponds to roughly 1/3 of the total domestic dairy market. Total sales of the undertaken operation are estimated to be € 40 million. The transfer is subject to the conclusion of a binding agreement as well as to obtaining the required approvals by the Competition Committee and other competent supervisory authorities and is expected to have been completed by June 2006.

**THE CHAIR MAN
OF THE BOARD**

**THE VICE
PRESIDENT OF
THE BOARD**

**THE GROUP
CHIEF
FINANCIAL
OFFICER**

**THE GROUP CHIEF
ACCOUNTING
OFFICER**

**DIMITRIS
DASKALOPOULOS
I.D.no. M 289326**

**PANAGIOTIS
KANELLOPOULOS
I.D.no. L 342296**

**PANDELI
ECONOMO
PASS. No C 000668**

**NIKOLAOS KAPPAS
I.D.no Ε 425851**

DELTA HOLDING S.A. AND SUBSIDIARIES



APPENDIX I

SUBSIDIARIES OF DELTA HOLDING S.A AND TAX UNAUDITED YEARS PER COMPANY

1. The companies included in the consolidation are the following:

	<u>Equity participation</u>	<u>Country of Incorporation</u>	<u>Unaudited years</u>
(a) Subsidiaries of Delta Holding S.A			
Delta Dairy S.A.	100,00%	Greece	2003-2005
Delta Ice Cream S.A.	96,53%	Greece	2001-2005
General Frozen Foods S.A.	81,71%	Greece	2003-2005
Goody's S.A.	71,05%	Greece	2002-2005
Vigla S.A.	100,00%	Greece	2003-2005
Delta Food Holdings Ltd.	100,00%	Cyprus	-
Delta Food Participation & Investments Ltd.	100,00%	Cyprus	-
(b) Subsidiaries of Delta Dairy S.A.			
Eurofeed Hellas S.A.	100,00%	Greece	2003-2005
Charalambides Dairies Ltd.	54,90%	Cyprus	-
(c) Subsidiaries of Delta Ice Cream S.A.			
Delta Bulgaria S.A.	75,81%	Bulgaria	2004-2005
JSC Delta 6 S.A.	100,00%	FYROM	2001-2005
Delta International Holdings S.A.	100,00%	Luxembourg	-
Delta Romania S.A.	75,70%	Romania	-
Delyug S.A.	99,07%	Serbia	-
Delfor Ltd.	100,00%	Montenegro	-
(d) Subsidiaries of General Frozen Foods S.A.			
Alesis Confectionery S.A.	100,00%	Greece	2004-2005
Agroteam EOD	100,00%	Bulgaria	-
Uncle Stathis EOD	100,00%	Bulgaria	-
Greenfood S.A.	20,00%	Greece	2003-2005

The accompanying notes and appendix are an integral part of these financial statements.

(e) Subsidiaries of GOODY'S SA

Hellenic Catering S.A.	98,15%	Greece	2001-2005
Hellenic Food Service S.A.	87,06%	Greece	2001-2005
S. Nendos S.A.	31,41%	Greece	2000-2005
Balkan Restaurants S.A.	100,00%	Bulgaria	1999-2005
Naflios S.A.	94,70%	Greece	1999-2005
Gefsiplioia S.A.	51,00%	Greece	2003-2005
Paralia Café-Patisseries S.A.	82,59%	Greece	1999-2005
Harilaou Restaurants S.A.	51,00%	Greece	2003-2005
Marousi Restaurants S.A.	60,00%	Greece	2003-2005
Diastathmos Restaurants-Patisseries S.A.	99,25%	Greece	1999-2005
Endeka S.A.	100,00%	Greece	2003-2005
Kavala Restaurants S.A.	51,00%	Greece	2003-2005
Efkarpia Restaurants S.A.	50,13%	Greece	2003-2005
Panorama Restaurants S.A.	51,00%	Greece	2003-2005
Drama Restaurants-Patisseries S.A.	50,05%	Greece	2003-2005
Serres Restaurants-Patisseries S.A.	50,05%	Greece	2003-2005
Megara Restaurants-Patisseries S.A.	59,05%	Greece	2003-2005
Saranda S.A.	95,26%	Greece	2003-2005
Maliakos Restaurants S.A.	51,00%	Greece	2003-2005
Café Espresso S.A.	65,00%	Greece	2003-2005
Vrillisia Café-Patisseries S.A.	50,70%	Greece	2003-2005
Kifisia Café-Patisseries S.A.	50,10%	Greece	2004-2005
Athenian Café-Patisseries S.A.	90,25%	Greece	2003-2005
Exarchia Café-Patisseries S.A.	92,34%	Greece	2003-2005
Volos Coast Restaurants S.A.	50,01%	Greece	2003-2005
Pagrati Technical and Catering Company	100,00%	Greece	2002-2005
Eastern Crete Restaurants-Patisseries S.A.	60,00%	Greece	2004-2005
Veria Café-Patisseries S.A.	70,00%	Greece	2004-2005
Tembi Café-Patisseries S.A.	52,10%	Greece	2004-2005
Greenfood S.A.	58,89%	Greece	2003-2005
Hellenic Food Investments S.A.	50,10%	Greece	2003-2005
Neratziotissa. Restaurants S.A.	60,00%	Greece	New Company
Togias Christos	72,50%	Greece	2003-2005

(f) Subsidiaries of Hellenic Food Investments S.A

Zefxi Restaurants-Patisseries S.A.	50,13%	Greece	2003-2005
Hollywood Restaurants-Patisseries S.A.	46,88%	Greece	2003-2005
Restaurants Sygrou S.A.	70,00%	Greece	2002-2005
Pallini restaurants-Patisseries S.A.	90,00%	Greece	2004-2005

Associates consolidated under the equity consolidation method	Equity participation	Country of Incorporation
Arma Investments S.A.	25,00%	Greece
Nea Makri Restaurants S.A.	30,00%	Greece
Aristotelous 27 Restaurants Patisseries S.A.	48,85%	Greece
Desmos Developments S.A.	30,00%	Greece
Café Halcyon S.A.	35,00%	Greece
VALTOP Holdings S.A. (Dodoni group of companies)	24,21%	Greece
Marina Zeas S.A.	50,00%	Greece

The accompanying notes and appendix are an integral part of these consolidated financial statements.