

C. CARDASSILARIS & SONS "CARDICO"



ΚΩΝ. ΚΑΡΔΑΣΣΙΑΡΗΣ & ΥΙΟΙ ΑΕΒΕ

Interim Financial Statements for the period ended 30 September 2006

It is confirmed that the attached Financial Statements are those approved by the Board of Directors of "CARDICO S.A." on 28/11/2006 and have been published with their posting on the internet, at the web page www.cardico.com It is noted that the published in the press brief financial data, aim at providing general financial information but do not provide a complete depiction of the Company's and Group's economic status and financial results, according to the International Accounting Standards. Also, it is noted that in order to simplify, the published in the press brief financial data include certain compressions and re-classifications of accounts.

Nikolaos C. Cardassilaris
Chairman of the Board of Directors
C. CARDASSILARIS & SONS – "CARDICO"

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KON. KAPAZIAAPHE & VIOLAEBE

INCOME STATEMENTS

		GROUP				COMPANY			
		30/9/2006	1/7 - 30/9/2006	30/9/2005	1/7 - 30/9/2005	30/9/2006	1/7 - 30/9/2006	30/9/2005	1/7 - 30/9/2005
Sales		131.011.301	44.081.212	163.775.301	53.510.357	40.892.632	13.497.403	49.976.045	17.840.548
Cost of goods sold	6.19	(124.243.172)	(39.270.393)	(140.944.548)	(47.989.739)	(36.874.821)	(12.116.561)	(41.320.486)	(15.956.638)
Gross Profit		6.768.128	4.810.819	22.830.752	5.520.619	4.017.811	1.380.842	8.655.560	1.883.909
Other operating income	6.21	2.378.627	151.683	1.310.374	196.180	2.089.944	146.838	650.721	129.010
Administration expenses	6.20	(3.737.224)	(1.272.223)	(4.484.618)	(1.489.494)	(1.270.978)	(393.966)	(1.719.601)	(785.022)
Distribution expenses	6.20	(5.518.020)	(1.788.050)	(4.547.376)	(1.772.592)	(1.842.114)	(527.484)	(2.217.777)	(900.695)
Other operating expenses	6.21	(984.813)	31.662	(570.962)	103.043	(863.050)	39.521	(564.423)	89.580
Results Before Taxes Financing and Investments Results		(1.093.301)	1.933.891	14.538.169	2.557.756	2.131.613	645.751	4.804.479	416.782
Financial Income	6.22	1.331.188	223.167	710.192	157.394	4.111.456	246.277	3.520.205	1.149.008
Financial Expenses	6.22	(2.696.394)	(601.506)	(4.200.615)	(864.575)	(1.868.102)	(236.091)	(2.968.208)	(577.373)
Profit / Loss from affiliated companies		(44.015)	(4.565)	0	0				
Earnings before taxes		(2.502.523)	1.550.987	11.047.746	1.850.575	4.374.968	655.938	5.356.476	988.417
Tax expense	6.23	906.097	(253.274)	(5.401.836)	(682.731)	(588.145)	3.574	(2.478.788)	(321.351)
Earnings after taxes		(1.596.426)	1.297.713	5.645.910	1.167.845	3.786.823	659.512	2.877.689	667.067
Allocated to :									
The parent's shareholders		(1.982.301)	1.241.933	5.465.342	1.087.245				
Minority interest		385.875	55.780	180.568	80.599				
<i>Basic Earnings per share</i>	6.24	(0,09)	0,06	0,26	0,05	0,17	0	0,14	0
Brief results for the period									
Earnings Before Taxes Financing and Investments Results, Depreciations and Amortizations		45.282	2.312.843	15.559.545	2.937.234	2.908.938	905.056	5.514.377	658.551
Earnings Before Taxes Financing and Investments Results		(1.093.301)	1.933.891	14.538.169	2.557.756	2.131.613	645.751	4.804.479	416.782
Earnings before taxes		(2.502.523)	1.550.987	11.047.746	1.850.575	4.374.968	655.938	5.356.476	988.417
Earnings after taxes		(1.596.426)	1.297.713	5.645.910	1.167.845	3.786.823	659.512	2.877.689	667.067



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Balance Sheet

CARDICO S.A - GROUP OF COMPANIES

ASSETS	Note	GROUP		COMPANY	
		30/9/2006	31/12/2005	30/9/2006	31/12/2005
Non – current assets					
Tangible Assets	6.1	47.462.976	46.109.283	40.899.275	39.736.492
Goodwill	6.2	851.434	946.621	241.032	290.982
Investments in Subsidiary Companies	6.3	0	0	54.637.002	54.637.002
Investments in Associate Companies	6.3	1.731.983	5.899.841	1.940.303	6.064.147
Differed tax receivables	6.4	0	96.464	0	0
Other Long – term receivables	6.5	342.260	315.304	50.809	47.669
		50.388.653	53.367.513	97.768.421	100.776.292
Current assets					
Inventories	6.6	25.631.706	24.974.647	10.560.539	7.767.867
Customers and other Trade Receivables	6.7	37.124.298	32.765.476	19.943.234	17.367.175
Financial assets available for sale	6.10	641.620	8.427	641.620	8.427
Subsidiary companies receivables	6.3	291.367	264.787	3.991.367	1.264.787
Other Receivables	6.8	15.119.497	8.793.525	10.718.051	8.039.175
Other Current Assets	6.9	887.401	4.488.307	597.334	4.283.152
Cash and cash equivalents	6.11	4.202.321	3.261.732	2.796.691	1.332.456
		83.898.209	74.556.901	49.248.836	40.063.039
Total Assets		134.286.862	127.924.414	147.017.257	140.839.331
EQUITY & LIABILITIES					
Equity					
Share capital	6.12	6.576.171	6.576.171	6.576.171	6.576.171
Share premium reserves	6.12	887.366	887.366	887.366	887.366
Fair value reserves	6.12	5.893.635	4.970.054	33.630.333	32.706.752
Other reserves	6.12	11.594.334	6.880.494	9.228.468	6.072.929
Retained earnings		(6.426.693)	(1.229.923)	1.232.338	(772.229)
Total assets classified as held for sale		18.524.814	18.084.163	51.554.676	45.470.988
Minority interest		2.235.916	1.904.308		
Exchange differences from conversion of subsidiaries abroad		(56.482)	102.815		
Total equity		20.704.247	20.091.285	51.554.676	45.470.988
Long – term liabilities					
Long – term bank liabilities	6.13	20.717.042	20.399.592	19.128.571	18.939.037
Deferred tax liabilities	6.4	928.949	0	11.920.614	11.017.912
Liabilities for pension plans	6.14	456.046	450.346	169.127	169.127
Other long – term liabilities	6.15	5.116.306	7.557.059	3.896.960	6.337.367
Total long – term liabilities		27.218.343	28.406.998	35.115.271	36.463.443
Short – term liabilities					
Suppliers and related liabilities	6.16	16.904.345	20.798.412	9.827.648	16.274.998
Current tax liabilities	6.17	484.130	1.286.081	293.725	635.105
Short – term bank liabilities	6.13	59.242.861	49.468.177	41.883.442	35.591.980
Long – term liabilities payable in the next period	6.13	8.349.843	5.525.414	8.121.429	5.300.000
Other short – term liabilities	6.18	1.383.094	2.348.046	221.066	1.102.817
Total Short – term Liabilities		86.364.272	79.426.131	60.347.309	58.904.900
Total Liabilities		113.582.615	107.833.129	95.462.581	95.368.343
Total Equity & Liabilities		134.286.862	127.924.414	147.017.257	140.839.331



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Consolidated Statement of changes in equity

	Share capital	Share premium	Legal reserve	Fair value reserves	Other reserves	Retained earnings	Total	Minority interest	Exchange differences from conversion of subsidiaries abroad	Total
Balance as at January 1st 2005 according to IFRS	6.652.140	887.366	1.073.409	3.165.273	11.638.692	8.965.904	32.382.784	1.367.357		33.750.141
changes due to adoption in IFRS	0	0	163.839	1.371.650	-6.836.661	-12.913.599	-18.214.771			
Reserve from fixed assets revaluation for 2005										
Fair value reserve for the period				1.005.967			1.005.967			1.005.967
Transfer of dividends from capital & reserves to a creditors' account						-1.042.169	-1.042.169			-1.042.169
Decrease in share capital	-75.969						-75.969			-75.969
Changes in affiliated companies reserves			153		201.067	-201.066	154			154
Purchase of own shares					369.251		369.251			369.251
Net results for the period						5.465.342	5.465.342	180.568		5.645.910
Change in exchange differences from conversion of subsidiaries abroad							0		221.133	221.133
Other adjustments						-29.015	-29.015			-29.015
Differed tax amendment				4.181			4.181			4.181
Change in minority interest								86.838		86.838
Total recognized Profit / loss for the Period	-75.969	0	153	1.010.148	570.318	4.193.092	5.697.742	267.406	221.133	6.186.281
Balance of Equity as at September 30th 2005	6.576.171	887.366	1.073.562	4.175.421	12.209.010	13.158.996	39.080.526	1.634.763	221.133	39.936.422
Balance as at January 1st 2006, according to previous accounting principles	6.576.171	887.366	1.237.401	4.970.054	5.643.094	-1.229.923	18.084.163	1.904.307	102.815	20.091.285
Other adjustments						-204.213	-204.213	0		-204.213
Change in exchange differences							0	-54.267	-159.297	-213.564
Transfer of dividends from capital & reserves to a creditors' account						-1.753.646	-1.753.646			-1.753.646
Change from purchase/sale of own shares					3.127.230		3.127.230			3.127.230
Transfer from retained earnings to reserve			28.610		1.228.000	-1.256.610	0			0
Transfer from creditors' account to affiliate's reserve					330.000		330.000			330.000
Net results for the period						-1.982.301	-1.982.301	385.875		-1.596.426
Fair value reserve				923.581			923.581			923.581
Change in minority interest								0		0
Total Recognized Profit / loss for the Period	0	0	28.610	923.581	4.685.230	-5.196.770	440.651	331.608	-159.297	612.962
Balance of Equity as at September 30th 2006	6.576.171	887.366	1.266.011	5.893.635	10.328.323	-6.426.693	18.524.814	2.235.915	-56.482	20.704.247



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Statement of changes in the Parents Company's Equity

	Attribute to the parent's shareholders							Total
	Share Capital	Share premium	Legal reserve	Reserve from fixed assets revaluation	Reserve of affiliated companies revaluation	Other reserves	Retained earnings	
Balance as at January 1st 2005 according to IFRS	6.652.140	887.366	1.218.082	3.749.851	26.788.748	4.942.717	(2.606.070)	41.632.834
Other adjustments							(4.321)	(4.321)
Sale of own shares						368.951		368.951
Decrease in share capital	(75.969)							(75.969)
Reserve of affiliated companies revaluation adaption					(103.360)			(103.360)
Revaluation of fixed assets				1.005.967				1.005.967
Transfer of dividends from capital to creditors' account							(1.042.169)	(1.042.169)
Net results for the period 01/01-30/9/2005							2.877.689	2.877.689
Total recognized Profit /loss for the Period	(75.969-)	-	-	1.005.967-	(103.360-)	(172.078-)	1.831.200-	3.026.788
Balance of Equity as at September 30th 2005	6.576.171	887.366	1.218.082	4.755.817	26.685.388	4.770.639	(774.870)	44.659.622
Balance as at January 1st 2006 according to IFRS	6.576.171	887.366	1.218.082	4.844.116	27.862.636	4.854.846	(772.229)	45.470.988
Transfer of dividends from capital & reserves to a creditors' account							(1.753.646)	(1.753.646)
Legal reserve			28.610				(28.610)	0
Change in reserves due to revaluation				923.581				923.581
Change from purchase/sale of own shares						3.126.930		3.126.930
Net results for the period							3.127.311	3.127.311
Total recognized Profit /loss for the Period	0	0	28.610	923.581	0	3.126.930	2.004.567	6.083.688
Balance of Equity as at September 30th 2006	6.576.171	887.366	1.246.692	5.767.697	27.862.636	7.981.776	1.232.338	51.554.676



ΚΩΝ. ΚΑΡΑΑΖΙΔΑΚΗΣ & ΥΙΟΙ ΑΕΒΕ

Cash flow statement

Cash Flow Statement

	GROUP period		COMPANY period	
	30/9/2006	30/9/2005	30/9/2006	30/9/2005
Cash flows from operating activities				
Earnings for the period before taxes	-2.502.523	11.047.746	4.374.968	5.356.476
Plus / less adjustments for :				
Depreciations for the period	1.138.584	1.021.376	777.324	709.898
Provisions	-91.309	441.400	17.991	0
Exchange difference	403.394	0	401.144	0
Results (revenues, expenses, earnings and losses) from investment activities	-5.738	-38.604	0	0
- Loss from acquisition of tangible assets	7.654	-72.657	0	-85.927
- Grants of tangible assets	-42.062	-49.081	-91.662	-38.516
Interest payable and similar charges	-1.962.494	3.583.326	-2.264.783	-236.440
Plus / less adjustments for changes of working capital or similar with operating activities				
Reduction /(increase) of inventories	-657.059	-12.069.271	-2.792.672	-2.737.787
Reduction /(increase) of receivables	-6.091.266	-2.682.399	-7.981.515	-3.539.925
Reduction /(increase) of prepayments	3.686.787	-29.393	3.685.818	-41.603
Reduction /(increase) of short – term liabilities (except for banks and taxes)	-3.724.861	-253.625	-6.922.564	-179.186
Reduction /(increase) of liabilities from taxes	-37.227	509.685	0	539.769
Reduction /(increase) of accruals and deferred income accounts (receive payment for grant)	-768.082	-2.363.180	-763.418	13.555
Less :				
Interest payable /interest receivable	-2.069.564	-3.700.152	-1.767.275	-2.880.385
Income tax /Tax differences / Other not charged to the operating cost taxes	-1.483.007	-1.100.614	-62.681	-801.142
Total of inputs /(outputs) form operating activities	-14.198.775	-5.755.443	-13.389.325	-3.921.213
Cash flows from investment activities				
Acquisition of subsidiaries, affiliated companies, joint ventures and other investments	7.128.383	1.830.715	7.128.383	1.830.715
Purchase of tangible and intangible fixed assets	-1.115.543	-3.543.670	-589.339	-3.338.953
Amounts collected from sales tangible and intangible assets	1.540	680.869	0	676.208
Increase in other long term receivables	0	173	0	0
Interest collected	96.981	43.431	96.981	43.431
Dividends collected	2.000	63.735	3.002.000	3.063.735
Total inflows / (outflows) from investing activities (b)	6.113.361	-924.747	9.638.025	2.275.137
Cash flows from financing activities				
Amounts collected from increase in share capital	0	0	0	0
Amounts collected from loans received	13.913.561	10.328.956	10.252.425	4.490.127
Loan payments	-997.000	-1.376.320	-950.000	
Settlement (payment) of liabilities from leasing	-2.136.913	-56.852	-2.333.245	-58.959
Dividends paid	-1.753.646	-13.529	-1.753.646	-1.013.529
Total inflows / (outflows) from financing activities ©	9.026.003	8.882.256	5.215.535	3.417.639
Net increase /(decrease) in cash and cash equivalent in the period (a) + (b) + (c)	940.589	2.202.066	1.464.235	1.771.563
Opening balance of cash and cash equivalents	3.261.732	4.359.284	1.332.456	1.518.032
Closing balance of cash and cash equivalents	4.202.321	6.561.350	2.796.691	3.289.595



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1. Information on the group

1.1 General Information

The company C. CARDASSILARIS & SONS – CARDICO S.A. is a societe anonyme and constitutes the group's parent company. It was established with its present legal status on 30.01.1980 after the merge of the companies C. N. CARDASSILARIS & SON and C. CARDASSILARIS & SONS S.A. (FEK issue S.A. and L.T.D. 33/05.01.1980). The company is registered in the Records of Societe Anonyme, number 3760/06/β/86/05.

The company's duration has been set at fifty years and ends on 05.01.2031 according to article 2 in its statutes.

The Group's headquarters are located in Athens, on Karageorgi Servias 2 street (Syntagma Square), Zip Code 105 62. The company's administrative, commercial and productive activities take place to the company's factory, which operates as branch at the 2nd kilometer of regional Road Inois – Sximatariou, prefecture Viotia and supervised from D.O.Y. Thevon.

The financial statements for the period ending on September 30th 2006 (including the comparative data for the period ending on June 30th 2005 as well as for the period ended on December 31st 2005) were approved by the Board of Directors of the company CARDICO S.A. on November 30th 2006.

1.2 Nature of activities

The company's activities are importing, exporting and processing nut products. It imports dried nuts mostly from the USA, Turkey, Iran, Moldavia, and Argentina and it exports its products to 26 countries, mostly Italy, France, Eastern Europe and Germany.

The company supplies industries producing chocolate and pastries, wholesalers of dried nuts, units processing dried nuts, super market chains and big stores selling in retail dried nuts.

Additionally the company elaborates and trades in pastry items.

2. Basis for preparation of the financial statements

The consolidated financial statements of **Cardico S.A.** as of December 31st, 2005 (the date of transition is January 1st, 2004) covering the period up to December 31st, 2005 have been compiled based on the historic cost principle as this is amended by the readjustment of specific asset and liability items into market values, the going concern principle and are in accordance with the International Financial Reporting Standards (IFRS) that have been issued by the International Accounting Standards Board (IASB) and their interpretations that have been issued by the International Financial Reporting Interpretations Committee (IFRIC) of the IASB.

The IASB has issued a series of standards that are referred to as the "IFRS Stable Platform 2005". The Group uses the IFRS Stable Platform 2005 from January 1st, 2005 onwards. The aforementioned standards are as follows:

IAS 1	Presentation of Financial Statements
IAS 2	Inventories
IAS 7	Cash Flow Statements
IAS 8	Net Profit or Loss, Basic Error and Changes in Accounting Estimates
IAS 10	Events After the Balance Sheet Date
IAS 11	Construction Contracts
IAS 12	Income Taxes
IAS 14	Segment Reporting
IAS 16	Tangible Fixed Assets
IAS 17	Leases
IAS 18	Income
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	Affiliated Party Disclosures
IAS 26	Accounting and Reporting of Retirement Benefit Plans
IAS 27	Consolidated Financial Statements and accounting of investments in subsidiaries



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IAS 28	Accounting of Investments in Associate Companies
IAS 29	Financial Statements in hyper-inflationary economies
IAS 30	Disclosures with financial statements of banks and similar financial institutions
IAS 31	Financial presentation of rights in joint-ventures
IAS 32	Financial Instruments: Disclosures and Presentation
IAS 33	Earnings Per Share
IAS 34	Interim Financial Statements
IAS 36	Impairment of Assets
IAS 37	Provisions, Contingent Liabilities and Contingent Assets
IAS 38	Intangible Assets
IAS 39	Financial Instruments: Recognition and Valuation
IAS 40	Investments in Property
IAS 41	Agriculture
IFRS 1	First-Time adoption of International Financial Reporting Standards
IFRS 2	Payments with net worth items
IFRS 3	Business Combinations
IFRS 4	Insurance Contracts
IFRS 5	Non current assets held for sale and discontinued operations

The financial statements fall under IFRS 1 "First-Time adoption of IFRS" since they constitute the first financial statements, which are prepared and published on such a basis.

The policies mentioned below have been consistently applied throughout all the periods presented.

The compilation of financial statements according to the IFRS requires the use of estimates and judgments during the application of the Company's accounting principles. Important assumptions made by the management for the application of the company's accounting methods have been appropriately highlighted whenever this has been deemed necessary.

3. Basic accounting principles

The accounting principles according to which the attached financial statements are compiled and which the Group applies consistently are the following:

3.1 New accounting principles and interpretations of IFRIC

The International Accounting Standards Board and the Interpretations Committee have already issued a series of new accounting standards and interpretation that are not included in the "IFRS Stable Platform 2005". The IFRS and IFRIC are mandatory for the accounting periods beginning from January 1st 2006. The Group's assessment regarding the effect of the aforementioned new standards and interpretations, is as follows:

- IFRS 6. Exploration and evaluation of mineral resources

It does not apply to the Group and thus will not affect its financial statements.

- IFRIS 3. Rights for gas emission

It does not apply to the Group and thus will not affect its financial statements.

- IFRIS 4. Determination of whether a receivable includes a lease

It does not apply to the Group and thus will not affect its financial statements.

- IFRIC 5. Rights to interests arising from decommissioning, restoration and environmental rehabilitation funds

It does not apply to the Group and thus will not affect its financial statements.

3.2 Segment reporting

A geographical segment is defined as a geographical region in which goods and services are provided and which is subject to different risks and returns than other regions.

A business segment is defined as a group of assets and activities that provide goods and services, that are subject to different risks and returns than other business segments.

The production, elaboration and trading of a massive variety of nut products is the main activities of the group. Geographically, the Group is active in the Greece, the Eurozone (mainly in France and U.K.) and Other Countries.

3.3 Consolidation

Subsidiaries: All the companies that are managed or controlled, directly or indirectly, by another company (parent) either through the holding of majority voting rights in the undertaking or through its dependence on the know-how provided from the Group. That is to say that subsidiaries are companies in which control is exercised by the parent. Cardico S.A. acquires and exercises control through voting rights. The existence of potential voting rights that are exercisable at the time the financial statements are compiled, is taken into account in order to determine whether the parent exercises control over the subsidiaries. Subsidiaries are consolidated completely (full consolidation) with the purchase method from the date that control over them is acquired and cease to be consolidated from the date that this control no longer exists.

The acquisition of a subsidiary by the Group is accounted for using the purchase method. The acquisition cost of a subsidiary is the fair value of the assets given as consideration, the shares issued and the liabilities undertaken on the date of the acquisition plus any costs directly associated with the transaction. The individual assets, liabilities and contingent liabilities that are acquired during a business combination are valued during the acquisition at their fair values regardless of the participation percentage. The acquisition cost over and above the fair value of the individual assets acquired is booked as goodwill. If the total cost of the acquisition is lower than the fair value of the individual assets acquired, the difference is immediately booked to the results.

Specifically as regards to business combinations that had taken place prior to the Group's transition date to the IFRS (January 1st, 2004) the exemption provided under IFRS 1 was used and the purchase method was not used retroactively. Based on this exemption the Company did not recalculate the acquisition cost of the subsidiaries that had been acquired prior to the date of transition to the IFRS, nor the fair value of the acquired assets and liabilities at the date of acquisition. Consequently, the goodwill recognized as at the transition date, was based on the IFRS 1 exemption, was calculated based on the prior accounting principles and was presented in the same way as the group's last published financial statements before the transition to IFRS.

Inter-company transactions, balances and unrealized profits from transactions between Group companies are written-off. Unrealized losses are also written-off except if the



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transaction provides indication of impairment of the transferred asset. The accounting principles of the subsidiaries have been amended so as to conform to the ones adopted by the Group.

Associates: Associates are companies on which the Group can exert significant influence but which do not fulfill the conditions to be classified as subsidiaries or joint ventures. The assumptions used by the group imply that a holding of between 20% and 50% of a company's voting rights suggests significant influence on the company. Investments in associates are initially recognized at cost and are subsequently valued using the equity method. At the end of each period, the cost increases by the proportion of the investing company in the changes in net worth of the company it invests in and decreases by the dividends received from the associate.

As regards to the acquisition goodwill, it decreases the participation value by burdening the period's results, when its value decreases.

The Group consolidated using the net equity method an affiliated company which was not consolidated in accordance with the previous accounting principles. The surplus value arisen was disclosed in the transitional balance sheet as surplus value in the assets of the consolidated balance sheet. In the subsequent financial statements its value will be reduced.

The Group's share in the profits or losses of associated companies after the acquisition is recognized in the income statement, while the share of changes in reserves after the acquisition is recognized in the reserves. The cumulated changes affect the book value of the investments in associated companies. When the Group's share in the losses of an associate is equal or larger than its participation in the associate, including any other doubtful debts, the Group does not recognize any further losses, unless it has covered liabilities or made payments on behalf of the associate or those that emerge from ownership.

3.4 Group Structure

The structure of the Group on 30th September 2006 is as follows:

CONSOLIDATION METHOD AND PERCENTAGES		
CARDICO S.A.	PARENT	
ECHALIE S.A.	FULL CONSOLIDATION	100,00%
TESCO S.A.	FULL CONSOLIDATION	51,00%
XIFORFROUT S.A.	FULL CONSOLIDATION	57,69%
NUT COMPANY S.A.	FULL CONSOLIDATION	57,50%
SIFAKIS S.A.	FULL CONSOLIDATION	51,00%
SDOUKOS ANTONIOS S.A.	EQUITY CONSOLIDATION	24,92%

During the presented period the company's structure has not been changed.

3.5 Foreign currency conversion

The measurement of the items in the financial statements of the Group's companies is based on the currency of the primary economic environment in which the Group operates (operating currency). The consolidated financial statements are reported in euros, which is the operating currency and the reporting currency of the parent Company and all its subsidiaries.

Transactions in foreign currencies are converted to the operating currency using the rates in effect at the date of the transactions.

Profits and losses from foreign exchange differences that result from the settlement of such transactions during the period and from the conversion of monetary items denominated in foreign currency using the rate in effect at the balance sheet date are posted to the results.

The Group's foreign activities in foreign currency (which constitute an inseparable part of the parent's activities), are converted to the operating currency using the rates in effect at the date of the transaction, while the asset and liability items of foreign activities, including surplus value and fair value adjustments, that arise during the consolidation, are converted to euro using the exchange rates that are in effect as at the balance sheet date.

The individual financial statements of companies included in the consolidation, which initially are presented in a currency different than the Group's reporting currency, have been converted to euros. The asset and liability items have been converted to euros using the



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exchange rate at close of the balance sheet date. The income and expenses have been converted to the Group's reporting currency using the average rates during the aforementioned period. Any differences that arise from this process, have been debited / (credited) to the equity reserve for translation of subsidiaries' balance sheets in foreign currency.

3.6 Tangible assets

Fixed assets are reported in the financial statements at acquisition cost or deemed cost, as such was determined based on fair values as at the transition dates, less accumulated depreciations and any impairment suffered by the assets. The acquisition cost includes all the directly attributable expenses for the acquisition of the assets.

Subsequent expenditure is added to the carrying value of the tangible fixed assets or is booked as a separate fixed asset only if it is probable that future economic benefits will flow to the Group and their cost can be accurately measured. The repair and maintenance cost is booked in the results when such is realized.

Depreciation of tangible fixed assets (other than plots which are not depreciated) is calculated using the straight line method over their useful lives, as follows:

Land	9 – 50 years
Mechanical equipment	6 – 20 years
Vehicles	6 – 10 years
Other equipment	4 – 7 years

(*) The new premises of the parent company have useful life 50 years.

The residual values and useful economic lives of tangible fixed assets are subject to reassessment at each balance sheet date. When the book value of tangible fixed assets exceeds their recoverable amount, the difference (impairment) is immediately booked as an expense in the results.



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Upon sale of the tangible fixed assets, any difference between the proceeds and the book value are booked as profit or loss to the results. Expenditure on repairs and maintenance is booked as an expense in the period it relates to.

Self-constructed tangible fixed assets constitute an addition to the acquisition cost of tangible assets at a value that includes the direct cost of employee's salaries (including the relevant employer's contributions), the cost of materials used and other general costs.

3.7 Intangible assets

The intangible assets include software programs, software licenses and the goodwill arose from the consolidation of an associate company.

Software: Software licenses are valued at their acquisition cost less any accumulated depreciations. Depreciations are conducted with the straight-line method over their useful lives, which ranges from 3 to 6 years.

Goodwill: The Group recorded in that account the surplus value arising from the consolidation of an affiliated company, based on the net equity method, which had not been included in the consolidated financial statements in compliance with the previous accounting principles. This surplus value will not be amortized but instead it will be examined on an annual basis for any reduction in its value, if there are facts providing indication for loss according to IAS 36.

Surplus value arisen from the acquisition of subsidiary companies in previous years which had been recorded according to the previous accounting principles as negative in consolidated capital and reserves continues to reduce capital and reserves (at results carried forward of the Group).

Any new surplus value arising in the future the company may, according to IFRS 3 – Companies consolidation, disclose it as an item in assets instead of an item reducing capital and reserves of the Group.

In general, surplus value is recorded as the difference between cost value and a fair value in assets and liabilities of a subsidiary / associated company as at the date of acquisition. The



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company at the purchase date recognizes the surplus value arising from the purchase, as an item in assets and discloses it in cost. This cost is equal to the amount by which the consolidation cost exceeds the share of the company, in assets, liabilities and contingent liabilities of the acquired company.

Following the initial recognition the surplus value is evaluated at cost less accumulated losses due to the reduction in its value. Surplus value is not amortized but instead it is examined on an annual basis for any reduction in its value, if there are facts providing indication of a loss according to IAS 36.

If acquisition cost is lower than the company's share in the acquired company's capital and reserves, the former recalculates the acquisition cost, evaluates asset items, liabilities and contingent liabilities of the acquired company and records directly to profit and loss account any difference outstanding after the recalculation as profit.

3.8 Impairment of Assets

Assets with an indefinite useful life are not depreciated and are subject to an impairment review annually and when some events suggest that the book value may not be recoverable any resulting difference is charged to the period's results. Assets that are depreciated are subject to an impairment review when there is evidence that their value will not be recoverable. The recoverable value is the greater of the net sales value and the value in use. An impairment loss is recognized by the company when the book value of these assets (or cash flow generating unit) is greater than its recoverable amount.

Net sales value is the amount received from the sale of an asset at an arm's length transaction in which participating parties have full knowledge and participate voluntarily, after deducting any additional direct cost for the sale of the asset, while value in use is the present value of estimated future cash flows that are expected to flow into the company from the use of the asset and from its disposal at the end of its estimated useful life.

3.9 Financial instruments



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Financial instrument is any contract that creates a financial asset in an enterprise and a financial liability or equity instrument in another.

The financial instruments of the Group are classified in the following categories according to the substance of the contract and the purpose for which they were purchased.

i) Financial instruments valued at fair value through the income statement

These comprise financial assets that held for trading purposes.

Upon initial recognition it is designated by the company as an instrument valued at fair value, with any changes recognized through the Income Statement.

ii) Loans and receivables

They include non-derivative financial assets with fixed or predefined payments which are not traded in active markets. The following are not included in this category (loans and receivables):

- a) Receivables from down payments for the purchase of goods or services,
- b) receivables relating to tax transactions, which have been legislatively imposed by the state,
- c) any receivable not covered by a contract which gives the company the right to receive cash or other financial fixed assets.

Loans and receivables are included in current assets, except those with a maturity date that is farther than 12 months from the balance sheet date. The latter are included in the non-current assets.

iii) Investments held to maturity

These include non derivative financial assets with fixed or defined payments and specific maturity and which the Group intends to hold until their maturity.

iv) Financial assets available for sale

These include non derivative financial assets that are either designated as such or cannot be included in any of the previous categories.



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Following, the financial assets available for sale are valued at fair value and the relevant profit or loss is booked in equity reserves until such assets are sold or characterized as impaired.

During the sale, or when they are characterized as impaired, the profit or loss is transferred to the results. Impairment losses that have been booked to the results are not reversed through the results.

The purchases and sales of investments are recognized during the transaction date, which is also the date the Group commits to purchase or sell the item. Investments are initially recognized at fair value plus the directly related to the transaction costs. The costs directly related to the transaction is not added for items that are valued at fair value with changes in the results. Investments are written-off when the right on cash flows from investments mature or is transferred and the Group has essentially transferred all the risks and rewards implied by the ownership.

The loans and receivables are recognized in the net book value based on the real interest rate method.

The realized and unrealized profit or losses that arise from changes in the fair value of financial assets valued at fair value with changes in the results, are recognized in the results of the period they result in.

The fair values of financial assets that are traded in active markets, are defined by the current ask prices. For non-traded assets, fair values are defined with the use of valuation techniques such as analysis of recent transactions, comparative items that are traded and discounted cash flows. The securities that are not traded in an active market that have been classified in the category Financial assets available for sale, and whose fair value cannot be determined with credibility, are valued at their acquisition cost.

At each balance sheet date the Group assess whether there are objective indications that lead to the conclusion that financial assets have been impaired. For company shares that have been classified as financial assets available for sale, such an indication consists of a significant or extended decline in the fair value compared to the acquisition cost. If impairment is established, the accumulated loss in equity, which is the difference between acquisition cost and fair value, is transferred to the results.

3.10 Inventories

At the balance sheet date, inventories are valued at the lower of acquisition cost and net realizable value. Net realizable value is the estimated sales price during the normal course of the company's business less any relevant sales expenses. The cost of inventories does not include financial expenses.

3.11 Trade receivables

Receivables from customers are initially booked at their fair value and are subsequently valued at their net book cost using the method of the effective interest rate, less the provision for impairment. In the event that the net book value or the cost of a financial asset exceeds the present value, then this asset is valued at its recoverable amount, i.e. at the present value of the future cash flows of the asset, which is calculated using the real initial interest rate.

The relevant loss is immediately transferred to the period's results. The impairment losses, i.e. when there is objective evidence that the Group is unable to collect all the amounts owed based on the contractual terms, are recognized in the income statement.

3.12 Cash and cash equivalents

Cash and cash equivalents include cash in the bank and in hand as well as short term highly liquid investments such as money market products and bank deposits. Money market products are financial assets which are valued at fair value through the profit and loss account.

3.13 Non-current assets classified as held for sale

The assets available for sale also include other assets (including Goodwill) and tangible fixed assets that the Group intends to sell within one year from the date such are classified as "Held for sale".



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The assets classified as "Held for sale" are valued at the lowest value between their book value immediately prior to their classification as available for sale, and their fair value less the sale cost. Assets classified as "Held for sale" are not subject to depreciation. The profit or loss that results from the sale and reassessment of assets "Held for sale" is included in "other income" and "other expenses" respectively, in the income statement.

3.14 Own shares

After the acquisition of own shares, the amount paid, including any relevant expenses, is disclosed reducing capital and reserves.

3.15 Income tax & deferred tax

The period charge for income tax comprises current tax and deferred tax, i.e. the tax charges or tax credits that are associated with economic benefits accruing in the period but have been assessed by the tax authorities in different periods. Income tax is recognized in the income statement of the period, except for the tax relating to transactions that have been booked directly to equity, in which case it is, accordingly, booked directly to equity.

Current income taxes include the short-term liabilities or receivables from the fiscal authorities that relate to taxes payable on the taxable income of the period and any additional income taxes from previous periods (tax audit differences).

Current taxes are measured according to the tax rates and tax laws in effect during the financial years to which they relate, based on the taxable profit for the year. All changes to the short-term tax assets or liabilities are recognized as part of the tax expense in the income statement.

Deferred income tax is determined according to the liability method which results from the temporary differences between the book value and the tax base of assets or liabilities. Deferred tax is not booked if it results from the initial recognition of an asset or liability in a transaction, except for a business combination, which when it occurred did not affect neither the accounting nor the tax profit or loss.



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Deferred tax assets and liabilities are valued based on the tax rates that are expected to be in effect during the period in which the asset or liability will be settled, taking into consideration the tax rates (and tax laws) that have been put into effect or are essentially in effect up until the balance sheet date. In the event where it is impossible to identify the timing of the reversal of the temporary differences, the tax rate in effect on the day after the balance sheet date is used.

Deferred tax assets are recognized to the extent that there will be a future tax profit to be set against the temporary difference that creates the deferred tax asset.

Deferred income tax is recognized for the temporary differences that result from investments in subsidiaries and associates, except for the case where the reversal of the temporary differences is controlled by the Group and it is possible that the temporary differences will not be reversed in the foreseeable future.

Most changes in the deferred tax assets or liabilities are recognized as part of the tax expense in the income statement. Only changes in assets or liabilities that affect the temporary differences are recognized directly in the equity of the Group, such as the revaluation of property value, that results in the relevant change in deferred tax assets or liabilities being charged against the relevant equity account.

3.16 Employee benefits

Short-term benefits: Short-term employee benefits (except post-employment benefits) monetary and in kind are recognized as an expense when they accrue. The company officially or unofficially does not implement any special plan for benefits to its employees. The only plan implement is the conventional obligation (based on Greek law 2112/20) to provide a lump sum. For the above amount the company makes a provision when considered necessary according to an actuarial study.

3.17 Grants

The Group recognizes the government grants that cumulatively satisfy the following criteria:

- a) There is reasonable certainty that the company has complied or will comply to the conditions of the grant and
- b) it is probable that the amount of the grant will be received. They are booked at fair value and are systematically recognized as revenue according to the principle of matching the grants with the corresponding costs that they are subsidizing.

Grants that relate to assets are included in long-term liabilities as deferred income and are recognized systematically and rationally as revenue over the useful life of the fixed asset.

3.18 Provisions

Provisions are recognized when the Group has present obligations (legal or constructive) as a result of past events, their settlement through an outflow of resources is probable and the exact amount of the obligation can be reliably estimated. Provisions are reviewed during the date when each balance sheet is compiled so that they may reflect the present value of the outflow that is expected to be required for the settlement of the obligation. Contingent liabilities are not recognized in the financial statements but are disclosed, except if the probability that there will be an outflow of resources that embody economic benefits is very small. Contingent claims are not recognized in the financial statements but are disclosed provided that the inflow of economic benefits is probable.

3.19 Recognition of income and expenses

Income: Income includes the fair value of goods and services sold, net of Value Added Tax, discounts and returns. Intercompany revenue within the Group is eliminated completely. The recognition of revenue is done as follows:

- **Sale of goods:** Sales of goods are recognized when the Group transfers goods to customers, the goods are accepted by them and the collection of the resulting claim is reasonably assured.
- **Provision of services:** Income from the provision of services is accounted for in the period during which the services are rendered, based on the stage of completion of the service rendered in relation to the total services to be rendered.
- **Income Interest:** Interest income is recognized on a time proportion basis using the effective interest rate. When there is impairment of assets, their book value is

reduced to their recoverable amount which is the present value of the expected future cash flows discounted using the initial real interest rate. Interest is then booked using the same interest rate calculated on the impaired (new book) value.

- **Dividends:** Dividends are accounted for as revenue when the right to receive payment is established.
- **Compensations:** Compensations are accounted as revenue when the right to receive payment is established.
- **Profits of assets disposal:** These profits (i.e. profits from the disposal of tangible assets), are recorded as revenue when the right to receive payment is established.

Expenses: Expenses are recognized in the results on an accrued basis. The payments made for operating leases are transferred to the results as an expense, during the time the lease is used. Interest expenses are recognized on an accrued basis.

3.20 Leases

Group company as Lessee: Leases of fixed assets with which all the risks and benefits related with ownership of an asset are transferred to the Group, regardless of whether the title of ownership of the asset is eventually transferred or not, are finance leases.

These leases are capitalized at the inception of the lease at the lower of the fair value of the asset and the present value of the minimum lease payments. Each lease payment is apportioned between the reduction of the liability and the finance charge so that a fixed interest rate on the remaining financial liability is achieved. The relevant liabilities from leases, net of finance charges, are reported as liabilities. The part of the finance charge that relates to finance leases is recognized in the income statement during the term of the lease. Fixed assets acquired through finance leases are depreciated over the shorter of their useful lives and the lease term.

Lease agreements where the lessor transfers the right of use of an asset for an agreed period of time, without transferring, however, the risks and rewards of ownership of the fixed asset are classified as operating leases. Payments made with respect to operating leases (net of any incentives offered by the lessor) are recognised in the income statement proportionately throughout the term of the lease.

3.21 Dividend distribution



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The distribution of dividends to the shareholders of the parent company is recognized as a liability in the consolidated financial statements at the date on which the distribution is approved by the General Meeting of the shareholders.

4. Business Risk Management

Financial Risk Factors

Group is exposed to risks that emerge from changes in foreign exchange rates, interest rates as well as to credit risks and liquidity risks.

Market Risk

Foreign Exchange Risk

The Group operates worldwide and therefore it is exposed to an foreign exchange risk. This risk mostly derives from future transactions, receivables and payables in foreign currency and net investments in companies abroad.

Price risk

The Group is exposed to the risk arising due to changes in the value of raw material and merchandise and to changes in the value of shares held for trading or selling.

Credit Risk

The Group does not have a significant credit risk. Wholesales are mostly made to clients with a reliable credit record.

The company's client list is quite wide given that it includes 550 different clients. Key clients of the company are the following:

- Big Super Market chains
- Commercial business for wholesale or retail sale of dried nuts
- Chocolate and pastry industrial units
- Units processing dried nuts



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Liquidity Risk

Liquidity risk is kept at normal levels with sufficient cash available and credit limits.

5. Financial information by sector

Primary information sector – Geographic segments

The Group is active in seven geographic segments: Greece – France – Other countries

The results for each segment are analyzed as follows:

The results for each segment are analyzed as follows: on **30st September 2005**

1/1 - 30/9/2005

	GREECE	FRANCE	OTHERS	TOTAL	INTER – COMPANY ELIMINATIONS	CONSOLIDATED BALANCE
Sales	55.150.403	86.588.715	32.723.642	174.462.760	10.687.459	163.775.301
Cost of goods sold	45.474.583	74.919.053	31.238.371	151.632.007		162.319.466
Gross Profit	9.675.819	11.669.662	1.485.271	22.830.752	10.687.459	22.830.752
Other operating income	700.928	609.446	0	1.310.374		1.310.374
Administration expenses	2.095.155	1.708.698	680.766	4.484.618		4.484.618
R&D expenses	0	0	0	0		0
Distribution expenses	2.952.539	1.594.838	0	4.547.376		4.547.376
Other operating expenses	564.423	6.539	0	570.962		570.962
Operating Results	4.764.630	8.969.034	804.505	14.538.169		14.538.169
Financial Income	3.520.205	189.987	0	3.710.192	3.000.000	710.192
Financial Expenses	3.184.413	870.160	146.042	4.200.615		4.200.615
Earnings before taxes	4.112.005	8.288.861	658.463	13.059.329		11.047.746
Tax Expense	-2.779.486	-2.620.244	-2.106	-5.401.836		-5.401.836
Earnings after tax	2.320.936	5.668.617	656.357	8.645.910		5.645.910
Net earnings	2.320.936	5.668.617	656.357	8.645.910		5.645.910
Minority Interests	-249.019	0	321.615	72.596	107.972	180.568
Net earnings for the period	2.510.731	5.668.617	334.742	8.514.091		5.465.342



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The results for each segment are analyzed as follows: on **30st September 2006**

1/1 - 30/9/2006

	GREECE	FRANCE	OTHERS	TOTAL	INTER – COMPANY ELIMINATIONS	CONSOLIDATED BALANCE
Sales	47.810.026	70.729.000	23.817.895	142.356.922	11.345.621	131.011.301
Cost of goods sold	42.594.126	71.276.000	21.718.667	135.588.793		124.243.172
Gross Profit	5.215.900	-547.000	2.099.228	6.768.128		6.768.128
Other operating income	2.378.627	0		2.378.627	0	2.378.627
Administration expenses	1.705.838	1.196.000	835.386	3.737.224		3.737.224
R&D expenses	0			0		0
Distribution expenses	2.649.020	2.869.000		5.518.020		5.518.020
Other operating expenses	921.413	113.000		1.034.413	49.600	984.813
Operating Results	2.318.257	-4.725.000	1.263.842	-1.142.901		-1.093.301
Financial Income	4.111.459	203.000	16.728	4.331.188	3.000.000	1.331.188
Financial Expenses	2.087.989	526.000	82.406	2.696.394		2.696.394
Loss from investments in affiliated companies					-44.015	-44.015
Earnings before taxes	4.341.727	-5.048.000	1.198.164	491.892		-2.602.523
Tax Expense	-562.192	1.645.000	-176.711	906.097		906.097
Earnings after tax	3.779.535	-3.403.000	1.021.453	1.397.989		-1.596.426
Net earnings	3.779.535	-3.403.000	1.021.453	1.397.989		-1.596.426
Minority Interests	-18.735	0	500.512	481.777	-95.902	385.875
Net earnings for the period	3.760.800	-3.403.000	1.521.966	1.879.766		-1.982.301

Secondary information sector

The group is active in three business segments:

- Industrial activity
- Commercial activity
- Sales of other stocks

The Group's sales by Business segment and item are analyzed as follows:

	1/1 - 30/9/2006	1/1 - 30/9/2005
COMMERCIAL ACTIVITY	96.194.711	123.056.269
INDUSTRIAL ACTIVITY	45.670.772	51.390.419
OTHER ACTIVITIES	491.439	16.072
TOTAL	142.356.922	174.462.760
Less :		
Internal sales	11.345.621	10.687.459
TOTAL	131.011.301	163.775.301

6. Notes on the Financial Statements

6.1 Tangible assets

Buildings and land have been evaluated as at the date of first adoption of IFRS (01/01/2004) at a fair value in accordance with IFRS 1. "Fair value" is considered to be the value of fixed assets as at the date of the first time IFRS adoption which has been set by an independent evaluator.

The Land and the buildings were valued as at the transition date to IFRS (01/01/2004) at fair value according to the provisions of IFRS 1. The "fair value" is the value of the fixed assets at the transition date to IFRS, which was defined after a study by an independent evaluator.

On the parent company's buildings and land there is a mortgage in favor of bond holding loaners for the amount of € 25.000.000, while on buildings and land of the subsidiary company SIFAKIS SA there is a prenotation of mortgage for the amount of € 2.530.000.

	GROUP						
	Land	Buildings	Mechanical equipment	Transportation equipment	Furniture and other equipment	Tangible assets under construction	Total
Gross Book Value	8.440.783	25.114.971	10.659.288	750.480	1.334.985	25.819	46.326.327
Accumulated depreciation and value impairment	(49.840)	(641.030)	(1.343.833)	(196.246)	(434.031)	-	(2.664.981)
Book value as at January 1st 2005	8.390.943	24.473.941	9.315.454	554.234	900.954	25.819	43.661.346
Gross Book value	9.833.328	25.905.478	11.972.578	777.244	1.552.683	25.819	50.067.129
Accumulated depreciation and value impairment	(49.840)	(1.176.657)	(1.903.526)	(280.419)	(547.405)	-	(3.957.847)
Book value as at December 31st 2005	9.783.488	24.728.821	10.069.051	496.825	1.005.278	25.819	46.109.283
Gross Book value	11.126.747	26.226.833	12.259.194	931.289	1.875.675	31.306	52.451.044
Accumulated depreciation and value impairment	(49.840)	(1.596.523)	(2.351.871)	(336.381)	(653.453)	-	(4.988.068)
Book value as at September 30st 2006	11.076.907	24.630.310	9.907.322	594.908	1.222.222	31.306	47.462.976
	Land	Buildings	Mechanical equipment	Transportation equipment	Furniture and other equipment	Tangible assets under construction	Total
Book value as at January 1st 2005	8.390.943	24.473.941	9.315.454	554.234	900.954	25.819	43.661.346
Additions	1.392.545	790.506	1.313.290	26.764	217.698	0	3.740.803
Sales – Reductions	0	0	0	(35.108)	0	0	(35.108)
Depreciations	0	(535.626)	(559.693)	(49.065)	(113.374)	-	(1.257.758)
Transfers	0	0	0	-	-	0	0
Land & buildings Revaluation	0	0	0	0	0	0	0
Book value as at December 31st 2005	9.783.488	24.728.821	10.069.051	496.825	1.005.278	25.819	46.109.283
Additions - revaluation	1.300.818	305.331	300.743	165.316	323.992	5.487	2.401.688
Other adjustments	(7.399)	0	0	0	0	0	(7.399)
Sales	-	16.024	(14.127)	(11.272)	(1.000)	-	(10.375)
Depreciations	0	(419.867)	(448.345)	(55.962)	(106.048)	-	(1.030.221)
Book value as at September 30st 2006	11.076.907	24.630.310	9.907.322	594.908	1.222.222	31.306	47.462.976



ΚΩΝ. ΚΑΡΑΑΖΙΤΑΠΗ & ΥΙΟΙ ΑΕΒΕ

Any new surplus value arising in the future the company may, according to IFRS 3 – Consolidation of companies, recognize as an item in assets instead of an item reducing the Group’s capital and reserves.

Intangible assets include software programs and software licenses.

	GROUP			
	SOFTWARE	OTHER INTANGIBLE	GOODWILL	TOTAL
Gross Book Value	589.295	299.000	148.839	1.037.134
Accumulated depreciation and value impairment	(144.162)	(62.000-)		(206.162)
Book value as at January 1st 2005	445.133	237.000	148.839	830.972
Gross Book Value	731.045	426.000	157.881	1.314.926
Accumulated depreciation and value impairment	(265.889)	(94.619-)	(7.797-)	(368.305)
Book value as at December 31st 2005	465.156	331.381	150.084	946.621
Gross Book Value	744.331	426.000	157.881	1.328.212
Accumulated depreciation and value impairment	(334.778)	(134.203)	(7.797)	(476.778)
Book value as at September 30st 2006	409.553	291.797	150.084	851.434
	SOFTWARE	OTHER INTANGIBLE	GOODWILL	TOTAL
Book value as at January 1st 2005	445.133	237.000	148.839	830.972
Additions			9.042	9.042
Sales / Reductions	141.750-	127.000		268.750-
Depreciations	(121.727)	(32.619)	(7.797-)	(162.143)
Transfers				-
Net foreign exchange differences				0
Book value as at December 31st 2005	465.156	331.381	150.084	946.621
Additions from acquisition of subsidiaries				0
Additions	13.286			13.286
Sales – Reductions		887-		-
Depreciations	(68.889)	(40.471)		(109.360)
Transfers				-
Net foreign exchange differences				0
Book value as at September 30st 2006	409.553	291.797	150.084	851.434



ΚΩΝ. ΚΑΡΑΩΣΤΙΑΠΗ & ΥΙΟΙ ΑΕΒΕ

	COMPANY		Total
	SOFTWARE	OTHER INTANGIBLE ASSETS	
Gross Book Value	439.816	0	439.816
Accumulated depreciation and value impairment	(99.491)	0	(99.491)
Book value as at January 1st 2005	340.325	0	340.325
Gross Book Value	356.506	130.000	486.506
Accumulated depreciation and value impairment	(194.906)	(618)	(195.524)
Book value as at December 31st 2005	161.600	129.382	290.982
Gross Book Value	363.742	130.000	493.742
Accumulated depreciation and value impairment	(252.092)	(618)	(252.710)
Book value as at September 30st 2006	111.650	129.382	241.032

	OTHER INTANGIBLE		Total
	Software	ASSETS	
Book value as at January 1st 2005	340.325-		340.325
Additions		130.000-	130.000
Sales / Reductions	(83.310-)		(83.310)
Depreciations	(95.415)	(618-)	(96.033)
Transfers	-		0
Net foreign exchange differences	-		0
Book value as at December 31st 2005	161.600	129.382-	290.982
Additions from acquisition of subsidiaries			0
Additions	7.236		7.236
Sales / Reductions			0
Depreciations	(57.186)		(57.186)
Transfers			0
Net foreign exchange differences			0
Book value as at September 30st 2006	138.570	129.382-	241.032

6.3 Investments in affiliated companies

	GROUP		COMPANY	
	30/9/2006	31/12/2005	30/9/2006	31/12/2005
<i>Investments in affiliated companies</i>	2.561.378	6.729.237	2.769.699	6.893.542
<i>Long Term Receivables against affiliated companies</i>	4.020.761	4.020.761	4.020.761	4.020.761
<i>Plus / Minus : Adjustments at fair value / impairments</i>	-4.850.156	-4.850.156	-4.850.156	-4.850.156
Total of Other Long Term Receivables	1.731.983	5.899.841	1.940.303	6.064.147

Receivables from the group's affiliated companies

	GROUP		COMPANY	
	30/9/2006	31/12/2005	30/9/2006	31/12/2005
<i>Short Term Receivables against the group's affiliated companies</i>	291.367	264.787	3.991.367	1.264.787
Total of Other Long Term Receivables	291.367	264.787	3.991.367	1.264.787



ΚΩΝ. ΚΑΡΔΑΜΕΝΤΑΡΗ & ΥΙΟΙ ΑΕΒΕ

	GROUP		COMPANY	
	30/9/2006	31/12/2005	30/9/2006	31/12/2005
Participations in affiliated companies	0		15.395.424	15.395.424
Plus/Minus Adjustments at fair value	0	0	39.241.578	39.241.578
Total of other long term liabilities	0	0	54.637.002	54.637.002

Information about the affiliated companies of the Group:

TROFINO LTD	50,00%
CARDICO MOLDAVIA SRL	92,86%
CARDICO GEORGIA L.T.D	100,00%
STAR FOODS DISTRIBUTION A.S (CZECH)	75,54%
SAGAGROVE HOLDINGS LTD (CYPRUS)	15,00%
KARDALCO S.A (TURKEY)	50,00%

Total investment on the above companies (including long term receivables) was evaluated at their fair value by the company's Management. In particular it has been considered that there were reasons for impairment of the value for some of the above participations and so cost (acquisition) value disclosed, was reduced both in the parent company's and in the consolidated financial statements. The reason for impairments is that the production activity of these companies has been terminated due to reasons which are mentioned below and that the company transferred its production activity to its new plant in Schimatari, Voiotia, where it uses high technology machinery reducing production cost for larger quantities and thus achieving economy of scale from operating expenses. The above is confirmed by the major increase as at 31/12/2005 in gross and net profits for the company as well as for the Group.

During the year the company sold the participation which held at the company COFFEE CONNECTION S.A. of a total value € 461.528,98, while in 2006 the company has also sold its participation at SAVAGROVE HOLDINGS LTD (CYPRUS) of a total value € 4.123.843,84. The second transaction resulted to a loss in the income statement of the company due to the exchange differences.

In particular for the above participations of the company and the reasons for which they haven't been consolidated, we underline the following:

- 1) The value of TROFINO LTD has been totally impaired, due to the fact that it has stopped its function and is in liquidation procedure since 31/12/2005. This company hasn't been consolidated because its financial proportions are immaterial and because the liquidation procedure will be finished by the end of the year 2006. TROFINO LTD had no business transactions in the year 2006.
- 2) For CARDICO MOLDAVIA SRL and CARDICO GEORGIA LTD , no impairment of these investments took place , as the management of the company estimates that the value of the fixed assets of these two companies is equal to the residual value of the Cardico's SA investment amount less the impairment. These two companies haven't been consolidated because the Parent company cannot execute their management and because the Parent company doesn't have any profit from them, as the political environment in these countries is unstable and the bureaucratic procedures of the national services operate faulty. These conditions made the company lose control of the management of these two companies and due to these difficulties it cannot earn any profit from their operating function. For these reasons the Parent company suspended their operational activity and it has already made plans for the sale of these two companies in the year 2006.
- 3) The value of STAR FOODS DISTRIBUTION S.A (CZECH REPUBLIC) together with the liabilities to the Parent company have been totally impaired, considering that STAR FOOD S.A has stopped its operational function since 2003. The company had no operational activity at 2005 and hasn't prepared a liquidation balance sheet. From its most recent financial statements, it is evident that the value of these statements are immaterial relative to the value of the consolidated statements.
- 4) At the start of 2006, the Parent company sold 15% its participation to the SAVAGROVE HOLDINGS LTD (CYPRUS) , of a total value € 4.123.843,84. Parent company had no participation on this company's management and therefore there was no reason for its consolidation. This sale resulted to a loss in the income statement due the exchange differences.
- 5) The participation of CARDICO SA in the CARDALCO SA (TURKEY) has not been impaired, concerning that although this company is partly inactive it doesn't have important losses and its reserves are valued higher than the participation value in its share capital. The financial statements of CARDALCO haven't been consolidated because its financial information (ledger or balance sheet) have not

been provided timely. According to the Parent Company's management the amounts of the financial statements of CARDALCO are immaterial. Indicatively , the financial snapshots provided to us from the management of the CARDALCO, show that the equity of this company at 31/12/2005 is valued at 401.725,00 USD, the sales of the company as at 30.9.2006 are valued at 0,00 usd and the result of the period ended at 30/9/2006 is also 0,00 usd. Thus, if the participation in this company was consolidated with the equity consolidation method, the effect would have been immaterial. The administration of the company is in discussions with CARDALCO administration in order to restart the operational activity of the Turkish company. If this won't became possible, then Cardico will sell its participation in 2006.

6.4 Deferred Tax

The deferred tax receivables / liabilities as such emerge from the relevant temporary tax differences, are as follows:

	GROUP				COMPANY			
	30/9/2006		31/12/2005		30/9/2006		31/12/2005	
	Receivable	Liability	Receivable	Liability	Receivable	Liability	Receivable	Liability
Non current assets								
Intangible - Tangible assets	582.347	1.724.555	847.271	1.892.066	520.942	1.269.841	801.939	1.377.050
Participation in affiliated and subsidiary companies		73.145				11.380.058		11.380.058
Current Assets								
Financial assets estimated in fair value	73.145		29.621					
Reserves								
De-taxation of reserves			3.934					
Long – term liabilities								
Employee benefits	89.916		102.318					
Other Long – term liabilities		81.000						
Short – term liabilities								
Provisions	0		96.000					
Other short – term liabilities	1.495.191	1.290.848	1.434.912	525.525	1.421.191	1.212.848	1.330.226	392.970
Offset	2.240.599	3.169.548	2.514.055	2.417.592	1.942.133	13.862.747	2.132.165	13.150.077
Total		-928.949		96.464		-11.920.614		-11.017.912

The offset of deferred tax receivables and liabilities takes place when there is, from the company's perspective, an applicable legal right for such and when the deferred income taxes refer to the same tax authority.

6.5 Other long – term receivables

The other long – term receivables are the following:

	GROUP		COMPANY	
	30/9/2006	31/12/2005	30/9/2006	31/12/2005
Given Guarantees	342.260	315.304	50.809	47.669
Total other long – term receivables	342.260	315.304	50.809	47.669

The aforementioned receivables refer to receivables that will be received after the end of the following fiscal year.

6.6 Inventories

The Group's and Company's inventories are analyzed as follows:

	GROUP		COMPANY	
	30/9/2006	31/12/2005	30/9/2006	31/12/2005
Merchandise	19.584.998	22.372.411	5.135.738	5.289.630
Finished and semi – finished products	2.033.927	919.215	1.889.080	919.215
Work in progress	2.669.685	802.731	2.669.685	802.731
Raw and auxiliary materials spare parts and packing				
Spare parts and packing	1.343.097	880.290	866.036	756.290
Payments on account	0	0	0	0
Total	25.631.706	24.974.647	10.560.539	7.767.867

6.7 Customers and other trade receivables

The Group's and Company's customers and other trade receivables are analyzed as follows:

	GROUP		COMPANY	
	30/9/2006	31/12/2005	30/9/2006	31/12/2005
Customers	36.055.670	32.203.424	21.182.245	19.910.655
Notes receivable	1.456.665	145.395	143.665	143.665
Checks receivables	1.861.996	4.275.343	477.128	654.201
Checks overdue	90.617	268.261	28.705	28.705
Doubtful contested trade	1.001.111	914.000	19.356	
Less: Impairments	(3.341.762)	(5.040.947)	(1.907.865)	(3.370.050)
Net trade receivables	37.124.298	32.765.476	19.943.234	17.367.175
Total	37.124.298	32.765.476	19.943.234	17.367.175
Non Current Assets				
Current Assets	37.124.298	32.765.476	19.943.234	17.367.175
Total	37.124.298	32.765.476	19.943.234	17.367.175

The company in the current period re-examine the total impairment for doubtful claims which had been occurred until 31.12.2005 and it transfers at the income statement (other operating income) € 1.462.185,19. The reason for this reduction of the impairment is that while in previous periods there has been total or partial impairment of some claims, the company in the first half of 2006 conducted to agreement with this claims (clients) and he has already started to partially collect the above amounts.

6.8 Other receivables

The Group's and Company's other receivables are analyzed as follows:

	GROUP		COMPANY	
	30/9/2006	31/12/2005	30/9/2006	31/12/2005
Sundry debtors	1.323.969	978.576	860.252	7.116.523
Advances management accounts	13.656.987	7.665.655	9.719.258	149.294
Receivables from public authorities	138.541	149.294	138.541	773.359
Total receivables from debtors	15.119.497	8.793.525	10.718.051	8.039.175
Total	15.119.497	8.793.525	10.718.051	8.039.175
Non Current Assets				
Current Assets	15.119.497	8.793.525	10.718.051	8.039.175
Total	15.119.497	8.793.525	10.718.051	8.039.175

6.9 Other current assets

The Group's and Company's other current assets are analyzed as follows:

	GROUP		COMPANY	
	30/9/2006	31/12/2005	30/9/2006	31/12/2005
Deferred charges	261.044	775.363	253.785	570.207
Accrued income	235.000	0	0	0
Other prepayments and accrued income	391.356	3.712.945	343.549	3.712.945
Total	887.401	4.488.307	597.334	4.283.152

6.10 Financial assets valued at fair value through the income statement

Such are high-liquidity placements in shares and mutual funds with a short-term investment horizon.

	GROUP		COMPANY	
	30/9/2006	31/12/2005	30/9/2006	31/12/2005
Shares /mutual funds	806.129	204.635	806.129	204.635
Fair value revaluation	(164.509)	(196.208)	(164.509)	(196.208)
Balance at the period end	641.620	8.427	641.620	8.427

6.11 Cash and cash equivalents

	GROUP		COMPANY	
	30/9/2006	31/12/2005	30/9/2006	31/12/2005
Cash in hand	1.362.982	1.942.020	35.863	74.053
Short – term bank deposits	2.839.339	1.266.947	2.760.827	1.258.403
Short-term investments (in cash)		52.765		
Total	4.202.321	3.261.732	2.796.691	1.332.456

6.12 Total equity

i) Share capital

	Number of shares	Common shares	Own shares	Total
Balance as at 31/12/2005	21.254.570	21.254.570	666.000	21.920.570
Issuance of new shares	-	-	-	-
Purchase of Parent's shares (Own shares)	-	(143.037-)	143.037	-
Sales of parent's shares (Own shares)	-	708.000-	(708.000)	-
Purchase of Parent's shares (Own shares)	-	(138.300-)	138.300	-
Balance as at 30/09/2006	21.254.570	21.681.233	239.337	21.920.570

The Group's share premium reserve emerged from the issuance of shares by cash at a value larger than their nominal value.

ii) Fair Value Reserves

The analysis of fair value reserves as regards to the Group, is as follows:



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	GROUP			COMPANY		
	Revaluation of tangible assets	Reserve of affiliated companies revaluation	Total	Revaluation of tangible assets	Reserve or affiliated companies	Total
Balance as at January 1st 2004	2.754.389	1.115	2.755.504	2.754.389	1.115	2.755.504
Reserve amendment	(150.071)	-	(150.071)	(150.071)	-	(150.071)
Revaluation 2003	1.217.052	-	1.217.052	1.101.615	25.605.826	26.707.441
Balance as at January 1st 2004	3.821.370	1.115	3.822.485	3.705.933	25.606.941	29.312.874
Deferred tax amendment	49.122	-	49.122	43.918	1.181.806	1.225.725
Balance as at 31st December 2004	3.870.493	1.115	3.871.608	3.749.851	26.788.748	30.538.599
Deferred tax amendment	92.480	-	92.480	88.297	1.073.888	1.162.185
Revaluation 2005	1.005.967	-	1.005.967	1.005.967	-	1.005.967
Balance as at 31st December 2005	4.968.938	1.115	4.970.054	4.844.115	27.862.635	32.706.751
Revaluation of tangible asset	923.581	-	923.581	923.581	-	923.581
Balance as at 30th September 2006	5.892.519	1.115	5.893.635	5.767.697	27.862.635	33.630.333

iii) Other reserves

The Group's other reserves are analyzed as follows:

	GROUP			
	Legal reserve	Reserve of own shares	Other reserves	Total
Balance as at January 1st 2004	1.078.651	(4.150.688)	7.085.025	4.012.988
Changes during the period	158.750	(486.207)	3.036.834	2.709.377
Other changes	-	-	-	-
Balance as at December 31st 2004	1.237.401	(4.636.895)	10.121.859	6.722.365
Transfer of reserves of retained earnings from subsidiary	-	-	246.000	246.000
Sales of parent's shares (Own shares)	-	-	(87.870-)	(87.870-)
Balance as at December 31st 2005	1.237.401	(4.636.895)	10.279.989	6.880.495
Subsidiaries Reserves	-	-	1.228.000	1.228.000
Purchase/Sell of own shares	28.610	-	-	28.610
Transfer of reserves of retained earnings from subsidiary	-	-	3.457.230	3.457.230
Balance at 30th September 2006	1.266.011	(4.636.895)	14.965.219	11.594.334

The amount of € 1.228.000 regards to the transfer of part of profits carried forward, of the subsidiary company "ECHALIE S.A." in reserve account.

Special and extraordinary reserves are tax free and free for distribution after the decision of the meeting of shareholders.

6.13 Loan liabilities

	GROUP		COMPANY	
	30/9/2006	31/12/2005	30/9/2006	31/12/2005
Long – term loans				
Debtenture loans	15.700.000,00	14.300.000,00	15.700.000	14.300.000
Bank loans	5.017.042	6.099.592	3.428.571	4.639.037
Other loans				
Total of long – term loans	20.717.042	20.399.592	19.128.571	18.939.037
Short – term loans				
Long – term liabilities payable at next period	8.349.843	5.525.414	8.121.429	5.300.000
Bank loans	59.242.861	49.468.177	41.883.442	35.591.980
Bonds	-	-	-	-
Other loans	-	-	-	-
Total of short – term loans	67.592.703	54.993.591	50.004.870	40.891.980
TOTAL	88.309.745	75.393.184	69.133.442	59.831.016

The average interest of the loans receivable by the company is valued at 4,2%.

6.14 Employee benefit liabilities

	GROUP		COMPANY	
	30/9/2006	31/12/2005	30/9/2006	31/12/2005
Balance sheet liabilities fir:				
Provisions for retirement benefits	456.046	450.346	169.127	169.127
Total	456.046	450.346	169.127	169.127

6.15 Other long – term liabilities

The analysis of the Group's and Company's other long-term liabilities is as follows:

	GROUP		COMPANY	
	30/9/2006	31/12/2005	30/9/2006	31/12/2005
Provisions for extraordinary risks	395.430	395.430	200.000	200.000
Deferred income (grants)	3.593.609	3.617.406	3.593.609	3.700.771
Long term liabilities from leasing contracts	1.127.267	3.544.223	103.351	2.436.596
Balance at the period end	5.116.306	7.557.059	3.896.960	6.337.367

The provisions that refer to the Group and Company are recognized if legal or implied liabilities are present as a consequence of past events, if there is a possibility to settle them through outflows of funds and if the amount of the liability can reliably be calculated.

6.16 Suppliers and other liabilities

The analysis of the balance for the Group's and Company's suppliers and other related liabilities is as follows:

	GROUP		COMPANY	
	30/9/2006	31/12/2005	30/9/2006	31/12/2005
Suppliers	14.286.017	17.359.828	9.591.841	14.774.948
Checks payable	2.522.548	3.225.092	140.027	1.306.797
Liabilities towards customers from the execution of projects	95.780	213.492	95.780	193.252
Total	16.904.345	20.798.412	9.827.648	16.274.998

6.17 Current tax liabilities

The tax difference on the Group's profits before taxes is different from the amount which would have supposedly arisen if the weighted average tax rate had been used on the profits of the consolidated companies. This difference is presented in the following table:

	GROUP		COMPANY	
	30/9/2006	31/12/2005	30/9/2006	31/12/2005
Tax expense that corresponds to the period	1.456.410	3.159.065	0	165.453
Other tax liabilities	(972.281)	(1.872.984)	293.725	469.651
TOTAL	484.130	1.286.081	293.725	635.105

6.18 Other short – term liabilities

The other short-term liabilities are analyzed as follows:

	GROUP		COMPANY	
	30/9/2006	31/12/2005	30/9/2006	31/12/2005
Social security funds	414.660	153.468	33.407	112.825
Dividends payable	68.269	68.499	18.710	18.940
Sundry creditors	271.834	1.166.896	69.950	16.973
Deferred income	489.072	67.865	11.089	67.865
Accrued expenses	92.265	891.319	87.910	886.215
Other expenses	46.993	0	0	0
Total	1.383.094	2.348.046	221.066	1.102.817

6.19 Cost of goods sold

The cost of goods sold is analyzed as follows:

	GROUP		COMPANY	
	1/1 - 30/09/2006	1/1 - 30/09/2005	1/1 - 30/09/2006	1/1 - 30/09/2005
Cost of inventories recognized as an expense	132.103.274	146.962.679	34.771.762	39.484.948
Employee remuneration and expenses	1.519.256	979.339	973.573	798.940
Third party remuneration and expenses	174.166	690.583	15.285	21.946
Third party benefits	872.973	1.623.961	437.115	412.740
Taxes – duties	119.005	3.030	0	3.030
Sundry expenses	272.221	918.457	245.721	177.952
Interest expenses	0	0	0	0
Depreciations of fixed assets	618.318	491.338	515.552	458.311
Provisions	1.282	0	0	0
Own production	(91.702)	(37.380)	(84.186)	(37.380)
Less: inter-company eliminations	(11.345.621)	(10.687.459-)		0
Total	124.243.172	140.944.548	36.874.821	41.320.486

6.20 Administrative / distribution expenses

ADMINISTRATIVE EXPENSES

	GROUP		COMPANY	
	1/1 - 30/09/2006	1/1 - 30/09/2005	1/1 - 30/09/2006	1/1 - 30/09/2005
Cost of inventories recognized as an expense		1.494		
Employee remuneration and expenses	1.572.643	2.024.031	564.812	571.569
Third party remuneration and expenses	586.391	680.735	180.672	411.964
Third party benefits	830.637	451.903	222.467	292.579
Taxes – duties	236.526	218.704	65.449	2.226
Sundry expenses	252.097	635.282	125.761	338.062
Depreciations of fixed assets	257.890	246.001	111.818	103.201
Provisions	1.040	226.467	0	
Less: inter-company eliminations				
Total	3.737.224	4.484.618	1.270.978	1.719.601



ΚΩΝ. ΚΑΡΑΑΖΙΤΑΡΗΣ & ΥΙΟΙ ΑΕΒΕ

Notes	GROUP		COMPANY	
	1/1 - 30/09/2006	1/1 - 30/09/2005	1/1 - 30/09/2006	1/1 - 30/09/2005
Inventory cost	11.671		11.671	
Employee remuneration and expenses	1.383.496	1.831.658	368.520	382.231
Third party remuneration and expenses	599.569	219.446	326.782	119.937
Third party benefits	1.993.802	265.240	118.828	187.249
Taxes – duties	169.534	215.767	0	0
Sundry expenses	1.106.949	1.568.587	929.112	1.443.799
Interest expenses	3.377			
Depreciations of fixed assets	199.623	220.212	87.201	84.561
Provisions	50.000	226.467		
Less: inter-company eliminations				
Total	5.518.020	4.547.376	1.842.114	2.217.777

6.21 Other operating income / expenses

The other operating income and expenses for 2006 and 2005 are as follows:

	GROUP		COMPANY	
	1/1 - 31/09/2006	1/1 - 31/09/2005	1/1 - 31/09/2006	1/1 - 31/09/2005
Other operating income				
Grants and sundry sales income	1.540	18.863	1.540	17.642
Income of sequential activities	17.853	561.622	17.853	28.652
Extraordinary income	396.559	423.093	386.432	423.093
Grants for assets	91.662	38.516	91.662	38.516
Extraordinary profit	361.896	75.255	83.365	0
Profit from assets sale	0	85.927	0	85.927
Prior years income	46.931	56.940	46.907	56.891
Income from provisions of prior years	1.462.185	50.159	1.462.185	0
Total	2.378.627	1.310.374	2.089.944	650.721
Other operating expenses				
Extraordinary expenses	829.725	450.532	714.951	443.993
Extraordinary losses	89.302	37.380	82.478	37.380
Prior years expenses	3.032	19.225	2.868	19.225
Provisions	49.600	0	0	0
Depreciators not charged to the operating cost	62.753	63.825	62.753	63.825
Less: Inter Company Eliminations	(49.600)			
Total	984.813	570.962	863.050	564.423

6.22 Financial income / expenses

	GROUP		COMPANY	
	30/9/2006	30/9/2005	30/9/2006	30/9/2005
Interest income from:				
-Banks / Short term liquidation investments (repos)				
- Dividends form subsidiaries	3.002.000	3.063.735	3.002.000	3.063.735
- Profit from financial instruments (shares)	1.113.335	413.039	1.106.335	413.039
-Interest receive and relative income	215.852	233.418	3.121	43.431
Less: inter-company eliminations	(3.000.000)	(3.000.000)		
	1.331.188	710.192	4.111.456	3.520.205
Interest expenses from:				
- Bank loans and other expenses	2.566.285	4.110.354	1.761.992	2.877.947
- Other expenses of Leasing contracts	29.283	2.438	5.283	2.438
- Valuation losses	100.827	87.822	100.827	87.822
	2.696.394	4.200.615	1.868.102	2.968.208



ΚΩΝ. ΚΑΡΔΑΣΙΛΑΡΙΣ & ΥΙΟΙ ΑΕΒΕ

6.23 Income tax

	GROUP		COMPANY	
	30/9/2006	30/9/2005	30/9/2006	30/9/2005
Tax for the current period	(1.456.410)	3.103.035	0	480.685
Prior years' tax differences	0	1.011.684	0	801.142
Other not charged to the operating cost taxes	67.051	3.046	62.681	0
Deferred tax	483.263	1.284.072	525.464	1.196.961
Total	(906.097)	5.401.836	588.145	2.478.788
Earnings before taxes	(2.502.523)	11.047.746	4.374.968	5.356.476
Tax contributor	-36,21%	-48,90%	29%	32%
Expected Tax Expense	906.097	(5.401.836)	1.268.741	1.714.072
Change adjustments in tax contributor	(2.362.507-)	8.504.872-	(1.268.741-)	(1.233.387-)
Adjustments for salaries which are not applicable in taxation				
- Deferred tax for the period	483.263	1.284.072	525.464	1.196.961
Other adjustments (Tax free reserves – other tax free reductions)				
- Tax differences		1.011.684		801.142
- Other not charged to the operating cost taxes	67.051	3.046	62.681	
Net tax expense	(906.097)	5.401.836	588.145	2.478.788

The predictable tax expense differs from the real tax expense, as the company uses the right to form free tax reserves, according to developmental laws. As a result the real tax expense is less than the predictable.

6.24 Earnings per share

	GROUP		COMPANY	
	30/9/2006	30/9/2005	30/9/2006	30/9/2005
Earnings that correspond to the parents' shareholders	(1.982.301)	5.465.342	3.786.823	2.877.689
Weighted average number of shares	21.681.233	21.295.890	21.681.233	21.295.890
Basic earnings per share (euro per share)	(0,09)	0,26	0,17	0,14

6.25 Contingencies

Information regarding contingent liabilities

Against the company there are legal claims a) of a company named "Hellenic Investments SA – Investment Consultants" of total amount €486.311,43 which arise from signed agreements pertaining to the supervision of the construction of the new plant in Schimatari. The above claims are under arbitration by the appropriate authority which is currently examining the relevant evidence. According to the company's legal consultant it is highly likely that the above claims be rejected. B) Of a company named KENTFORD LIMITED with seat in Ireland and in Moldavia of total amount €12.715.689. At the 10/09/2001 were signed a contract between Mrs.[Kardasilaris] and Sons S.A and the above company for the transfer of a Moldavian company of her property named KENTFORD SRL against price USD 200.000. Mrs. [Kardasilaris] and Sons [AEBE] in year 2002 withdrew the agreement concerning the acquiring of buying the shares of company KENTFORD SRL, as it was initially



ΚΩΝ. ΚΑΡΑΑΣΤΑΦΙΔΗΣ & ΥΙΟΙ ΑΒΕΕ

provided by the convention, after the weakness of the co-contractor company to ensure us for the safety of the undertaking. This weakness resulted to our company decision not to remain in the unstable commercial market of Moldavia as exporter. According to the company's legal consultant the above claim is not to flourish.

Other than the above there are no cases under dispute or arbitration which might have a significant effect on the financial situation or operation of the Group.

The years for which the Group's companies have not been inspected by the tax authorities are as follows:

COMPANY NAME	UNINSPECTED TAX YEARS
CARDICO SA	2004-2005
NUT COMPANY SA	2002-2004-2005
XIROFRUIT SA	2003-2004-2005
SIFAKIS SA	2003-2004-2005
SDOUKOS ANT. SA	2003-2004-2005

6.26 Transactions with affiliated parties

INTER COMPANY RECEIVABLES -LIABILITIES 31/12/2005							
Liability							
	CARDICO ABEE	ECHALIE S.A	TESCO S.A	XIROFRUIT ABEE	SIFAKIS S.A.	NUT COMPANY S.A.	TOTALS
R e c e i v a b l e	CARDICO ABEE	1.855.534	842.616	568.022	658.401	9.646	3.934.218
	ECHALIE S.A	788.977	146.000				934.977
	TESCO S.A	523.791	34.000				557.791
	XIROFRUIT ABEE	16					16
	SIFAKIS S.A.	2.469					2.469
	NUT COMPANY S.A.	47.927					47.927
	ΣΥΝΟΛΑ	1.363.181	1.889.534	988.616	568.022	658.401	5.477.399
INTERCOMPANY SALES PURCHASES 1/1 - 30/9/2005							
BUYER							
	CARDICO ABEE	ECHALIE S.A	TESCO S.A	XIROFRUIT ABEE	SIFAKIS S.A.	NUT COMPANY S.A.	ΣΥΝΟΛΑ
S A L E	CARDICO ABEE	3.757.120	451.418	1.108.441	330.523		5.647.501
	ECHALIE S.A	64.858	1.973.207				2.038.065
	TESCO S.A	2.476.520	524.352				3.000.872
	XIROFRUIT ABEE	1.022					1.022
	SIFAKIS S.A.						
	NUT COMPANY S.A.						
	ΣΥΝΟΛΑ	2.542.399	4.281.472	2.424.624	1.108.441	330.523	10.687.459

INTER COMPANY RECEIVABLES -LIABILITIES 30/09/2006

Liability

	30/9/2006	CARDICO ABEE	ECHALIE S.A	TESCO S.A	XIROFRUIT S.A.	SIFAKIS S.A	NUT COMPANY S.A.	TOTAL
R e c e i v a b l e	CARDICO ABEE		2.423.891	807.524	903.232	644.678	9.646	4.788.971
	ECHALIE S.A	1.410.271		791.000				2.201.271
	TESCO S.A	272.837	363.000					635.837
	XIROFRUIT S.A.							0
	SIFAKIS S.A	15.549						15.549
	NUT COMPANY S.A.	47.944						47.944
	TOTAL	1.746.601	2.786.891	1.598.524	903.232	644.678	9.646	7.689.571

INTERCOMPANY SALES PURCHASES 1/1 - 30/09/2006

BUYER

	30/9/2006	CARDICO ABEE	ECHALIE S.A	TESCO S.A	XIROFRUIT S.A.	SIFAKIS S.A	NUT COMPANY S.A.	TOTAL
S A L E	CARDICO ABEE		1.775.438	2.199.539	1.088.594	474.127		5.537.698
	ECHALIE S.A	1.158.067		2.672.000				3.830.067
	TESCO S.A	1.368.565	595.000					1.963.565
	XIROFRUIT S.A.							0
	SIFAKIS S.A	12.000						12.000
	NUT COMPANY S.A.	2.292						2.292
	TOTAL	2.540.923	2.370.438	4.871.539	1.088.594	474.127	0	11.345.621

The above transactions and balances have been written-off from the Group's consolidated financial statements.

6.27 Dividends

The company paid dividends during 2005 of total value € 1.753.645,60

6.28 Number of employees

The number of the engagement personnel of the Company as at 30.9.2006 was 121 employees and of the Group 227 employees.

6.29 Events after the balance sheet date

Apart from the aforementioned events, there are no events after the balance sheet date, which concern either the Group or the Company and whose disclosure is required by the International Financial Reporting Standards.