

DELTA HOLDING S.A.
NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS
AS OF JUNE 30, 2006
(All amounts in thousands of Euro, unless otherwise stated)



DELTA HOLDING S.A.

INTERIM CONDENSED FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED JUNE 30, 2006
IN ACCORDANCE WITH INTERNATIONAL FINANCIAL
REPORTING STANDARDS (IFRS)

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THE OPINION HAS BEEN TRANSLATED FROM THE GREEK ORIGINAL VERSION

REPORT ON REVIEW OF INTERIM CONDENSED FINANCIAL STATEMENTS

To the Shareholders of « DELTA Holding S.A.»:

We have reviewed the accompanying interim condensed financial statements of Delta Holding S.A. as well as the interim condensed consolidated financial statements of the Company and its subsidiaries, for the six-month period ended 30 June 2006. We did not separately review the income statement for the second quarter of 2006. Management is responsible for the preparation and presentation of these interim condensed financial statements in accordance with International Financial Reporting Standards applicable to interim financial reporting as adopted by the European Union (IAS 34 “Interim Financial Reporting”). Our responsibility is to issue a report on these interim condensed financial statements based on our review.

We conducted our review in accordance with the Greek Standard on Review Engagements, which is based on the relevant International Standard on Review Engagements. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than the work performed in order to issue an audit report on financial statements. Consequently, we do not express an audit opinion.

Based on our review, we are not aware of any material modifications that should be made to the accompanying interim condensed financial statements of the Company as well as the accompanying interim condensed consolidated financial statements of the Group, in order to comply with the International Financial Reporting Standards applicable to interim financial reporting, as adopted by the European Union. (IAS 34).

Athens, 22 August 2006

The Certified Auditors Accountants

John .Mystakidis
R.N ICA(GR) 16511

Andreas Tsamakias
R.N. ICA (GR) 17101

ERNST & YOUNG (HELLAS)
CERTIFIED AUDITORS ACCOUNTANTS S.A.
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BKR PROTYPOS ELEGKTIKI S.A
CERTIFIED AUDITORS ACCOUNTANTS
R.N ICA(GR) 111

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF INCOME
FOR THE SIX MONTHS ENDED JUNE 30,2006**
(All ammounts in thousands of Euro, except per share data)



	Group											
	1/1-30/06/2006			1/1-30/06/2005			1/4-30/06/2006			1/4-30/06/2005		
	Continuing Operations	Discontinued Operations (contribution to the group)	Total	Continuing Operations	Discontinued Operations (contribution to the group)	Total	Continuing Operations	Discontinued Operations (contribution to the group)	Total	Continuing Operations	Discontinued Operations (contribution to the group)	Total
REVENUES												
Net sales	288.515	44.960	333.475	282.584	68.854	351.438	150.433	33.362	183.795	149.333	56.025	205.358
Cost of sales	(168.797)	(23.957)	(192.754)	(167.743)	(34.327)	(202.070)	(89.346)	(15.999)	(105.345)	(88.895)	(26.536)	(115.431)
Gross Profit	119.718	21.003	140.721	114.841	34.527	149.368	61.087	17.363	78.450	60.438	29.489	89.927
Selling, general and administrative expenses	(95.800)	(19.736)	(115.536)	(91.173)	(25.374)	(116.547)	(54.201)	(10.801)	(65.002)	(50.307)	(20.370)	(70.677)
Other income/(expenses)	5.449	(581)	4.868	23.470	(29)	23.441	3.427	(121)	3.306	16.714	(188)	16.526
Financial income	41.892	(928)	40.964	9.571	3.739	13.310	17.070	(928)	16.142	5.916	2.217	8.133
Financial expenses	(30.462)	(1.607)	(32.069)	(10.207)	(5.639)	(15.846)	(15.386)	(676)	(16.062)	(467)	(2.210)	(2.677)
Share of profit/(losses) of associates valuated with equity method	-	-	-	(31)	-	(31)	(43)	-	(43)	(49)	-	(49)
Gain on disposal of Delta Ice Cream subgroup	-	57.016	57.016	-	-	-	-	57.016	57.016	-	-	-
PROFIT BEFORE INCOME TAXES	40.797	55.167	95.964	46.471	7.224	53.695	11.954	61.853	73.807	32.245	8.938	41.183
Income taxes	(13.048)	(220)	(13.268)	(18.522)	(2.110)	(20.632)	(3.671)	(1.864)	(5.535)	(14.044)	(2.188)	(16.232)
NET PROFIT	27.749	54.947	82.696	27.949	5.114	33.063	8.283	59.989	68.272	18.201	6.750	24.951
Attributable to:												
Equity holders of the parent	25.337		80.345	21.526		26.559	6.927		66.605	16.265		22.906
Minority interests	2.412		2.351	6.423		6.504	1.356		1.667	1.936		2.045
	27.749		82.696	27.949		33.063	8.283		68.272	18.201		24.951
Earnings per share (in Euro)												
Basic	0,57		1,82	0,53		0,66	0,16		1,50	0,40		0,56
Diluted	-		-	0,48		0,60	-		-	0,36		0,51
Weighted average number of shares, basic and diluted												
Basic	44.110.574		44.110.574	40.598.268		40.598.268	44.524.314		44.524.314	40.598.268		40.598.268
Diluted	-		-	45.304.692		45.304.692	-		-	45.304.692		45.304.692

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

DELTA HOLDING S.A.



**INTERIM CONDENSED STATEMENT OF INCOME
FOR THE SIX MONTHS ENDED JUNE 30, 2006**
(All amounts in thousands of Euro, except per share data)

	Company			
	1/1-30/06 2006	1/1-30/06 2005	1/4-30/06 2006	1/4-30/06 2005
REVENUES:				
Net sales	8.324	7.102	3.814	2.997
Cost of sales	(4.898)	(5.116)	(2.936)	(2.645)
Gross profit	3.426	1.986	878	352
Selling, general and administrative expenses	(4.760)	(3.468)	(3.061)	(1.830)
Other income/(expenses)	106	12	52	12
Financial income	50.694	24.629	25.553	19.924
Loss on disposal of subsidiary	(17.237)	-	(17.237)	-
Financial expense:	(30.338)	(8.049)	(15.309)	2.178
PROFIT BEFORE INCOME TAXES	1.891	15.110	(9.124)	20.636
Income taxes	(2.901)	(3.032)	600	(4.174)
NET PROFIT	(1.010)	12.078	(8.524)	16.462

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

DELTA HOLDING S.A AND SUBSIDIARIES
INTERIM CONDENSED BALANCE SHEET
AT JUNE 30, 2006



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

	Group		Company	
	June 30, 2006	December 31, 2005	June 30, 2006	December 31, 2005
ASSETS				
Non-Current Assets:				
Property, plant and equipment	359.851	364.894	5.888	6.227
Goodwill	151.790	151.317	-	-
Intangible assets	183	215	1	1
Investments in subsidiaries	-	-	362.339	361.765
Investments in associates	129	198	-	-
Available for sale financial assets	11.257	10.546	10.648	9.827
Bond loans	-	-	72.000	166.500
Other long term assets	1.584	1.652	110	112
Derivative financial instruments	78	-	-	-
Deferred income taxes	5.485	8.370	4.025	6.986
Total non-current assets	530.357	537.192	455.011	551.418
Current Assets:				
Inventories	58.041	43.797	-	-
Trade accounts receivable	114.894	107.398	1.949	6.709
Prepayments and other receivables	30.523	32.491	6.816	4.670
Financial assets at fair value through profit and loss	1.428	4.827	1.268	4.599
Cash and cash equivalents	293.178	99.762	227.989	18.644
Total current assets	498.064	288.275	238.022	34.622
Assets of disposal group classified as held for sale	0	207.225	-	128.410
TOTAL ASSETS	1.028.421	1.032.692	693.033	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	101.994	93.214	101.994	93.214
Accumulated deficit	39.123	(41.125)	(63.238)	(61.754)
Foreign exchange differences	62	(1.854)	-	-
Legal, tax free and special reserves	84.133	83.979	70.683	70.683
Other reserves	3.056	3.056	1.300	1.300
	359.269	257.687	241.640	223.860
Minority interests	57.151	61.450	-	-
Total Equity	416.420	319.137	241.640	223.860
Non-Current Liabilities:				
Long-term borrowings at amortised cost	202.195	205.081	244.000	244.000
Long-term borrowings at fair value through profit and loss	170.977	190.655	170.977	190.655
Grants	10.081	9.877	-	-
Deferred income taxes	40.021	38.053	-	-
Reserve for staff retirement indemnities	10.753	10.235	1.103	1.014
Derivative financial instruments	25.772	16.484	25.772	16.580
Other long-term liabilities	3.890	4.839	-	-
Total non-current liabilities	463.689	475.224	441.852	452.249
Current Liabilities:				
Trade accounts payable	96.487	95.066	1.429	2.702
Short-term borrowings	15.268	16.457	-	23
Current portion of long-term debt	509	20.556	-	20.357
Income taxes payable	12.180	15.883	-	-
Accrued and other current liabilities	23.868	33.148	8.112	15.259
Total current liabilities	148.312	181.110	9.541	38.341
Liabilities directly associated with the assets classified as held for sale	-	153.221	-	-
Intragroup loans to operations classified as held for sale	-	(96.000)	-	-
TOTAL LIABILITIES AND EQUITY	1.028.421	1.032.692	693.033	714.450

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

DELTA HOLDING S.A AND SUBSIDIARIES

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE SIX MONTHS ENDED JUNE 30, 2006

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

	Group							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	Total		
Balance, January 1, 2006	120.417	93.214	83.633	3.056	346	(1.854)	(41.124)	257.688	61.450	319.138
Profit for the period	-	-	-	-	-	-	80.345	80.345	2.351	82.696
Share Capital Increase from settlement of convertible bond	10.484	9.575	-	-	-	-	-	20.059	-	20.059
Dividends of the period	-	-	-	-	-	-	(7.569)	(7.569)	-	(7.569)
Early conversion of convertible bond	-	(795)	-	-	-	-	7.092	6.297	-	6.297
Movement of legal reserves	-	-	154	-	-	-	(154)	-	-	-
Dividends to minority of subsidiaries	-	-	-	-	-	-	-	-	(4.480)	(4.480)
Exchange differences	-	-	-	-	-	1.916	-	1.916	-	1.916
Minority of Delta Ice Cream S.A. (disposal)	-	-	-	-	-	-	-	0	(2.576)	(2.576)
Other movements	-	-	-	-	-	-	533	533	406	939
Balance June 30, 2006	130.901	101.994	83.787	3.056	346	62	39.123	359.269	57.151	416.420

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

DELTA HOLDING S.A

INTERIM CONDENSED STATEMENT OF CHANGES IN EQUITY
FOR THE SIX MONTHS ENDED JUNE 30, 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
Restated 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
Dividends	-	-	-	-	-	(7.569)	(7.569)
Early conversion of convertible bond	-	(795)	-	-	-	7.094	6.299
Loss of the period	-	-	-	-	-	(1.010)	(1.010)
Balance June 30, 2006	130.901	101.994	70.221	1.300	462	(63.238)	241.640

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

DELTA HOLDING S.A AND SUBSIDIARIES

INTERIM CONDENSED CASH FLOW STATEMENT
FOR THE SIX MONTHS ENDED JUNE 30, 2006

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



	Group		Company	
	1/1-/30/06/2006	1/1-/30/06/2005	1/1-/30/06/2006	1/1-/30/06/2005
Cash flows from operating activities				
Profit before income taxes	95.964	53.695	1.891	15.110
Adjustments to reconcile to net cash provided by operating				
Depreciation and amortisation	12.428	16.335	539	448
Depreciation of discontinued operations	5.070	-	-	-
Provisions	545	723	89	(72)
Interest and other related income	(8.650)	(5.138)	(8.820)	(21.071)
Interest and other related expenses	11.669	12.795	10.653	8.049
Gain on disposal of Delta Ice Cream subgroup	(57.016)	-	17.760	-
Gain from valuation and disposal of investments, financial assets and derivatives	(11.982)	(2.787)	(12.545)	(3.557)
Dividends received	-	-	(10.161)	-
Gain/ (loss) on disposal of property, plant and equipment	1	(345)	(3)	-
Losses on equity investees	70	31	-	-
Amortization of government grants	(503)	(577)	-	-
Profit before working capital changes	47.596	74.732	(597)	(1.093)
(Increase)/Decrease in:				
Inventories	(14.244)	(19.766)	-	-
Receivables	(5.036)	(25.006)	3.742	(392)
(Increase)/Decrease in:				
Liabilities (except bank)	(10.198)	39.729	1.740	3.684
Income taxes paid	(10.288)	(12.881)	(372)	(9.005)
Interest paid	(18.259)	(16.630)	(16.942)	(802)
Grants received	707	2.120	-	-
Cash Flows from Operating Activities:	(9.722)	42.298	(12.429)	(7.608)
Cash Flows from Investing Activities:				
Capital expenditure for tangible and intangible assets	(7.550)	(24.365)	(202)	(451)
Proceeds from disposal of property, plant and equipment	218	4.529	5	-
Interest, dividends and other related income received	10.150	5.138	23.783	4.629
Acquisition of minority of subsidiaries	(1.790)	(17.713)	(574)	(15.622)
Acquisition of minority of Delta Dairy	-	(62.000)	-	-
Sales of treasury shares	-	44.193	-	-
(Acquisitions)/Disposals of investments available for sale	(950)	1.222	(2.321)	77
Gain on disposal of Delta Ice Cream subgroup	109.598	-	109.598	-
Gain/(loss) on disposal of financial assets	3.545	-	2.818	-
Cash Flows for Investing Activities:	113.221	(48.996)	133.107	(11.367)
Cash Flows from Financing Activities:				
Net change in short-term borrowings of discontinued operations	96.000	-	96.000	-
Net change in short-term borrowings	2.481	27.750	(23)	19.055
Net change of long term borrowings	3.416	(4.183)	-	-
Increase/Decrease of long-term liabilities from leasing	-	-	-	-
Increase/Decrease in sort-term liabilities from leasing	-	-	-	-
Minority interests	(2.110)	360	-	-
Dividends paid	(11.949)	(544)	(7.310)	-
Net Cash used in Financing Activities	87.838	23.383	88.667	19.055
Effect of exchange rates changes on cash	-	(41)	-	-
Net Increase/Decrease of cash and cash equivalents	191.337	16.644	209.345	80
Cash and cash equivalents at beginning of year	101.841	78.788	18.644	642
Cash and cash equivalents of discontinued operations	-	-	-	-
Cash and cash equivalents at end of period	293.178	95.432	227.989	722

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

DELTA HOLDING S.A.
NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS
AS OF JUNE 30, 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, 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 4, in late 2005 the Group concluded a binding agreement with the Nestle Group for the sale of the Delta Ice Cream subgroup, a sale that was completed in May 2006.

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 June 30, 2006 and 2005, the Company's average number of employees was approximately 5,465 and 6,084, respectively.

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

2. BASIS OF PRESENTATION:

The accompanying interim condensed separate and consolidated financial statements for the six-month period ended June 30, 2006 have been prepared in accordance with International Financial Reporting Standards (IFRS) applicable to interim financial reporting as adopted by the European Union (IAS 34 "Interim Financial Reporting").

These financial statements have been prepared using the same accounting principles and basis of measurement followed for the preparation of the most recent annual financial statements for the year ended December 31, 2005.

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 significant line items of the financial statements .

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

DELTA HOLDING S.A.
NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS
AS OF JUNE 30, 2006
 (All amounts in thousands of Euro, unless otherwise stated)

3. SEGMENT INFORMATION:

Segment Information

June 30, 2006

	<u>Food</u>	<u>Restaurants and café bars</u>	<u>Services</u>	<u>Eliminations</u>	<u>Continuing Operations</u>	<u>Discontinued Operations</u>	<u>Consolidated</u>
Segment revenues							
Segment revenues	281,110	41,396	8,324	(42,315)	288,515	44,960	333,475
Profit before tax	25,080	11,322	4,905	(510)	40,797	55,167	95,964

June 30, 2005

	<u>Food</u>	<u>Restaurants and café bars</u>	<u>Services</u>	<u>Eliminations</u>	<u>Continuing Operations</u>	<u>Discontinued Operations</u>	<u>Consolidated</u>
Segment revenues							
Segment revenues	275,154	35,254	7,102	(34,926)	282,584	68,854	351,438
Profit before tax	42,607	13,467	15,110	(24,713)	46,471	7,224	53,695

The following tables present revenues and profit before taxes information regarding the Group's geographical segments for the periods ended June 30, 2006 and June 30, 2005.

June 30, 2006

	<u>Greece</u>	<u>Foreign Activities</u>	<u>Eliminations</u>	<u>Continuing operations</u>	<u>Discontinued operations</u>	<u>Consolidated</u>
Revenues						
Segment Revenues	309,143	21,687	(42,315)	288,515	44,960	333,475
Profit before tax	41,388	(81)	(510)	40,797	55,167	95,964

June 30, 2005

	<u>Greece</u>	<u>Foreign Activities</u>	<u>Eliminations</u>	<u>Continuing operations</u>	<u>Discontinued operations</u>	<u>Consolidated</u>
Revenues						
Segment Revenues	295,092	22,418	(34,926)	282,584	68,854	351,438
Profit before tax	70,943	241	(24,713)	46,471	7,224	53,695

DELTA HOLDING S.A.
NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS
AS OF JUNE 30, 2006

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

4. DISPOSAL OF SUBGROUP ICE CREAM-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 held for sale were satisfied within the last days of December 2005. 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. The sale was completed in May 31, 2006 and the net consideration price was Euro 111,173.

Delta Ice Cream's income statements for the first semester of 2005 and the period 1/1 -31/5/2006 are separately presented in the consolidated Statement of Income under "DISCONTINUED OPERATIONS" while summarized information of the sub group's assets and liabilities as at December 31, 2005 are as follows:

ASSETS	December 31, 2005
Non - Current Assets	
Property, plant and equipment	117,775
Goodwill	50,783
Other non current assets	682
Total Non Current Assets	169,240
Current Assets	
Inventories	13,401
Trade accounts receivable	17,477
Other current receivables	4,864
Financial assets at fair value through profit and loss	164
Cash	2,079
Total Current Assets	37,985
TOTAL ASSETS	207,225
LIABILITIES	
Non - Current liabilities	
Long term loans and borrowings	98,754
Grants	835
Deferred tax liabilities	6,490
Other long- term liabilities	3,132
Total non-current liabilities	109,211



DELTA HOLDING S.A.
NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS
AS OF JUNE 30, 2006

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

Current Liabilities	
Trade accounts payable	12,982
Short - term borrowings	22,027
Current portion of loans and borrowings	1,341
Other current liabilities	7,659
Total current liabilities	44,009
TOTAL LIABILITIES	
	153,220
Less: Intragroup loans to discontinued operations	(96,000)
	57,220
Net cash inflow from sale:	
Net consideration received	111,173
Net cash disposed of with the sub-group	1,575
Net cash inflow	109,098

5. PROPERTY, PLANT AND EQUIPMENT

The property, plant and equipment movement of continued operations for the period ended June 30, 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	7,539	204
Transfers from CIP	-	-
Disposals	(2,295)	(13)
Impairment	(48)	-
Subsidiary Acquisition/Disposal	275	-
Translation adjustments	(81)	-
June 30, 2006	465,343	11,422
ACCUMULATED DEPRECIATION		
January 1, 2006	(131,444)	(5,004)
PP&E of discontinued operations	36,320	-
January 1, 2006	(95,124)	(5,004)
Depreciation expense	(12,321)	(539)
Disposals	2,040	9
Impairment	20	-
Subsidiary Acquisition/Disposal	(135)	-
Translation adjustments	28	-
June 30, 2006	(105,492)	(5,534)
NET BOOK VALUE		
June 30, 2006	359,851	5,888

DELTA HOLDING S.A.
NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS
AS OF JUNE 30, 2006

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

6. 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 June 30, 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

	June 30, 2006	December 31, 2005
Due from:		
Arma Investments S.A.	26	39
VALTOP Holdings S.A. (Dodoni group of companies)	216	28
Nea Makri Restaurants S.A.	40	28
Café Halcyon S.A.	20	23
Tourist Industries Aristotelous 27 Restaurants Patisseries S.A.	21	23
Desmos Developments S.A.	15	20
Marina Zeas	113	105
	451	266

Company

Due from subsidiaries	June 30, 2006	December 31, 2005
Trade receivables:		
Goody's S.A	54	23
Delta Dairy S.A	1,596	3,808
General Frozen Foods S.A.	74	248
Delta Ice Cream S.A.	-	2,527
Hellenic Catering S.A.	140	192
S. Nendos S.A.	1	1
Vigla S.A.	-	10
	1,865	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 Ice Cream S.A.	(a)	-	73,000
Vigla S.A.	(a)	3,000	1,500

DELTA HOLDING S.A.
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Delta International Holding Ltd.	(a)	-	23,000
		72,000	166,500
Other Receivables		1,124	-
Total receivables from subsidiaries		74,989	173,309
Liabilities		June 30, 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		768	-
Total liabilities from subsidiaries		44,768	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. On June 2, 2006 Delta Ice Cream S.A and Delta International Holding Ltd repaid their loans of €73,000 and €23,000.
- (b) Relates to bond by Delta Holding on July 22, 2005 and purchased by its subsidiary. The loan 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 June 30, 2006 and 2005 are analyzed as follows:

Group

	Sales to related parties	
	June 30, 2006	June 30, 2005
Inventories, materials and supplies:		
VALTOP Holdings S.A. (Dodoni group of companies)	349	287
Volos Restaurants S.A.	-	247
Arma Investments S.A.	171	176
Nea Makri Restaurants S.A.	101	101
Desmos Developments S.A.	43	36
Thisio Café S.A.	-	32
Café Halcyon S.A.	36	31
Marina Zeas	54	22
Tourist Industries Aristotelous 27 Restaurants Patisseries S.A.	17	16
Total	771	948

DELTA HOLDING S.A.
NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS
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 (All amounts in thousands of Euro, unless otherwise stated)

	Sales to related parties	
	June 30, 2006	June 30, 2005
Commercial Services:		
Volos Restaurants S.A.	-	57
Arma Investments S.A.	34	42
Desmos Developments S.A.	31	37
Nea Makri Restaurants S.A.	20	26
Café Halcyon S.A.	20	25
Thisio Café S.A.	-	24
Marina Zeas	40	9
Tourist Industries Aristotelous 27 Restaurants Patisseries S.A.	11	13
Total	156	233

Company

	Services to subsidiaries	
	1/1 -30/06/2006	1/1 -30/06/2005
Services:		
Goody's S.A	116	104
Delta Dairy S.A	5,019	3.857
General Frozen Foods S.A.	347	180
Delta Ice Cream S.A.	2,552	2.650
Hellenic Catering S.A.	326	302
Nendos S.A.	-	1
	8,360	7,094
Interest charges:		
Delta Dairy S.A.	979	-
General Frozen Foods S.A.	370	-
Delta Ice Cream S.A.	1,184	-
Vigla S.A.	59	-
Delta International Holding	396	-
	2,988	-
Total charges to related parties	11,348	-

DELTA HOLDING S.A.
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	Services from subsidiaries	
	<u>1/1 -30/06/2006</u>	<u>1/1 -30/06/2005</u>
Interest charges:		
Delta Food Participations Ltd.	860	-
Total liabilities	<u>860</u>	<u>-</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 June 30, 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 June 30, 2006, and 2005, has as follows:

	<u>1/1 -30/06/2006</u>	<u>1/1 -30/06/2005</u>
Short-term employee benefits	384	457
Social security contributions	13	19
Total compensation paid to key management personnel	<u>397</u>	<u>476</u>

7. SHARE CAPITAL:

On 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.

On June 30, 2006, the Company's share capital amounted to € 130,901 (after the increase 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

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.

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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 €8,780 was recognized in the share premium.

8. 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 June 30, 2006:

- It has issued letters of guarantee for good performance for a total amount of €943.
- It has provided guarantees for repayment of bank overdrafts and commercial liabilities of various subsidiaries and associates aggregating to €1,701.
- It has provided guarantees for good performance of subsidized investment programs aggregating to €5.
- It has provided guarantees for its participation in various competitions aggregating to €153.

(ii) Operating Lease Commitments:

As of June 30, 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 INTERIM CONDENSED FINANCIAL STATEMENTS
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(All amounts in thousands of Euro, unless otherwise stated)

Future minimum rentals payable under non-cancelable operating leases as at June 30, 2006, are as follows:

	<u>Group</u>	<u>Company</u>
Within one year	8,679	887
2-5 years	39,728	2,971
After 5 years	31,983	-
Total	<u>80,390</u>	<u>3,858</u>

9. 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 BoD's of the two companies decided the new company to be named "VIVARTIA S.A.".

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 agreement was approved by the board of shareholders on June 1, 2006 and the relevant documentation has been submitted to the competent authorities for approval. The merger is estimated to have been completed legally and operationally within the third quarter of 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 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 subsidiaries' boards of shareholders for the fiscal year 2005 approved the merger agreement. The merger is estimated to have been completed by September 2006 while they are not expected to affect the consolidated financial position/equity and the consolidated result of operations of the Group.

DELTA HOLDING S.A.
NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS
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(All amounts in thousands of Euro, unless otherwise stated)

(c) Acquisition of Nestle plant in Plati Imathias:

Within August 2006 the legal procedures relating to the acquisition from NESTLE Group of the milk production facility of NESTLE Hellas at Platy Imathias and the brand name Vlachas, have been completed. Business acquired 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 consideration price is €2.8 million plus the price of finished goods at the date of preparation of the conversion Balance Sheets.

Total sales of the undertaken operation are estimated to be €40 million.

(d) Letter of intend for the acquisition of 21% of the share capital of MEVGAL S.A :

On June 30, 2006 a letter of intend was signed between Delta Holding and Ms Maria Hatzakou for the acquisition of 464,562 shares of MEVGAL S.A. at a consideration price of Euro 15 million. Above share represent 21% share of the share capital of MEVGAL S.A. The final acquisition of ownership will be made upon legal settlement of the restriction included in the article of incorporation of MEVGAL S.A. with respect to the transfer of shares. Due to above restriction the timing of the completion of the transaction cannot be precisely determined.

(e) Letter of intend for the acquisition of 45,8% of the share capital of Christies Dairies Public Ltd:

On July 21, 2006 Delta Holding (VIVARTIA) announced that Cyprus Trading Corporation Public Ltd and Shacolas Group, have signed a Letter of Intent for the sale to Delta Holding of approx. 25 million shares (or approx. 45.8% of the share capital) of Christies Dairies Public Ltd, listed in the CSE, for a price of 0.30 CYP per share.

Prior to the final agreement being signed, a financial and legal due diligence will take place, while the transfer of shares will be subject to securing the required authorizations from the competent bodies.

In case the above mentioned sale agreement is finalised, a public tender offer for the acquisition of the total shares of Christies Dairies Public Ltd will follow, as per the provisions of Cyprus Law.

**THE CHAIR MAN
OF THE BOARD &
C.O.**

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

**THE VICE
PRESIDENT OF
THE BOARD**

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

**THE GROUP
CHIEF
FINANCIAL
OFFICER**

**PANDELI
ECONOMO
PASS. No C 000668**

**THE GROUP CHIEF
ACCOUNTING
OFFICER**

**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	-
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	-
Charalambides Dairies Ltd.	54,90%	Cyprus	-
(c) 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.

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(d) Subsidiaries of GOODY'S S.A.

Hellenic Catering S.A.	98,15%	Greece	2001-2005
Hellenic Food Service S.A.	87,60%	Greece	2001-2005
S. Nendos S.A.	31,41%	Greece	2000-2005
Balkan Restaurants S.A.	100,00%	Bulgaria	1999-2005
Naffios S.A.	94,71%	Greece	1999-2005
Gefsiplolia 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
Endeka S.A.	100,00%	Greece	2003-2005
Kavala Restaurants S.A.	51,00%	Greece	2003-2005
Efkarpia Restaurants S.A.	51,00%	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.	54,10%	Greece	2003-2005
Saranda S.A.	98,61%	Greece	2003-2005
Mallakos Restaurants S.A.	51,00%	Greece	2003-2005
Café Espresso S.A.	65,00%	Greece	2003-2005
Vrillisia Café-Patisseries S.A.	50,07%	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.	94,71%	Greece	2003-2005
Volos Coast Restaurants S.A.	50,01%	Greece	2003-2005
Pagratl 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.	59,75%	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
Ermou, Restaurants S.A.	55,00%	Greece	New Company

(e) 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.	75,00%	Greece	2002-2005
Pallini Restaurants-Patisseries S.A.	90,00%	Greece	2004-2005

Associates consolidated under the equity consolidation method

	<u>Equity participation</u>	<u>Country of Incorporation</u>
Arma Investments S.A.	25,00%	Greece
Nea Makri Restaurants S.A.	30,00%	Greece
Tourist Industries 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.

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