Headquarters: 81 Spaton Avenue – 153 44 Gerakas Attica
Registration Nr 13363/06/B/86/17

ANNUAL FINANCIAL STATEMENTS IN ACCORDANCE WITH THE INTERNATIONAL FINANCIAL REPORTING STANDARDS THAT HAVE BEEN ADOPTED BY THE EUROPEAN UNION FOR THE PERIOD 1 JANUARY – 31 DECEMBER 2007 FOR THE GROUP AND THE COMPANY «ALFA-BETA» VASSILOPOULOS S.A.

Headquarters: 81 Spaton Avenue – 153 44 Gerakas Attica

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The annual financial statements were approved by the Board of Directors on February 29, 2008 and are subject to the approval of the Ordinary General Meeting of Shareholders. The Board of Directors authorized the following to sign the financial statements on its behalf:

The Chairman of the Board of Directors	The Managing Director & Member of the Board of Directors
Raphael A. Moissis Identity Card no AB 050084	**Konstantinos D. Macheras** Identity Card no Θ 724826
The Executive Financial Director	The Accounting Manager
Maria V. Kuhkalani Identity Card no AB 348843 License no 30034-A' Class	**Aspasia G. Meletopoulou** Identity Card no Σ 112901 License no 001242-A' Class

«ALFA-BETA» VASSILOPOULOS S.A.
INCOME STATEMENT
FOR THE YEAR ENDED DECEMBER 31, 2007
(amounts in thousand EUR except for earnings per share)

	Note	Group		Company	
		01.01.2007 - 31.12.2007	**01.01.2006 - 31.12.2006**	**01.01.2007 - 31.12.2007**	**01.01.2006 - 31.12.2006**
Revenues	**6**	1.174.883	1.030.249	1.141.204	1.000.880
Cost of sales		(906.172)	(803.946)	(887.124)	(787.293)
Gross profit		**268.711**	**226.303**	**254.080**	**213.587**
Other operating income	**7**	5.663	4.510	5.267	4.333
Distribution cost		(185.882)	(164.069)	(175.439)	(155.073)
Administrative expenses		(36.939)	(32.964)	(35.801)	(31.451)
Impairment charges		(49)	(940)	(49)	(940)
Operating profit		**51.504**	**32.840**	**48.058**	**30.456**
Finance costs	**9**	(2.689)	(3.198)	(2.680)	(3.198)
Income from investments		1.189	782	532	359
Profit before taxes	**10**	**50.004**	**30.424**	**45.910**	**27.617**
Income tax expense	**11**	(13.023)	(10.405)	(11.923)	(9.218)
Net profit		**36.981**	**20.019**	**33.987**	**18.399**
Attributable to:					
Equity holders of the parent		36.980	20.018	33.987	18.399
Minority interest		1	1	-	-
		36.981	**20.019**	**33.987**	**18.399**
Earnings per share (in EUR)	**12**	**2,90**	**1,57**	**2,67**	**1,44**

The notes set out on pages 6 to 41 constitute an integral part of the financial statements.

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«ALFA-BETA» VASSILOPOULOS S.A.
BALANCE SHEET
AT DECEMBER 31, 2007
(amounts in thousand EUR)

		Group		Company	
	Note	**31.12.2007**	**31.12.2006**	**31.12.2007**	**31.12.2006**
ASSETS					
Non-Current Assets					
Property, plant and equipment	**14**	202.166	186.061	191.823	175.706
Investment property	**15**	224	224	180	180
Goodwill	**16**	69.712	69.712	69.712	69.712
Intangible assets	**17**	1.892	979	1.768	773
Investment in subsidiaries	**18**	-	-	7.375	7.375
Long-term receivables	**19**	7.925	6.384	7.823	6.283
Deferred tax asset	**20**	-	725	-	906
Total Non-Current Assets		**281.919**	**264.085**	**278.681**	**260.935**
Current Assets					
Inventories	**21**	80.730	72.755	75.636	67.732
Trade receivables	**22**	33.080	27.731	47.356	39.886
Prepayments		361	397	348	379
Other receivables- Accrued income	**23**	1.605	1.079	1.555	1.037
Cash and cash equivalents	**24**	34.323	52.490	18.393	42.560
Total Current Assets		**150.099**	**154.452**	**143.288**	**151.594**
TOTAL ASSETS		**432.018**	**418.537**	**421.969**	**412.529**
EQUITY & LIABILITIES					
Shareholders Equity					
Share Capital	**25**	19.099	19.099	19.099	19.099
Share Premium	**26**	13.560	13.560	13.560	13.560
Reserves	**27**	35.126	30.838	35.405	31.117
Retained Earnings	**28**	45.476	17.530	44.546	19.674
Equity attributable to equity holders of the parent		113.261	81.027	112.610	83.450
Minority Interest		2	1	-	-
Total Equity		**113.263**	**81.028**	**112.610**	**83.450**
Long-term Liabilities					
Long term borrowings	**29**	40.000	40.000	40.000	40.000
Retirement benefit obligation	**31**	16.788	16.840	15.924	15.970
Provisions	**33**	4.617	2.116	4.403	2.021
Deferred tax liability	**20**	530	-	267	-
Other long-term liabilities		257	245	255	244
Total Long-term Liabilities		**62.192**	**59.201**	**60.849**	**58.235**
Short-term Liabilities					
Short-term borrowings	**30**	3.500	-	3.500	-
Long-Term Borrowings Payable Within One Year	**30**	-	28.929	-	28.929
Derivative instrument	**32**	-	15.199	-	15.199
Trade payables	**34**	210.697	195.805	204.468	190.384
Accrued expenses	**35**	10.562	11.219	10.017	10.718
Income tax payable		7.042	4.867	6.536	4.025
Other short-term liabilities	**36**	24.762	22.289	23.989	21.589
Total Short-term Liabilities		**256.563**	**278.308**	**248.510**	**270.844**
TOTAL EQUITY & LIABILITIES		**432.018**	**418.537**	**421.969**	**412.529**

The notes set out on pages 6 to 41 constitute an integral part of the financial statements.

«ALFA-BETA» VASSILOPOULOS S.A.
STATEMENT OF RECOGNISED INCOME AND EXPENSE
FOR THE YEAR ENDED DECEMBER 31, 2007
(amounts in thousand EUR)

	Group		Company	
	31.12.2007	**31.12.2006**	**31.12.2007**	**31.12.2006**
Actuarial gain/(loss) on defined benefit plans	1.698	(978)	1.589	(929)
Deferred tax on actuarial gain/(loss) on defined benefit plans taken directly to Equity	(425)	244	(397)	231
Net income/(expense) recognised directly in Equity	1.273	(734)	1.192	(698)
Net profit	36.981	20.019	33.987	18.399
Total recognised income/(expense) for the year	38.254	19.285	35.179	17.701
Attributable to:				
Equity holders of the parent	38.253	19.284	35.179	17.701
Minority interests	1	1	-	-
	38.254	19.285	35.179	17.701

The notes set out on pages 6 to 41 constitute an integral part of the financial statements.

«ALFA-BETA» VASSILOPOULOS S.A.
CASH FLOW STATEMENT
FOR THE YEAR ENDED DECEMBER 31, 2007
(amounts in thousand EUR)

		Group		Company	
	Note	**01.01.2007 - 31.12.2007**	**01.01.2006- 31.12.2006**	**01.01.2007 - 31.12.2007**	**01.01.2006- 31.12.2006**
Operating activities					
Profit before tax		50.004	30.424	45.910	27.617
Adjustments for:					
Depreciation and amortization		20.277	19.366	19.151	18.381
Provisions	**41**	3.204	2.119	3.243	2.058
Foreign exchange differences		-	(169)	-	(169)
Provision for impairment of fixed assets		49	940	49	940
(Gain) / Loss on disposal of fixed assets		107	97	103	93
Income from investments		(1.189)	(782)	(532)	(359)
Finance costs		2.689	3.367	2.680	3.367
Plus / (minus) adjustments for changes in working capital:					
Decrease / (increase) of inventories		(7.975)	1.182	(7.905)	1.341
Decrease / (increase) of receivables		(8.465)	(10.190)	(10.089)	(12.800)
(Decrease) / increase of liabilities (excluding bank loans)		19.497	35.290	17.915	34.184
Less:					
Interest paid		(4.001)	(3.066)	(4.001)	(3.066)
Income tax paid		(10.017)	(15.891)	(8.636)	(15.924)
Net cash used in operating activities (a)		**64.180**	**62.687**	**57.888**	**55.663**
Investing activities					
Purchase of tangible and intangible assets		(36.693)	(37.484)	(35.747)	(36.326)
Proceeds on disposal of tangible and intangible assets		34	73	37	67
Interest received		1.189	782	532	359
Net cash used in investing activities (b)		**(35.470)**	**(36.629)**	**(35.178)**	**(35.900)**
Financing activities					
New bank loans raised		3.500	-	3.500	-
Repayment of borrowings		(44.138)	-	(44.138)	-
Dividends paid		(6.239)	(3.931)	(6.239)	(3.931)
Net cash used in financing activities (c)		**(46.877)**	**(3.931)**	**(46.877)**	**(3.931)**
Net increase / (decrease) in cash and cash equivalents of the period: (a)+(b)+(c)		**(18.167)**	**22.127**	**(24.167)**	**15.832**
Cash and cash equivalents beginning of the year		**52.490**	**30.363**	**42.560**	**26.728**
Cash and cash equivalents end of the year		**34.323**	**52.490**	**18.393**	**42.560**

The notes set out on pages 6 to 41 constitute an integral part of the financial statements.

(amounts in thousand EUR)

1. General Information

"ALFA-BETA" VASSILOPOULOS S.A (the Company). is a Societe Anonyme, incorporated in Greece according to the regulations of C.L. 2190/1920, situated at 81, Spaton Avenue, 153 44 in Gerakas, Attica. The Company is a food retailer and its main object is the operation of a manufacture and commercial business of high quality nutrition products, in particular the processing, standardization, packaging and sale of meat, agricultural products, nuts, herbs and other items of domestic and personal use, the organization and establishment of supermarkets and wide-ranging food stores, for the trading of the aforementioned products through modern marketing and distribution methods, as well as the development of a franchising network in food retailing. Additionally, the commercial activity of "ALFA-BETA" VASSILOPOULOS S.A. encompasses wholesale trading through its subsidiary ENA S.A
At the end of the fiscal year 2007, the Group's sales network numbered 159 stores of which 113 are company operated retail stores, 36 are franchise stores and 10 are wholesale stores operating under the banner ENA Cash-and-Carry.

The number of people employed by the Group and the Company at the end of the current and the previous year was the following:

	Group	**Company**
December 31, 2007	7.545	7.246
December 31, 2006	7.209	6.913

2. Adoption of New & Revised International Financial Reporting Standards (IFRS)

New standards, interpretations and revised standards

2.1 Standards and Interpretations effective in the current period

In the current year, the Group has adopted IFRS 7 *Financial Instruments:* Disclosures which are effective for annual reporting periods beginning on or after 1 January 2007, and the consequential amendments to IAS 1 *Presentation of Financial Statements*.

The impact of the adoption of IFRS 7 and the changes to IAS 1 have been to expand the disclosures provided in these financial statements regarding the Group's financial instruments and management of capital.

Four Interpretations issued by the International Financial Reporting Interpretations Committee are effective for the current period. These are:

- IFRIC 7 *Applying the Restatement Approach under IAS 29, Financial Reporting in Hyperinflationary Economies*;
- IFRIC 8 *Scope of IFRS* 2;
- IFRIC 9 *Reassessment of Embedded Derivatives*; and
- IFRIC 10 *Interim Financial Reporting and Impairment*.

The adoption of these Interpretations has not led to any changes in the Group's accounting policies.

2.2 Early adoption of Standards and Interpretations

In addition, the Group has elected to adopt the following in advance of it's effective date:

- **IFRIC 13** *Customer Loyalty Programmes* (effective for accounting periods beginning on or after 1 July 2008). The adoption of IFRIC 13 has had no impact on the Group's accounting policies as the Company's policy conformed to IFRIC 13.i.

2. Adoption of New & Revised International Financial Reporting Standards (IFRS) –Continued

2.3 Standards and Interpretations in issue not yet adopted

The following standards and interpretations were in issue but not yet effective :

1. **IFRS 8**, *"Operating Segments"* (effective for accounting years beginning on or after 01.01.2009).

2. **IAS 23** (Revised) *Borrowing Costs* (effective for accounting periods beginning on or after 1 January 2009).
3. **IFRIC 12,** *Service Concession Arrangements*, (effective for accounting years beginning on or after 01.01.2008). The interpretation outlines an approach according to which entities providing public services should apply IFRS. IFRIC 12 is not relevant to the Group's operations.
4. **IFRIC 14,** ***IAS 19*** *– The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction* (effective 1 January 2008).

The directors anticipate that all of the above, except for IFRIC 12 which is not relevant to the Group, will be adopted in the Group's financial statements in the period they become effective. The Group is currently evaluating the impact of the adoption of these but believes that their implementation is unlikely to have a material impact on the financial position of the Group.

3. Summary of Accounting Principles

The Accounting Principles applied are the following.

3.1 Basis of Preparation

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) issued by International Accounting Standards Board (IASB) effective at the date of preparation of the Financial Statements and as adopted by the European Union. The Group is not affected by the specific sections of IAS 39 related to hedging of deposit portfolios, which have not been adopted by the European Union. All amounts are expressed in thousand Euros, unless otherwise stated.

3.2 Basis of Consolidation

The consolidated financial statements incorporate the financial statements of the parent company "ALFA-BETA" VASSILOPOULOS S.A. and its subsidiary, ENA S.A. Subsidiaries are the entities controlled by the Company directly or indirectly through other subsidiaries. Control is achieved where the Company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

All intra-group transactions, balances, income and expenses are eliminated in full on consolidation.

Minority interests in the net assets (excluding goodwill) of consolidated subsidiaries are identified separately from the Group's equity therein. Minority interests consist of the amount of those interests at the date of the original business combination and the minority's share of changes in equity since the date of the combination. Losses applicable to the minority in excess of the minority's interest in the subsidiary's equity are allocated against the interests of the Group except to the extent that the minority has a binding obligation and is able to make an additional investment to cover the losses.

3. Summary Of Accounting Principles-Continued

3.3 Goodwill

Goodwill arising on the acquisition of a subsidiary represents the excess of the cost of the acquisition over the Company's interest in the fair value of the identifiable assets and liabilities of the subsidiary on the date of the acquisition.

Goodwill is initially recognised as an asset at cost and is subsequently measured at cost less any accumulated impairment losses.

For impairment testing purposes, goodwill is allocated to each of the Group's cash generating units expected to benefit from the synergies of the combination. The allocation has been made based on the sales of each cash-generating unit. Cash generating units to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that unit may be impaired. If the recoverable amount of the cash-generating unit / store is less than the carrying amount of the unit, the impairment loss is first allocated to reduce the allocated units goodwill and then to other assets of the unit on the basis of the carrying amount of each asset in the unit. An impairment loss recognised for goodwill is not reversed in a subsequent period.

3.4 Property, plant and equipment

3.4.1 Tangible Assets

Tangible assets are stated at cost less depreciation and any impairment losses, except for land which is stated at cost less any impairment losses.

Depreciation is charged so as to write off the cost of assets, other than freehold land and properties under construction, over their estimated useful lives, using the straight-line method as follows:

Tangible assets	Estimated useful life
Owned buildings	40 years
Buildings' installations	10-15 years
Plant and machinery	5-10 years
Vehicles	4-9 years
Electronic equipment	1-10 years
Furniture-other equipment	1-10 years

Installations- improvements in third parties' property are stated at cost less accumulated depreciation and any accumulated impairment losses. Depreciation is provided on a straight line basis over the relevant lease term.

The gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recorded in profit or loss.

At the end of each period, the Company's Technical Support Department reviews the estimated useful life of tangible fixed assets and amends the useful life if necessary, the effect of any change is accounted for on a prospective future basis.

3. Summary Of Accounting Principles-Continued

3.4.2 Intangible Assets

Intangible assets are stated at cost less accumulated amortization and any accumulated impairment losses, where necessary. Amortization is charged on a straight-line basis over their estimated useful lives.

The estimated useful lives of intangible assets, are stated below:

Intangible asset	Estimated useful life
Software serving the Central System and stores network	3 years
Software serving PCs function exclusively	1 year

The estimated useful life and amortization method are reviewed at the end of each annual reporting period, with the effect of any changes in estimate being accounted for on a prospective future basis.

3.4.3 Investment Property

Investment property which is property held to earn rentals and/or for capital appreciation, is stated at cost less accumulated depreciation. The Group does not provide depreciation on Investment Property when the net realizable value is equal or higher than the book value.

3.4.4 Impairment of Assets

At each balance sheet date, the Group reviews the carrying amounts (net book value) of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. An indication of impairment loss exists if the carrying amounts of tangible and intangible assets are estimated to be higher than their recoverable value. The recoverable value is the higher between the fair value reduced by the selling costs and the value in use. At each balance sheet date, the Group tests whether there is any indication of impairment of the cash generating units (stores). The Group considers as an indication of impairment loss of tangible and intangible assets when the cash generating units (stores) show negative operating cash flows during the last three consecutive years provided that they are not stores opened or rebranded in the last year. For these stores, at the balance sheet date, the Group evaluates the recoverable value of the cash generating unit (store) using a twenty year discounted cash flow method with the general assumptions that inflows will increase by the estimated inflation rate plus one base point, the structure of cash flows based on historical data and a discount rate equal to the Company's weighted average cost of capital (WACC). In parallel, the Group estimates the fair value of the stores examined for an impairment loss taking into consideration any extra gains or losses arising from a probable closing of these stores.

The Group proceeds to impairment when both of the following conditions apply:

- the carrying value of the cash generating unit (store) is higher than its value in use, and
- the carrying value of the cash-generating unit (store) is higher than its fair value.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment annually, and whenever there is an indication that the asset may be impaired.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

3. Summary Of Accounting Principles-Continued

3.5 Inventories

Inventories are stated at the lower of cost or net realizable value. Cost of inventory includes the costs of purchase, and other specific costs incurred in bringing the inventories to their present location and condition (transportation costs, insurance premiums etc.) less discounts and vendor allowances. Cost is detemined using the weighted average cost method.

3.6 Financial Instruments

Financial assets and financial liabilities are recognized on the Group's balance sheet when the Group becomes party to the contractual provisions of the instrument.

3.7 Trade receivables and Trade payables

Trade receivable are recorded at their nominal value less a provision for any doubtful receivable.

Provisions for estimated irrecoverable amounts are recognised in profit or loss when there is objective evidence that the asset is impaired. The provision recognised is calculated as the difference between the assets carrying amount and the present value of estimated future cash flows discounted at the effective interest rate computed at initial recognition.

Trade payables are interest free and are recorded at their nominal value reduced by any receivables arising from vendor allowances.

3.8 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits, as well as other short-term highly liquid investments (up to 3 months) that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

3.9 Derivative financial instruments

The Group does not use derivative financial instruments for speculative purposes, but only for limiting exchange risks.

Derivative financial instruments are initially measured at fair value on the contract date, and are remeasured to fair value at subsequent reporting dates.

Changes in the fair value of derivative financial instruments that do not qualify for hedge accounting, are recognised in profit or loss as they arise.

3.10 Bank Borrowings

Interest bearing bank loans and overdrafts are initially recorded at fair value and are subsequently measured at amortised cost, using the effective interest method. Any difference between proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognised over the term of the borrowings in accordance with the Group's accounting policy for borrowing costs.

3. Summary Of Accounting Principles-Continued

3.11 Provisions

Provisions are recognized when:

a) there is a present legal or constructive obligation as a result of past events,
b) it is probable that an outflow of resources will be required to settle the obligation
c) this outflow can be estimated reliably.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the balance sheet date, taking into account the risks and uncertainties surrounding the obligation.

3.12 Revenue Recognition

Retail and whole sales at sales points (stores) as well as whole sales from the central warehouse, such as sales of merchandise to subsidiaries or franchising enterprises, are recognized as revenue.
Sales of goods are recognized at the consideration received or receivable and when goods are received by the customer and the title has passed.
Sales are reduced for estimated discounts and similar allowances.

Interest income is recognized on the accrual basis, by reference to the principal outstanding and at the effective applicable interest rate. Dividend income from investments is recognized when the shareholders' rights to receive payment have been established.

3.13 Cost of Sales

Purchases are recorded net of cash discounts and other supplier discounts and allowances. Cost of sales includes all costs associated with the delivery of the products to the retail sales points, including buying, warehousing and transportation costs.
Funding from suppliers to the customers, if available, is recognized as a reduction of cost of sales at the time the related products are sold.

3.14 Leases

Leases are classified as finance leases when the terms of the lease transfer substantially all the risks and rewards of ownership to the Company. All other leases are classified as operating leases.
The Group has operating leases only.

The Group as lessee

Rents paid on operating leases are charged to income on a straight-line basis over the term of the lease.
Revenues from operating leases are recognized based on the straight-line method throughout the duration of the respective lease.

The Group as lessor

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease

3.15 Foreign Currencies

The functional and business currency of the economic environment in which the Group operates, is Euro.
Transactions in currencies other than Euro are initially recorded at the rates prevailing on the dates of transactions. Monetary assets and liabilities denominated in such currencies are retranslated at the official rates prevailing on the balance sheet date. Gains and losses arising on exchange differences are included in the net profit or loss for the period.

3. Summary of Accounting Principles-Continued

3.16 Borrowing Costs

Borrowing costs are recognized in profit or loss in the period they are incurred.

3.17 Government Grants

Government grants for staff training are recognized as revenue over the periods necessary to match them with the related costs.

3.18 Employee Benefits

Payments to defined contribution retirement benefit plans are charged as an expense as they fall due. Payments made to state-managed retirement benefit schemes are dealt with as payments to defined contribution plans where the Group's obligations under the plans are equivalent to those arising in a defined contribution retirement benefit plan.

For defined benefit retirement benefit plans, the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuations being carried out at each balance sheet date.
The Group applies the amendment to IAS 19 issued "Employee Benefits", that provides an option to recognize actuarial gains and losses in full in the statement of recognized gains and losses in the period in which they occur.
Past service costs are recognized immediately to the extent that the benefits are already vested, and otherwise are amortized on a straight-line basis over the average period until the benefits become vested.

The retirement benefit obligation recognized in the balance sheet represents the present value of the defined benefit obligation and the unrecognized past service costs reduced by the fair value of plan assets, if any.

3.19 Share-Based Payments

The members of the Executive Committee of the Company participate in the Delhaize Group S.A. (the parent company) equity-settled share-based compensation plan.

The equity–settled share based payments granted by the parent company to Company employees is measured at the fair value at the grant date. The fair value is determined using the Black-Scholes valuation model, and is expensed on a straight line basis over the vesting period to the profit and loss with a corresponding increase in equity as contribution from the parent.

3.20 Taxation

Income tax expense represents the sum of the current and deferred tax.

The tax currently payable is based on taxable profit of the year. Taxable profit differs from profit as reported in the income statement as it excludes items of income or expense that are taxable or deductible in future years, or expenses that are permanent and non-deductible . The Group's liability for current tax is calculated using the tax rates that have been enacted at the balance sheet date.

3. Summary of Accounting Principles-Continued

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that there will be taxable profits available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a probable business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.
The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.
Deferred tax is calculated at the tax rates, which are expected to apply in the period when the liability is settled or the asset realised. Deferred tax is charged or credited to profit or loss, except when it relates to amounts charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

3.21 Segment Reporting

The Group segments its business activity based on the Companies which are included in the consolidated financial statements since risks and return are affected predominantly by the fact that they operate in different sectors, the retail sector "ALFA-BETA" VASSILOPOULOS S.A. and the wholesale sector ENA S.A. The Group does not monitor its sales per geographical region since total sales are realized in Greece.

4. Critical accounting judgements and key sources of estimation uncertainty

The preparation of Financial Statements according to Generally Accepted Accounting Principles requires management to make assumptions and estimates, which may possibly affect both the reported amounts of assets and liabilities, as well as the disclosures of contingent assets and liabilities at the date of the Financial Statements and the stated amounts of revenues and expenses recognized during the period. The use of sufficient information and the application of subjective assessments are integral part of management's estimates. Actual future results may differ from the above estimates. The following are the key estimations and assumptions that may have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next fiscal year.

Impairment of Goodwill

As described in note 3.3, goodwill impairment requires an estimation of net present value of the stores to which Goodwill has been allocated, using a discounted cash flow method which requires the entity to estimate the future cash flows and a suitable discount rate. A discount rate of 8,1% was used. The carrying amount of goodwill at the balance sheet date was 69.712 Euros.

Impairment of Assets

The Group reviewed the carrying amounts (net book value) of its cash generatring units (stores) to determine whether there is any indication of impairment loss.The method and estimates used to determine if there is an impairment are described in the note 3.4.4. The Company concluded that the fixed assets of two stores were impaired and the impairment charge amounted to 158 Euros. Additionally, due to the positive evolution of the financial figures, it was considered appropriate to partially reverse impairment provision for four stores' assets, which had been recognized in the prior year amounted to 109 Euros. The total impairment charge amounted to 49 Euros.

4. Critical accounting judgements and key sources of estimation uncertainty-Continued

Provision for Legal Cases

The Companies of the Group monitor pending court cases (Civil and Administrative ones) as well as the possible financial impact deriving from them and which may affect Company's financial data. Legal advisors evaluate each case and estimate the possible or probable loss. At 31.12.2007, Group's total pending legal cases amounted to 4.597 Euros (Company : 4.132 Euros) for which a provision of 2.436 Euros (Company: 2.333 Euros) has been recognised of which 1.765 Euros (Company : 1.682 Euros) was charged to the current year results.

Income tax

In order to determine the provision related to Group's income tax, the companies of the Group proceed to an analysis of taxable income (note 3.20). During the ordinary course of business, many transactions and calculations take place for which the precise estimate of tax is uncertain. In case that the final income tax arising after the tax audit is performed, is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

5. Financial Risk Management

The Group's activities expose it to certain financial risks, including the effects of changes in debt and equity market prices and interest rates. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the financial performance of the Group as a whole. Risk management is carried out by the Financial Department, which manages the financial risks relating to the Group's operations. This includes identifying, evaluating and if necessary, hedging financial risks in close co-operation with the various entities within the Group. The Financial Department does not undertake any transactions of a speculative nature or which are unrelated to the Group's trading activities.
The Group's financial instruments consist mainly of deposits with banks, derivative financial instruments, trade accounts receivable and payable, loans, associates, dividends payable and financing lease obligations.

5.1 Currency risk

The Group operates exclusively in Greece where the dominant currency is Euro, thus there are no exposures to exchange rate fluctuations. Purchases of goods from foreign countries constitute 4,7% on total Group's purchases. From them, the percentage of purchases by the Euro-zone countries reaches 4,5% and only a 0,2% concerns purchases in a different foreign currency. Consequently the currency risk that may result is limited.

5.2 Interest rate risk

Group's interest rate risk management objective is to achieve an optimal balance between borrowing cost and management of the effect of interest rate changes on earnings and cash flows. The Group manages its debt and overall financing strategies using a combination of short and long-term debt. It is the policy of the Group to continuously review interest rate trends and the tenure of financing needs.
Daily working capital requirements are typically financed with operational cash flow and through the use of various committed lines of credit. The interest rate on these short-term borrowing arrangements, is generally determined as the inter-bank offering rate at the borrowing date plus a pre-set margin.
The mix of fixed-rate debt and variable-rate debt is managed within policy guidelines. At the end of 2007, 92% of the financial debt of the Group was long-term, fixed-rate debt and 8% was short-term variable-rate debt.

5. Financial Risk Management-Continued

5.3 Credit risk

The Group has no significant concentrations of credit risk. Trade accounts receivable consist mainly of the customer base of the wholesale subsidiary company ENA S.A and franchisees. All Group companies monitor the financial position of their debtors on an ongoing basis and control the granting of credit as well as the credit lines. Where considered appropriate, credit guarantee insurance cover is purchased.
Moreover, regarding franchisees, the Group has proceeded to additional credit coverage. Appropriate provision for impairment losses is made for specific credit risks.
At the year-end management did not consider the existence of any material credit risk exposure that was not already covered by credit guarantee insurance or a doubtful debt provision. More information on credit risk can be found in Note 22 to the Financial Statements, "Trade Receivables", p. 29 & 30.

5.4 Liquidity risk

Prudent liquidity risk management implies the availability of cash flows as well as that of funding through adequate amounts of committed credit facilities.
Group closely monitors the amount of short-term funding as well as the mix of short-term funding to total debt and the composition of total debt, manages the risk that could arise from the lack of sufficient liquidity and secures that necessary borrowing facilities are maintained. The Group has sufficient credit line facilities that could be utilized to fund any potential shortfall in cash resources.
The Group manages and monitors its working capital in order to minimize any possible liquidity and Cash flow risks.

5.5 Capital Management

Group is continuously optimizing its capital structure (mix between debt and equity). The capital structure's main objective is to maximize shareholder value while keeping the desired financial flexibility to execute the strategic projects. The capital structure is reviewed on a semi-annual basis. As part of this review the management considers the cost of capital and the risk associated with each class of capital. The company has a target gearing ratio of 25% to 30%.

(amounts in thousand EUR)

6. Revenues

Group and Company revenues are stated net of discounts and similar allowances and arise exclusively from retail store sales to consumers and wholesale sales of goods to small third party entities which are located in various regions of the country, as well as from sales of goods to franchisees. The net sales and revenues recorded per category is stated below:

	Group		Company	
	01.01.2007 - 31.12.2007	**01.01.2006 - 31.12.2006**	**01.01.2007 - 31.12.2007**	**01.01.2006 - 31.12.2006**
Retail sales	1.016.477	899.736	1.016.477	899.736
Sales to franchisees and other third part	41.524	27.309	41.524	27.309
Wholesales	116.882	103.204	83.203	73.835
Total	**1.174.883**	**1.030.249**	**1.141.204**	**1.000.880**

7. Other Operating Income

Other income earned, related to the Group's operations is stated below:

	Group		Company	
	01.01.2007 - 31.12.2007	**01.01.2006- 31.12.2006**	**01.01.2007 - 31.12.2007**	**01.01.2006- 31.12.2006**
Sales of auxiliary materials	232	168	230	334
Income from suppliers (coupons, quality control of products)	375	209	369	194
Training subsidy (Greek Manpower Employment Organization)	425	318	407	318
Other Income (related mainly to services provided and other fees)	2.866	2.043	2.327	1.559
Income deriving from contracts with franchisees	167	115	167	115
Income from rents	1.598	1.657	1.767	1.813
Total	**5.663**	**4.510**	**5.267**	**4.333**

(amounts in thousand EUR)

8. Business Segments

1. "ALFA-BETA" VASSILOPOULOS S.A. and
2. ENA S.A.

	Period from 01.01.2007 until 31.12.2007				Period from 01.01.2006 until 31.12.2006			
	"ALFA-BETA"	**ENA S.A.**	**Elimination of Intercompany Transactions**	**Total**	**"ALFA-BETA"**	**ENA S.A.**	**Elimination of Intercompany Transactions**	**Total**
Turnover (sales)								
Retail sales	1.016.477	-	-	**1.016.477**	899.736	-	-	**899.736**
Sales to third party entities		116.882	-	**116.882**	-	103.204	-	**103.204**
Intercompany sales	83.203	-	(83.203)	**-**	73.835	-	(73.835)	**-**
Sales to franchisees	38.796	-	-	**38.796**	26.351	-	-	**26.351**
Sales to third parties	2.728	-	-	**2.728**	958	-	-	**958**
Total sales per segment	**1.141.204**	**116.882**	**(83.203)**	**1.174.883**	**1.000.880**	**103.204**	**(73.835)**	**1.030.249**
Profit before taxes	**45.910**	**4.134**	**(40)**	**50.004**	**27.617**	**2.853**	**(46)**	**30.424**
Profit after taxes	**33.987**	**3.022**	**(28)**	**36.981**	**18.399**	**1.658**	**(38)**	**20.019**

«ALFA-BETA» VASSILOPOULOS S.A. is the main supplier of ENA S.A. It sells to ENA, goods that itself purchases and trades. The sale price of these goods is based on the last purchase price from the third party supplier to «ALFA-BETA» VASSILOPOULOS S.A., increased by a specific rate of 1,03. «ALFA-BETA» VASSILOPOULOS S.A. provides discounts to ENA S.A. based on commercial agreement's scales.

(amounts in thousand EUR)

8. Business Segments - Continued

Assets and liabilities per segment as at 31.12.2007:

	Period from 01.01.2007 until 31.12.2007				Period from 01.01.2006 until 31.12.2006			
	"ALFA-BETA"	ENA S.A.	Elimination of Intercompany Transactions	Total	"ALFA-BETA"	ENA S.A.	Elimination of Intercompany Transactions	Total
Balance Sheet								
Assets								
Segment assets	396.547	33.358	2.113	**432.018**	388.952	27.707	1.878	**418.537**
Related companies' assets	25.422	-	(25.422)	**-**	23.577	-	(23.577)	**-**
Total assets	**421.969**	**33.358**	**(23.309)**	**432.018**	**412.529**	**27.707**	**(21.699)**	**418.537**
Liabilities								
Segment long-term and short-term liabilities	309.359	9.132	264	**318.755**	329.079	8.430	-	**337.509**
Liabilities to related companies	-	18.047	(18.047)	**-**	-	16.201	(16.201)	**-**
Total liabilities	**309.359**	**27.179**	**(17.783)**	**318.755**	**329.079**	**24.631**	**(16.201)**	**337.509**
Other information								
Movements on fixed assets								
-additions	35.747	946	-	**36.693**	36.326	1.158	-	**37.484**
-depreciation	19.151	1.089	37	**20.277**	18.381	948	37	**19.366**
Impairment of fixed assets	49	-	-	**49**	940	-	-	**940**

(amounts in thousand EUR)

8. Business Segments - Continued

Other Detailed Information on:

Additions	Group		Company	
	31.12.2007	31.12.2006	31.12.2007	31.12.2006
Land	546	465	541	459
Owned buildings	4.225	6.930	4.045	6.831
Installations on third parties' property	7.904	4.770	7.783	4.610
Furniture and Fixtures	18.457	18.648	17.891	17.901
Vehicles	1.025	1.532	953	1.504
Construction in progress and advances	3.184	4.095	3.184	4.095
Software	1.352	1.044	1.350	926
Total	**36.693**	**37.484**	**35.747**	**36.326**

Depreciaton	Group		Company	
	31.12.2007	31.12.2006	31.12.2007	31.12.2006
Land	65	64	68	64
Owned buildings	2.286	2.131	2.260	1.967
Installations on third parties' property	4.448	4.620	4.178	4.406
Furniture and Fixtures	11.585	11.477	10.910	10.958
Vehicles	906	800	870	754
Assets retirement obligation	529	196	491	154
Software	458	78	374	78
Total	**20.277**	**19.366**	**19.151**	**18.381**

9. Finance Costs

	Group		Company	
	01.01.2007-31.12.2007	01.01.2006-31.12.2006	01.01.2007-31.12.2007	01.01.2006-31.12.2006
Interest on bank overdrafts and loans	2.421	3.365	2.421	3.365
Loss/(Profit) from Bond's valuation	-	(3.367)	-	(3.367)
Foreign currency loss on debt instrument	-	3.198	-	3.198
Other finance costs	268	2	259	2
Total finance costs	**2.689**	**3.198**	**2.680**	**3.198**

(amounts in thousand EUR)

10. Profit before Taxes

Profit before taxes for the year has been arrived at after charging /(crediting) the following:

	Group		**Company**	
	01.01.2007 – 31.12.2007	**01.01.2006-31.12.2006**	**01.01.2007 – 31.12.2007**	**01.01.2006-31.12.2006**
Depreciation of tangible assets for the year	19.819	19.170	18.777	18.227
Impairment losses	49	940	49	940
Depreciation of intangible assets for the year	458	196	374	154
Total depreciation and impairment losses for the year	**20.326**	**20.306**	**19.200**	**19.321**
Foreign exchange: losses/ (gains) from trading	(50)	(40)	(37)	(40)
Losses from fixed asset disposals	107	97	103	93
Cost of inventories sold	872.070	772.761	770.001	682.297
Inventory impairment	-	208	-	183
Staff remuneration and other benefits	136.625	119.835	127.402	114.123
Provision for staff retirement indemnity	1.646	1.666	1.543	1.594

11. Income tax expense

	Group		**Company**	
	01.01.2007 - 31.12.2007	**01.01.2006-31.12.2006**	**01.01.2007 - 31.12.2007**	**01.01.2006-31.12.2006**
Income Tax				
Corporate Income tax:				
- Current tax:provision	12.223	8.255	11.185	7.427
- (Over)/under provision of prior year income taxes	(186)	29	(182)	29
- Additional tax	156	156	144	144
- Differences arising from prior years tax audit	-	1.114	-	1.031
Deferred tax:				
- Current year	830	851	775	587
Total	**13.023**	**10.405**	**11.923**	**9.218**

The total income tax expenses can be reconciled to the accounting profit as follows:

	Group			
	01.01.2007-31.12.2007		**01.01.2006-31.12.2006**	
		%		**%**
Profit before taxes	50.004	100	30.424	100
Income tax expense calculated at 25% (2006:29%)	12.501	25,0	8.823	29,0
Tax impact arising from non-deductible expenses	552	1,1	414	1,3
Additional Taxes	156	0,3	156	0,5
(Over) / under provision of prior year income taxes	(186)	(0,4)	29	0,1
Differences arising from prior years tax audit	-	-	1.114	3,7
Increases / (decreases) in deferred tax assets/ liabilities due to the tax rate change	-	-	(131)	(0,4)
Income tax expenses and effective income tax rate for the year	**13.023**	**26,0**	**10.405**	**34,2**

(amounts in thousand EUR)

11. Income tax expense-Continued

	Company			
	01.01.2007-31.12.2007	%	01.01.2006-31.12.2006	%
Profit before taxes	45.910	100	27.617	100
Income tax expensed calculated at 25% (2006:29%)	11.478	25,0	8.009	29,0
Tax impact arising from non-deductible expenses	483	1,8	409	1,4
Additional Taxes	144	0,3	144	0,5
Increases/ (decreases) of income taxes related to prior years	(182)	(0,4)	29	0,1
Differences arising from prior years tax audit	-	-	1.031	3,7
Increases / (decreases) in deferred tax assets/ liabilities	-	-	(404)	(1,4)
Income tax expenses and effective income tax rate for the year	**11.923**	**26,0**	**9.218**	**33,3**

The corporate tax rate in 2007 was 25% and 29% in 2006 based on tax laws enacted in 2004.

For the company "ALFA-BETA" VASSILOPOULOS S.A., a tax audit was conducted and concluded up to the fiscal year 2005 while for ENA S.A., which is included in the consolidated statements, a tax audit has been conducted and concluded up to the fiscal year 2004.
Only the audit for the fee to the affiliate company Delhaize Group S.A. for the services rendered during 2005 to the Group remains pending. The Group companies have already applied to the Special Committee of the Ministry of Finance for the pre-approval of the deductibility of expenses for administrative, organizational support and generally for international services from their gross revenue. Furthermore, for the fiscal years 2003, 2004 and 2005 withholding income tax based on article 13, L. 2238/1994, of a total amount of 204 Euros, was assessed for which the Company has taken legal action, the outcome is expected to be successful .

12. Earnings per share

The calculation of the basic earnings per share is based on the following data:

	Group		Company	
	01.01.2007 - 31.12.2007	01.01.2006 - 31.12.2006	01.01.2007 - 31.12.2007	01.01.2006 - 31.12.2006
Net Profit of the year	36.981	20.019	33.987	18.399
Weighted average number of shares of the year	12.732.720	12.732.720	12.732.720	12.732.720
Earnings per share (in Euro)	**2,90**	**1,57**	**2,67**	**1,44**

13. Dividend

For the fiscal year 2006, the General Meeting of Shareholders on 07.06.2007 approved the dividend distribution of forty-nine cents (0,49 Euros) per share totaling 6.239 Euros. The distribution of the dividend to the beneficiary shareholders took place on 21.06.2007 via EFG EUROBANK ERGASIAS S.A.

For the fiscal year 2007, the Board of Directors of the Company resolved to propose to the General Meeting of Shareholders the dividend distribution of eighty-nine cents (0,89 Euros) per share. The dividend is subject to the approval of the Annual Ordinary General Meeting of Shareholders, which will be convened on 03.06.2008 and has thus not been accounted for as a liability in the financial statements. The distribution of the approved dividend to the recipient shareholders will take place on 18.06.2008, through the bank EFG EUROBANK ERGASIAS S.A.

(amounts in thousand EUR)

14. Property, Plant and Equipment

	Land	Owned buildings	Installations on third parties' property	Furniture and Fixtures	Vehicles	Construction in progress and advances	Total
Group - 2007							
Cost							
Balance at 01.01.2007	36.764	79.150	60.262	135.220	8.927	4.707	325.030
Additions	546	4.225	7.904	18.457	1.025	3.184	35.341
Transfers	23	2.272	1.018	1.369	-	(4.701)	(19)
Disposal / retirement of assets	-	(10)	(445)	(3.895)	(173)	-	(4.523)
Asset retirement obligation	-	-	792	-	-	-	792
Balance at 31.12.2007	**37.333**	**85.637**	**69.531**	**151.151**	**9.779**	**3.190**	**356.621**
Accumulated depreciation							
Balance at 01.01.2007	584	18.899	33.085	79.880	5.437	-	137.885
Depreciation of the year	65	2.286	4.448	11.585	906	-	19.290
Transactions	-	-	-	-	-	-	-
Disposal / retirement of assets	-	(10)	(441)	(3.787)	(144)	-	(4.382)
Assets retirement obligation	-	-	529	-	-	-	529
Balance at 31.12.2007	**649**	**21.175**	**37.621**	**87.678**	**6.199**	**-**	**153.322**
Provision for impairment of assets							
Balance at 01.01.2007	-	-	605	479	-	-	1.084
Provision for the year	-	-	32	126	-	-	158
Reversal	-	-	(90)	(19)	-	-	(109)
As at 31.12.2007	**-**	**-**	**547**	**586**	**-**	**-**	**1.133**
Net book value							
Balance at 31.12.2007	**36.684**	**64.462**	**31.363**	**62.887**	**3.580**	**3.190**	**202.166**
Group - 2006							
Cost							
Balance at 01.01.2006	36.304	69.774	50.253	119.995	7.594	8.599	292.519
Additions	465	6.930	4.770	18.648	1.532	4.095	36.440
Transfers	(5)	2.448	4.579	689	-	(7.987)	(276)
Disposal / retirement of assets	-	(2)	(16)	(4.112)	(199)	-	(4.329)
Asset retirement obligation	-	-	676	-	-	-	676
Balance at 31.12.2006	**36.764**	**79.150**	**60.262**	**135.220**	**8.927**	**4.707**	**325.030**
Accumulated depreciation							
Balance at 01.01.2006	520	16.769	28.400	72.446	4.739	-	122.874
Depreciation of the year	64	2.131	4.620	11.477	800	-	19.092
Transactions	-	-	-	-	-	-	-
Disposal / retirement of assets	-	(1)	(13)	(4.043)	(102)	-	(4.159)
Assets retirement obligation	-	-	78	-	-	-	78
Balance at 31.12.2006	**584**	**18.899**	**33.085**	**79.880**	**5.437**	**-**	**137.885**
Provision for impairment of assets							
Balance at 01.01.2006	-	-	70	74	-	-	144
Provision for the year	-	-	554	429	-	-	983
Reversal	-	-	(19)	(24)	-	-	(43)
Balance at 31.12.2006	**-**	**-**	**605**	**479**	**-**	**-**	**1.084**
Net book value							
Balance at 31.12.2006	**36.180**	**60.251**	**26.572**	**54.861**	**3.490**	**4.707**	**186.061**

There are no encumbrances on the property of the Group. During the annual review of the useful life of the above tangible assets, buildings' installations and plant and machinery (see note 3.4.1), no change arose.

(amounts in thousand EUR)

14. Property, Plant and Equipment - Continued

	Land	Owned buildings	Installations on third parties' property	Furniture and Fixtures	Vehicles	Construction in progress and advances	Total
Company - 2007							
Cost							
Balance at 01.01.2007	33.976	74.357	57.861	129.431	8.455	4.707	308.787
Additions	541	4.045	7.783	17.891	953	3.184	34.397
Transfers	23	2.272	1.018	1.369	-	(4.701)	(19)
Sales and disposals	-	(10)	(444)	(3.686)	(170)	-	(4.310)
Asset retirement obligation	-	-	705	-	-	-	705
Balance at 31.12.2007	**34.540**	**80.664**	**66.923**	**145.005**	**9.238**	**3.190**	**339.560**
Accumulated depreciation							
Balance at 01.01.2007	574	17.799	31.674	76.890	5.060	-	131.997
Depreciation of the year	68	2.260	4.177	10.910	870	-	18.285
Transfers	-	-	-	-	-	-	-
Sales and disposals	-	(10)	(441)	(3.578)	(141)	-	(4.170)
Assets retirement obligation	-	-	491	-	-	-	491
Balance at 31.12.2007	**642**	**20.049**	**35.901**	**84.222**	**5.789**	**-**	**146.603**
Provision for impairment of assets							
Balance at 01.01.2007	-	-	605	479	-	-	1.084
Provision for the year	-	-	32	126	-	-	158
Reversal	-	-	(90)	(19)	-	-	(109)
Balance at 31.12.2007	**-**	**-**	**547**	**586**	**-**	**-**	**1.133**
Net book value							
Balance at 31.12.2007	**33.898**	**60.615**	**30.475**	**60.197**	**3.449**	**3.190**	**191.824**
Company - 2006							
Cost							
Balance at 01.01.2006	33.522	65.080	48.012	114.821	7.278	8.599	277.312
Additions	459	6.831	4.610	17.901	1.504	4.095	35.400
Transfers	(5)	2.448	4.579	799	-	(7.987)	(166)
Sales and disposals	-	(2)	(16)	(4.090)	(327)	-	(4.435)
Asset retirement obligation	-	-	676	-	-	-	676
Balance at 31.12.2006	**33.976**	**74.357**	**57.861**	**129.431**	**8.455**	**4.707**	**308.787**
Accumulated depreciation							
Balance at 01.01.2006	510	15.833	27.203	69.962	4.537	-	118.045
Depreciation of the year	64	1.967	4.406	10.958	754	-	18.149
Transfers	-	-	-	-	-	-	-
Sales and disposals	-	(1)	(13)	(4.030)	(231)	-	(4.275)
Assets retirement obligation	-	-	78	-	-	-	78
Balance at 31.12.2006	**574**	**17.799**	**31.674**	**76.890**	**5.060**	**-**	**131.997**
Provision for impairment of assets							
Balance at 01.01.2006	-	-	70	74	-	-	144
Provision for the year	-	-	554	429	-	-	983
Reversal	-	-	(19)	(24)	-	-	(43)
Balance at 31.12.2006	**-**	**-**	**605**	**479**	**-**	**-**	**1.084**
Net book value							
Balance at 31.12.2006	**33.402**	**56.558**	**25.582**	**52.062**	**3.395**	**4.707**	**175.706**

There are no encumbrances on the property of the Company. During the annual review of the useful life of the above tangible assets, buildings' installations and plant and machinery (see note 3.4.1), no change arose.

(amounts in thousand EUR)

15. Investment Property

	Group	Company
	Investment property	**Investment property**
2007		
Cost		
Cost at 01.01.2007	224	180
Cost at 31.12.2007	**224**	**180**
2006		
Cost		
Cost at 01.01.2006	57	13
Tranfers	167	167
Cost at 31.12.2006	**224**	**180**

16. Goodwill

	Group/ Company	
	31.12.2007	**31.12.2006**
Net carrying amount		
As at 01.01.2007	69.712	69.712
As at 31.12.2007	**69.712**	**69.712**

At the end of 2007 and 2006, the Group assessed the recoverable amount of goodwill, and determined that goodwill is not impaired. The recoverable amount of the relevant cash-generating unit was assessed by reference to value in use based on 20 year cash flows projections determined on historical data increasing by one basis point above the estimated rate inflation. A discount factor (WACC) of 8,1% per annum was applied in the value in use model for 2007 and 2006.

(amounts in thousand EUR)

17. Intangible Assets

	Group	Company
	Software	**Software**
2007		
Cost		
Cost at 01.01.2007	1.972	1.719
Additions	1.352	1.350
Transfers	19	19
Sales and disposals	(1)	(1)
Cost at 31.12.2007	**3.342**	**3.087**
Accumulated depreciation		
Accumulated depreciation at 01.01.2007	993	946
Depreciation of the year	458	374
Sales and disposals	(1)	(1)
Accumulated depreciation at 31.12.2007	**1.450**	**1.319**
Net carrying amount		
Balance at 31.12.2007	**1.892**	**1.768**
2006		
Cost		
Cost at 01.01.2006	818	793
Additions	1.044	926
Transfers	110	-
Cost at 31.12.2006	**1.972**	**1.719**
Accumulated depreciation		
Accumulated depreciation at 01.01.2006	797	792
Depreciation of the year	196	154
Accumulated depreciation at 31.12.2006	**993**	**946**
Net carrying amount		
Balance at 31.12.2006	**979**	**773**

The depreciation of intangible assets is recorded in the cost centers which utilize these assets based on the participation of each cost center in the operation and is included in the lines of income statement as follows:

	Group	Company
Cost of Sales	5	5
Distribution cost	38	29
Administrative expenses	415	340
Total	**458**	**374**

(amounts in thousand EUR)

18. Investment in subsidiary

The companies included in the Consolidated Financial Statements, their addresses as well as the participation of the parent company in their share capital, are shown in the table below:

Company name	Registered Office	% of participation of the parent company in the share capital of its subsidiary
ENA S.A. (subsidiary)	Greece, Gerakas Attica	99,96%

The following companies are not included in the consolidated statements for the reasons stated below:

Company Name	% of participation	Reasons for excluding subsidiaries from consolidation
SAK LTD	40,00%	The participation of "ALFA-BETA" to the share capital of SAK Ltd. is insignificant due to its immaterial financial value. Furthermore, it is noted that the company is dormant since 1984.

The Company DELHAIZE GROUP S.A., with its registered office in Brussels, Belgium and owner of the 61,28% of "ALFA-BETA" VASSILOPOULOS S.A. share capital, prepares consolidated financial statements in which the financial statements of the Group are incorporated. These consolidated financial statements, which are prepared under the method of full consolidation, are available at the registered office of the Belgian company.

19. Long-term Receivables

The Group has long-term receivables, the greater part of which are guarantees given regarding rental of property, provision of power etc. Long-term receivables are analyzed as follows:

	Group		Company	
	31.12.2007	**31.12.2006**	**31.12.2007**	**31.12.2006**
Guarantees	7.237	5.716	7.135	5.615
Other Receivables	688	668	688	668
Total	**7.925**	**6.384**	**7.823**	**6.283**

(amounts in thousand EUR)

20. Deferred Tax Assets/(Liabilities)

Analysis for financial reporting purposes:

	Group		Company	
	31.12.2007	**31.12.2006**	**31.12.2007**	**31.12.2006**
Deferred tax assets	9.530	8.674	9.023	8.127
Deferred tax liabilities	(10.060)	(7.949)	(9.290)	(7.221)
Net deferred tax assets/ (liabilities)	**(530)**	**725**	**(267)**	**906**

The movements for the year in Company's net deferred tax position were as follows:

	Group		Company	
	31.12.2007	**31.12.2006**	**31.12.2007**	**31.12.2006**
Balance at 1 January	725	1.332	906	1.262
Charge on the results of the year	(830)	(851)	(775)	(587)
Deferred tax on recognized actuarial gain/(loss) in defined benefit plans taken directly to Equity	(425)	244	(397)	231
Balance at the end of the year	**(530)**	**725**	**(267)**	**906**

The calculation of the deferred tax is based on the effective tax rates:

29% for 2006
25% for 2007 and onwards.

(amounts in thousand EUR)

20. Deferred Tax Assets / (Liabilities) - Continued

The following are the major deferred tax liabilities and assets recognized by the Company and movements thereon during the year :

Group	**Provision for staff retirement indemnity**	**Actuarial gains/losses recognized directly in Equity**	**Accrued expenses**	**Inventories**	**Difference in net book values of assets**	**Derivative Instrument**	**Assessed losses utilized**	**Other**	**Total**
Balance at 01.01.2006	3.111	438	1.441	1.921	(6.192)	40	529	44	1.332
Charge to the income of the year	416	-	(174)	(146)	(1.453)	(42)	(529)	1.077	(851)
Deferred tax recorded directly in Equity for recognized actuarial gains/losses	-	244	-	-	-	-	-	-	244
Balance at 01.01.2007	**3.527**	**682**	**1.267**	**1.775**	**(7.645)**	**(2)**	**-**	**1.121**	**725**
Charge to income of the year	410	-	225	250	(1.903)	2	-	186	(830)
Deferred tax recorded directly in Equity for recognized actuarial gains/losses	-	(425)	-	-	-	-	-	-	(425)
Balance at 31.12.2007	**3.937**	**257**	**1.492**	**2.025**	**(9.548)**	**-**	**-**	**1.307**	**(530)**

Company	**Provision for staff retirement indemnity**	**Actuarial gains/losses recognized directly in Equity**	**Accrued expenses**	**Inventories**	**Difference in net book values of assets**	**Derivative Instrument**	**Assessed losses utilized**	**Other**	**Total**
Balance at 01.01.2006	2.966	396	1.390	1.896	(5.462)	40	-	36	1.262
Charge to the income of the year	398	-	(161)	(139)	(1.453)	(42)	-	810	(587)
Deferred tax recorded directly in Equity for recognized actuarial gains/losses	-	231	-	-	-	-	-	-	231
Balance at 01.01.2007	**3.364**	**627**	**1.229**	**1.757**	**(6.915)**	**(2)**	**-**	**846**	**906**
Charge to income of the year	385	-	220	252	(1.871)	2	-	237	(775)
Deferred tax recorded directly in Equity for recognized actuarial gains/losses	-	(397)	-	-	-	-	-	-	(397)
Balance at 31.12.2007	**3.749**	**231**	**1.449**	**2.009**	**(8.786)**	**-**	**-**	**1.083**	**(267)**

(amounts in thousand EUR)

21. Inventories

	Group		Company	
	31.12.2007	**31.12.2006**	**31.12.2007**	**31.12.2006**
Merchandise	79.902	71.711	74.808	66.689
Raw materials, consumables, spare parts and packing materials	817	885	817	884
Advances for the purchase of inventories	11	159	11	159
Total	**80.730**	**72.755**	**75.636**	**67.732**

The average days of stock for the Group is 33,8 days in 2007 against 34,3 days in 2006 and for the Company is 35,8 days in 2007 against 36,2 days in 2006.

22. Trade Receivables

	Group		Company	
	31.12.2007	**31.12.2006**	**31.12.2007**	**31.12.2006**
Trade receivables (from third parties)	8.836	7.008	8.006	6.136
Trade receivables (intercompany)	-	-	18.047	16.189
Debtors	5.487	5.002	4.712	4.075
Cheques and bills receivable	10.503	11.177	7.083	7.521
Receivables from suppliers	13.234	9.637	12.781	9.186
Provision for doubtful receivables	(4.980)	(5.093)	(3.273)	(3.221)
Total	**33.080**	**27.731**	**47.356**	**39.886**

Changes in Provision for doubtful receivables in the year 2007 are analyzed as follows:

	Group	Company
Provision for doubtful receivables as at 31.12.2006	(5.093)	(3.221)
Decrease/(increase) of provision	113	(52)
Provision for doubtful receivables as at 31.12.2007	**(4.980)**	**(3.273)**

The average collection period of trade receivables for the Group in 2007 is 10,3 days against 9,8 days in 2006. The average collection period of trade receivables for the Company in 2007 is 15,2 days, against 14,5 days in 2006.

Company's management considers that the carrying amount of trade and other receivables approximates their fair value.

Credit Risk

- The amounts presented in the Balance Sheet include provisions for doubtful receivables, estimated by the Company's management based on prior experience and the current economic environment. The Company estimates that, except for the provisions already made, there is no further risk deriving from trade receivables.

- The Company estimates that it does not have significant concentration of credit risk arising from receivables apart from its subsidiary ENA S.A., for which there is no credit risk. The rest of the receivables consist of a large number of customers, debtors and suppliers.

(amounts in thousand EUR)

22. Trade Receivables- Continued

- 36,8% of the trade receivables (third parties) of the Group and 40,6% of the Company represent receivables from franchisees. According to cooperation contracts, a fixed credit line has been determined for each franchisee. To manage credit risk the Company periodically assesses the financial reliability and the creditworthiness of franchisees and has proceeded to obtain insurance cover, letters of guarantee from the certain franchisees or has registered pre-notices of mortgage on immovable property.

As of 31.12.2007, insurance cover, letters of guarantee and pre-notices of mortgages are analyzed as follows:

	Group/ Company
Insurance coverage	2.480
Letters of guarantee	2.110
Pre-notations of mortgage	490
Total	**5.080**

The aging of trade receivables can be detailed as follows:

Group	Net carrying amount as of 31.12.2007	Of which neither impaired nor past due on the reporting date	Past due less than 30 days	Past due between 30- 59 days	Past due between 60- 89 days	Past due between 90- 179 days	Past due between 180-359 days	Past due more than 359 days
Trade receivables (from third parties)	7.513	1.753	4.224	791	259	231	247	8
Trade receivables (intercompany)	-	-	-	-	-	-	-	-
Debtors	2.424	156	538	242	419	699	370	-
Cheques and bills receivable	10.503	9.383	687	1	180	250	-	2
Receivables from suppliers	12.640	-	12.640	-	-	-	-	-
Total	**33.080**	**11.292**	**18.089**	**1.034**	**858**	**1.180**	**617**	**10**

Company	Net carrying amount as of 31.12.2007	Of which neither impaired nor past due on the reporting date	Past due less than 30 days	Past due between 30- 59 days	Past due between 60- 89 days	Past due between 90- 179 days	Past due between 180-359 days	Past due more than 359 days
Trade receivables (from third parties)	7.408	1.650	4.225	791	258	231	245	8
Trade receivables (intercompany)	18.047	12.796	1.773	2.914	283	281	-	-
Debtors	2.400	156	527	240	419	700	358	-
Cheques and bills receivable	7.083	5.967	683	1	180	250	-	2
Receivables from suppliers	12.418	-	12.418	-	-	-	-	-
Total	**47.356**	**20.569**	**19.626**	**3.946**	**1.140**	**1.462**	**603**	**10**

(amounts in thousand EUR)

23. Other Receivables – Accrued Income

	Group		Company	
	31.12.2007	**31.12.2006**	**31.12.2007**	**31.12.2006**
Other receivables (subsidies – compensations)	1.253	661	1.231	624
Due from the Greek State – Withholding taxes	307	398	287	378
Other accrued income	45	20	37	35
Total	**1.605**	**1.079**	**1.555**	**1.037**

24. Cash and Cash equivalents

Cash and cash equivalents refer to Group's cash and short-term (up to 3 months) deposits. Company's management considers that their carrying amount of Cash and Bank represents their fair value.

	Group		Company	
	31.12.2007	**31.12.2006**	**31.12.2007**	**31.12.2006**
Banks	28.163	48.169	12.614	38.447
Cash	6.160	4.321	5.779	4.113
Total	**34.323**	**52.490**	**18.393**	**42.560**

25. Share Capital

	31.12.2007	**31.12.2006**
Share Capital – Authorised , Issued and Fully Paid		
12.732.720 common shares of 1,50 Euro (1 Euro and 50 cents) each	19.099	19.099

There were no changes in Company's share capital during the fiscal years 2007 and 2006.

26. Share Premium

	31.12.2007	**31.12.2006**
Share Premium	13.560	13.560

There were no changes in the Company's share premium during the fiscal years 2007 and 2006.

27. Reserves

On 31.12.2007 the Group and the Company have tax free or specially taxed reserves. In the event of distribution of these reserves, which are subject to approval of the General Meeting of Shareholders, income tax will be payable at the corporate rate effective in the year of the distribution. Indicatively, using the current tax rates if the above reserves were distributed, an amount of 3.086 Euros would be payable.

(amounts in thousand EUR)

27. Reserves – Continued

	Legal reserves	Extraordinary reserves	Reserves arising from special regulation and laws	Participation & Bond Reserves	Total
Group					
Balance at 01.01.2006	**3.211**	**14.488**	**12.358**	**-**	**30.057**
Transfer from appropriation of profit	600	-	-	-	600
Equity Settled Employee Benefits Reserve provided by the parent company	-	181	-	-	181
Balance at 31.12.2006	**3.811**	**14.669**	**12.358**	**-**	**30.838**
Balance at 01.01.2007	**3.811**	**14.669**	**12.358**	**-**	**30.838**
Transfer from appropriation of profit	925	3.143	-	-	4.068
Equity Settled Employee Benefits Reserve provided by the parent company	-	220	-	-	220
Balance at 31.12.2007	**4.736**	**18.032**	**12.358**	**-**	**35.126**

	Legal reserves	Extraordinary reserves	Reserves arising from special regulation and laws	Participation & Bond Reserves	Total
Company					
Balance at 01.01.2006	**3.211**	**14.488**	**12.358**	**279**	**30.336**
Transfer from appropriation of profit	600	-	-	-	600
Equity Settled Employee Benefits Reserve provided by the parent company	-	181	-	-	181
Balance at 31.12.2006	**3.811**	**14.669**	**12.358**	**279**	**31.117**
Balance at 01.01.2007	**3.811**	**14.669**	**12.358**	**279**	**31.117**
Transfer from appropriation of profit	925	3.143	-	-	4.068
Equity Settled Employee Benefits Reserve provided by the parent company	-	220	-	-	220
Balance at 31.12.2007	**4.736**	**18.032**	**12.358**	**279**	**35.405**

The extraordinary reserves increase is equal to the cost of Equity Settled Employee Benefits provided by the parent company DELHAIZE GROUP S.A. (note 3.19 in the Summary of Accounting Principles).

28. Retained Earnings

	Group	Company
Balance at 01.01.2006	**2.793**	**6.520**
Actuarial gains/(losses) recognised directly in Equity	(734)	(698)
Transfer to reserves	(600)	(600)
Dividend distributed	(3.947)	(3.947)
Net profit for the year	20.018	18.399
Balance at 31.12.2006	**17.530**	**19.674**
Balance at 01.01.2007	**17.530**	**19.674**
Actuarial gains/(losses) recognised directly in Equity	1.273	1.192
Transfer to reserves	(4.068)	(4.068)
Dividend distributed	(6.239)	(6.239)
Net profit for the year	36.980	33.987
Balance at 31.12.2007	**45.476**	**44.546**

(amounts in thousand EUR)

29. Long Term Borrowings

According to the decision of the Board of Directors dated on December 22, 2004 the Company issued, on February 7 2005, a five-year fixed interest rate bond loan amounting to 40.000 Euros, divided into 4 bearer bonds of 10.000 Euros each, which are transferable with the Company's consent. The bond loan was fully issued and covered by Alpha Bank and it will be fully repaid on February 9, 2010.

	Long term borrowings Group/Company	
	31.12.2007	**31.12.2006**
Bond loan terminating on 09.02.2010	40.000	40.000
Total	**40.000**	**40.000**

The above borrowing will be repaid as follows:

	Long term borrowings Group/Company	
Due	**31.12.2007**	**31.12.2006**
Within one year	-	-
In the second year	-	-
In the third to fifth years inclusive	40.000	40.000
Total	**40.000**	**40.000**

The interest rate is fixed and amounts to 3,895% per annum.
Except as presented in the following table, Management considers that the carrying amounts of financial assets and financial liabilities recorded at amortized cost in the financial statements approximate their fair values:

	31.12.2007	
	Group / Company	
Financial liabilities	**Carrying amount**	**Fair Value**
Alpha Bank Bond	40.000	38.921

(amounts in thousand EUR)

30. Long-term borrowings payable within one year and Short-Term Borrowings

The five-year bond loan contracted on 05.02.2002 with DELCOR S.A., member of the DELHAIZE GROUP S.A., amounting to 38.100 thousand USD, or equivalent 44.138 Euros according to the swap agreement, was paid up on 05.02.2007.

	Current borrowings Group/Company	
Due	**31.12.2007**	**31.12.2006**
Within one year	-	28.929
Total	**-**	**28.929**

During the period from 01.01.2007 until 31.12.2007, the Group and the Company raised periodically short-term loans for covering temporary needs such as to cover partially its working capital or its investments. The balance of short-term borrowings at 31.12.2007 reaches 3.500 Euros and the average short-term loan balance amounted to 13.584 Euros with an average interest rate of 4,88%.
If interest rates had been 50 b.p. higher and all other variables were held constant the Group's and the Company's profit of the year ended at 31.12.2007 would decrease by 69 Euros. This is mainly attributable to the Group's exposure to interest rates on its variable rate borrowings.
In the year 2006, there was no short term borrowing.

31. Retirement Benefit Plans

Defined Contribution Plans

Employees of the Group, in accordance with the relevant legislation, for social security and retirement purposes are covered by the Social Insurance Institute (I.K.A), and other supplementary Insurance Funds. The employer contributions are charged to the income statement the fiscal year they refer to.
Moreover, the Group provides to its officers a private pension plan. The obligation of the Group in this plan is in respect of the payment of a fixed amount to a private insurance company (defined contribution plan). The amount charged to the results for the year 2007 amounted to 412 Euro for the Group and 397 Euro for the Company, while for the year 2006 the respective amounts are 381 and 366 Euro, and are included in line "staff remuneration and other benefits".

Defined Benefit Plans

In accordance with Greek law 2112/1920 the Group is obliged to pay a lum sum on retirements to all employees equal to 40% of the dismissal compensation which is based on the last salary and the years of service. The group policy is to pay 40% of the dismissal compensation to all employees excluding middle and top management who receive 100% if thay have a service of over 10 years in the Company. This is an unfunded defined benefit plan.
The most recent actuarial valuations of the present value of the defined benefit obligation were carried out at 31 December 2007 by Hewitt Associates S.A. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.

(amounts in thousand EUR)

31. Retirement Benefit Plans - Continued

	Group		Company	
	2007	**2006**	**2007**	**2006**
Obligations at the beginning of the year (restated) (SORIE Method)	16.840	14.196	15.970	13.447
Actuarial (gains)/losses recognized directly in Equity	(1.698)	978	(1.589)	929
Charge for the year	2.989	2.531	2.833	2.385
Benefits paid	(1.343)	(865)	(1.290)	(791)
Total at the end of the year	**16.788**	**16.840**	**15.924**	**15.970**

The amounts recognized as expenses regarding the retirement benefit plan, are the following:

	Group		Company	
	2007	**2006**	**2007**	**2006**
Current service cost	1.783	1.564	1.693	1.484
Interest cost	675	569	640	539
Current losses recognized	-	-	-	-
Past service cost	21	17	19	14
Additional benefits	510	381	481	348
Total at the end of the year	**2.989**	**2.531**	**2.833**	**2.385**

The charge for the year is included in personnel expenses in the following lines of the Profit and loss Statement:

	Group		Company	
	2007	**2006**	**2007**	**2006**
Cost of Sales	271	240	271	240
Distribution cost	748	297	606	288
Administrative expenses	1.970	1.994	1.956	1.857
Total	**2.989**	**2.531**	**2.833**	**2.385**

The changes in the fair value of the defined benefits are as follows:

	Group		Company	
	2007	**2006**	**2007**	**2006**
Obligations at the beginning of the year	17.169	14.467	16.287	13.703
Current service cost	1.783	1.564	1.693	1.484
Interests cost	675	569	640	539
Actuarial (gain) / loss	(1.698)	978	(1.589)	929
Benefits paid	(1.343)	(865)	(1.290)	(791)
Additional costs and obligations	506	456	478	423
Defined benefits obligation before the prior years' unrecognized cost	17.092	17.169	16.219	16.287
Prior years' unrecognized cost	(304)	(329)	(295)	(317)
Obligations at the end of the year	**16.788**	**16.840**	**15.924**	**15.970**

(amounts in thousand EUR)

31. Retirement Benefit Plans – Continued

	Group		Company	
	2007	**2006**	**2007**	**2006**
Present value of capitalized obligations	17.092	17.169	16.219	16.287
Prior years' unrecognized cost	(304)	(329)	(295)	(317)
Total	**16.788**	**16.840**	**15.924**	**15.970**

The principal assumptions used are the following:

	Group/Company	
	2007	**2006**
Discount rate	4,9%	4,0%
Expected rate of salary increases	4,0%	4,0%

32. Derivative Instrument

In prior years, the derivative instrument stated below was entered in order to manage the foreign exchange risk from the bond loan that "ALFA-BETA" VASSILOPOULOS S.A. had contracted with DELCOR S.A. in USD and which was paid up on 10.02.2007.

	Group/ Company	
	31.12.2007	**31.12.2006**
Balance at 01.01.2007	**15.199**	**12.001**
Revaluation to fair value	-	3.198
Payment	(15.199)	-
Balance at 31.12.2007	**-**	**15.199**

33. Provisions

	Group	Company
Balance at 01.01.2007	2.116	2.021
Changes during the year	2.501	2.382
Balance at 31.12.2007	**4.617**	**4.403**

The provisions are analysed as follows:

	Group	Company
Civil and administrative cases -extraordinary	2.770	2.668
Asset retirement obligation	1.468	1.381
Interest from asset retirement obligation	312	303
Recycle provision	67	51
Balance at 31.12.2007	**4.617**	**4.403**

(amounts in thousand EUR)

34. Trade payables

	Group		Company	
	31.12.2007	**31.12.2006**	**31.12.2007**	**31.12.2006**
Suppliers	165.308	158.798	161.633	155.188
Notes payable	3.525	3.784	3.525	3.784
Creditors	25.037	18.972	23.297	17.727
Cheques payable	12.222	10.953	12.083	10.942
Other obligations-advance payments to customers	1.102	590	433	42
Discounts to customers	3.503	2.708	3.497	2.701
Total	**210.697**	**195.805**	**204.468**	**190.384**

The Company's management considers that the carrying amount of trade payables approximates their fair value.
The average payment period of trade payables for the Group in 2007 is 88,1 days against 92,5 days in 2006. The average payment period of trade payables for the Company in 2007 is 96,9 days against 101,8 days in 2006.

35. Accrued Expenses

	Group		Company	
	31.12.2007	**31.12.2006**	**31.12.2007**	**31.12.2006**
Provision for bonus and vacation leave	5.813	5.220	5.434	4.857
Interests payable	1.411	2.990	1.411	2.990
Other	3.338	3.009	3.172	2.871
Total	**10.562**	**11.219**	**10.017**	**10.718**

36. Other Short-term Liabilities

	Group		Company	
	31.12.2007	**31.12.2006**	**31.12.2007**	**31.12.2006**
Other Taxes payable (VAT, withholding taxes, other taxes)	10.041	9.216	9.821	9.013
Social security funds	6.962	6.254	6.652	5.965
Salaries payable	5.236	4.634	5.014	4.426
Others	2.523	2.185	2.502	2.185
Total	**24.762**	**22.289**	**23.989**	**21.589**

(amounts in thousand EUR)

37. Operating Leases

The Group has entered into leases and subleases and the commitments are as follows:

Future Liabilities

	Group		Company	
	31.12.2007	**31.12.2006**	**31.12.2007**	**31.12.2006**
Within one year	24.958	21.868	24.159	21.374
In the second to fifth years inclusive	91.855	79.169	88.682	78.226
After five years	299.059	215.561	294.896	215.256

Future Receivables

	Group		Company	
	31.12.2007	**31.12.2006**	**31.12.2007**	**31.12.2006**
Within one year	1.402	1.211	1.577	1.380
In the second to fifth years inclusive	4.127	3.769	4.888	4.509
After five years	7.263	7.064	7.315	7.318

During 2007, lease charges amounting to 23.116 Euros for the Group and 22.624 Euros for the Company were charged to the income statement.

38. Related Parties' Transactions

The transactions for the period between "ALFA-BETA" VASSILOPOULOS S.A. and related parties are the following:

a. During the period from 01.12.2007 up to 31.12.2007, between "ALFA-BETA" VASSILOPOULOS S.A. and ENA S.A., in the share capital of which the former participates by 99,96%, the following transactions have been effected:

	01.01.2007-31.12.2007
Net Sales of merchandise from «ALFA-BETA» VASSILOPOULOS S.A. to ENA S.A. (net of vendor allowances)	83.024
Sales of packing material from «ALFA-BETA» VASSILOPOULOS S.A. to ENA S.A.	179
«ALFA-BETA» VASSILOPOULOS S.A. revenue arising from rental of property to ENA S.A.	169
Purchases of ENA S.A. from «ALFA-BETA» VASSILOPOULOS S.A.(net of vendor allowances)	83.203
ENA S.A. expenses arising from rental of property from «ALFA-BETA» VASSILOPOULOS SA.	169
«ALFA-BETA» VASSILOPOULOS S.A. receivables from ENA S.A.	18.054
«ALFA-BETA» VASSILOPOULOS S.A. liabilities to ENA S.A.	7

(amounts in thousand EUR)

38. Related Parties' Transactions – Continued

b. During the period from 01.12.2007 up to 31.12.2007, between the companies of the Group "ALFA-BETA" VASSILOPOULOS S.A. and DELHAIZE GROUP S.A. that owns the 61,28% of "ALFA-BETA" VASSILOPOULOS S.A. share capital, the following transactions have been effected:

	01.01.2007-31.12.2007	01.01.2007-31.12.2007
	Group	**Company**
Sales of merchandise to DELHAIZE GROUP S.A.	1.760	1.760
Purchases of merchandise from DELHAIZE GROUP S.A.	3.305	3.305
Administrative Expenses (services provided by DELHAIZE GROUP S.A.)	4.143	3.870
Other Income for services provided to DELHAIZE GROUP S.A.	509	509
Other Expenses for services provided by DELHAIZE GROUP S.A.	9	9
Receivables from DELHAIZE GROUP S.A.	1.165	1.165
Liabilities to DELHAIZE GROUP S.A.	5.091	4.830

c. The remuneration of the BoD members and Directors at 31.12.2007 and 31.12.2006 is analyzed as follows:

	31.12.2007	31.12.2006
Remunerations	2.836	2.413
Bonus	431	215
Employer's Contribution	98	96
Retirement Benefit Plans	99	85
Healthcare Plan Contribution	24	15
Total	**3.488**	**2.824**

39. Capital Commitments

The Groups and the Company's commitments for the acquisition of property, plant and equipment amount to 3.287 Euros and 3.263 Euros correspondingly.

40. Contingent Liabilities and Gains

1. For the parent company "ALFA-BETA" VASSILOPOULOS S.A., a tax audit was conducted and concluded up to the fiscal year 2005. The only issue pending is the audit regarding the fee of the related company DELHAIZE GROUP S.A. for services provided in 2005, that has been referred to a special committee of the Ministry of Finance. Furthermore, for the fiscal years 2003, 2004 and 2005 withholding tax charges based on article 13 of the C.L. 2238/1994, amounting to 204 thousand Euros were assessed, for which the Company has taken legal actions that are estimated to succeed.

   For ENA S.A., which is included in the consolidated financial statements, a tax audit was conducted and concluded up to the fiscal year 2004. The outcome of the tax audit for the anaudited fiscal years cannot be estimated at this stage and thus no relevant provision has been made in the financial statements.

2. On 05.07.2005 the Hellenic Competition Commission issued its decision no 284/IV/2005 and imposed a fine of 739 Euros (stamp duty included) to the parent Company for contravention of art. 1 of L.703/1977. The Company had appealed to the appropriate courts against the aforementioned decision and on 28.04.2006 the Administrative Court of Appeals issued its decision no 1471. According to this decision, the Administrative Court of Appeals accepted partially the Company's appeal and reduced the fine imposed amounted to 130 Euros, while it ordered the refund of the already paid state duties amounting to 100 Euros as unduly paid. In addition, the Court allocated the court fees equally to both parties. This decision has been officially served to our Company on 08.09.2006. On 14.11.2006, the Company filed a cassation before the Greek Supreme Administrative Court (Conseil d' Etat), which is scheduled to be heard on March 26, 2008, before the 2nd Session of the Court.

3. On 19.12.2007 the Hellenic Competition Commission issued its decision no 373/V/2007 and imposed a fine of 1.088 Euros (stamp duty is not included) for contravention of art. 1 of L.703/1977. The Company will appeal to the Administrative Court of Appeals against the aforementioned decision within the legal terms.

4. By approval no. 41298/YPE/4/00267/N.3299/2004/16-10-2006 of the Minister and the Deputy Minister of Finance, the Company qualified under provisions of L.3299/2004 for a subsidy of its investment plan, for the modernization of its supply chain system in Mandra, Attica. The total qualifying expenditure for the grant amounts to 11.730 Euros, of which a 30% subsidy will be received of 3.519 Euros.

(amounts in thousand EUR)

41. Note on the Cash Flow Statement

The provisions, which are included in the Cash Flow Statement, are analyzed as follows:

	Group		Company	
	2007	**2006**	**2007**	**2006**
Other provisions*	1.225	858	1.428	902
Provision for staff termination indemnity	1.646	1.666	1.543	1.594
Fine imposed by Hellenic Competition Commission	-	(609)	-	(609)
Equity Settled Employee Benefits provided by the parent company	220	181	220	181
Provision for doubtful receivables	113	23	52	(10)
Total	**3.204**	**2.119**	**3.243**	**2.058**

*A reclassification between lines "other provisions" and "liabilities (excluding bank loans)" in 2006 has been made for comparability purposes.

42. Events After the Balance Sheet Date

(a) On January 4, 2008, "ALFA-BETA" VASSILOPOULOS S.A. signed an agreement to acquire the 100% of the Greek retailer Plus Hellas. The acquisition consists of 33 new stores (average selling area of 795 m2) and a modern distribution centre (36.000 m2) close to Thessaloniki, capable to cater the needs of the wider geographical area. The acquisition includes the real estate ownership of 14 stores and the distribution centre. This highly complementary acquisition reinforces the competitive position of "ALFA-BETA", particularly in Northern Greece where it had a limited presence.
The acquisition price is 69.500 Euros, subject to contractual adjustments. The Plus stores will be converted to the "ALFA-BETA"banners.
The acquisition of Plus Hellas is subject to customary conditions, including the approval by the Greek antitrust authorities. The transaction is expected to close in the second quarter of 2008.
Goodwill and fair value of the assets cannot for the time being be estimated due to the restricted information.

(b) On February 14th, 2008, ALFA BETA VASSILOPOULOS S.A. acquired the 100% of the shares of the societe anonyme «P.L.LOGISTICS CENTER – DIANOMES – APOTHIKEFSIS - LOGISTICS – S.A.» with the distinctive title «P.L.L.C. S.A.» for a total amount of 12.200 Euros.
The aforementioned acquired company has full ownership of a land plot at Inofyta in Boeotia. This property is ample and integral for development, measuring to 115.000 m2, on which a new modern storage and distribution centre of fresh products will be constructed and will facilitate the supply needs of the Group.
Goodwill and fair value of the assets cannot for the time being be estimated due to the restricted information.

BOARD OF DIRECTORS REPORT

To the Ordinary General Meeting of Shareholders
of «ALFA-BETA» VASSILOPOULOS S.A.
(Reg.No. 13363/06/B/86/17)
On the Financial Statements of 31.12.2007

The present Report is written in compliance with the provisions of Cod. Law 2190/1920 and the Company's Articles of Association.

Dear Shareholders,

The Company's dedication to its values and the return on these values are evident in all Company's activities during 2007. Our efforts and long term investment in values such as quality, assortment, service, competitive prices, strict abidance to rules of hygiene, innovative merchandising and consistent commercial policy, have yielded their fruits and are reflected in financial results.

The **Consolidated** financial figures reported for the fiscal year are as follows:

Revenues amounted to 1,174.9 million euro from 1,030.2 million euro in 2006, thus increasing by 14.0%. This increase was caused by better sales performance of existing stores, especially the remodeled ones, as well as by the contribution of newly added stores.

Gross Profit increased by 18.7% from 226.3 million euro in 2006 to 268.7 million euro in 2007, a rate of increase higher than that of Revenue which proves that the Company follows an effective commercial policy and prudent inventory management.

Operating Expenses reached 222.8 million euro from 197.0 million euro in 2006 thus increasing by 13.1%. This increase of operating expenses at a rate lower than that of sales, and Gross Profit, reflects the Company's efforts to control expenses and strengthen its competitiveness.

The increase of sales and gross profit as well as the control of expenses reported above, have caused the figure for **Profit before Tax, Financial, Investing Activities, Depreciation and Amortization (EBITDA)** to increase by 37.5%, reaching 71.8 million euro compared with 52.2 million euro in 2006.

Likewise, **Profit before Tax, Financial and Investing Activities, (Operating Profit)** increased by 56.8% and amounted at 51.5 million euro compared with 32.8 million euro in 2006.

Profit before Tax reached an amount of 50.0 million euro from 30.4 million euro in 2006, an increase by 64.4%.

Finally, **Net Profit** reached 37.0 million euro from 20.0 million euro in 2006.

Correspondingly, the financial figures of the Company are as follows:

Revenues amounted to 1,141.2 million euro from 1,000.9 million euro in 2006, thus increasing by 14.0%.

Gross Profit increased by 19.0% from 213.6 million euro in 2006 to 254.1 million euro in 2007, a rate of increase higher than that of Revenue**.**

Operating Expenses reached 211.2 million euro from 186.5 million euro in 2006 thus increasing by 13.3%.

Profit before Tax, Financial, Investing Activities, Depreciation and Amortization (EBITDA) increased by 37.6%, reaching 67.2 million euro compared with 48.8 million euro in 2006.

Profit before Tax, Financial and Investing Activities (Operating Profit), increased by 57.8% and amounted at 48.1 million euro compared with 30.5 million euro in 2006.

Profit before Tax reached an amount of 45.9 million euro from 27.6 million euro in 2006, an increase by 66.2%.

Finally, **Net Profit** reached 34.0 million euro from 18.4 million euro in 2006.

Considering the above developments as well as the always-increasing needs of our investment plan, the Board of Directors has decided to propose a dividend payment of 0.89 EUR per share.

The share price, reached 37.98 EUR on 31.12.2007 from 15.50 EUR on 31.12.2006 showing an increase by 145.0%.

Briefly, both Group's and Company's financial Results for the years 2007 and 2006, as indicated through profitability and activity ratios are stated below:

Profitability Ratios (% on Revenues)	**Group**		**Company**	
	2007	**2006**	**2007**	**2006**
Gross Profit Margin	22.9%	22.0%	22.3%	21.3%
EBITDA Margin	6.1%	5.1%	5.9%	4.9%
Operating Profit Margin	4.4%	3.2%	4.2%	3.0%
Profit before Taxes Margin	4.3%	3.0%	4.0%	2.8%
Profit after Taxes Margin	3.1%	1.9%	3.0%	1.8%
Activity ratios (days)	**2007**	**2006**	**2007**	**2006**
Average days of stock	33.8	34.3	35.8	36.2
Average Payment Period of Suppliers	88.1	92.5	96.9	101.8
Average Collection Period of Trade Receivables	10.3	9.8	15.2	14.5

In 2007, Group's capital expenditures amounted to 36,693 thousand Euros while Company's reached 35,747 thousand Euros and were disposed for the expansion and enhancement of its sales' network. Investments were funded by Company's Operating Cash flow.

During the year the Company raised periodically short-term loans for covering temporary needs such as to cover partially its working capital or its investments. The balance of short-term borrowings at 31.12.2007 reaches 3,500 thousand Euros. Existing long-term bond loan was contracted in prior year.

The Company is a food retailer thus it sells goods in cash and pays its liabilities to suppliers on credit. This fact secures the Company from possible liquidity and Cash flow risks.

As regards its organic expansion. "ALFA-BETA" continued its development activity with the opening of eleven new sales outlets of which five were supermarkets and six affiliate operations. In parallel, four existing stores were remodeled and upgraded. At the end of the year the retail network of stores bearing the "ALFA-BETA" banner in Attica and the Provinces comprised 149 stores, of which 113 company-operated and 36 operated by franchisees. Together with the 10 Cash-and-Carry sales points, the group sales network counted 159 stores on total, at the end of 2007.

On 04.01.2008, "ALFA-BETA" VASSILOPOULOS announced that it has entered into an agreement to acquire the Greek retailer Plus Hellas. The acquisition consists of 33 new stores (average selling area of 795 m2) and a modern distribution centre (36,000 m2) close to in Thessaloniki, capable to cater the needs of the wider geographical area. The acquisition includes the real estate ownership of 14 stores and the distribution centre. This highly complementary acquisition reinforces the competitive position of "ALFA-BETA", particularly in Northern Greece where it had a limited presence.

Moreover, on 14.02.2008, "ALFA-BETA" VASSILOPOULOS acquired the 100% of the shares of the societe anonyme «P.L.LOGISTICS CENTER – DIANOMES – APOTHIKEFSIS - LOGISTICS – S.A.». The aforementioned acquired company has full ownership of a land plot at Inofyta in Boeotia, measuring to 115,000 m2, on which a new modern storage and distribution centre of fresh products will be constructed and will facilitate the supply needs of the Group.

Corporate Social Responsibility was and remains Company's fundamental value. Protection of the Environment is an important manner of expressing the "ALFA-BETA" social role. The Company increased to 33 the number of stores where Recycling Centres are installed while in parallel it launched a campaign supporting recycling. The Donations' Committee continued its social work in 2007 and managed the donations fund, donating sums to medical, social, educational organisations and mainly for the support for the summer fires afflicted areas.

PERSPECTIVE 2008

For the current year, "ALFA-BETA" VASSILOPOULOS S.A. plans to accelerate its expansion by adding 16 new stores to its network including the stores of franchise network.
Moreover, the Plus stores will be remodelled and converted to the Alfa-Beta banners.
In the commercial sector, priority will be given both to the price policy aiming to strengthen company's competitiveness as well as to the enrichment of product assortment with new product categories emphasizing on exclusive and locally sourced products, on the development of private label products' and organic ones.

BASIC ACCOUNTING PRINCIPLES

The financial statements have been complied in accordance with the International Financial Reporting Standards (IFRS). Analytical information for the Basic Accounting Principles followed, are stated in the Notes to the Accounts of 31.12.2007.

APPROPRIATION OF NET PROFIT

Following the above mentioned, the Board of Directors of the Company intends to propose to the General Meeting the distribution of a dividend of 0.89 EUR per share.

The Condensed Financial Figures and Information for the period from 01.01.2007 until 31.12.2007 as well as the Explanatory Report according to article 11A of the Law 3371/2005 are as follows:

Company Information	
Registered Office:	81, Spaton Avenue, 153 44 Gerakas, Attica
Athens Register of Commerce:	13363/06/B/86/17
Competent Prefecture:	Ministry of Development, Department of Commerce, Division of Societes Anonymes and Trust
Board of Directors:	Moissis Raphael Pierre-Olivier Beckers Macheras Konstantinos Michael Waller Renaud Cogels Boyce Craig Owens Michel Eeckhout Baudouin Van der Straten Waillet Kyriakidis Konstantinos Kolintzas Trifon Filaktopoulos Alexandros
Date of approval of the annual financial statements (from which arose the condensed financial figures):	February 29, 2008
Auditor:	Michael Hadjipavlou
Auditing company:	Deloitte.
Type of audit report:	Unqualified opinion with an emphasis of matter
Internet address	www.ab.gr

1.1 Balance Sheet

Amounts in thousands EUR

	Group		Company	
	31.12.2007	31.12.2006	31.12.2007	31.12.2006
ASSETS				
Non - current Assets	281.919	264.085	278.681	260.935
Inventories	80.730	72.755	75.636	67.732
Trade Receivables	33.080	27.731	47.356	39.886
Other Assets	36.289	53.966	20.296	43.976
TOTAL ASSETS	**432.018**	**418.537**	**421.969**	**412.529**
EQUITY & LIABILITIES				
Long-term borrowings	62.192	59.201	60.849	58.235
Short-term borrowings	3.500	28.929	3.500	28.929
Other short-term liabilities	253.063	249.379	245.010	241.915
Total Liabilities (a)	**318.755**	**337.509**	**309.359**	**329.079**
Share Capital	19.099	19.099	19.099	19.099
Other Net Equity	94.162	61.928	93.511	64.351
Equity attributable to the equity holders of the parent (b)	113.261	81.027	112.610	83.450
Minority Interest (c)	2	1	-	-
Total Equity (d)=(b)+(c)	113.263	81.028	112.610	83.450
TOTAL EQUITY & LIABILITIES (e)=(a)+(d)	**432.018**	**418.537**	**421.969**	**412.529**

1.2 Income Statement

Amounts in thousands EUR

	Group		Company	
	01.01-31.12.2007	01.01-31.12.2006	01.01-31.12.2007	01.01-31.12.2006
Revenues	**1.174.883**	**1.030.249**	**1.141.204**	**1.000.880**
Gross Profit / (Loss)	**268.711**	**226.303**	**254.080**	**213.587**
Profit / (Loss) before tax, financial, investing activities, depreciation and amortization	**71.781**	**52.206**	**67.209**	**48.837**
Profit / (Loss) before tax, financial and investing activities	**51.504**	**32.840**	**48.058**	**30.456**
Profit / (Loss) before tax	**50.004**	**30.424**	**45.910**	**27.617**
Less Tax	13.023	10.405	11.923	9.218
Net profit / (Loss)	**36.981**	**20.019**	**33.987**	**18.399**
Attributable to:				
Equity holders of the parent	36.980	20.018	33.987	18.399
Minority Interest	1	1	-	-
Earnings per share after tax (in Euro)	2,90	1,57	2,67	1,44
Proposed dividend per share (in Euro)	0,89	0,49	0,89	0,49

1.3 Statement of Changes in Equity

Amounts in thousands EUR

	Group		Company	
	31.12.2007	**31.12.2006**	**31.12.2007**	**31.12.2006**
Equity at the beginning of the year	81.028	65.510	83.450	69.515
Profit / (Loss) after tax	36.981	20.019	33.987	18.399
	118.009	**85.529**	**117.437**	**87.914**
Payments of dividends	(6.239)	(3.947)	(6.239)	(3.947)
Net income/(expense) recognized directly in Equity	1.493	(554)	1.412	(517)
Equity at the end of the year	**113.263**	**81.028**	**112.610**	**83.450**

1.4 Cash Flow Statement (Indirect method)

Amounts in thousands EUR

	Group		Company	
	01.01.2007 - 31.12.2007	**01.01.2006- 31.12.2006**	**01.01.2007 - 31.12.2007**	**01.01.2006- 31.12.2006**
Operating activities				
Profit before tax	50.004	30.424	45.910	27.617
Adjustments for:				
Depreciation and amortization	20.277	19.366	19.151	18.381
Provisions	3.204	2.119	3.243	2.058
Foreign exchange differences	-	(169)	-	(169)
Provision for impairment of fixed assets	49	940	49	940
(Gain) / Loss on disposal of fixed assets	107	97	103	93
Results (revenues, expenses, gains and losses) from investing activity	(1.189)	(782)	(532)	(359)
Finance costs	2.689	3.367	2.680	3.367
Plus / (minus) adjustments for changes in working capital:				
Decrease / (increase) of inventories	(7.975)	1.182	(7.905)	1.341
Decrease / (increase) of receivables	(8.465)	(10.190)	(10.089)	(12.800)
(Decrease) / increase of liabilities (excluding bank loans)	19.497	35.290	17.915	34.184
Less:				
Interest paid	(4.001)	(3.066)	(4.001)	(3.066)
Income tax paid	(10.017)	(15.891)	(8.636)	(15.924)
Net cash used in operating activities (a)	**64.180**	**62.687**	**57.888**	**55.663**
Investing activities				
Purchase of tangible and intangible assets	(36.693)	(37.484)	(35.747)	(36.326)
Proceeds on disposal of tangible and intangible assets	34	73	37	67
Interest received	1.189	782	532	359
Net cash used in investing activities (b)	**(35.470)**	**(36.629)**	**(35.178)**	**(35.900)**
Financing activities				
New bank loans raised	3.500	-	3.500	-
Repayment of borrowings	(44.138)	-	(44.138)	-
Dividends paid	(6.239)	(3.931)	(6.239)	(3.931)
Net cash used in financing activities (c)	**(46.877)**	**(3.931)**	**(46.877)**	**(3.931)**
Net increase / (decrease) in cash and cash equivalents of the period: (a)+(b)+(c)	**(18.167)**	**22.127**	**(24.167)**	**15.832**
Cash and cash equivalents beginning of the year	**52.490**	**30.363**	**42.560**	**26.728**
Cash and cash equivalents end of the year	**34.323**	**52.490**	**18.393**	**42.560**

Additional Information

(Amounts in thousands EUR)

1. The consolidated financial statements include the financial statements of the parent company "ALFA-BETA" VASSILOPOULOS S.A. and its subsidiary ENA S.A. The companies included in the Consolidated Financial Statements, their addresses as well as the participation of the parent company in their share capital, are shown in the table below:

Company name	Registered Office	% of participation of the parent company in the share capital of its subsidiary
"ALFA-BETA" VASSILOPOULOS S.A. (parent company)	Greece, Gerakas Attica	-----
ENA S.A. (subsidiary)	Greece, Gerakas Attica	99,96%

2. The consolidated financial statements are prepared with the method of full consolidation. The same method has been applied for the preparation of the financial statements of 31.12.2006.

3. For the parent company "ALFA-BETA" VASSILOPOULOS S.A., a tax audit was conducted and concluded up to the fiscal year 2005. The only issue pending is the audit regarding the fee of the related company DELHAIZE GROUP S.A. for services provided in 2005 that has been referred to a special committee of the Ministry of Finance. Furthermore, for the fiscal years 2003, 2004 and 2005 withholding tax charges based on article 13 of the C.L. 2238/1994, amounting to 204 Euros were assessed, for which the Company has taken legal actions that are estimated to succeed.
For ENA S.A., which is included in the consolidated financial statements, a tax audit was conducted and concluded up to the fiscal year 2004. The outcome of the tax audit for the anaudited fiscal years cannot be estimated at this stage and thus no relevant provision has been made in the financial statements.

4. The company DELHAIZE GROUP S.A., with its head-office in Brussels, Belgium owns 61,28% of "ALFA-BETA" VASSILOPOULOS S.A. share capital and prepares consolidated financial statements in which the financial statements of the Group are included. These consolidated financial statements, which are prepared with the method of full consolidation, are available at the headquarters of the Belgian company.

5. There is no encumbrance either on Group's or Company's property.

6. Group cases under court or arbitration procedures:

6.1 On 05.07.2005 the Hellenic Competition Commission issued its decision no 284/IV/2005 and imposed a fine of 739 Euros (stamp duty included) to the parent Company for contravention of art. 1 of L.703/1977. The Company had appealed to the appropriate courts against the aforementioned decision and on 28.04.2006 the Administrative Court of Appeals issued its decision no 1471. According to this decision, the Administrative Court of Appeals accepted partially the Company's appeal and reduced the fine imposed amounted to 130 Euros, while it ordered the refund of the already paid state duties amounting to 100 Euros as unduly paid. In addition, the Court allocated the court fees equally to both parties. This decision has been officially served to our Company on 08.09.2006. On 14.11.2006, the Company filed a cassation before the Greek Supreme Administrative Court (Conseil d' Etat), which is scheduled to be heard on March 26, 2008, before the 2nd Session of the Court.

6.2 On 19.12.2007 the Hellenic Competition Commission issued its decision no 373/V/2007 and imposed a fine of 1.088 Euros (stamp duty is not included) for contravention of art. 1 of L.703/1977. The Company will appeal to the Administrative Court of Appeals against the aforementioned decision within the legal terms.

7. The number of people employed by the Group and the Company at the end of the current and the previous year was the following:

	Group	**Company**
December 31, 2007	7.545	7.246
December 31, 2006	7.209	6.913

8. Amounts of sales and purchases cumulatively from the beginning of the fiscal year as well as the balances of receivables and payables of the Company at the end of the year resulting from related parties transactions under IAS 24 are as follows:

	Group	**Company**
a) Sales of goods	1.760	84.963
b) Purchase of goods and services	7.448	7.175
c) Other income from services and leases	509	678
d) Other expenses for services	9	9
e) Receivables from related parties	1.165	19.219
f) Payables to related parties	5.091	4.837
g) Remuneration of BoD members and executives	3.488	3.488

9. For comparison purposes, there has been a reclassification of 2006 figures in lines "Provisions" and "(Decrease)/increase of liabilities (excluding bank loans)" of the Cash Flow statement (1.4)

10. Events after the Balance Sheet Date

(a) On January 4, 2008, "ALFA-BETA" VASSILOPOULOS S.A. signed an agreement to acquire the 100% of the Greek retailer Plus Hellas. The acquisition consists of 33 new stores and a modern distribution centre. The acquisition price is 69.500 Euros, subject to contractual adjustments.
The acquisition of Plus Hellas is subject to customary conditions, including the approval by the Greek antitrust authorities. The transaction is expected to close in the second quarter of 2008. Goodwill and fair value of the assets cannot for the time being be estimated due to the restricted information.

(b) On February 14th, 2008, ALFA BETA VASSILOPOULOS S.A. acquired the 100% of the shares of the societe anonyme «P.L.LOGISTICS CENTER – DIANOMES – APOTHIKEFSIS - LOGISTICS – S.A.» with the distinctive title «P.L.L.C. S.A.» for a total amount of 12.200 Euros. Goodwill and fair value of the assets cannot for the time being be estimated due to the restricted information.

Following the above, Ladies and Gentlemen Shareholders, we ask you to approve the Financial Statements at 31.12.2007 and to release the members of the Board of Directors and the Auditors of any liability for the fiscal year 2007 according to the Law and the Statutes of the Company.

Gerakas, February 29, 2008

For the Board of Directors.

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Raphael Moissis
Chairman of the Board of Directors

EXPLANATORY REPORT
To the Ordinary General Meeting of Shareholders
of «ALFA-BETA» VASSILOPOULOS S.A.
Under Article 11^A LAW 3371/2005

This explanatory report of the Board of Directors to the Shareholders General Meeting contains detailed information regarding the issues under article 11^a Law 3371/2005.

1. The Company's share capital structure

The share capital of the Company amounts to Euro nineteen million ninety nine thousand and eighty (19,099,080.00), divided into twelve million seven hundred and thirty two thousand and seven hundred and twenty (12,732,720) ordinary shares with voting right and a par value of one Euro and fifty cents (1.50) each. The Company's shares are traded on the Athens Stock Exchange market.

The rights of the Company's shareholders with respect to their shares are proportional to the share capital stake to which the paid-in share value corresponds. Each share carries the rights stipulated by law and the Company's Articles of Associations.

More specifically:

- The right to dividends from the annual profits or liquidation profits of the Company.
- The right to reclaim the amount of one's contribution during the liquidation or. Similarly, the writing off of the capital representing the share, provided that this is resolved upon by the General Meeting.
- The right of pre-emption at every share capital increases via cash payment or the issuance of new shares.
- The right to receive a copy of the financial statements and reports of the auditors and of the Board of Directors of the Company.
- The right to participate and vote in the General Meeting.

2. Restrictions on the assignment of the Company 's shares

The Company's shares may be assigned as stipulated by Law and there are no further restrictions on their assignment set out in the Articles of Association, given that they are immaterial shares listed on the Athens Stock Exchange.

3. Major direct and indirect stake-holding in the meaning of PD 51/1992

At 31.12.2007, the shareholders (natural or legal persons) that owned a stake higher than 5% of the total number of shares are as follows:

Shareholders	Number of Shares	Ownership
Delhaize The Lion Nederland BV	7,803,033	61.28%
Clearstream Banking	639,119	5.02%

4. Shares with special control rights

There are no Company shares delivering special control rights to their holders.

5. Restrictions on voting rights

The Company's Articles of Association stipulate no restrictions on the voting rights emanating from the shares thereof.

6. Agreements among shareholders of the Company

The Company is not aware of any agreements among its shareholders, which would result in restrictions on the assignment of its shares or exercise of the voting rights stemming from such shares.

7. Regulations on the appointment and replacement of Board members and amendments to the Articles of Association

The regulations stipulated in the Company's Articles of Association regarding the appointment and replacement of Board members and amendments thereto, are conformant to the provisions of Cod.Law. 2190/1920.

8. Authority of the Board to issue new shares or acquire treasury shares

A) According to the provisions under article 13, par. 1, indent b) of Cod. Law 2190/1920, the Company's Board of Directors has the power to, following a relevant decision of the General Meeting subject to the disclosure formalities under article 7b of Cod. Law 2190/1920, increase the Company's share capital through the issue of new shares, by resolution thereof made by majority of at least two-thirds (2/3) of its members. In such case, the share capital may be increased by no more than the share capital amount paid-up on the date when the Board of Directors was granted such power by the General Meeting. This power of the Board of Directors may be renewed by the General Meeting for a period that may not exceed five years per instance of renewal.

B) According to the provisions under article 16, par. 5 to 13, of the Cod. Law 2190/1920, companies listed on the Athens Stock Exchange may, by decision of the General Meeting of their shareholders, acquire treasury shares not exceeding 10% of total shares through the Athens Stock Exchange, for the purpose of supporting their stock exchange price and according to the terms and conditions set out under the aforementioned paragraphs of article 16 of Cod. Law 2190/1920.

9. Major agreement put in force, amended or terminated in the event of change in the control following a public offer.

There are no agreements, which enter into force, are amended or terminated in the event of change in the control of the Company following a public offer.

10. Agreements with Board members of staff of the Company

There are no agreements between the Company and its Board members or staff providing for the payment of any compensation specifically in the event of resignation or dismissal without cause, or termination of their mandate or employment as a result of a public offer.

For the Board of Directors,

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Raphael Moissis
Chairman of the Board of Directors

TRANSLATION
INDEPENDENT AUDITOR'S REPORT

To the Shareholders of
«ALFA-BETA» VASSILOPOULOS A.E

Report on the Financial Statements

We have audited the accompanying Company only and consolidated financial statements of «ALFA-BETA» VASSILOPOULOS A.E., which comprise the Company only and consolidated balance sheet as at December 31, 2007, and the income statement, statement of recognized income and expense and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Financial Statements

The Management of the Company is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards as these were adopted by the European Union. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error. This responsibility also includes selecting and implementing appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Greek Auditing Standards which are harmonised with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the accompanying Company only and consolidated financial statements present fairly, in all material respects, the financial position of the Company and the Group as of December 31, 2007, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards as these were adopted by the European Union.

Without qualifying our report, we draw your attention to note 40.1 to the financial statements which refers to the tax position of the Company and the Group and especially the unaudited fiscal years. The liability, if any, that may result from such audits can not be estimated with reasonable accuracy, and hence no provision has been made.

Report on Other Legal Regulatory Requirements

The Directors Report includes the information stipulated by the articles 43a paragraph 3 and 107 paragraph 3 and 16 paragraph 9 of Law 2190/1920 and the Explanatory Report includes the information stipulated by article 11a of Law 3371/2005 and their content are consistent with the accompanying financial statements.

Athens, March 3, 2008

The Certified Public Accountant

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