

C. CARDASSILARIS & SONS "CARDICO"



ΚΩΝ. ΚΑΡΔΑΣΣΙΑΡΗΣ & ΥΙΟΙ ΑΕΒΕ

Interim Financial Statements for the period ended 30 September 2007

It is confirmed that the attached Financial Statements are those approved by the Board of Directors of "CARDICO S.A." on 23/11/2007 and have been published with their posting on the internet, at the web page www.cardico.com. It is noted that the published in the press brief financial data, aim at providing general financial information but do not provide a complete depiction of the Company's and Group's economic status and financial results, according to the International Accounting Standards. Also, it is noted that in order to simplify, the published in the press brief financial data include certain compressions and re-classifications of accounts.

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

CONTENTS

INCOME STATEMENT	4
Balance Sheet	5
Statement of changes in the Parents Company’s Equity	7
Cash flow statement.....	8
1. Information on the group.....	9
1.1 General Information.....	9
1.2 Nature of activities	9
2. Basis for preparation of the financial statements	10
3. Basic accounting principles.....	10
3.1 New accounting principles and interpretations of IFRIC.....	10
3.2 Standards, amendments and interpretations effective in 2006 that are not related with the company’s activities	11
3.3 Standards, amendments and interpretations of standards already in effect with future implementation date (no discretionary implementation by the company).....	12
3.4 Important Accounting decisions, estimations and assumptions.	13
3.5 Segment reporting	13
3.6 Consolidation	13
3.7 Group Structure	15
3.8 Foreign currency conversion.....	16
3.9 Tangible assets	16
3.10 Intangible assets	18
3.11 Impairment of Assets	19
3.12 Financial instruments.....	19
3.13 Inventories	21
3.14 Trade receivables	21
3.15 Cash and cash equivalents	22
3.16 Non-current assets classified as held for sale.....	22
3.17 Own shares	22
3.18 Income tax & deferred tax.....	23
3.19 Employee benefits.....	24
3.20 Grants	24
3.21 Provisions	24
3.22 Recognition of income and expenses.....	25
3.23 Leases	26
3.24 Dividend distribution.....	26
4. Business Risk Management	26
5. Financial information by sector	27
6. Notes on the Financial Statements.....	29
6.1 Investment property	29



ΚΩΝ. ΚΑΡΔΙΣΙΑΦΗΣ & ΥΙΟΙ ΑΕΒΕ

6.2 Total equity	30
6.3 Loan liabilities	31
6.4 Current tax liabilities	31
6.5 Earnings per share	32
6.6 Contingencies.....	32
6.7 Transactions with affiliated parties.....	33
6.8 Number of employees.....	34
6.9 Mortgages and prenotations.....	34
6.10 Dividends.....	34
6.11 Events after the balance sheet date.....	35



ΚΩΝ. ΚΑΡΑΔΙΑΑΦΗΣ & ΥΙΟΙ ΑΕΒΕ

INCOME STATEMENT

	GROUP				COMPANY			
	30/9/2007	1/7 - 30/9/2007	30/9/2006	1/7 - 30/9/2006	30/9/2007	1/7 - 30/9/2007	30/9/2006	1/7 - 30/9/2006
Sales	100.403.720	35.381.094	131.011.301	44.081.212	33.048.405	11.649.851	40.892.632	13.497.403
Cost of goods sold	(88.918.762)	(31.199.142)	(124.243.172)	(39.270.393)	(29.775.114)	(10.269.453)	(36.874.821)	(12.116.561)
Gross Profit	11.484.958	4.181.952	6.768.128	4.810.819	3.273.290	1.380.398	4.017.811	1.380.842
Other operating income	389.567	183.239	2.378.627	151.683	347.662	171.079	2.089.944	146.838
Administration expenses	(3.565.259)	(1.299.420)	(3.737.224)	(1.272.223)	(1.260.596)	(457.770)	(1.270.978)	(393.966)
Distribution expenses	(5.207.613)	(1.787.628)	(5.518.020)	(1.788.050)	(1.515.220)	(602.802)	(1.842.114)	(527.484)
Other operating expenses	(463.941)	(216.492)	(984.813)	31.662	(251.414)	(93.967)	(863.050)	39.521
Results Before Taxes Financing and Investments Results	2.637.712	1.061.652	(1.093.301)	1.933.891	593.722	396.938	2.131.613	645.751
Financial Income	1.229.427	594.832	1.331.188	223.167	1.082.154	469.803	4.111.456	246.277
Financial Expenses	(4.647.164)	(1.128.777)	(2.696.394)	(601.506)	(3.576.792)	(758.848)	(1.868.102)	(236.091)
Profit / Loss from affiliated companies	(7.626)	0	(44.015)	(4.565)	0	0	0	0
Profit from readjustment of property investments	2.060.000	0	0	0	2.060.000	0	0	0
Earnings before taxes	1.272.349	527.707	(2.502.523)	1.550.987	159.084	107.893	4.374.968	655.938
Income tax	(337.850)	(140.055)	906.097	(253.274)	(280.382)	(100.956)	(588.145)	3.574
Earnings after taxes	934.499	387.652	(1.596.426)	1.297.713	(121.298)	6.936	3.786.823	659.512
Allocated to :								
<i>The parent's shareholders</i>	728.204	310.633	(1.982.301)	1.241.933	0	0	0	0
<i>Minority interest</i>	206.295	77.019	385.875	55.780	0	0	0	0
<i>Basic Earnings per share</i>	<i>0,03</i>	<i>0,01</i>	<i>(0,09)</i>	<i>0,06</i>	<i>(0,01)</i>	<i>0,00</i>	<i>0,17</i>	<i>0,03</i>
Brief results for the period								
Earnings Before Taxes Financing and Investments Results, Depreciations and Amortizations	3.822.526	1.451.315	45.282	2.312.843	1.393.151	668.350	2.908.938	905.056
Earnings Before Taxes Financing and Investments Results	2.637.712	1.061.652	(1.093.301)	1.933.891	593.722	396.938	2.131.613	645.751
Earnings before taxes	1.272.349	527.707	(2.502.523)	1.550.987	159.084	107.893	4.374.968	655.938
Earnings after taxes	934.499	387.652	(1.596.426)	1.297.713	(121.298)	6.936	3.786.823	659.512



ΚΩΝ. ΚΑΡΑΔΑΖΙΑΡΗΣ & ΥΙΟΙ ΑΕΒΕ

Balance Sheet

ASSETS	GROUP		COMPANY	
	30/9/2007	31/12/2006	30/9/2007	31/12/2006
Non – current assets				
Tangible Assets	44.387.638	50.362.412	36.167.998	41.862.203
Intangible Assets	715.055	823.171	166.916	223.827
Investments in Subsidiary Companies	0	0	56.290.935	56.290.935
Investments in Associate Companies	63.224	70.850	286.370	286.370
Property Investment	8.065.687	0	7.700.000	0
Other Long – term receivables	377.718	342.235	50.809	50.809
	53.609.322	51.598.668	100.663.028	98.714.143
Current assets				
Inventories	26.408.324	25.766.800	7.511.460	9.706.134
Customers and other Trade Receivables	37.288.304	32.968.996	19.015.964	18.227.260
Financial assets in fair value through profit and loss account	9.572	46.657	9.572	46.657
Subsidiary companies receivables	294.802	281.304	3.973.854	3.841.367
Other Receivables	15.252.541	14.815.679	12.419.236	9.747.996
Other Current Assets	907.709	568.533	548.555	340.527
Cash and cash equivalents	3.196.145	3.272.033	2.204.316	2.013.965
	83.357.397	77.720.002	45.682.956	43.923.906
Total Assets	136.966.720	129.318.670	146.345.984	142.638.050
EQUITY & LIABILITIES				
Equity				
Share capital	6.576.171	6.576.171	6.576.171	6.576.171
Share premium reserves	887.366	887.366	887.366	887.366
Fair value reserves	6.993.150	6.567.422	35.924.992	35.750.279
Other reserves	9.641.472	11.059.825	9.790.688	8.704.959
Retained earnings	(3.433.400)	(5.976.592)	224.066	833.370
Total assets classified as held for sale	20.664.760	19.114.191	53.403.283	52.752.145
Minority interest	2.380.947	2.308.395	0	0
Exchange differences from conversion of subsidiaries abroad	(369.466)	(246.693)	0	0
Total equity	22.676.241	21.175.893	53.403.283	52.752.145
Long – term liabilities				
Long – term bank liabilities	16.285.170	16.755.719	14.701.379	15.228.571
Deferred tax liabilities	1.089.031	846.413	10.505.662	10.167.042
Liabilities for pension plans	437.236	410.662	205.069	184.195
Other long – term liabilities	4.745.340	5.061.840	3.746.891	3.857.229
Total long – term liabilities	22.556.776	23.074.633	29.159.001	29.437.037
Short – term liabilities				
Suppliers and related liabilities	17.073.580	11.514.583	6.611.237	5.855.342
Current tax liabilities	478.084	635.939	67.689	549.413
Short – term bank liabilities	64.702.635	63.274.995	49.401.915	46.111.125
Long – term liabilities payable in the next period	7.734.143	7.902.429	7.507.143	7.671.429
Other short – term liabilities	1.745.261	1.740.198	195.717	261.560
Total Short – term Liabilities	91.733.703	85.068.143	63.783.701	60.448.868
Total Liabilities	114.290.479	108.142.777	92.942.702	89.885.905
Total Equity & Liabilities	136.966.720	129.318.670	146.345.984	142.638.050



KON. KAPITAIAPHE & VIOI AEBE

Consolidated Statement of changes in equity

Consolidated statement of changes in equity

	Attribute to the parent's shareholders						Total	Minority interest	Exchange differences from conversion of	Total
	Share capital	Share premium	Legal reserve	Fair value reserves	Other reserves	Retained earnings				
Balance as at January 1st 2006 according to IFRS	6.576.171	887.366	1.237.401	4.970.054	5.643.094	-1.229.923	18.084.163	1.904.307	102.815	20.091.285
Property revaluation				923.581			923.581			923.581
Other Adjustments						-204.213	-204.213	0		-204.213
Transfer from a liability account to a subsidiary reserve					330.000	-1.753.646	-1.423.646			-1.423.646
Transfer from retained earnings to reserve			28.610		1.228.000	-1.256.610	0			0
Change due to sale/purchase of own shares					3.127.230		3.127.230			3.127.230
Net results for the period 01/01-30/9/2006						-1.982.301	-1.982.301	385.875		-1.596.426
Change in minority interest							0			0
Change in exchange differences from conversion of subsidiaries abroad							0	-54.267	-159.297	-213.564
Total recognized Profit / loss for the Period	0	0	28.610	923.581	4.685.230	-5.196.770	440.651	331.608	-159.297	612.962
Balance of Equity as at September 30, 2006	6.576.171	887.366	1.266.011	5.893.635	10.328.323	-6.426.693	18.524.814	2.235.915	-56.482	20.704.247
Balance as at January 1st 2007 according to IFRS	6.576.171	887.366	1.266.011	6.567.422	9.793.814	-5.976.592	19.114.191	2.308.395	-246.693	21.175.893
Deferred tax amendment							0			0
Property revaluation				425.729			425.729			425.729
Change due to sale/purchase of own shares					1.036.135		1.036.135			1.036.135
Transfer from retained earnings to reserve			49.594			-49.594	0			0
Transfer of dividends to a liability account						-438.411	-438.411			-438.411
Change in exchange differences from conversion of subsidiaries abroad							0		-122.773	-122.773
Transfer from a liability account to a subsidiary reserve					-2.503.000	2.303.000	-200.000			-200.000
Other adjustments					-1.082	-5	-1.087	-133.743		-134.831
Net results for the period 01/01-30/9/2007						728.204	728.204	206.295		934.499
Change in minority interest							0			0
Revaluation reserve							0			0
Total Recognized Profit / loss for the Period	0	0	49.594	425.729	-1.467.947	2.543.192	1.550.569	72.552	-122.773	1.500.348
Balance of Equity as at September 30, 2007	6.576.171	887.366	1.315.605	6.993.150	8.325.867	-3.433.400	20.664.760	2.380.947	-369.466	22.676.241



KON. KAPLIZIAPIE & YIOI AEBE

Statement of changes in the Parents Company's Equity

	Share Capital	Share premium	Legal reserve	Reserve from fixed assets revaluation	Reserve of affiliated companies revaluation	Other reserves	Retained earnings	Total
Balance as at January 1st 2006 according to IFRS	6.576.171	887.366	1.218.082	4.844.116	27.862.636	4.854.846	(772.229)	45.470.988
Transfer of dividends to a liability account							(1.753.646)	(1.753.646)
Legal reserve			28.610				(28.610)	0
Property revaluation				923.581				923.581
Change from sale/purchase of own shares						3.126.930		3.126.930
Net results for the period 01/01-30/9/2006							3.786.823	3.786.823
Total recognized Profit /loss for the Period	-	-	28.610-	923.581-	-	3.126.930	2.004.567	6.083.688
Balance of Equity as at June 30, 2006	6.576.171	887.366	1.246.692	5.767.697	27.862.636	7.981.776	1.232.338	51.554.676
Balance as at January 1st 2007 according to IFRS	6.576.171	887.366	1.246.692	7.887.643	27.862.636	7.458.267	833.370	52.752.145
Decrease of shareholder's equity								0
Transfer of dividends to a liability account							(438.411)	(438.411)
Legal reserve			49.594				(49.594)	0
Change from sale/purchase of own shares						1.036.135		1.036.135
Property revaluation				174.713				174.713
Net results for the period 01/01-30/9/2007							(121.298)	(121.298)
Total recognized Profit /loss for the Period	0	0	49.594	174.713	0	1.036.135	(609.304)	651.138
Balance of Equity as at September 30, 2007	6.576.171	887.366	1.296.287	8.062.356	27.862.636	8.494.402	224.066	53.403.283

Cash flow statement

	GROUP period		COMPANY period	
	30/9/2007	30/9/2006	30/9/2007	30/9/2006
Cash flows from operating activities				
Earnings for the period before taxes	1.272.349	-2.502.523	159.084	4.374.968
Plus / less adjustments for :	0	0	0	0
Depreciations for the period	1.184.814	1.138.584	799.428	777.324
Provisions	47.402	-91.309	41.702	17.991
Exchange difference	25.089	403.394	31	401.144
Results (revenues, expenses, earnings and losses) from investment activities	-2.091.585	-5.738	-2.060.000	0
- Loss from sale of tangible assets	0	7.654	0	0
- Grants of tangible assets	-62.050	-42.062	-92.469	-91.662
Interest payable and similar charges	2.899.558	-1.962.494	2.447.527	-2.264.783
Reduction /(increase) of inventories	-749.988	-657.059	2.194.674	-2.792.672
Reduction /(increase) of receivables	-1.693.731	-6.091.266	-3.592.430	-7.981.515
Reduction /(increase) of prepayments	-306.377	3.686.787	-208.029	3.685.818
Reduction /(increase) of short – term liabilities (except for banks and taxes)	1.507.924	-3.724.861	144.659	-6.922.564
Reduction /(increase) of liabilities from taxes	170.150	-37.227	0	0
Reduction /(increase) of accruals and deferred income accounts (receive payment for grant)	63.254	-768.082	63.669	-763.418
Less :	0	0	0	0
Interest payable /interest receivable	-3.057.647	-2.069.564	-2.605.617	-1.767.275
Income tax /Tax differences / Other not charged to the operating cost taxes	-95.991	-1.483.007	0	-62.681
Total of inputs /(outputs) form operating activities	-886.829	-14.198.775	-2.707.770	-13.389.325
Cash flows from investment activities				
Acquisition of subsidiaries, affiliated companies, joint ventures and other investments	1.207.893	7.128.383	1.207.893	7.128.383
Purchase of tangible and intangible fixed assets	-541.011	-1.115.543	-455.363	-589.339
Amounts collected from sales of tangible and intangible assets	21.527	1.540	0	0
Increase in other long term receivables	-23.664	0	0	0
Interest receivable	2.059	96.981	2.059	96.981
Dividends receivable	500	2.000	500	3.002.000
Total inflows / (outflows) from investing activities (b)	667.304	6.113.361	755.088	9.638.025
Cash flows from financing activities				
Amounts collected from increase in share capital	0	0	0	0
Amounts collected from loans received	7.467.798	13.913.561	6.098.482	10.252.425
Loan Payments	-6.661.719	-997.000	-3.499.170	-950.000
Settlement of liabilities from leasing	-224.031	-2.136.913	-17.868	-2.333.245
Dividends payable	-438.411	-1.753.646	-438.411	-1.753.646
Total inflows / (outflows) from financing activities (c)	143.637	9.026.003	2.143.032	5.215.535
Net increase /(decrease) in cash and cash equivalent in the period (a) + (b) + (c)	-75.888	940.589	190.351	1.464.235
Opening balance of cash and cash equivalents	3.272.033	3.261.732	2.013.965	1.332.456
Closing balance of cash and cash equivalents	3.196.145	4.202.321	2.204.316	2.796.691



ΚΩΝ. ΚΑΡΑΣΣΙΛΑΡΙΣ & ΥΙΟΙ ΑΕΒΕ

1. Information on the group

1.1 General Information

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

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

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

The financial statements for the period ending on September 30th 2007 (including the comparative data for the period ending on September 30th 2006 as well as for the period ended on December 31st 2006) were approved by the Board of Directors of the company CARDICO S.A. on November 23th 2007.

1.2 Nature of activities

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

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

Additionally the company elaborates and trades in pastry items.

2. Basis for preparation of the financial statements

The consolidated financial statements of **Cardico S.A.** as of September 30st, 2007 have been compiled based on the historic cost principle as this is amended by the readjustment of specific asset and liability items into market values, the going concern principle and are in accordance with the International Financial Reporting Standards (IFRS) that have been issued by the International Accounting Standards Board (IASB) and their interpretations that have been issued by the International Financial Reporting Interpretations Committee (IFRIC) of the IASB.

During 2004 and 2004 the IASB has issued a series of standards that are referred to as the "IFRS Stable Platform 2005". The Group uses the IFRS Stable Platform 2005 from January 1st, 2005 onwards.

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

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

3. Basic accounting principles

The accounting principles according to which the attached financial statements are compiled and which the Group applies are consistent with the ones used for the year 2005.

3.1 New accounting principles and interpretations of IFRIC

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

- IAS 19. (Amendment) Employee Benefits (effective date 1/1/2006)

The particular amendment is obligatory for the accounting periods starting at or after the 1st of January 2006. This amendment gives an alternative way for the recognition of actuarial gains or losses. It is possible that it will enforce more ways of recognition for multi-employer plans, for which there isn't sufficient information about the accounting method for the determined benefits, also more disclosures are required. Since the company is not willing to change the accounting principle applied for the recognition of the actuarial gains or losses and is not participating in a multi-employer plan the implementation of this amendment is not expected to affect the company's financial statements.

- IAS 39(Amendment). Selection of Fair Value

This amendment constrains the classification of the financial instruments to financial instruments valued at fair value through the Profit & Loss account. The company is not expected to be affected by the adoption of the amendment since it does not have any financial instruments that are classified as financial instruments valued at fair value through the Profit & Loss account.

3.2 Standards, amendments and interpretations effective in 2006 that are not related with the company's activities

IFRS 1 (Amendment), First Time Adoption of IFRS

IAS 21 (Amendment), Effects of Changes in the Exchange Rates

IAS 39 and IFRS 4 (amendment), Insurance Contracts

IAS 39 (Amendment), Cash flow hedging in foreseeable inter-company transactions.

IFRS 6, Exploration for and evaluation of Mineral Resources

IFRIC 4, Determining whether a contract contains a lease

IFRIC5, Rights to Interests arising from Decommissioning, Restoration, and Environmental Rehabilitation Funds

IFRIC 6, Liabilities arising from participating in a specific Market- Waste Electrical and Electronic equipment.

IFRIC 7, Implementation of restatement method on Hyperinflationary economies.

IFRIC 8, Scope of IFRS 2

IFRIC 9, Revaluation of Embedded Derivatives

IFRIC 10, Interim Financial Statements and Impairment.

3.3 Standards, amendments and interpretations of standards already in effect with future implementation date (no discretionary implementation by the company)

The IASB has already issued a series of new standards and interpretations that can be adopted at a later date of 1.1.2006. The company's estimation in regard to the effect of these new standards and interpretations is as follows:

IAS 1 (Amendment) Capital Disclosures

Due to the issuance of IFRS 7 more disclosures in regards with IAS 1 are required in order for the company to disclose more useful information relating to its policies and procedures in capital management . The company will implement the amendment of IAS 1 starting at 1/1/2007

IFRS 7 Financial Instruments: Disclosures

IFRS 7 is referred to all the risks that derive from all financial instruments, except those that are particularly excluded (e.g. interests in subsidiaries, related parties, and joint ventures). IFRS 7 requires to disclose the significance of the instruments for the performance and the financial position of the company. As well qualitative and quantitative information is required in regards to the risks from the use of instruments. The company will adopt IFRS starting at 1/1/2007.

IFRS 8 Segment Reporting

IFRS 8 will replace IAS 14 and sets different requirements in regards to segment reporting. IFRS's 8 Effective date is the 1/1/2009 and it is expected to be adopted by the company.

IFRIC 11 IFRS 2 Share Base payments

The interpretation gives guideline on whether a payment agreed based on the share price of the entity which receives goods or services in return for its shares will be recorded as transaction settled in shares or as transactions settled in cash. IFRIC's 11 effective date is 1/1/2007 and is not expected to be adopted by the company.

IFRIC 12 Service concession arrangements

IFRIC 12 deals with the way with which the managers of the concession of services right will need to apply IFRS's in order to record the obligations and rights deriving from the Service



ΚΩΝ. ΚΑΡΔΑΜΩΤΑΚΗ & ΥΙΟΙ ΑΕΒΕ

concession agreements. IFRIC's 12 effective date is 1.1.2008 and it is not expected to affect the financial statements of the company.

3.4 Important Accounting decisions, estimations and assumptions.

Compilation of the financial statements according to IFRS's, requires management to take decisions, carry out estimations and use assertions that have effect on the amounts according to which the assets, the liabilities income and expenses are presented. Real amounts may be altered due to these estimations. The estimations are constantly evolving and are base in historical facts and other factors, such as expectations of future events that are expected to occur under the current circumstances.

3.5 Segment reporting

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

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

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

3.6 Consolidation

Subsidiaries: All the companies that are managed or controlled, directly or indirectly, by another company (parent) either through the holding of majority voting rights in the undertaking or through its dependence on the know-how provided from the Group. That is to say that subsidiaries are companies in which control is exercised by the parent. Cardico S.A. acquires and exercises control through voting rights. The existence of potential voting rights that are exercisable at the time the financial statements are compiled, is taken into



ΚΩΝ. ΚΑΡΔΑΛΙΑΠΗΣ & ΥΙΟΙ ΑΕΒΕ

account in order to determine whether the parent exercises control over the subsidiaries. Subsidiaries are consolidated completely (full consolidation) with the purchase method from the date that control over them is acquired and cease to be consolidated from the date that this control no longer exists.

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

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

Inter-company transactions, balances and unrealized profits from transactions between Group companies are written-off. Unrealized losses are also written-off except if the transaction provides indication of impairment of the transferred asset. The accounting principles of the subsidiaries have been amended so as to conform to the ones adopted by the Group.

Associates: Associates are companies on which the Group can exert significant influence but which do not fulfill the conditions to be classified as subsidiaries or joint ventures. The assumptions used by the group imply that a holding of between 20% and 50% of a company's voting rights suggests significant influence on the company. Investments in associates are initially recognized at cost and are subsequently valued using the equity



ΚΩΝ. ΚΑΡΑΑΖΙΤΣΑΚΗΣ & ΥΙΟΙ ΑΕΒΕ

method. At the end of each period, the cost increases by the proportion of the investing company in the changes in net worth of the company it invests in and decreases by the dividends received from the associate.

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

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

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

3.7 Group Structure

The structure of the Group on 30st September 2007 is as follows:

	CONSOLIDATION METHOD AND PERCENTAGES	
CARDICO ABEE	MOTHER	
ECHALIE S.A	FULL CONSOLIDATION	100,00%
TESCO S.A	FULL CONSOLIDATION	51,00%
XIROFRUIT S.A.	FULL CONSOLIDATION	57,69%
NUT COMPANY AEBET	FULL CONSOLIDATION	57,50%
SIFAKIS S.A	FULL CONSOLIDATION	51,00%
SDOUKOS S.A	EQUITY	24,92%
CARDICO SRL (MOLDOVA)	FULL CONSOLIDATION	92,86%
CARDICO LTD GEORGIA	FULL CONSOLIDATION	100,00%

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

3.8 Foreign currency conversion

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

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

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

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

The individual financial statements of companies included in the consolidation, which initially are presented in a currency different than the Group's reporting currency, have been converted to euros. The asset and liability items have been converted to euros using the exchange rate at close of the balance sheet date. The income and expenses have been converted to the Group's reporting currency using the average rates during the aforementioned period. Any differences that arise from this process, have been debited / (credited) to the equity reserve for translation of subsidiaries' balance sheets in foreign currency.

3.9 Tangible assets



ΚΩΝ. ΚΑΡΑΑΖΙΤΑΡΗΣ & ΥΙΟΙ ΑΕΒΕ

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

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

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

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

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

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

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

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

3.10 Intangible assets

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

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

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

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

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

In general, surplus value is recorded as the difference between cost value and a fair value in assets and liabilities of a subsidiary / associated company as at the date of acquisition. The company at the purchase date recognizes the surplus value arising from the purchase, as an item in assets and discloses it in cost. This cost is equal to the amount by which the consolidation cost exceeds the share of the company, in assets, liabilities and contingent liabilities of the acquired company.

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

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

3.11 Impairment of Assets

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

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

3.12 Financial instruments

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

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

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

These comprise financial assets that held for trading purposes.

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

ii) Loans and receivables

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

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

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

iii) Investments held to maturity

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

iv) Financial assets available for sale

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

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

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

The purchases and sales of investments are recognized during the transaction date, which is also the date the Group commits to purchase or sell the item. Investments are initially



ΚΩΝ. ΚΑΡΔΑΜΩΤΑΠΗ & ΥΙΟΙ ΑΕΒΕ

recognized at fair value plus the directly related to the transaction costs. The costs directly related to the transaction is not added for items that are valued at fair value with changes in the results. Investments are written-off when the right on cash flows from investments mature or is transferred and the Group has essentially transferred all the risks and rewards implied by the ownership.

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

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

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

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

3.13 Inventories

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

3.14 Trade receivables



ΚΩΝ. ΚΑΡΔΑΛΙΑΠΗ & ΥΙΟΙ ΑΕΒΕ

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

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

3.15 Cash and cash equivalents

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

3.16 Non-current assets classified as held for sale

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

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

3.17 Own shares

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

3.18 Income tax & deferred tax

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

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

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

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

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

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



ΚΩΝ. ΚΑΡΔΑΛΙΑΠΗ & ΥΙΟΙ ΑΕΒΕ

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

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

3.19 Employee benefits

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

3.20 Grants

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

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

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

3.21 Provisions

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

3.22 Recognition of income and expenses

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

- **Sale of goods:** Sales of goods are recognized when the Group transfers goods to customers, the goods are accepted by them and the collection of the resulting claim is reasonably assured.
- **Provision of services:** Income from the provision of services is accounted for in the period during which the services are rendered, based on the stage of completion of the service rendered in relation to the total services to be rendered.
- **Income Interest:** Interest income is recognized on a time proportion basis using the effective interest rate. When there is impairment of assets, their book value is reduced to their recoverable amount which is the present value of the expected future cash flows discounted using the initial real interest rate. Interest is then booked using the same interest rate calculated on the impaired (new book) value.
- **Dividends:** Dividends are accounted for as revenue when the right to receive payment is established.
- **Compensations:** Compensations are accounted as revenue when the right to receive payment is established.
- **Profits of assets disposal:** These profits (i.e. profits from the disposal of tangible assets), are recorded as revenue when the right to receive payment is established.

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

3.23 Leases

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

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

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

3.24 Dividend distribution

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

4. Business Risk Management

Financial Risk Factors



ΚΩΝ. ΚΑΡΔΑΜΩΤΑΠΗ & ΥΙΟΙ ΑΕΒΕ

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

Market Risk

Foreign Exchange Risk

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

Price risk

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

Credit Risk

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

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

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

Liquidity Risk

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

5. Financial information by sector

Primary information sector – Geographic segments



ΚΩΝ. ΚΑΡΑΪΣΤΑΠΗ & ΥΙΟΙ ΑΕΒΕ

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

The results for each segment are analyzed as follows:

1/1 - 30/9/2006

	GREECE	FRANCE	OTHERS	TOTAL	INTER – COMPANY ELIMINATIONS		CONSOLIDATED BALANCE
Sales	47.810.026	70.729.000	23.817.895	142.356.922	11.345.621	0	131.011.301
Cost of goods sold	42.594.126	71.276.000	21.718.667	135.588.793	0	11.345.621	124.243.172
Gross Profit	5.215.900	-547.000	2.099.228	6.768.128			6.768.128
Other operating income	2.378.627	0	0	2.378.627	0	0	2.378.627
Administration expenses	1.705.838	1.196.000	835.386	3.737.224	0	0	3.737.224
Distribution expenses	2.649.020	2.869.000	0	5.518.020	0	0	5.518.020
Other operating expenses	921.413	113.000	0	1.034.413	0	49.600	984.813
Operating Results	2.318.257	-4.725.000	1.263.842	-1.142.901			-1.093.301
Financial Income	4.111.459	203.000	16.728	4.331.188	3.000.000	0	1.331.188
Financial Expenses	2.087.989	526.000	82.406	2.696.394	0	0	2.696.394
Losses from investments in affiliated companies	0	0	0	0	-44.015	0	-44.015
Earnings before taxes	4.341.727	-5.048.000	1.198.164	491.892			-2.502.523
Tax Expense	-562.192	1.645.000	-176.711	906.097	0	0	906.097
Earnings after tax	3.779.535	-3.403.000	1.021.453	1.397.989			-1.596.426
Net earnings	3.779.535	-3.403.000	1.021.453	1.397.989			-1.596.426
Minority Interests	-18.735	0	500.512	481.777	-95.902	0	385.875
Net earnings for the period	3.760.800	-3.403.000	1.521.966	1.879.766			-1.982.301

1/1 - 30/9/2007

	GREECE	FRANCE	OTHERS	TOTAL	INTER – COMPANY ELIMINATIONS		CONSOLIDATED BALANCE
Sales	39.174.892	45.166.000	25.526.307	109.867.199	9.463.479	0	100.403.720
Cost of goods sold	34.668.716	39.819.000	23.894.525	98.382.241	0	9.463.479	88.918.762
Gross Profit	4.506.176	5.347.000	1.631.782	11.484.958			11.484.958
Other operating income	364.961	0	24.606	389.567	0	0	389.567
Administration expenses	1.656.088	1.002.000	907.171	3.565.259	0	0	3.565.259
Distribution expenses	2.276.613	2.931.000	0	5.207.613	0	0	5.207.613
Other operating expenses	291.351	211.000	390	502.741	0	38.800	463.941
Operating Results	647.085	1.203.000	748.827	2.598.912			2.637.712
Financial Income	1.082.197	146.000	1.229	1.229.427	0	0	1.229.427
Financial Expenses	3.895.121	576.000	176.043	4.647.164	0	0	4.647.164
Profit from revaluation of property investments	2.060.000	0	0	2.060.000	0	0	2.060.000
Loss from investments in affiliated companies	0	0	0	0	0	7.626	-7.626
Earnings before taxes	-105.839	773.000	574.014	1.241.175			1.272.349
Tax Expense	-267.982	-77.000	7.132	-337.850	0	0	-337.850
Earnings after tax	-373.821	696.000	581.146	903.325			934.499
Net earnings	-373.821	696.000	581.146	903.325			934.499
Minority Interests	-115.414	0	268.492	153.077	53.218	0	206.295
Net earnings for the period	-489.235	696.000	849.638	1.056.402			728.204



ΚΩΝ. ΚΑΡΑΑΖΙΤΣΑΚΗΣ & ΥΙΟΙ ΑΕΒΕ

Secondary information sector

The group is active in three business segments:

- Industrial activity
- Commercial activity
- Sales of other stocks

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

	1/1 - 30/9/2007	1/1 - 30/9/2006
COMMERCIAL ACTIVITY	68.159.767	96.194.711
INDUSTRIAL ACTIVITY	41.346.854	45.670.772
OTHER ACTIVITIES	360.578	491.439
TOTAL	109.867.199	142.356.922
Less :		
Internal sales	9.463.479	11.345.621
TOTAL	100.403.720	131.011.301

6. Notes on the Financial Statements

6.1 Investment property

The Cardico's Group at the start of the second trimester of the year 2007 decided that it should redefine the use of its non current asset (tangible assets) as it expects more profitable investments. Specifically, the management of the company considering the positive prospects (which have been made known to the press) about the growth of the region of Rouf (Athens suburb near the centre of the town) decided at April 2007 that his own building which is based in this area will not be used for industrial activities but other uses will be judged from the company, for more efficient utilization of the building. Thus, the management transferred this building (including the land) from the category of tangible assets of its own usage in the balance sheet, to the category of the investment property in the balance sheet. At 29/6/2007 the company revaluated the above asset and the amount of the revaluation € 2.060.000 benefited the profit and loss account of the interim period 1/1/2007 – 30/9/2007 as it shows the table below:

	GROUP Investment Property	COMPANY Investment Property
Gross Book Value	0,00	0,00
Accumulated depreciation and value impairment	0,00	0,00
Book value as at January 1st 2006	0,00	0,00
Gross Book Value	0,00	0,00
Accumulated depreciation and value impairment	0,00	0,00
Book value as at December 31st 2006	0,00	0,00
Gross Book Value	8.065.686,52	7.700.000,00
Accumulated depreciation and value impairment	0,00	0,00
Book value as at September 30st 2007	8.065.686,52	7.700.000,00
	Investment Property	Investment Property
Book value as at January 1st 2006	0,00	0,00
Additions	0,00	0,00
Profit/loss from change in fair value	0,00	0,00
Other adjustments	0,00	0,00
Reductions	0,00	0,00
Depreciations	0,00	0,00
Book value as at December 31st 2006	0,00	0,00
Additions	0,00	0,00
Profit/loss from change in fair value	2.060.000,00	2.060.000,00
Change made from revaluation	2.673.584,08	2.319.337,74
Adjustments - transfers	3.332.102,44	3.320.662,26
Book value as at September 30st 2007	8.065.686,52	7.700.000,00

6.2 Total equity

i) Fair Value Reserves

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

	GROUP			COMPANY Reserve or affiliated		
	Revaluation of tangible assets	Reserve of affiliated companies revaluation	Total	Revaluation of tangible assets	Reserve of affiliated companies	Total
Balance as at December 31st 2005	4.968.938	1.115	4.970.054	4.844.116	27.862.635	32.706.752
Deferred tax amendment			0	0	1.569.663	1.569.663
Revaluation reserve	1.597.368-		1.597.368	1.473.864-		1.473.864
Balance as at 31st December 2006	6.566.306	1.115	6.567.422	6.317.980	29.432.298	35.750.279
Revaluation reserve	425.729		425.729	174.713		174.713
Balance as at 30st September 2007	6.992.035	1.115	6.993.150	6.492.693	29.432.298	35.924.992



ΚΩΝ. ΚΑΡΑΛΙΑΔΗ & ΥΙΟΙ ΑΕΒΕ

ii) Other reserves

The Group's other reserves are analyzed as follows:

	GROUP			Total
	Legal reserve	Reserve of own shares	Other reserves	
Balance as at January 1st 2005	1.237.401	(4.636.895)	10.121.859	6.722.365
Transfer of reserves of retained earnings from subsidiary			246.000	246.000
Sales of parent's shares (Own shares)		(87.870-)		(87.870-)
Balance as at December 31st 2005	1.237.401	(4.724.765)	10.367.859	6.880.495
Subsidiaries Reserves				0
Transfer from retained earnings to reserve	28.610			28.610
Purchase/Sell of own shares		2.603.720		2.603.720
Transfer of reserves of retained earnings from subsidiary			1.547.000	1.547.000
Balance at December 31st 2006	1.266.011	(2.121.045)	11.914.859	11.059.825
Purchase/Sell of own shares		1.036.135		1.036.135
Legal reserve	49.594			49.594
Other changes			(1.082)	(1.082)
Transfer of reserves of retained earnings from subsidiary			(2.503.000)	(2.503.000)
Balance at September 30st 2007	1.315.605	(1.084.910)	9.410.778	9.641.473

6.3 Loan liabilities

	GROUP		COMPANY	
	30/9/2007	31/12/2006	30/9/2007	31/12/2006
Long – term loans				
Debenture loans	11.800.000	11.800.000	11.800.000	11.800.000
Bank loans	8.092.313	4.955.719	6.508.522	3.428.571
Total of long – term loans	19.892.313	16.755.719	18.308.522	15.228.571
Short – term loans				
Long – term liabilities payable at next period	7.734.143	7.902.429	7.507.143	7.671.429
Bank loans	61.095.492	63.274.995	45.794.772	46.111.125
Total of short – term loans	68.829.635	71.177.423	53.301.915	53.782.553

The average interest of the loans receivable by the company is valued at 6%.

6.4 Current tax liabilities

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

	GROUP		COMPANY	
	30/9/2007	31/12/2006	30/9/2007	31/12/2006
Tax expense that corresponds to the period	(69.868)	2.651.904	0	213.425
Other tax liabilities	547.951	(2.015.965)	67.689	335.988
TOTAL	478.084	635.939	67.689	549.413

6.5 Earnings per share

	GROUP		COMPANY	
	30/9/2007	30/9/2006	30/9/2007	30/9/2006
Earnings that correspond to the parents' shareholders	728.204	(1.982.301)	(121.298)	3.786.823
Weighted average number of shares	21.686.172	21.681.233	21.726.172	21.681.233
Basic earnings per share (euro per share)	0,03	(0,09)	(0,01)	0,17

6.6 Contingencies

Information regarding contingent liabilities

Against the company there are legal claims a) of a company named "Hellenic Investments SA – Investment Consultants" of total amount €486.311,43 which arise from signed agreements pertaining to the supervision of the construction of the new plant in Schimatari. The above claims are under arbitration by the appropriate authority which is currently examining the relevant evidence. According to the company's legal consultant it is highly likely that the above claims be rejected. B) Of a company named KENTFORD LIMITED with seat in Ireland and in Moldavia of total amount €12.715.689. At the 10/09/2001 were signed a contract between Mrs.[Kardasilaris] and Sons S.A and the above company for the transfer of a Moldavian company of her property named KENTFORD SRL against price USD 200.000. Mrs. [Kardasilaris] and Sons [AEBE] in year 2002 withdrew the agreement concerning the acquiring of buying the shares of company KENTFORD SRL, as it was initially provided by the convention, after the weakness of the co-contractor company to ensure us for the safety of the undertaking. This weakness resulted to our company decision not to remain in the unstable commercial market of Moldavia as exporter. According to the company's legal consultant the above claim is not to flourish. Other than the above there are no cases under dispute or arbitration which might have a significant effect on the financial situation or operation of the Group. The years for which the Group's companies have not been inspected by the tax authorities are as follows:

COMPANY NAME	UNINSPECTED TAX YEARS
CARDICO SA	2004-2006
NUT COMPANY SA	2002-2006
XIROFRUIT SA	2003-2006
SIFAKIS SA	2003-2006
SDOUKOS ANT. SA	2003-2006

6.7 Transactions with affiliated parties

INTER COMPANY RECEIVABLES - LIABILITIES 31/12/2006

	Liability								
	CARDICO ABEE	ECHALIE S.A	TESCO S.A	XIROFRUIT ABEE	SIFAKIS S.A.	NUT COMPANY S.A.	CARDICO MOLDAVIA	CARDICO GEORGIA	TOTALS
R e c e i v a b l e	CARDICO ABEE	2.586.474	598.939	822.971	932.910	9.646	10.063	-6.652	4.954.351
	ECHALIE S.A	913.191	694.000						1.607.191
	TESCO S.A	-8.814	598.000						589.186
	XIROFRUIT ABEE								0
	SIFAKIS S.A.	15.549							15.549
	NUT COMPANY S.A.	-2.056							-2.056
	CARDICO MOLDAVIA	-158.784							-158.784
	CARDICO GEORGIA	-206.339							-206.339
	TOTAL	552.747	3.184.474	1.292.939	822.971	932.910	10.063	-6.652	6.799.097

INTERCOMPANY SALES PURCHASES 1/1 - 30/9/2006

	BUYER								
	CARDICO ABEE	ECHALIE S.A	TESCO S.A	XIROFRUIT ABEE	SIFAKIS S.A.	NUT COMPANY S.A.	CARDICO MOLDAVIA	CARDICO GEORGIA	ΣΥΝΟΛΑ
S A L E	CARDICO ABEE	1.775.438	2.199.539	1.088.594	474.127				5.537.698
	ECHALIE S.A	1.158.067	2.672.000						3.830.067
	TESCO S.A	1.368.565	595.000						1.963.565
	XIROFRUIT ABEE								0
	SIFAKIS S.A.	12.000							12.000
	NUT COMPANY S.A.	2.292							2.292
	CARDICO MOLDAVIA								0
	CARDICO GEORGIA								0
	TOTAL	2.540.924	2.370.438	4.871.539	1.088.594	474.127	0	0	11.345.622

INTER COMPANY RECEIVABLES - LIABILITIES 30/09/2007

	Liability								
	CARDICO ABEE	ECHALIE S.A	TESCO S.A	XIROFRUIT S.A.	SIFAKIS S.A.	NUT COMPANY S.A.	CARDICO MOLDAVIA	CARDICO GEORGIA	TOTAL
R e c e i v a b l e	CARDICO ABEE	3.342.907	588.272	399.983	691.940	9.646		7.726	5.040.474
	ECHALIE S.A	1.194.532	309.000						1.503.532
	TESCO S.A	-166.581	444.000						277.419
	XIROFRUIT S.A.								0
	SIFAKIS S.A								0
	NUT COMPANY S.A.	-2.056							-2.056
	CARDICO MOLDAVIA	-202.241							-202.241
	CARDICO GEORGIA	-589.588							-589.588
	TOTAL	234.065	3.786.907	897.272	399.983	691.940	9.646	0	6.027.538

INTERCOMPANY SALES PURCHASES 1/1 - 30/09/2007

	BUYER								
	CARDICO ABEE	ECHALIE S.A	TESCO S.A	XIROFRUIT S.A.	SIFAKIS S.A.	NUT COMPANY S.A.	CARDICO MOLDAVIA	CARDICO GEORGIA	TOTAL
S A L E	CARDICO ABEE	2.191.945	1.392.969	642.421	436.267				4.663.602
	ECHALIE S.A	774.075	1.629.000						2.403.075
	TESCO S.A	833.504	1.196.000						2.029.504
	CARDICO GEORGIA	367.297							367.297
	SIFAKIS S.A								0
	NUT COMPANY S.A.								0
	TOTAL	1.974.876	3.387.945	3.021.969	642.421	436.267	0	0	9.463.479

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

Sales and purchases from the beginning of 2007 and the balances of receivables and liabilities of the company and the group at the end of the current period, as these derive from the transaction with related parties(per IAS 24) summarize as follows:

	GROUP	Company
Sales of goods and services	0	4.663.602
Purchase of goods and services	0	1.974.876
Receivables	0	5.040.474
Liabilities	0	234.065
Transactions and fees paid to board of Directors	385.290	209.906
Receivables from company directors	400.000	0
Liabilities to company Directors	0	0

6.8 Number of employees

The number of the engagement personnel of the Company as at 30.9.2007 was 102 employees and of the Group 214 employees.

6.9 Mortgages and prenotations

On the parent company's buildings and land there is a mortgage in favor of bond holding loaners for the amount of € 32.000.000, while on buildings and land of the subsidiary company SIFAKIS SA there is a prenotation of mortgage for the amount of € 2.530.000.

6.10 Dividends

The dividend distribution, at the shareholders of the parent, is recognized as liability in the consolidated financial statements on the date that this distribution is approved by the General Meeting of the shareholders.

The Company's administration, during the previous period suggested the distribution of dividend equal to 0,02 € per share, compared to 0,08 € per share on 2005. During the annual tactical General Meeting of the shareholders, which took place on June 29 2007, it was decided that the dividend payment for the period ended on December 31st 2006 would be equal to 0,02 € per each share, net and tax free.



ΚΩΝ. ΚΑΡΔΑΛΙΑΠΗΣ & ΥΙΟΙ ΑΕΒΕ

6.11 Events after the balance sheet date

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