NIREUS AQUACULTURE SA

Interim Financial Statements

For the six-month period

from January 1 to June 30 2007

in accordance with the International Financial Reporting Standards (IFRS)

This is to certify that the attached half-year interim Financial Statements are those, which have been approved by the Board of Directors of NIREUS AQUACULTURE SA on August 24 2007 and have been published by filing them with the Public Companies (S.A.) Register and by posting them on the company's web site, at the address, www.nireus.gr. It is noted that, the published in the press summary financial information aim to provide to any reader certain elements of financial information but they do not present a comprehensive view of the financial position and the results of the operations of the Company and the Group, in accordance with International Financial Reporting Standards. Attention is also drawn to the fact that, for simplification purposes, certain financial information published in the press may have been offset or reclassified.

Aristides Belles

Chairman of the Board of Directors

NIREUS Aquaculture SA

CONTENTS

Review Report on Interim Financial Information

To the Shareholders of "NIREUS AQUACULTURE" S.A.

Introduction

We have reviewed the accompanying individual and consolidated balance sheet of "NIREUS AQUACULTURE" S.A. as at 30 June 2007, and the related statements of income, changes in equity and cash flows for the six-month period then ended, as well as the summary of significant accounting policies and other explanatory notes. Management is responsible for the preparation and fair presentation of this interim condensed financial information in accordance with International Financial Reporting Standards as adopted by the European Union (EU) and apply to interim financial information ("IAS 34"). Our responsibility is to express a conclusion on this interim condensed financial information based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", to which the Greek Auditing Standards refer. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Greek Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit.
Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed financial information does not present fairly, in all material respects, the financial position of the company as at 30 June 2007, and of its financial performance and its cash flows for the six-month period then ended in accordance with International Accounting Standard "IAS 34".

Without expressing qualification as to the conclusions of the review, we draw attention to the following matters:
1. In regards to the unaudited tax years we note the following: (a) "OCTAPUS S.A." which has been absorbed from its parent company "SEAFARM IONIAN S.A." on the 8th March 2007, is being audited by the tax authorities for the years 2002-31/5/2006 (Transformation Balance Sheet), but up until the date of preparation of the present report, the aforesaid tax audits have not yet been completed, (b) The tax returns for the years 2005 and 2006 for the parent company and for years one to eight for some subsidiaries, have not been examined by the tax authorities as yet and, as a consequence, the possibility exists of additional taxes and penalties being assessed at the time when the returns will be examined and will be accepted as final. The outcome of these tax inspections cannot be predicted at present and, therefore, no provision has been made in these financial statements in this respect.
2. Because, for four consolidated by full consolidation domestic subsidiaries of total percentage (prior to intercompany elimination) 14,42% of consolidated total assets, the total value of the Equity is negative (for one company of the Group SEAFARM IONIAN SA and for two companies of the Group NIREUS AQUACULTURE SA) or less than one half (1/2) of the paid up share capital (for the company SEAFARM IONIAN SA), concur the conditions for the application of the provisions of articles 47 and 48 of C.L 2190/1920 and it is necessary for these companies to take the appropriate reconstruction measures in order that the concurring application of these articles be removed.

Athens, 24 August 2007

STYLIANOS M. XENAKIS
Certified Public Accountant Auditor

SOEL Reg. No. 11541

SOL S.A. – Certified Public Accountants Auditors

3, Fok. Negri Street - Athens, Greece

		GROUP			
		1/1-30/06/07	1/4-30/06/2007	1/1-30/06/06	1/4-30/06/2006
Fair value Biological assets at 31/12/06		**153.068.570**	**165.995.035**	**114.600.472**	**128.655.401**
Opening inventories at acquisition of subsidiary with biological assets		**5.748.768**	**-**	**13.153.647**	**-**
Purchases in the period		4.121.796	845.585	144.840	73.255
Sales in the period		61.237.336	35.977.509	42.763.816	25.571.516
Fair value biological assets at the end of 30/6/07		**167.860.675**	**167.860.675**	**129.683.156**	**129.683.156**
Gain or Loss due to changes in fair value of biological assets at 30/6/07		**66.158.877**	**36.997.564**	**44.548.013**	**26.526.016**
Sales of non biological assets-goods and other material	**6.23**	43.302.310	26.886.200	35.461.950	19.184.500
Disposals		50.141.628	31.270.854	33.751.580	19.894.675
Personnel fees & expenses		18.520.658	9.289.680	15.637.796	7.524.824
Third parties fees and utilities	**6.24**	10.991.417	5.962.276	7.719.099	4.550.057
Other expenses	**6.26**	9.708.184	5.585.351	8.585.414	4.888.604
Finance (costs)/Income	**6.25**	(5.064.360)	(3.284.216)	(2.484.003)	(1.483.352)
Earnings or loss of measurement at fair value of financial assets					
Depreciation		3.739.066	1.926.683	3.509.523	1.768.171
Other income/(expenses)	**6.27**	771.335	433.275	82.441	(265.509)
Results for the period before taxes		**12.067.209**	**6.997.979**	**8.404.989**	**5.335.324**
Income tax	**6.28**	(1.092.707)	(779.443)	(403.262)	(338.268)
Deferred income tax	**6.28**	(1.737.539)	(1.026.548)	(2.122.811)	(1.256.398)
Prior years' tax audit differences	**6.28**	(664.605)	(240.000)	(673.130)	(673.130)
Other not charged to the operating cost taxes	**6.28**	-	-	(1.463)	-
Net Profit for the period		**8.572.358**	**4.951.988**	**5.204.323**	**3.067.528**
Attributable to:					
Equity holders		5.323.718	3.072.008	4.915.500	2.737.563
Minority interest		3.248.640	1.879.980	288.823	329.965
Total		**8.572.358**	**4.951.988**	**5.204.323**	**3.067.528**
Net Earnings per share – basic in €	6.29	**0,130**	**0,075**	**0,122**	**0,068**

		COMPANY			
		1/1-30/06/2007	1/4- 30/06/2007	1/1-30/06/2006	1/4- 30/06/2006
Fair value Biological assets at 31/12/06		**128.315.642**	**130.627.574**	**100.369.326**	**100.331.455**
Opening inventories at acquisition of subsidiary with biological assets				**-**	**-**
Purchases in the period		1.570.076	1.053.815	144.840	73.256
Sales in the period		51.274.419	27.851.607	43.250.928	25.921.690
Fair value biological assets at the end of 30/6/07		**135.643.606**	**135.643.606**	**99.804.270**	**99.804.270**
Gain or Loss due to changes in fair value of biological assets at 30/6/07		**57.032.307**	**31.813.824**	**42.541.032**	**25.321.249**
Sales of non biological assets-goods and other material	**6.23**	37.031.306	22.855.468	31.514.727	18.820.679
Disposals		49.548.472	30.991.087	37.533.953	24.350.511
Personnel fees & expenses		13.715.799	6.583.748	10.982.094	5.156.221
Third parties fees and utilities	**6.24**	9.645.620	5.220.035	7.574.141	4.414.833
Other expenses	**6.26**	7.759.000	4.187.995	7.109.772	3.997.563
Finance (costs)/Income	**6.25**	(3.075.566)	(1.861.056)	(1.907.008)	(941.342)
Earnings or loss of measurement at fair value of financial assets					
Depreciation		2.553.345	1.290.075	2.114.895	1.052.995
Other income/(expenses)	**6.27**	219.656	239.010	202.336	27.210
Results for the period before taxes		**7.985.467**	**4.774.306**	**7.036.232**	**4.255.673**
Income tax	**6.28**	(392.448)	(222.709)	(235.066)	(235.066)
Deferred income tax	**6.28**	(1.554.785)	(1.059.502)	(1.449.961)	(915.666)
Prior years' tax audit differences	**6.28**	(424.605)	(0)	-	-
Other not charged to the operating cost taxes	**6.28**	-	-	(1.463)	-
Net Profit for the period		-	-	-	-
Attributable to:		**5.613.629**	**3.492.095**	**5.349.742**	**3.104.941**
Equity holders					
Minority interest		5.613.629	3.492.095	5.349.742	3.104.941
Total				-	-
		5.613.629	**3.492.095**	**5.349.742**	**3.104.941**
Net Earnings per share – basic in €	6.29	**0,137**	**0,085**	**0,133**	**0,077**

Balance Sheet

		GROUP		COMPANY	
		30/6/2007	31/12/2006	30/6/2007	31/12/2006
ASSETS					
Non-current assets					
Property, plant and equipment	**6.1**	64.355.002	53.656.698	42.510.305	43.169.594
Investment property	**6.2**	6.557.776	5.379.441	3.331.236	2.152.900
Goodwill	**6.3**	22.091.582	15.137.782	9.719.551	9.719.551
Intangible assets	**6.3**	9.079.864	9.121.012	560.837	615.724
Investments in subsidiaries	**6.4**	401.920	401.920	17.456.409	9.600.234
Investments in associates	**6.5**	36.119.275	1.333.861	35.216.677	518.959
Available-for-sale financial assets	**6.7**	1.929.831	2.054.485	48.955	123.229
Other long-term receivables	**6.8**	237.790	216.812	118.919	124.224
Biological assets	**6.9**	69.864.967	63.220.524	59.886.692	52.347.777
		210.638.007	**150.522.535**	**168.849.581**	**118.372.192**
Current assets					
Biological assets	**6.9**	97.995.708	89.848.047	75.756.915	75.967.865
Inventories	**6.10**	17.030.800	11.410.594	11.082.954	9.886.969
Trade and other receivables	**6.11**	86.933.907	54.709.198	60.822.061	57.379.341
Other receivables	**6.12**	21.842.393	20.005.388	23.319.491	19.806.802
Other current assets	**6.13**	1.148.868	910.295	766.351	515.895
Financial assets at fair value through profit or loss	**6.14**	7.643	1.304	1.242	1.304
Cash and cash equivalents	**6.15**	7.727.051	11.410.746	5.492.251	10.681.222
		232.686.370	**188.295.572**	**177.241.265**	**174.239.398**
Total assets		**443.324.377**	**338.818.107**	**346.090.846**	**292.611.590**
EQUITY & LIABILITIES					
Equity					
Share capital	**6.16**	61.401.212	51.165.774	61.401.212	51.165.774
Share premium account	**6.16**	30.432.177	37.664.159	30.432.177	37.664.159
Fair value reserves	**6.16**	10.492.052	10.491.934	9.436.057	9.436.057
Other reserves	**6.16**	9.874.790	12.855.509	9.873.071	13.123.657
Retained earnings		5.775.220	4.392.176	12.967.067	11.192.706
Equity attributable to equity holders of the Parent Company		**117.975.451**	**116.569.552**	**124.109.584**	**122.582.353**
Minority interest		**21.736.970**	**5.621.601**	-	-
Total equity		**139.712.421**	**122.191.153**	**124.109.584**	**122.582.353**
Non-current liabilities					
Long Term Borrowings	**6.17**	92.394.722	83.219.532	59.953.187	51.829.195
Deferred tax liabilities	**6.6**	6.472.353	4.555.751	5.887.793	4.333.010
Retirement benefit obligation	**6.18**	2.578.096	2.155.854	2.007.760	1.876.440
Government grants	**6.19**	6.685.347	6.057.942	4.753.963	5.039.770
Other lliabilities	**6.20**	5.410.838	5.297.740	308.471	308.471
Total non-current liabilities		**113.541.356**	**101.286.819**	**72.911.174**	**63.386.886**
Current liabilities					
Trade & other payables	**6.21**	66.239.522	65.587.982	61.277.725	63.768.320
Borrowings	**6.17**	91.311.455	28.426.099	67.822.653	28.424.023
Current part of long term liabilities	**6.17**	8.631.381	6.537.680	6.314.463	5.368.777
Other current liabilities	**6.22**	23.888.242	14.788.374	13.655.247	9.081.231
Total current liabilities		**190.070.600**	**115.340.135**	**149.070.088**	**106.642.351**
Total Liabilities		**303.611.956**	**216.626.954**	**221.981.262**	**170.029.237**
Total Equity and Liabilities		**443.324.377**	**338.818.107**	**346.090.846**	**292.611.590**

Statement of Changes in Equity

GROUP *Amounts reported in Euro*	Share Capital	Shared Premium Account	Fair Value Reserves	Other Reserves	Retained Earnings	Minority Interest	Total Equity
Balance at 1 January 2006 according to IFRS	**50.460.643**	**37.152.013**	**11.424.075**	**11.391.293**	**(2.088.957)**	**1.895.374**	**110.234.440**
							-
Changes in equity for the period 01/01-31/03/2006							**-**
Change due to acquisitions.	-	-	(25.982)	118.774	(1.614.143)	4.324.450	**2.803.099**
Minority interest transfer to retained earnings due to negative equity	-	-	-	-	(19.139)	19.139	**-**
Approved dividends and Directors' fees	-	-	-	-	(3.729.638)	(163.196)	**(3.892.834)**
Other changes (disposal of assets, exchnage differences)	-	-	(970.138)	(117.867)	395.801	(225.209)	**(917.413)**
Net results for the period 01/01-31/06/2006	-	-	-	-	4.915.500	288.823	**5.204.323**
Total recognised Income/Loss for the period	**-**	**-**	**(996.120)**	**906**	**(51.620)**	**4.244.008**	**3.197.174**
Balance at 30 June 2006	**50.460.643**	**37.152.013**	**10.427.955**	**11.392.199**	**(2.140.577)**	**6.139.382**	**113.431.615**
Balance as at 1/1/07 according to IFRS	**51.165.774**	**37.664.159**	**10.491.934**	**12.855.509**	**4.392.176**	**5.621.601**	**122.191.153**
Changes in equity for the period 01/01-31/06/2007							
Increase/decrease in Share Capital and reserves of subsidiaries	-	-	118	115.822	182.835	12.930.177	**13.228.952**
Minority interest transfer to retained earnings	-	-	-	-	(214)	214	**-**
Increase of share capital with reserves	10.233.155	(6.957.912)		(3.250.586)	(24.657)		**-**
Increase of share capital by cash	2.283	2.740					**5.023**
Share capital increase expenses		(276.811)					**(276.811)**
Approved dividends and Directors' fees	-	-	-	-	(3.947.110)	(182.500)	**(4.129.610)**
Other changes (disposal of assets, exchnage differences)	-	-	-	154.045	(151.528)	118.838	**121.355**
Net results for the period 01/01-31/06/2007	-	-	-		5.323.718	3.248.640	**8.572.358**
Total recognised Income/Loss for the period	**10.235.438**	**(7.231.983)**	**118**	**(2.980.719)**	**1.383.044**	**16.115.369**	**17.521.268**
Balance at 30 June 2007	**61.401.212**	**30.432.177**	**10.492.052**	**9.874.790**	**5.775.220**	**21.736.970**	**139.712.421**

COMPANY *Amounts reported in Euro*	Share Capital	Shared Premium Account	Fair Value Reserves	Other Reserves	Retained Earnings	Total Equity
Balance at 1 January 2006 (IFRS)	**50.460.643**	**37.152.013**	**8.691.297**	**8.069.038**	**10.337.463**	**114.710.454**
Changes in equity for the period 01/01-30/06/2006						
Approved dividends and Directors' fees	-	-	-	-	(3.617.639)	**(3.617.639)**
Net results for the period 01/01-30/06/2006	-	-	-	-	5.349.742	**5.349.742**
Total recognised Income/Loss for the period	**-**	**-**	**-**	**-**	**1.732.103**	**1.732.103**
Balance at 30 June 2006	**50.460.643**	**37.152.013**	**8.691.297**	**8.069.038**	**12.069.566**	**116.442.557**
Balance at 1 January 2007 (IFRS)	**51.165.774**	**37.664.159**	**9.436.057**	**13.123.657**	**11.192.706**	**122.582.353**
Changes in equity for the period 01/01-30/06/2007						
Increase of share capital with reserves	10.233.155	(6.957.912)	-	(3.250.586)	(24.657)	**-**
Increase of share capital by cash	2.283	2.740				**5.023**
Share capital increase expenses		(276.811)				**(276.811)**
Approved dividends and Directors' fees	-	-	-	-	(3.814.610)	**(3.814.610)**
Net results for the period 01/01-30/06/2007	-	-	-	-	5.613.629	**5.613.629**
Total recognised Income/Loss for the period	**10.235.438**	**(7.231.983)**	**-**	**(3.250.586)**	**1.774.362**	**1.527.231**
Balance at 30 June 2007	**61.401.212**	**30.432.176**	**9.436.057**	**9.873.071**	**12.967.068**	**124.109.584**

Cash Flow Statement

	GROUP		COMPANY	
	30/6/2007	30/6/2006	30/6/2007	30/6/2006
Cash flows from operating activities				
Income before taxes	12.067.209	8.404.989	7.985.467	7.036.232
Plus/less adjustments for:	-	-	-	-
Depreciation	3.739.066	3.509.523	2.553.345	2.114.895
Provisions	91.283	-	-	-
Government Grants	(762.334)	(618.362)	(636.114)	(447.037)
Retirement benefit plans	161.404	163.678	131.320	133.895
Portfolio valuation	124.650	(490)	74.335	(490)
Dividends	(33)	(33)	(50.033)	(33)
Interest income	(74.544)	(64.018)	(66.085)	(61.232)
Other non-cash items	613.847	(595.806)	(8.515)	65.498
Profit from sale of property, plant and equipment	(31.598)	346.152	(7.250)	(34.316)
Interest and similar expenses	4.543.010	2.888.308	3.191.684	1.968.764
Plus/less working capital adjustments or adjustments related to operating activities:				
Decrease/(increase) in inventories	(11.294.954)	(5.427.209)	(8.523.951)	(5.674.907)
Decrease/(increase) in receivables	2.442.021	3.237.717	(7.200.559)	3.485.234
(Decrease)/increase in short term payables (except Banks)	(6.999.621)	(6.894.336)	(260.352)	949.838
Less:				
Interest and similar expenses paid	(4.543.010)	(2.888.308)	(3.191.684)	(1.968.764)
Income Taxes paid	(2.792.254)	(1.417.532)	(2.287.825)	(1.054.753)
Net cash (used in)/ generated from operating activities (a)	**(2.715.858)**	**644.273**	**(8.296.217)**	**6.512.824**
Cash flows from investing activities				
Acquisition of subsidiaries, associates, joint-ventures and other investments	(45.070.597)	(2.001)	(42.553.893)	(5.002.001)
Proceeds on sale of subsidiaries, associates, joint-ventures and other investments	-	2.605.956	-	2.197.289
Purchase of property, plant and equipment (PPE) and of intangible assets	(5.317.780)	(3.430.678)	(3.011.865)	(2.461.045)
Proceeds on disposal of PPE and intangible assets	41.325	622.362	10.125	53.298
Government Grants received	350.307	-	350.307	-
Interest received	74.544	64.018	66.085	61.232
Dividends received	33	33	50.033	33
Net cash (used in)/ generated from investing activities (b)	**(49.922.168)**	**(140.310)**	**(45.089.208)**	**(5.151.194)**
Cash flows from financing activities				
Proceeds from increase of share capital	5.103	-	5.023	-
Share capital increase expenses	(276.811)	-	(276.811)	-
Proceeds from issued /raised bank loans	48.135.086	-	48.468.307	-
Repayments of loans	-	(184.347)	-	(944.945)
Dividends paid	(65)	-	(65)	-
Net cash (generated) from financing activities (c)	**47.863.313**	**(184.347)**	**48.196.454**	**(944.945)**
Net increase/(decrease) in cash and cash equivalentsfor period (a) + (b) + (c)	**(4.774.713)**	**319.616**	**(5.188.971)**	**416.685**
Cash and cash equivalents at beginning of the period	**12.501.764**	**2.695.593**	**10.681.222**	**1.938.495**
Cash and cash equivalents at end of the period	**7.727.051**	**3.015.209**	**5.492.251**	**2.355.180**

1. Information on the Company

1.1 General Information

The company was established in 1988 in Chios with its main activities being the creation of fish hatchery units, fish farming, processing of products, production of fishfeed and the trading of the products.

In 1995 the company was listed on the Athens Exchange and since then began its spectacular development in the sector of aquaculture having as a result, today, to be in the Main Market of Athens Exchange and having the highest position in the aquaculture sector.

As of October 9 2006 the company's share is traded in the Athens Exchange in the category of Large Capitalization Companies.

The main activities of the Group is the production of spawn, and fish as well as the distribution and trading of various products in domestic and international markets, the production of equipment such as nets, cages etc. for fish farming units, the production and trade in fruit preserves, related sweets and confectionery, the production and trade of fish feed and animal food, the production and trade of processed fish as well as standardized delicacies for catering purposes and the production of dairy products and the processing, production and trade of related food stuffs. After the acquisition of 20% of equity shares of the listed, in the Athens Exchange, company KEGO S.A. in this half-yearly period the business segment of stock breeding & aviculture has been added to the Group's primary activity segments.

The company's registered office after the decision of the General Assembly of 08/05/2007 and the approving decision by the Minister of Growth and Development has moved from the Municipality of Kampohoron-Chios Island to the Koropi Municipality of Attica, where the company has offices and production facilities at Dimokritou Street, Portsi.

The company's web site is www.nireus.gr.

The company's Board of Directors on 24 August 2007 has approved for publication the current interim half-year Financial Statements

We consider important to report the following:

(a) Parent company "NIREUS SA' having fulfilled the agreement of article 44 Laws 1892/1990, 27/4/2005 and according to decision of Extraordinary General Assembly (25/8/2005), shareholders "SEAFARM IONIAN A.E. ", participates since 18/1/2006 in the increase of the share capital of the company SEAFARM IONIAN SA, as strategic investor by paying in cash until 31/12/2006 the amount of € 5.000.000,00. Since 'Nireus' has undertaken the Management of the "Seafarm Ionian " group controlling completely the activities of the SFI group (as Strategic Investor) and meet the requirements of IAS 27, it consolidates with the method of total consolidation the financial statements of SFI group, starting from the first quarter 2006. According to no 18402/28.6.2006 and the 18433/7.7.2006 pre-Agreement and Private Contract under date 4/7/2006, it was agreed 'Nireus' to purchase 3.144.907 nominal shares of "Seafarm Ionian " on a total price of Euro 7.731.000. The payment and the corresponding delivery of shares will be realized in installments that will began from 6/7/2006 and will expire in the 30/6/2010.

In execution of the above indicated Nireus as at 30/06/2007 has purchased 944.721 nominal shares of Seafarm Ionian on a total price of € 2.023.144,46, resulting to a holding percentage of voting rights 18,366% of the total voting rights of the company and equal percentage on its share capital.

The Group SEAFARM IONIAN (Seafarm Ionian SA & its subsidiaries) is involved in the wider field of aquaculture and is considered as one of the largest producers of sea bass and sea bream in the world.

NIREUS SA with the undertaking of the Management of the company SEAFARM IONIAN SA & its subsidiaries as strategic investor has proceeded in the preplanning of the Group of SEAFARM IONIAN with the aim of its reorganisation and the reinforcement of its leading position in the sector of aquaculture worldwide.

Besides based on the special agreement between 'Nireus' as Strategic Investor of ΄΄ Seafarm Ionian & the Banks-creditors which participate in the Share Capital of ΄΄ Seafarm Ionian are also mentioned the following:

…3a) The INVESTOR ('Nireus') whenever after the expiration of the 10th year and up to the expiration of the 15th year from the payment of the increase, it is eligible for 'Nireus' to buy & also the CONTRACTING BANKS-creditors are compelled to sell proportionally, based on their participation in the share capital composition of SFI at the date of their entry, total percentage at least of 30% of total shares of Seafarm Ionian, on a purchased price defined as in the next paragraph.

3b) It is defined as purchase price for the INVESTOR the nominal value of share equal to 1,00 Euros plus an interest calculated with the annual Euribor + margin of 1.00% and with annual interest capitalization from the date of certification of capital increase (from now on "the increase") until the date of acquisition.

4) The INVESTOR in case of not exercise or partial exercise of its right described in the previous paragraph, is obliged to buy exclusively from the contracting Banks at the expiry of 15th year from the increase of the remaining action up to the completion of percentage of action of 31,80% of total shares of company proportionally, based on their participation in the share capital composition of SFI at the date of their entry.

5) It is able however the CONTRACTING BANKS CREDITORS at the time interval from the expiry of 10th year up to the expiry of the 14th from the payment of increase to oblige the INVESTOR to buy the percentage that is reported in paragraph 4 in the price that is defined according to paragraph 3[b] under the condition of simultaneous issuing in this joint and proportionally equal in amount with its value transaction of loan, duration of equal time up to the completion of 10 years with interest-rate Euribor of year + margin of interest-rate 1,00% plus legal taxes.

b) According to the 1210/07 decision of the Prefect of Eastern Attica as at 08/03/2007, the acquisition (merger) via Law 2166/1993 of the following firms: "OCTAPUS SA TRADE OF FISHING AND AGRICULTURAL PRODUCTS-AQUACULTURE, SEAFARM KALAMOS SA, NHKTON AQUACULTURE ENTERPRISES SA, NHRHIS EPEIRUS AQUACULTURE SA, SETA SA from the mother company SEAFARM IONIAN SA" was approved. Transformation balance sheets of the acquired companies dated 31/05/06.

The result from the latter acquisition has been that the Share Capital of the parent company SEAFARM IONIAN SA increased by 56.566,50 Euros with the issuance of 75.422 new nominal shares (of nominal value of 0,75 Euro each).

c) The international activity of NIREUS S.A will be realized via NIREUS INTERNATIONAL LTD as a subsidiary 100% company, based in Cyprus, which will be the Holding company of all foreign Investment of the Group. NIREUS INTERNATIONAL LTD also holds MIRAMAR PROJECTS CO LTD based in London (England)(100% subsidiary). MIRAMAR PROJECTS CO LTD has established MIRAMAR SU URUNLERI VE BALIK YEMI URETIMI SANAYI VE TICARET based in Turkey. Turkeys law demands at least five share holders for every company, thus the MIRAMAR SU URUNLERI VE BALIK YEMI URETIMI SANAYI VE has the following sharing composition:

1) MIRAMAR PROJECTS CO 99,92% 2) NIREUS SA. 0,02% 3) PROTEUS CONSTRUCTION S.A 0,02% 4) Aristidis Belles 0,02% 5) Nikolaos Haviaras 0,02%.

d) As regards the participations acquired by the company NIREUS SA after 31/12/2006 and until 30/06/2007 the following have been announced:

i) Acquisition of 20% of equity shares and voting rights of the listed company KEGO SA. The final purchase agreement (51% of shares at 1,89 € per share) was signed at 5/3/07 to a) NIREUS 20% b) TEMPLE TRADING Ltd 20% (Mr Belles interests) c) NORTH PRINCIPAL INVESTMENT FUND LTD 11%. The price of 6,5 mil., € for the acquisition of 20% of KEGO S.A. which was paid cash by NIREUS SA has been financed with bank loan.

Right after the signature of the final memorandum of agreement for the share transfer and according to applicable law and legislation, NIREUS SA addressed a compulsory Public Offering, in accordance with the law 3461/2006 with the co-operation of TEMPLE TRADIND LTD (owned by Aristides Belles), for the acquisition of 60% of KEGO SA shares at a cash price of 2,33 Euros per share. The offering acceptance period started at 4/4/2007 and expired at 2/05/2007. During this period the existing shareholders disposed 780 shares, which represented 0,0045% of the total shares and voting rights of the Company. Therefore, NIREUS SA currently owns the 20,0045% of the total shares and voting rights while Temble Trading Ltd owns 20%

ii) In January 2007 NIREUS SA in the context of the implementation of its strategic planning for the internationalisation of its production activity, proceeded in the acquisition of the 100% of Equity shares of the Spanish PREENGORDE DE DORADAS PARA MARICUTLURA S.L. (PREDOMAR) through its subsidiary NIREUS INTERNATIONAL LTD. The initial agreed price of the acquisition amounted to 1,75 million € will be met with partial payments until May 2008. Under this agreement, a term exists which allows the adjustment of purchase price in order to reflect future events, which are related with conditions existing before the acquisition date. This term whereby the price escalated, amounting to the current provisional cost of 2,099 million €. The determination of the acquisition price has derived based on the valuation of the company, that was undertaken by the international house Deloitte, in combination with negotiations between the two parties, while the funding for this acquisition has come from own capital and bank borrowing.

iii) NIREUS has acquired through MIRAMAR SA 99,992% of equity shares of the Turkish firm CARBON A.S at 13/3/07. This acquisition is a part of international activities performed by the group through its subsidiary NIREUS INTERNATIONAL LTD. The acquisition cost amounted to 550.000 USD, 250.000 of which were paid at the date of the agreement while the remaining sum will be paid within the next six months. An economic due diligence took place in the acquired company, by the international house Deloitte, while the legal due diligence was undertaken by a reputable law company of Istanbul.

iv) At 17/4/07 NIREUS SA acquired the 17,9% of the share capital of Marine Farms ASA, which is listed in the Oslo Stock Exchange. In particular, NIREUS SA acquired 6.557.497 shares in the closing price of 16/4/07 at 23 NOK (Norwegian Crown) per share (2,85€ /share). Afterwards NIREUS SA acquired 4.384.650 shares more in the closing price of 20/4/2007 at 27,9887 NOK (3,45€ /share). As a result NIREUS SA increased its share in the equity capital of Marine Farms to 10.942.147 shares which represents the 29,88% of its total share capital. The total acquisition cost amounted to 34,5 million Euros and was funded by Bank borrowing.

The interim half-year financial statements for the period 1/1-30/6/2007 include the individual financial statements, in accordance with the IFRS, of "NIREUS AQUACULTURE SA" (the Company) and also the interim half-year consolidated financial statements of the Group in accordance with the IFRS. The Group's structure and the subsidiaries are presented in Note 6.4 of the financial statements.

1.2 Nature of Activities

"NIREUS AQUACULTURE SA" (the Company) and the Group is involved in a range of activities in the aquaculture sector. In particular the Company operates in:

- Production of spawn
- Production of fish

- Production of fish feed
- Processing/Manufacturing of fished fish
- Processing/Manufacturing of pre-cooked meals
- Distribution and Trading of various products both in domestic and international markets

The company produces spawn, produced from the hatching of eggs obtained from spawn – generating adult fish. The Company supplies its own fish production & fattening units, using most of this spawn. Then the fish production is distributed in the domestic and international markets.

Therefore, the company is to a significant degree vertically integrated and the object of its activities is of a wide range.

The production of various kinds of fish was, and remains the Company's primary activity. The most time consuming process is the fish fattening (from the spawn production until the final product reaches the market).

Processing is one of the most important areas of development for the Company and mostly involves the processing of fresh, frozen. The company has been awarded for its export activities.

Moreover, the company, following the merge of its subsidiary company FEEDUS SA in the year 2005, is involved in the production and trade of fish feed as well as the production and trade of sweets and other similar confectionary products.

After the acquisition of 20% percentage of KEGO S.A. in the current interim half-yearly period, Group business activities have been broaden, with the new business sector of stockbreeding. & aviculture.

1.3 The Company's position in the sector of Aquaculture

The company holds the leading position in the sector of Aquaculture:

* Largest producer of sea bass and sea bream in the world
* Pioneer in the development of new kinds of fish (tuna, lingua, new species)
* Pioneer in research (food, spawn, fish equipment)
* Scattered production units for dissemination of risk
* Worldwide distribution network

NIREUS SA and the other companies have contributed to the development of the Group. The new conditions require the restracture of the Group, in order to strengthen the homogeneity of its object and its further rationalization. Leading part of the re-planning has been the merger of "FEEDUS SA" with NIREUS SA. After the re-planning there will be a small number of companies, the size of NIREUS SA will be significantly increased, the cost will further be rationalised and significant synergies will arise, strengthening the efficiency and value of the Group.

Finally, the activities and products of the Group will be the aquaculture, the fish products and the fish feed, with emphasis on the further vertical integration of production and achievement of added value.

1.4 "NIREUS SA" Group

The activities of the companies of the **NIREUS SA GROUP** are as follows:

- The company **"THETIS SA"** (UNDER LIQUIDATION since 1/7/2005) was involved in the preparation, processing and trade of fresh and frozen products.
- The company **"PROTEUS CONSTRUCTION SA"** is involved in the production of equipment such as nets, cages etc. for fish farming units.
- The company **"NIREUS FISHERIES & AQUACULTURE CONSULTANTS SA"** (UNDER LIQUIDATION) was involved in the implementation of research projects financed by the European Union and the sale of know-how to NIREUS SA.
- The company **"ALPINO S.A."** is involved in the industrial production of dairy products and the processing, production and trade of foodstuffs.
- The company **"AQUACOM LTD"** is involved in general trade and holdings.
- The company **"FISH OF AFRICA LTD"** is principally involved in the provision of sea-food raw materials.
- The foreign company **"ILKNAK SU URUNLERI SAN Ve TIC A.S."**, which was acquired in 2005, is involved in the aquaculture sector.
- The company **"BLUEFIN TUNA SA"**, which was established in June 2003, has as its main activity the production, process and trade of tuna.
- The company **"A-SEA SA"** has as main object the exploitation of sea-food restaurants.
- The company **"QUALITY HELLENIC FISHING"** is a quality management and certification company. As such this non-profit civil partnership has an advisory role in the fish-farming sector.
- The company **"PER MARE RESEARCH SA"** (UNDER LIQUIDATION) was involved in research and development of technologies that relate to cultivation of aquatic organisms, with a view to industrial exploitation of its research.
- The company **"AQUACULTURE INFORMATION NETWORK"** is involved in informing on the aquaculture sector and is a non-profit civil partnership company.
- The company **"NIREUS INTERNATIONAL LTD"** is a holding company involved in the investments regarding the international activities of the Group
- The company **" MIRAMAR PROJECTS CO LTD"**, the subsidiary of NIREUS INTERNATIONAL LTD, is the holding company for the investments in Turkey.
- The company **"MIRAMAR SU URUNLERI VE BALIK YEMI URETIMI SANAYI VE TICARET A.S"** will be involved in aquaculture sector and fish feed production.
- The company **"CARBON DIS TICARET YATIRIM INSAAT VE SANAYI A.S"** is involved in aquaculture sector.
- The company **"PREENGORDE DE DORADAS PARA MARICUTLURA S.L (PREDOMAR)"** is involved in the production and distribution of spawn.
- The company **"MARINE FARMS ASA"** is involved in the aquaculture sector as well as the production and distribution of spawn.

NIREUS AQUACULTURE SA through its participation of 20,0045% to **KEGO SA** which has been acquired in the current six-month period and the control that is presumed to exercise over it through the power to appoint or remove the majority of the members of the board of directors as well as the power to cast the majority of votes at meetings of the board of directors, controls the activities of the following companies from which the first two are fully consolidated while the last one is consolidated by the equity method.

- The company **"KEGO SA"** is involved in animal production and more specifically in the sectors of aquaculture, pig breeding and cattle feed industry as well as in the trade of aviculture products.
- The company **"ENALIOS SA"** is involved in the exploitation and trading of aquaculture products, in the production and trading of fish-breeding station products as well as in the development of sea bass and sea bream genetic improvement programme.
- The company "**VITA TRACE NUTRITION LTD"** trades in Cyprus and is involved in the production and trading of vitamins/trace elements premixtures, animal feed supplements and veterinary medicines.

NIREUS AQUACULTURE SA through its participation by 18,366% in SEAFARM IONIAN SA and the undertaking of the **management of the Group SEAFARM IONIAN** (participation from 24.1.2006) as **Strategic Investor** fully controls the activities of the following companies, which are **fully consolidated** in its financial statements:

- The company **"SEAFARM IONIAN SA"** is involved in the farming and trade of fish and especially sea bass and sea bream.
- The company **"SEAFARM IONIAN (CENTRAL EUROPE) GMBH"** is involved in the sector of the trade of food and especially fresh fish and other fish.
- The company "**ALPHA ZOOTROFES LOKRIDAS SA"** is involved in the production of fish feed.
- The company **"AQUA TERRAIR SA"** (incorporated with the equity method) is involved in the management of yachts and the provision of services related to yachts owned from third parties

1.5 Group Structure "NIREUS SA"

The company has the following participations, table set out below:

COMPANY	PARTICIPATION PERCENTAGE
THETIS SA (under liquidation)	100,00%
AQUACOM LTD	100,00%
FISH OF AFRICA LTD	100,00%
ALPINO S.A.	100,00%
NIREUS CONSULTANTS SA (under liquidation)	55,00%
PROTEUS EQUIPMENT S.A.	50,00%
A-SEA SA	100,00%
PER MARE RESEARCH SA (under liquidation)	39,00%
BLUFIN TUNA S.A.	25,00%
QUALITY HELLENIC FISHING	4,34%
ILKNAK SU URUNLERI SAN Ve TIC A.S.	46,334%
AQUACULTURE INFORMATION NETWORK	14,00%
NIREUS INTERNATIONAL LTD	100,00%
MIRAMAR PROJECTS CO LTD - UK	100,00%
MIRAMAR SU URUNLERI VE BALIK YEMI URETIMI SANAYI VE TICARET A.S.	99,95%
CARBON DIS TICARET YATIRIM INSAAT VE SANAYI A.S.	99,943%
PREENGORDE DE DORADAS PARA MARICULTURA S.L.	100,00%
KEGO S.A.	20,0045%
ENALIOS SA.	20,0045%
VITA TRACE NUTRITION LTD	5,2212%
SEAFARM IONIAN S.A.	18,366%
ALPHA ZOOTROFES LOKRIDAS S.A	15,90%
SEAFARM IONIAN (CENTRAL EUROPE) GMBH	18,366%
AQUA TERRAIR S.A.	9,00%
MARINE FARMS ASA	29,88%

1.6 Operations and main activities

The Group is active in the development and production of fish and stock breeding products (biological assets), which then sells to various customers. At 30/06/2007 the Fair value of Spawn amounted to € 23.317.100 of fish to € 144.148.504 and of stock breeding products to € 395.071.

2. Basis of preparation of the financial statements

The interim half-year financial statements of the Group and "NIREUS AQUACULTURE SA" for the period from 1 January to 30 June 2007 have been prepared on the historical cost basis as amended with the adjustment of certain assets and liabilities items at fair value, the going concern principle and are in accordance with the International Financial Reporting Standards (IFRS), published by the International Accounting Standards Board (IASB), as well as their interpretations, published by the International Financial Reporting Interpretations Committee (I.F.R.I.C.) of the IASB and which have been adopted by the European Union.

The International Accounting Standards Board (IASB) has issued a series of standards that are referred to as "IFRS Stable Platform 2005". The Group adopts the IFRS Stable Platform 2005 from 1 January 2005, which includes the following standards:

IAS	1	Presentation of Financial Statements
IAS	2	Inventories
IAS	7	Cash Flow Statements
IAS	8	Accounting Policies, Changes in Accounting Estimates and Errors
IAS	10	Events After the Balance Sheet Date
IAS	11	Construction Contracts
IAS	12	Income Taxes
IAS	14	Segment Reporting
IAS	16	Property, Plant and Equipment
IAS	17	Leases
IAS	18	Revenue
IAS	19	Employee Benefits
IAS	20	Accounting for Government Grants and Disclosure of Government Assistance
IAS	21	The Effects of Changes in Foreign Exchange Rates
IAS	23	Borrowing Costs
IAS	24	Related Party Disclosures
IAS	26	Accounting and Reporting by Retirement Benefit Plans
IAS	27	Consolidated and Separate Financial Statements
IAS	28	Investments in Associates
IAS	29	Financial Reporting in Hyper-inflationary Economies
IAS	30	Disclosures in the Financial Statements of Banks and Similar Financial Institutions
IAS	31	Interests in Joint Ventures
IAS	32	Financial instruments: Disclosure and Presentation
IAS	33	Earnings per Share
IAS	34	Interim Financial Reporting
IAS	36	Impairment of Assets
IAS	37	Provisions, Contingent Liabilities and Contingent Assets
IAS	38	Intangible Assets
IAS	39	Financial Instruments: Recognition and Measurement
IAS	40	Investment Property
IAS	41	Agriculture
IFRS	1	First-time Adoption of International Financial Reporting Standards
IFRS	2	Share-based Payment
IFRS	3	Business Combinations
IFRS	4	Insurance Contracts
IFRS	5	Non-current Assets Held for Sale and Discontinued Operations

The preparation of financial statements in conformity with IFRS requires the management's estimations and assumptions. Significant management assumptions are mentioned where necessary.

The accounting policies mentioned below have been implemented with consistency for all the periods presented.

3. Significant Accounting Policies

The financial statements have been prepared in accordance with International Financial Reporting Standards

3.1 New standards and interpretations which have not yet been adopted

The Group has adopted all the new and revised Standards and Interpretations issued by the International Accounting Standards Board (the IASB) and the International Financial Interpretations Committee (the IFRIC) of the IASB that are relevant to its operations and effective for the annual reporting periods beginning on 1 January 2007.

3.2 Segment Reporting

A business segment is a distinguishable component of an Entity that is engaged in providing an individual product or service or a Group of related products or services and is subject to risks and returns that are different from those of other business segments.

A geographical segment is defined as a geographical area providing products and services within a particular economic environment that is subject to risks and returns that are different from those of components operating in other economic environments.

The primary activity segments of the Group are aquaculture, the production and sale of fishmeal, the production of foodstuffs & confectionery products as well as their resale, the production and sale of stock products and the trade of aviculture products as well as other related services. Regarding the geographical segment, the Group is active in the Greek Territory, the Euro zone and in other third countries.

3.3 Basis of Consolidation

Business combinations

Subsidiaries: are all entities that are managed or controlled, directly or indirectly, by another Entity (parent company), either through the holding of the majority of the shares of the investee company or through its dependence on the know-how provided by the group. That is to say that subsidiaries are entities, which are controlled by the parent company. Nireus SA gets and exercises control through voting rights. The existence and effect of potential voting rights that are currently exercisable at the balance sheet date is considered when assessing whether the parent company has significant influence. The subsidiaries are fully consolidated (full consolidation) with the acquisition method from the date on which control is transferred to the Group and are de-consolidated from the date on which control ceases.

The Group uses the purchase method of accounting to account for the acquisition of subsidiaries. The cost of an acquisition is measured, as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the business combination. Identifiable assets given, liabilities and contingent liabilities incurred or assumed in a business combination are measured initially at their fair values at the date of exchange, irrespective of the extent of any minority interest. The excess of the cost of acquisition over the fair value of the Group's share of the identifiable net assets acquired is recorded as goodwill. If the cost of acquisition is less than the fair value of the identifiable assets acquired, the difference is recognised directly in the profit or loss.

Especially for the business combinations that took place prior to the date of transition to the IFRS (1st January 2004), the company implement the exemption of IFRS 1 and the purchase method was not applied retrospectively. Within the framework of the above exemption, the Company did not recalculate the cost of subsidiaries acquired prior to the date of transition to the IFRS, or the fair value of the assets and liabilities acquired on the date of the acquisition. Therefore, the goodwill recognised on the transition date was based on the exemption of the IFRS 1, i.e. calculated according to the previous accounting standards and was presented as in the last published financial statements of the Group, prior to the transition to the IFRS.

Dividends received from subsidiaries that arise from accumulated profits before the date of acquisition are regarded as a recovery of an investment and are recognized as a reduction of the cost of the investment.

Inter-company transactions, balances and unrealised gains on transactions among Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Subsidiaries' accounting policies have been changed where necessary to ensure consistency with the policies adopted by the Group.

Investment in Associates

Associates are entities over which the Group has significant influence and that is neither a subsidiary nor an interest in a joint venture. If the investor holds between 20% and 50% of the voting power of the investee, it is presumed that the investor has a significant influence. Investments in associates are accounted for using the equity method of accounting and are initially recognised at cost. At the end of each reporting period, the cost is increased or decreased to recognise the investor's share of the profit or loss of the investee after the date of acquisition and is decreased by the distribution received from the investee.

The goodwill included within the carrying amount of the investment, when impaired, reduces the amount of the investment while it is charged in the income statement.

The Group's share of its associates' post-acquisition profits or losses is recognised in the profit or loss, and its share of post-acquisition movements in reserves is recognised in reserves. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment in associates. When the Group's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

Unrealised gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in the associates. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates have been changed where necessary to ensure consistency with the policies adopted by the Group.

The companies participating in the interim financial statements are set out in the following table

COMPANY	COUNTRY OF INCORPORATION	PARTICIPATION PERCENTAGE	CONSOLIDATION METHOD
AQUACOM LTD	BRITISH VIRGIN ISLANDS	100,00%	FULL CONSOLIDATION
ALPINO S.A.	GREECE	100,00%	FULL CONSOLIDATION
PROTEUS EQUIPMENT S.A.	GREECE	50,00%	FULL CONSOLIDATION
A-SEA S.A.	GREECE	100,00%	FULL CONSOLIDATION
NIREUS INTERNATIONAL LTD	CYPRUS	100,00%	FULL CONSOLIDATION
MIRAMAR PROJECTS CO LTD - UK	UNITED KINGDOM	100% indirect	FULL CONSOLIDATION
MIRAMAR SU URUNLERI VE BALIK YEMI URETIMI SANAYI VE TICARET A.S.	TURKEY	99,93% indirect+ 0,02% direct = 99,95%	FULL CONSOLIDATION
ILKNAK SU URUNLERI SAN Ve TIC A.S.	TURKEY	3,096% direct + 43,238% indirect = 46,334%	FULL CONSOLIDATION
CARBON DIS TICARET YATIRIM INSAAT VE SANAYI S.A.	TURKEY	99,943% indirect	FULL CONSOLIDATION
PREENGORDE DE DORADAS PARA MARICULTURA S.L.	SPAIN	100,00% indirect	FULL CONSOLIDATION
KEGO S.A.	GREECE	20,0045%	FULL CONSOLIDATION
ENALIOS SA	GREECE	20,0045% indirect	FULL CONSOLIDATION
VITA TRACE NUTRITION LTD	CYPRUS	5,2212% indirect	NET EQUITY
BLUFIN TUNA S.A.	GREECE	25,00%	NET EQUITY
MARINE FARMS ASA	NORWAY	29,88%	NET EQUITY
SEAFARM IONIAN S.A.	GREECE	18,366% direct	FULL CONSOLIDATION
ALPHA ZOOTROFES LOKRIDAS S.A.	GREECE	15,90% indirect	FULL CONSOLIDATION
SEAFARM IONIAN (CENTRAL EUROPE)GMBH	DEUTSCHLAND	18,366% indirect	FULL CONSOLIDATION
AQUA TERRAIR S.A.	GREECE	9,00% indirect	NET EQUITY

3.4 Biological Assets and Agricultural Activity

Agricultural activity is the management by an Entity of the biological transformation of biological assets for sale, into agricultural produce, or into additional biological assets. A biological asset is a living animal or plant under management by an Entity, while agricultural produce is the harvested product of the Entity's biological assets, which are intended for sale, process or consumption. Management's right over biological assets may arise from ownership or another type of legal action.

The definition **"Agricultural Activity"** covers a diverse range of activities, which have certain common features such as:

- ✓ Capability to change, for example, living animals and plants, which are capable of biological transformation.
- ✓ Management of change, creating, reinforcement or at least stabilising conditions necessary in order for the living organism to develop.
- ✓ Measurement of change, that is the difference brought about by biological transformation in quality (ripeness, fat cover) and in quantity (weight, progeny) of the enterprise's biological assets.

An Entity should recognise a biological asset or agricultural produce when, and only when:

1) The Entity controls the asset as a result of past events.
2) It is probable that future economic benefits associated with the asset will flow to the Entity.
3) The cost of the asset can be measured reliably.

A biological asset should be measured on initial recognition and at each balance sheet date at its fair value less estimated point-of-sale costs, except for the case where the fair value cannot be measured reliably.

If an active market exists for a biological asset or agricultural produce, the quoted price in that market is the appropriate basis for determining the fair value of that asset. If an Entity has access to different active markets, the Entity uses the most relevant one.

If an enterprise has access to two active markets, it would use the price existing in the market expected to be used.

There is a presumption that fair value can be measured reliably for a biological asset. However, that presumption can be rebutted only on initial recognition for a biological asset for which market-determined prices or value are not available and for which alternative estimates of fair value are determined to be clearly unreliable. In such a case, that biological asset should be measured at its cost less any accumulated depreciation and any accumulated impairment losses. Once the fair value of such a biological asset becomes reliably measurable, an enterprise should measure it at fair value less estimated point-of-sale costs.

The company after the initial recognition of the biological assets measures them at each subsequent balance sheet date at fair value less estimated point-of-sale costs.

A gain or loss that may arise on initial recognition of a biological asset and its subsequent measurement (less the estimated point-of-sale costs in both circumstances), are recognised in the results for the year in which it arises. Gain may arise also on initial recognition of biological assets, as for example, the birth of a living organism.

Biological assets are divided into subcategories depending on the stage of ripeness so that the reader of the financial statements is informed for the timing of future cash flows, which the enterprise expects to have from the exploitation of the biological assets.

3.5 Foreign currencies

The individual financial statements of each group Entity are presented in the currency of the primary economic environment in which the Entity operates (its "functional currency"). For the purpose of consolidated interim financial statements, the results and the financial position of each Entity are expressed in euros which is the functional currency of the company and the presentation currency of the consolidated financial statements.

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions.

Foreign exchange gains and losses resulting from the settlement of such transactions at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss. Exchange differences on non-monetary items carried at fair value through profit or loss, are reported as part of their fair value gain or loss.

The Group's operations abroad in foreign currency (which comprise an inseparable part of the parent's operations), are translated into the functional currency using the exchange rates prevailing at the dates of the transactions, while the assets and liabilities of the operations abroad, including goodwill and the adjustments of the fair value, resulting from the consolidation are translated into Euro with the exchange rates prevailing at the balance sheet date.
The individual financial statements of the consolidated companies, which are initially presented in a different currency from that of the presentation currency of the Group, have been translated into Euro. The assets and liabilities have been translated into Euro at the exchange rate prevailing at the balance sheet date. For the purpose of presenting consolidated financial statements, income and expense items are translated at the average exchange rates for the period. Exchange differences arising, if any, are classified as equity and transferred to the Group's translation reserve.

3.6 Property, plant and equipment

All property, plant and equipment are stated in the financial statements at their cost or at deemed cost according to the fair values at the transition date, less the accumulated depreciation and subsequent accumulated impairment losses.
Revaluations are performed with sufficient regularity for land and buildings held for use in the production or supply of goods or services such that the carrying amounts do not differ materially from that which would be determined using fair value at the balance sheet date (Revaluation model).
Cost includes all directly attributable expenditure for the acquisition of the items.
Subsequent costs are recognised in the carrying amount of property, plant and equipment or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow the Group and the cost of the item can be measured reliably. All repairs and maintenance are recognised in profit or loss during the financial period in which they are incurred.
Depreciation of property, plant and equipment (except land which is not depreciated) is calculated using the straight-line method over its estimated useful life, as follows:

Buildings	40 years
Plant & Machinery	7-8 years
Vehicles	5-7 years
Furnitures & other equuipments	3-5 years

The assets' residual values and useful lives are reviewed, at each balance sheet date. If the carrying amount of property, plant and equipment is greater than its estimated recoverable amount, impairment loss shall be included in profit or loss.
Gains and losses arising on the disposals are determined as the difference between the sales proceeds and the carrying amount, and is recognised in the profit or loss. Repairs and maintenance are charged to the profit or loss during the financial period in which they incurred.
Self-constructed properties,, plant and equipment are added to the cost of property, plant and equipment, which includes the direct payroll cost of the staff participating in the development (respective employer contributions), the cost of consumables and other overheads.

3.7 Investment Property

Investment property is property (in which are included land, buildings or part thereof) held by the owner (or by the lessee under a finance lease), for the purpose of earning rentals or for capital appreciation or both.
Investment property is measured initially at its cost, which includes transaction costs (e.g. notary fees, broker's fees, transfer taxes).
After initial recognition, investment property is measured at fair value, that is, at the amount for which the property could be exchanged between knowledgeable, willing parties in an arm's length transaction. Independent, qualified appraiser on an annual basis determines fair value.
Gains and losses arising from changes in the fair value of investment property are included in profit or loss for the period in which they arise.
As at 30/06/2007 the Group has classified under investment property, land and buildings amounted € 6.557.776,38.

3.8 Intangible assets

Intangible assets include goodwill, concessions and industrial property rights such as exploitation in fish farming, intangible assets acquired in a business combination as well as computer software.

Goodwill: Goodwill represents the excess of the cost of acquisition over the Group's interest in the net fair value of the identifiable assets and the contingent liabilities of the subsidiary or jointly controlled Entity recognised at the date of acquisition. The Entity at the date of acquisition recognizes goodwill as an asset item at cost. This cost is equal to the amount by which the consolidation cost exceeds the Entity's share assets, liabilities and in the contingent liabilities of the acquired company.
After initial recognition goodwill is measured at cost less any accumulated impairment losses. Goodwill is not amortized, it is rather tested for impairment annually, whenever there is an indication that the asset may be impaired, under IAS 36.
Where the cost of acquisition is less than the Entity's share of the acquired company, the Entity calculates once again the cost of the acquisition, assesses the assets, the liabilities and contingent liabilities of the acquired company and is directly recognised in profit or loss as gain any difference arises from recalculation.

Concessions and industrial property rights: Concessions and industrial property rights concern the licences for aquacultures and are measured at fair value according to the appraisal of qualified appraisers, less amortisation. Amortisation is calculated using the straight-line method over the useful life of these assets, which coincides with the duration of the exploitation licence of the ocean. Standard 38, in paragraph 44 states, "in some cases, an intangible asset may be acquired free of charge, or for nominal consideration, by way of a government grant. This may occur when a government transfers or allocates to an enterprise intangible assets such as airport landing rights, licences to operate radio or television stations, import licences or quotas or rights to access other restricted resources". Under IAS 20, Accounting for Government Grants and Disclosure of government Assistance, an Entity may choose to recognise initially both the intangible asset and the grant at fair value.
Possessed Concessions and rights for exploitation in fish farming do not satisfy according to the Standard the criteria for their recognition and therefore are not included in the Financial Statements**.**

Intangible assets acquired in a business combination: Intangible assets acquired in a business combination are identified and recognized separately from goodwill where they satisfy the definition of an intangible asset and their fair values can be measured reliably. The cost of such intangible assets is their fair value at the acquisition date. According to Standard 38 the useful life of an intangible asset is assessed either finite or indefinite. An intangible asset shall be regarded by the entity as having an indefinite useful life when, based on an analysis of all the relevant factors, there is no foreseeable limit to the period over which the asset is expected to generate net cash inflows for the entity. According to IAS 36 an intangible asset with a finite useful life is amortized and its recoverable amount is measured (impairment test) whenever there is an indication that the asset has been impaired, while an intangible asset with an indefinite useful life is only tested for impairment.

Computer software: Software licences are reported at cost less accumulated amortization. Costs associated with developing or maintaining computer software are recognised as an expense in profit or loss, in the period in which they incurred. Amortization is charged on a straight line basis over their estimated useful lives, which is ranged from 1-3 years.

3.9 Impairment of assets

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment and whenever events indicate that the carrying amount may not be recoverable. Assets that are subject to amortisation are tested for impairment whenever events indicate that the carrying amount may not be recoverable. The recoverable amount is the higher of an asset's fair value less costs to sell and its value in use. The loss due to decrease of the assets value is recognised by the Entity, when the carrying amount of these assets (or cash-generating units) is higher to their recoverable amount.

The net costs to sell are considered the amount from the disposal of an asset within the frame of a reciprocal transaction, in which the parties have full knowledge and enter willingly, after the deduction of any additional direct disposal costs of the asset, while the value in use is the present value of the estimated future cash flows, expected to flow to the enterprise from the use of an asset and from its distribution at the end of its estimated useful life.

3.10 Financial instruments

A financial instrument is any contract that gives rise to both a financial asset of one Entity and a financial liability or equity instrument of another Entity. The financial instruments of the Group are classified in the following categories based on the essence of the contract and the purpose for which they were acquired.

i) Financial assets at fair value through profit or loss

They refer to financial assets that satisfy any of the following presumptions:

- ✓ Financial assets held for trading (including derivatives, except those that are defined and effectively hedged, those acquired or created for the purpose of disposal or reacquisition and those that comprise part of the portfolio from recognised financial instruments).
- ✓ Upon initial recognition it is defined by the Entity as at fair value, through profit or loss.

ii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. In this category (Loans and receivables) are not included:

- ✓ receivables from advances for purchase of goods or services,
- ✓ receivables that have to do with tax transactions, imposed legislatively by the State,
- ✓ whatever is not covered by a contract so that it gives the right to the enterprise for receiving cash or other financial assets.

Loans and receivables are included in current assets, except for maturities greater than 12 months after the balance sheet date, which are included in the non-current assets.

iii) Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturity that the Group's management has the positive intention and ability to hold to maturity. The Group has not investments in this category.

iv) Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that are either designated in this category or not classified in any of the other categories.

Then, the available-for-sale financial assets are measured at fair value and gains or losses are recognised in a reserve under equity until the assets are sold or impaired.

Upon sale or when impaired, gains or losses are transferred to the profit or loss. Impairment losses that have been recognised in the profit or loss are not reversed through the profit or loss.

Purchases and sales of investments are recognised on trade-date, the date on which the Group commits to purchase or sell the asset. Investments are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Investments are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership.

Loans and receivables are carried at amortised cost using the effective interest rate method.

Realised and unrealised gains and losses arising from changes in the fair value of the financial assets at fair value through profit or loss' category are included in the profit or loss in the period in which they arise.

Fair values of listed shares are based on current bid prices. If the market for a financial asset is not active, the Group determines fair value through valuation techniques such as current transaction analysis, comparative analysis and discounted cash flows. Available for sale financial assets, for which shares are not listed and their fair value cannot be measured reliably, are recognised at cost.

At each balance sheet date, the Group assesses whether there is objective evidence that a financial asset or group of financial assets is impaired. Equity securities classified as available for sale, a significant or prolonged decline of the fair value of the security below its cost is considered in determining whether the securities are impaired. If such evidence exists, the cumulative loss -measured as the difference between the acquisition cost and the fair value, is removed from equity and recognised in the profit or loss.

3.11 Inventories

At the balance sheet date, inventories are stated at the lower of cost and net realizable value. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs necessary to make the sale. Cost of inventories does not include finance expenses.

The cost of purchase of inventories comprises the purchase price, costs of conversion and other costs incurred in bringing the inventories to their present location and position.

The cost of purchase of inventories comprises the purchase price, import duties and other taxes (other than those subsequently recoverable by the enterprise from the tax authorities), and transport, handling and other costs directly attributable to the acquisition of finished goods, materials and services. Trade discounts, debates and other similar items are deducted in determining the costs of purchase.

The costs of conversion of inventories include costs directly related to the units of production, such as direct labour. They also include a systematic allocation of fixed and variable production overheads that are incurred in converting materials into finished goods. Fixed production overheads are those indirect costs of production that remain relatively constant regardless of the volume of production, such as depreciation and maintenance of factory buildings and equipment, and the cost of factory management and administration. Variable production overheads are those indirect costs of production that vary directly, or nearly directly, with the volume of production, such as indirect materials and indirect labour. The allocation of fixed production overheads to the costs of conversion is based on the normal capacity of the production facilities. Normal capacity is the production expected to be achieved on average over a number of periods or seasons under normal circumstances, taking into account the loss of capacity resulting from planned maintenance. The actual level of production may be used if it approximates normal capacity.

Other costs are included in the cost of inventories only to the extent that they are incurred in bringing the inventories to their present location and condition. For example, it may be appropriate to include non-production overheads or the costs of designing products for specific customers in the cost of inventories.

3.12 Trade receivables

Trade receivables are recognised initially at fair value and subsequently, measured at amortised cost using the effective interest method, less provision for impairment. In case the amortised value or cost of a financial asset exceeds the current value, then this asset is valued at its recoverable amount, e.g. at the current value of its future cash flows, which is calculated based on the real initial interest rate. The loss is directly transferred to the profit or loss. The amount of the impairment loss, e.g. when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of receivables, is recognised in the profit or loss.

3.13 Cash and cash equivalents

Cash and cash equivalents include cash in hand, bank deposits and other short-term highly liquid investments with original maturities of three months, such as products of the financial market and the bank deposits as well as the overdraft bank accounts. The products of the financial market are financial assets measured at fair value through the profit or loss.

3.14 Non-current assets held-for sale

Assets held for sale include other assets (including goodwill) and property, plant and equipment that the Group intends to sell within the year starting from the date on which they were classified as “held for sale”.
The assets, which are classified as «held for sale», are valued at the lowest price between their carrying amounts right before their classification as held for sale and their fair value less the cost of sale. The assets classified as “held for sale” are not subject to depreciation. The gains or losses deriving from the sale or revaluation of the “held for sale” assets is included in the “Other income” and “Other expenses” items respectively, in the profit or loss.
The Group has not classified non-current assets as held for sale.

3.15 Share capital

Expenses realised for the issue of shares are presented in equity as a deduction, net of tax. Expenses related to the issue of shares for acquisition of companies are included in cost of the company that is acquired. Where any Group Entity purchases the Entity’s equity share capital (treasury shares), the consideration paid, including any directly attributable incremental costs, is deducted from equity attributable to the Entity’s equity holders until the shares are cancelled, reissued or disposed of. Any gain or loss from sale of treasury shares net off direct transaction expenses & taxes is classified in equity under reserves.

3.16 Borrowing costs

Borrowing costs are recognised initially at fair value. Borrowings are subsequently stated at amortised cost using the effective interest method. Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

3.17 Income taxes

Income taxes charged for the period consist of current and deferred taxes, i.e. taxes and tax relieves related to the financial benefits incurring within the period but have been charged or are going to be charged from the tax authorities to different periods. Income tax is recognised in the profit or loss of the period, except when it relates to transactions directly classified in equity, in which case it is directly charged in equity.

Current income taxes include short-term liabilities or receivables attributable to the tax authorities related to payable taxes on the period’s taxable income and any additional prior period’s income taxes.
Current taxes are calculated according to applicable tax rates and tax laws prevailing in the relevant periods, based on taxable profits for the period. All changes in short-term tax assets or liabilities are recognised as tax expenses in the profit or loss.

Deferred tax is recognised on difference 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.

Such assets and liabilities are not recognised if the temporary difference arises from initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax assets and liabilities are determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and are expected to be applicable when the related deferred income tax asset will be realised or the deferred income tax liability will be settled. If it is not possible to determine the time of reversal of the temporary tax differences, the tax rate used is that of the fiscal year following the current balance sheet date.

Deferred tax assets are only recognised to the extent that is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future .
Deferred income tax is recognised for the temporary tax differences arising from investments in subsidiaries and affiliates except where the Group controls the timing of reversal of the temporary tax differences and it is probable that the temporary differences will not reverse in the foreseeable future.

3.18 Employee benefits

Short-term benefits: Short-term benefits to employees (except for indemnities for termination or retirement) in money or in kind are recognised as an expense when they are incurred. Any outstanding amounts are classified as a liability, while in case the amount already paid exceeds the amount of the benefits, the Entity recognises the excessive amount as an asset (prepaid expense) only to the extent that the prepayment will lead to a reduction of future or in return payments.

Benefits on retirement: The benefits on retirement include a lump sum pension indemnity or other benefits (social security or medical coverage) to employees upon retirement in exchange for their past services. Therefore, they include both defined contribution plans and defined benefit plans. The accrued cost of the defined contribution plans is recorded as an expense in the period to which incurred.

- ✓ **Defined contribution plan**

According to the defined contribution plan, the Entity's obligation (legal or imputed) is limited to the amount agreed to be contributed into a separate Entity (e.g. fund), which manages the contributions and grants the benefits. Therefore, the amount of benefits received by the employee is defined by the amount contributed by the Entity (or the employee as well) and the paid investments of these contributions.
The contribution paid by the company in a defined contribution plan is recognized either as a liability after deducting the contribution paid or as an expense.

✓ **Defined benefit plan**

The liability recorded in the balance sheet for the defined benefit plan is the present value of the liability for the defined benefit less the fair value of plan assets (if any) and the changes occurring from any other actuarial profit or loss and the cost of work experience. The commitment of the defined benefit is calculated on a yearly basis from an independent actuary using the projected unit credit method. Interest for long-term Greek government bonds is used for the discounting of obligation to present value.

The actuarial profits or losses are part of both Entity's benefit obligation and cost that will be recognized in Profit or loss.

Actuarial gains or losses that exceed 10% of the greater of the present value of the Group's defined benefit plan obligation and the fair value of plan assets are amortized over the expected average remaining working lives of the participating employees.

Past service cost is recognised immediately to the extent that the benefits are already rested and otherwise amortised on a straight-line basis over the average period until the benefits become rested.

Employee termination benefits: Benefits due to termination of the employment relationship are paid when employees leave before their normal retirement date. The Group records such benefits when it is committed, either when it actually terminates the employment of current employees based upon a detailed formal plan without possibility of withdrawal, or when it provides the said benefits as an incentive for voluntary redundancy. When these benefits are due for payment in a period, which exceeds twelve months from the balance sheet date, they must be prepaid according to the returns of high quality company bonds or government bonds.

In case of an offer made to encourage voluntary redundancy, the valuation of employment termination benefits should be based on the number of employees expected to accept the offer.

In case of employment termination where the number of employees using those benefits cannot be determined, a contingent liability is disclosed.

Share based payments

The fair value of the services received from management granted equity-settled options, is recognised in Profit or Loss.

The fair value of these share-based payments during the resting period is measured based on the fair value of the equity instrument granted. At each balance sheet date, Group reviews its estimations for the number of options exercised and recognises any adjustment in profit or loss and equity respectively. Upon exercise of the options, any amount received (net off direct transaction costs) is recognised in share capital (nominal value) and share premium.

3.19 Government grants

The Group recognizes the government grants, which satisfy the following criteria: **a)** There is reasonable assurance that the Entity will comply with all the conditions attaching to them and **b)** the grants will be received. Grants are recognised at fair value and transferred to profit or loss, over the periods necessary to match them with the costs for which they are intended to compensate.

Government grants related to assets are included in the long-term liabilities as deferred income and are transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets.

3.20 Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events. It is probable that the Group will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are reviewed at each balance sheet date and are adjusted so as to disclose the present value of the expense expected to be required to settle the obligation. Contingent liabilities are not recognised in the financial statements, but are disclosed, unless the possibility of outflow of resources incorporating financial benefits is low. Contingencies are not recognised in the financial statements but disclosed as long as the inflow of economic benefits is probable.

3.21 Revenue and Expense Recognition

Revenue: Revenue consists of the fair value of the produced Fish and Other Biological assets, sale of goods and services net of value added tax, rabbet and discounts. For the purpose of consolidated financial statements, intercompany sales have been eliminated. Revenue is recognised as follows:

- **Revenue from the sale of biological assets:** It is recognised at sale. Products are delivered to the customer who accepts the products and collectibility of the related receivables is reasonably assured.
- **Sales of goods:** Revenue from the sale of goods is recognised when a Group Entity has delivered products to the customer, the customer has accepted the products and collectibility of the receivables is reasonably assured.
- **Gain/Loss due to changes in Fair Value of Biological Assets:** A gain or loss arising from changes in price or quantity of biological asset is recognised immediately in profit or loss.
- **Rendering of services:** Rendering of services is recognised by reference to the stage of the completion of the transaction at the balance sheet date (the percentage of completion method)
- **Revenue from Royalty:** The fair value of the rendered royalties is recognised on an accrual basis in accordance with the substance of the relevant agreement.
- **Interest revenue:** Interest revenue is accrued on a time basis by reference to the principle outstanding and the effective interest rate applicable. When a receivable is impaired, the Group reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at original effective interest rate and continues unwinding the discount as interest income.
- **Dividends:** Dividends are recognised when the shareholder's right to receive payment is established.

Expenses: Expenses are recognised in the profit or loss on an accrual basis. Payments realised for operating leases are transferred in the profit or loss as expenses, during the time of use of the leased item. Interest expense is recognised on an accrued basis.

3.22 Leasing

The Group as lessee: Leases of property, plant and equipment where the Group has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lease's inception at the lower of the fair value of the leased property and the present value of the minimum lease payments. Each lease payment is allocated between

the liability and finance charges so as to achieve a constant rate on the finance balance outstanding. The corresponding rental obligations, net of finance charges, are included in other long-term payables. The interest element of the finance cost is charged to the profit or loss over the lease period. The property, plant and equipment acquired under finance leases is depreciated over the shorter of the asset's useful life and the lease term.
Leases where the lessor retains substantially all the risks and rewards of ownership are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the profit or loss on a straight-line basis over the period of the lease.

The Group as lessor: When assets are leased out under a finance lease, the present value of the minimum lease payments is recognised as a receivable. The difference between the gross receivable and the present value of the receivable is recognised as deferred finance income. Lease income is recognised over the term of the lease using the net investment method, which reflects a constant periodic rate of return.

3.23 Dividend distribution

Dividend distribution to the Entity's shareholders is recognized as a liability in the Group's financial statements in the period in which the dividends are approved by the Entity's general assembly.

3.24 Discontinued Operations

A discounted operation is a component of an Entity that either has been disposed of, or that is classified as held for sale and represents a separate major line of business or geographical area of operations, is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations or is a subsidiary acquired exclusively with a view to resale. The Group discloses according to the IFRS 5 "Non-current assets held for Sale and Discontinued Operations" all the necessary information defined by the standard.

3.25 Related-party transactions

The transactions and inter-company balances between the related parties and Group are disclosed according to IAS 24 "Related Party Disclosures". These transactions concern the transactions between the management, the principal shareholders and the subsidiaries of a group with the parent company and other subsidiaries that comprise the Group.

4. Risk management

4.1 Financial Risk Factors

The Group's activities expose it to a variety of financial risks, market risk (including currency risk, fair value interest risk and price risk), credit risk, liquidity risk and cash flow interest-rate risk. The Group's overall risk management program seeks to mitigate the potential adverse effects of these risks on the Group's financial performance.
Responsible for risk management is the finance department in cooperation with other directly involved departments of the Group.

4.2 Market risks

Foreign Currency Risk

Although the Group operates internationally, the exposure to foreign exchange risk is limited because over 90% of the transactions are realised in Euro.
In order to manage foreign exchange risk, the finance department provides for foreign exchange differences wherever deemed necessary.

Price Risks

The Group is exposed to equity securities price risk classified on the consolidated balance sheet either as available-for-sale or at fair value through profit or loss. Since the amounts of these investments are not significant, any change in their price is not considered to create risk for the Entity. There is no significant risk from changes in issue prices of the biological assets, since they have fixed, expected and immaterial variance within a period. The Group estimates the price risk changes of the biological assets regularly and examines the need to take actions to mitigate the financial risk.
The department of financial analysis of the sector operates as to this purpose, which collects information for the offer of the product from the domestic and international production, as well, the changes in demand from the existing Traditional International market and the New markets opening in Eastern Europe and America. This information is assessed and are defined the parameters of the size of the inventories of the product and the expected prices for the following two (2) years.

4.3 Credit Risk

The Group has no significant concentrations of credit risk. Fresh fish wholesales are made to customers with an outstanding credit history. Moreover, the sale of spawn is realized under the term of retention of titles of ownership until its fully payment. Therefore, because the time of production of fresh fish is greater than the credit given to customers, the receivable is fully recoverable.

4.4 Liquidity Risk

Liquidity risk is maintained at low levels. The Entity has planned investments in property which provides low returns. Moreover, the Entity intends to liquidate part of its portfolio, especially those investments with low yields.

4.5 Cash flow and interest rate risk

The Group's revenue and operating cash flows are substantially independent of changes in interest rates. Interest-bear assets are insignificant. Group policy, taking into consideration the current economic environment and the fluctuations of interest rates in Euro, is to keep its borrowings at floating interest rates EURIBOR and SPREAD.

At the balance sheet date, total borrowings are correlated with floating interest rates.

Interest rates risk mainly derives from the long-term borrowings, which have maturity after 2007. Entity estimates that interest rate fluctuation for this period will be limited and it has not entered into any hedging agreement..

5. Business and Geographical Segments

Primary reporting format - Business segment

Products and Services within each business segment

The Group is active in five business sectors:

Aquaculture, fish meal, foodstuffs & Confectioneries, stock breeding & aviculture and Pet & Services-Other.

1st SEMESTER 2007	***SEGMENT ACTIVITY***					
	AQUACULTURE	***FISHMEAL***	***FOODSTUFFS & CONFECTIONARIES***	***OTHER & PET***	***STOCK BREEDING & AVICULTURE***	***TOTAL***
Total gross segment sales	87.994.942	29.077.061	4.495.429	3.773.040	5.350.071	130.690.542
Inter-segment sales	10.942.702	15.049.923	-	156.256	2.015	26.150.897
Net Sales	**77.052.240**	**14.027.138**	**4.495.429**	**3.616.783**	**5.348.056**	**104.539.646**
Operating profit	12.568.492	2.408.021	318.345	1.223.245	613.467	17.131.569
Finance expense/income	*(3.635.659)*	*(651.678)*	*(647.025)*	*(55.798)*	*(74.200)*	(5.064.360)
Profit before income tax	**8.932.833**	**1.756.342**	**(328.681)**	**1.167.448**	**539.267**	**12.067.209**
Income tax expense						(1.092.707)
Deferred tax						(1.737.539)
Prior years' tax audit differences						(664.605)
Net profit						**8.572.358**
1st SEMESTER 2006	***SEGMENT ACTIVITY***					
	AQUACULTURE	***FISHMEAL***	***FOODSTUFFS & CONFECTIONARIES***	***OTHER & PET***	***STOCK BREEDING & AVICULTURE***	***TOTAL***
Total gross segment sales	70.349.783	13.634.526	12.040.863	2.797.295	-	98.822.467
Inter-segment sales	12.431.314	4.558.812	3.606.575	-	-	20.596.701
Net Sales	***57.918.469***	***9.075.714***	***8.434.287***	***2.797.295***	**-**	***78.225.766***
Operating profit	9.487.435	1.411.533	(730.192)	720.215	-	10.888.991
Finance costs/income	*(1.861.435)*	*(309.179)*	(312.713)	(675)	-	(2.484.002)
Profit before income tax	***7.626.000***	***1.102.354***	**(1.042.905)**	**719.540**	**-**	**8.404.989**
Income tax expense						(403.262)
Deferred tax						(2.122.811)
Prior years' tax audit differences						(673.130)
Other not charged to the operating cost taxes						(1.463)
Net profit						**5.204.323**

Secondary reporting format - Geographical segments

The registered office of the Group is in Greece and its main activity is developed in countries within the euro zone.

	GROUP		COMPANY	
	30/6/2007	30/6/2006	30/6/2007	30/6/2006
GREECE	43.510.630	30.648.781	33.749.689	30.971.407
EURO ZONE	53.209.828	40.659.898	47.354.114	38.568.288
OTHER COUNTRIES	7.819.187	6.917.086	7.201.921	5.225.959
	104.539.646	**78.225.766**	**88.305.724**	**74.765.655**

6. Notes to the Financial Statements

6.1 Property Plant and Equipment

The land and buildings were measured at the date of transition to the IFRS (01/01/2004) at deemed cost, according to the provisions of IFRS 1. As deemed cost, is considered the fair value of the fixed equipment at the date of the transition to the IFRS, which was determined after appraisal by independent qualified appraiser. The Entity will regularly review the valuation of land and buildings. Other property, plant and equipment were measured at the transition date at cost less accumulated depreciation. The Entity determined then, their useful lives and residual values of these assets, which will be used in order to depreciate them. As of 31/12/2004 land and buildings have been newly appraised and were needed at a different date, as in the case of the merged with NIREUS former subsidiary EUROCATERERS A.B.E.E.T. (revaluation at 30/06/2006) and the case of the business segment of confectionery for the building of its newly constructed plant for the production of chewing gum (revaluation date 31/12/2005). This revaluation serves the purpose of measuring land and buildings after their initial recognition using the revaluation model

Land and buildings of KEGO S.A., ENALIOS S.A., and also the building, atop land conferred from the Spanish port authority, of PREDOMAR A.S. which all are consolidated for the first time in this interim period (01/01-31/03/07) have not yet been appraised and are reported at historical cost. In view of measuring definite (final) values for fair values of the above-acquired companies for which provisional values are now being used, their assets in question will be appraised. According to relevant provision of IFRS 3 these definite (final) fair values will be retrospectively applied from acquisition date, adjusting goodwill and comparative information. (relevant analysis on note 6.3 pg. 39)

The property, plant and equipment is analysed as follows:

GROUP

	Land	Buildings	Machinery & Equipment	Vehicles	Furniture and other equipment	Work in progress	Total
Cost							
Balance at 1 January 2006	7.818.463	22.173.967	44.338.696	4.946.303	4.866.466	3.747.435	**87.891.330**
Balance at 1 January 2006 of new companies	66.030	6.480.181	12.355.563	2.487.817	1.170.643	34.294	**22.594.528**
Additions	324.527	292.147	4.149.955	594.524	264.350	3.194.730	**8.820.233**
Disposals/write-offs/ transfers to investments	(579.401)	(3.691.233)	(384.252)	(286.310)	(347.726)	-	**(5.288.922)**
Transfers from investments, wip	-	1.835.091	1.247.257	394.001	22.841	(3.540.100)	**(40.910)**
Re-valuation	182.511	(1.069.501)	(40.811)	-	(16.040)	-	**(943.842)**
Other movements/Exchange Differences	-	(117.230)	(176.310)	(15.548)	(9.529)	-	**(318.616)**
Balance at 31 December 2006	**7.812.129**	**25.903.422**	**61.490.098**	**8.120.788**	**5.951.005**	**3.436.359**	**112.713.801**
Accumulated Depreciation							
Balance at 1 January 2006	-	(2.125.074)	(28.435.259)	(3.627.318)	(3.712.312)	-	**(37.899.964)**
Balance at 1 January 2006 of new companies	-	(4.247.701)	(8.800.965)	(1.874.693)	(960.830)	-	**(15.884.188)**
Depreciation for the year	-	(1.049.774)	(4.639.408)	(584.104)	(497.177)	-	**(6.770.463)**
Disposals/write-offs/ transfers to investments	-	363.731	182.806	239.794	337.744	-	**1.124.074**
Re-valuation	-	137.968	-	-	-	-	**137.968**
Other movements/Exchange Differences	-	71.650	139.661	15.580	8.578	-	**235.469**
Balance at 31 December 2006	**-**	**(6.849.201)**	**(41.553.164)**	**(5.830.741)**	**(4.823.998)**	**-**	**(59.057.104)**
Net book amount at 31 December 2006	**7.812.129**	**19.054.222**	**19.936.934**	**2.290.046**	**1.127.007**	**3.436.359**	**53.656.697**
Cost							
Balance 1 January 2007	7.812.129	25.903.422	61.490.098	8.120.788	5.951.005	3.436.359	**112.713.801**
Balance 1January 2007 of new companies	463.855	6.046.751	6.337.040	741.664	1.476.854	118.390	**15.184.553**
Additions	-	121.895	2.765.947	155.891	250.853	1.934.310	**5.228.896**
Disposals/write-offs/ transfers to investments	(293.470)	(2.723.986)	(93.609)	(105.106)	(12.350)	(2.100)	**(3.230.622)**
Transfers from investments, wip	-	-	487.560	-	-	(487.560)	**-**
Re-valuation	-	-	(91.283)	-	-	-	**(91.283)**
Other movements/Exchange Differences	44.874	99.390	172.545	14.113	9.060	35.378	**375.359**
Balance at 30 June 2007	**8.027.387**	**29.447.472**	**71.068.297**	**8.927.351**	**7.675.422**	**5.034.777**	**130.180.705**
Accumulated Depreciation							
Balance 1 January 2007	-	(6.849.201)	(41.553.164)	(5.830.741)	(4.823.998)	-	**(59.057.104)**
Balance 1 January 2007 of new companies	-	(1.202.186)	(2.282.218)	(327.527)	(1.142.014)	-	**(4.953.946)**
Depreciation for the period	-	(592.279)	(2.413.541)	(321.520)	(269.779)	-	**(3.597.119)**
Disposals/write-offs/ transfers to investments	-	1.791.826	101.869	98.455	11.980	-	**2.004.129**
Other movements/Exchange Differences	-	(68.548)	(132.147)	(12.912)	(8.057)	-	**(221.664)**
Balance at 30 June 2007	**-**	**(6.920.387)**	**(46.279.202)**	**(6.394.245)**	**(6.231.868)**	**-**	**(65.825.703)**
Net book amount at 30 June 2007	**8.027.387**	**22.527.084**	**24.789.094**	**2.533.106**	**1.443.554**	**5.034.777**	**64.355.002**

COMPANY

	Land	Buildings	Machinery & Equipment	Vehicles	Furniture and other equipment	Work in progress	Total
Cost							
Balance at 1 January 2006	7.010.775	15.116.937	32.258.440	3.979.944	3.827.832	2.950.358	65.144.286
Balance at 1 January 2006 of new companies	410.797	1.446.407	4.686.354	657.122	446.517	784.987	8.432.185
Additions	-	123.509	2.742.786	368.785	230.227	2.616.154	6.081.461
Disposals/write-offs/ transfers to investments	-	-	(109.944)	(63.245)	(325.348)	-	(498.536)
Transfers from investments, wip	-	1.835.091	1.247.257	394.001	22.841	(3.536.156)	(36.966)
Re-valuation	-	-	-	-	-	-	-
Other movements/Exchange Differences	-	-	-	-	-	-	-
Balance at 31 December 2006	**7.421.572**	**18.521.944**	**40.824.894**	**5.336.607**	**4.202.069**	**2.815.343**	**79.122.429**
Accumulated Depreciation							
Balance at 1 January 2006	-	(855.903)	(21.043.905)	(3.013.471)	(2.926.501)	-	**(27.839.781)**
Balance at 1 January 2006 of new companies	-	(339.597)	(3.030.301)	(355.380)	(356.752)	-	**(4.082.030)**
Depreciation for the year	-	(563.829)	(3.104.276)	(381.324)	(385.719)	-	**(4.435.149)**
Disposals/write-offs/ transfers to investments	-	-	56.200	25.541	322.384	-	**404.125**
Re-valuation	-	-	-	-	-	-	**-**
Other movements/Exchange Differences	-	-	-	-	-	-	**-**
Balance at 31 December 2006	**-**	**(1.759.331)**	**(27.122.282)**	**(3.724.635)**	**(3.346.589)**	**-**	**(35.952.835)**
Net book amount at 31 December 2006	**7.421.572**	**16.762.614**	**13.702.611**	**1.611.973**	**855.480**	**2.815.343**	**43.169.594**
Cost							
Balance 1 January 2007	7.421.572	18.521.944	40.824.894	5.336.607	4.202.069	2.815.343	**79.122.429**
Balance 1 January 2007 of new companies	-	-	-	-	-	-	-
Additions	-	45.697	1.902.724	59.113	136.126	789.075	**2.932.735**
Disposals/write-offs/ transfers to investments	(293.470)	(900.000)	(80.372)	(45.062)	(5.605)	(2.100)	**(1.326.610)**
Transfers from investments, wip	-	-	487.560	-	-	(487.560)	**-**
Re-valuation	-	-	-	-	-	-	**-**
Other movements/Exchange Differences	-	-	-	-	-	-	**-**
Balance at 30 June 2007	**7.128.102**	**17.667.640**	**43.134.806**	**5.350.658**	**4.332.590**	**3.114.758**	**80.728.553**
Accumulated Depreciation							
Balance 1 January 2007	-	(1.759.330)	(27.122.282)	(3.724.635)	(3.346.589)	-	**(35.952.835)**
Balance 1 January 2007 of new companies	-	-	-	-	-	-	**-**
Depreciation for the period	-	(324.152)	(1.688.031)	(219.702)	(187.443)	-	**(2.419.327)**
Disposals/write-offs/ transfers to investments	-	14.254	89.162	44.863	5.635	-	**153.914**
Other movements/Exchange Differences	-	-	-	-	-	-	**-**
Balance at 30 June 2007	**-**	**(2.069.227)**	**(28.721.151)**	**(3.899.473)**	**(3.528.396)**	**-**	**(38.218.248)**
Net book amount at 30 June 2007	**7.128.102**	**15.598.413**	**14.413.654**	**1.451.184**	**804.194**	**3.114.758**	**42.510.305**

Mortgages of € 15.000.000,00 have been registered on the fixed assets of the parent company "NIREUS SA" as a collateral of a Bond loan issued in favour of EUROBANK, the balance of which amounted to € 47.500.000,00 on 30/06/07. Pre-notice of mortgage of € 1.220.000,00 has been registered, as a collateral of a long-term loan from the National Bank of Greece, the balance of which on 30/06/07 amounted to € 927.272,73 as well as pre-notation of mortgage of € 1.244.740 in favour of Agricultural Bank of Greece as a collateral of credit balance which on 30/06/07 amounted 455.206,29 Euros.

Moreover, on the property of the consolidated not listed in the Athens Stock Exchange subsidiary ALPINO S.A, has been registered a mortgage of € 4.225.000,00 to secure a Bond loan issued in favour of ALPHA BANK, the balance of which at 30/06/2007 amounted to € 3.945.000,00. On the land of the consolidated subsidiary company "SEAFARM IONIAN S.A" have been registered mortgage amounted Euros 200.000 to secure a loan in favour of Attica Bank, the balance of which on 30/06/07 amounted to € 157.786,18 as well as a mortgage amounted Euros 100.000 and pre-notice of mortgage amount to 80.000 Euros in favour of third party. Besides, on two parcels of land have been registered pre-notice mortgages amount to 296.404,99 Euros to secure the loan of National Bank of Greece the balance of which on 30/06/07 amounted to € 1.704.917,40 and euros 381.511,37 to secure the loan of Bank of Cyprus and the balance of which on 30/06/2007 amounted to € 720.620,44. Also on fixed assets of the consolidated subsidiary ALPHA ZOOTROFES LOKRIDAS S.A. have been registered pre-notice mortgage amount to 352.164,35 Euros in favour of Agricultural Bank of Greece. Following an agreement at 13/12/06 between the firm and Agricultural Bank of Greece that amount has been adjusted to 411.243,51 Euros. This happened due to the transfer of "SEAFARM IONIAN S.A" under the jurisdiction of article 44 of Law 1892/1990 and all that are mentioned there concerning subsidiaries.

Moreover it is noteworthy that companies " Proteines Zootrofon and Ixthiotrofon Ltd" and "Th.& H. Vlaxos O.E." have registered two pre- notice mortgages on ALPHA ZOOTROFES LOKRID SA fixed assets amounting € 850.000. Following a settlement between the parties, the two companies agreed to remove those pre-notice mortgages.

Mortgages have also been registered in favour of NBG on "KEGO S.A." property for the amount of € 293.470 as a collateral of a loan amount to € 5.835.395,27 as at 30/06/07.

A pre-notice on a parcel of land has also been registered in favour of Eurobank for the amount of €733.675,00 as a collateral for a loan amounted to € 829.959,52 as at 30/06/07. Another parcel of land of the same company has been pledged in favour of NBG for the amount of €1.100.000,00 as a collateral of a loan amounted to € 900.000 as at 30/06/07.

Also on a parcel of land of the subsidiary ENALIOS S.A. there has been registered a pre-notice mortgage in favor of EUROBANK for the amount of € 264.123,25 to secure a loan amounting to €700.000,00 as at 30/06/2007

Apart from the above mentioned there are no other pledges against Nireus and the Group's assets.

6.2. Investment property

The land and buildings are classified as investment property under IAS 40 was measured at the transition date to the IFRS (01/01/2004) at deemed cost, according to the provisions of the IFRS 1. As deemed cost, is considered the fair value of the fixed equipment at the transition date to the IFRS, which was determined after an appraisal by independent qualified appraiser. The Entity will regularly review the fair value of investment property. As of 31/12/2004 investment property has been newly appraised.

The investment property is analysed as follows:

	GROUP			COMPANY		
	Land	Buildings	Total	Land	Buildings	Total
Carrying Amount at 1 January 2006	**2.287.330**	**171.300**	**2.458.630**	**2.127.030**	**11.300**	**2.138.330**
Carrying Amount by absorbed/acquired companies	20.500	-	**20.500**	-	-	**-**
Disposals/Wrire-off/transfers from fixed assets	293.971	2.606.339	**2.900.311**	(145.430)	160.000	**14.570**
Carrying Amount at 31 December 2006	**2.601.801**	**2.777.639**	**5.379.441**	**1.981.600**	**171.300**	**2.152.900**
Disposals/Wrire-off/transfers from fixed assets	293.470	884.866	**1.178.336**	293.470	884.866	**1.178.336**
Carrying Amount at 30 June 2007	**2.895.271**	**3.662.505**	**6.557.776**	**2.275.070**	**1.056.166**	**3.331.236**

The amount of € 1.178.336, as shown in the table above, concerns transfers from fixed assets (lands and buildings) to the Company EUROCATERERS SA, which has been merged with NIREUS SA during 2006. These assets were measured at their fair value as of 30/06/2006.

6.3 Goodwill and intangibles assets

Goodwill and Intangible assets are analysed as follows:

GROUP	Software	Goodwill	Aqua Culture licencies	Total
Cost				
Balance at 1 January 2006	**1.247.840**	**6.882.944**	**-**	**8.130.784**
Balance at 1 January 2006 of new companies	**212.203**	**-**	**-**	**212.203**
Additions	258.221	8.254.838	-	8.513.059
Disposals-Impairments-transfers to investments	(13.725)	-	-	(13.725)
Transfers from investments, wip	36.804	-	-	36.804
Revaluation	-	-	8.500.000	8.500.000
Other movements /exchange differences	(2.610)	-	-	(2.610)
Carrying Value at 31 December 2006	**1.738.733**	**15.137.782**	**8.500.000**	**25.376.514**
Accumulated Depreciation				
Balance at 1 January 2006	**(602.501)**	**-**	**-**	**(602.501)**
Balance at 1 January 2006 of new companies	**(183.824)**	**-**	**-**	**(183.824)**
Depreciation of the year	(338.318)	-	-	(338.318)
Disposals-Impairments-transfers to investments	4.800	-	-	4.800
Other movements /exchange differences	2.124	-	-	2.124
Balance at 31 December 2006	**(1.117.720)**	**-**	**-**	**(1.117.720)**
Carrying Value 31 December 2006	**621.013**	**15.137.782**	**8.500.000**	**24.258.795**
Cost				
Balance at 1 January 2007	**1.738.733**	**15.137.782**	**8.500.000**	**25.376.514**
Balance at 1 January 2007 of new companies	**131.994**	**-**	**-**	**131.994**
Additions	88.884	6.953.800	-	7.042.683
Other movements /exchange differences	2.219	-	-	2.219
Balance at 30 June 2007	**1.961.829**	**22.091.582**	**8.500.000**	**32.553.411**
Accumulated Depreciation				
Balance at 1 January 2007	**(1.117.720)**	**-**	**-**	**(1.117.720)**
Balance at 1 January 2007 of new companies	**(120.222)**	**-**	**-**	**(120.222)**
Depreciations of the period	(141.946)	-	-	(141.946)
Other movements /exchange differences	(2.077)	-	-	(2.077)
Balance at 30 June 2007	**(1.381.965)**	**-**	**-**	**(1.381.965)**
Carrying Value 30 June 2007	**579.864**	**22.091.582**	**8.500.000**	**31.171.446**

COMPANY	Software	Goodwill	Aqua Culture licencies	Total
Cost				
Balance at 1 January 2006	**1.017.573**	**5.718.910**	**-**	**6.736.483**
Balance at 1 January 2006 of new companies	**212.351**	**531.181**	**-**	**743.532**
Additions	243.754	3.469.460	-	3.713.214
Disposals-Impairments-transfers to investments	-	-	-	-
Transfers from investments, wip	36.804	-	-	36.804
Revaluation	-	-	-	-
Other movements /exchange differences	-	-	-	-
Carrying Value at 31 December 2006	**1.510.482**	**9.719.551**	**-**	**11.230.033**
Accumulated Depreciation				
Balance at 1 January 2006	**(506.097)**	**-**	**-**	**(506.097)**
Balance at 1 January 2006 of new companies	**(110.737)**	**-**	**-**	**(110.737)**
Depreciation of the year	(277.922)	-	-	(277.922)
Disposals-Impairments-transfers to investments	-	-	-	-
Other movements /exchange differences	-	-	-	-
Balance at 31 December 2006	**(894.757)**	**-**	**-**	**(894.757)**
Carrying Value 31 December 2006	**615.724**	**9.719.551**	**-**	**10.335.276**
Cost				
Balance at 1 January 2007	**1.510.482**	**9.719.551**	**-**	**11.230.033**
Balance at 1 January 2007 of new companies	**-**	**-**	**-**	**-**
Additions	79.130	-	-	79.130
Other movements /exchange differences	-	-	-	-
Balance at 30 June 2007	**1.589.611**	**9.719.551**	**-**	**11.309.162**
Accumulated Depreciation				
Balance at 1 January 2007	**(894.757)**	**-**	**-**	**(894.757)**
Balance at 1 January 2007 of new companies	**-**	**-**	**-**	**-**
Depreciations of the period	(134.017)	-	-	(134.017)
Other movements /exchange differences	-	-	-	-
Balance at 30 June 2007	**(1.028.774)**	**-**	**-**	**(1.028.774)**
Carrying Value 30 June 2007	**560.837**	**9.719.551**	**-**	**10.293.366**

The Group's and the Company's Goodwill has arisen as follows:

TOTAL GOODWILL	
a) From the acquisition (merger) in the year 2004 of the subsidiary "OINOYSSES FISH FARMING SA	2.009.935
b) From the acquisition (merger) in the year 2005 of the subsidiary company 'FEEDUS SA"	3.708.975
c) From the acquisition (merger), in prior years, of a subsidiary company from the consolidated company 'FOKIDA FISH FARMING SA."	531.181
d) From acquisition (merger) in the year 2006 of the subsidiary company 'FOKIDA FISH FARMING SA."	3.469.460
TOTAL GOODWILL COMPANY	**9.719.551**
e) From the consolidation (calculated at acquisition) of the acquired in the year 2005 foreign company "ILKNAK SU URUNLERI SAV VE TIC A.S."	413.987
f) From the consolidation (calculated at acquisition)of the acquired in the year 2006 company "SEAFARM IONIAN SA"	6.037.335
g) From the consolidation (calculated at acquisition)of the acquired in the current period company KEGO SA"	3.418.766
h) From the consolidation (calculated at acquisition)of the acquired in the current period foreign company " PREDOMAR"	2.078.604
I) From the consolidation (calculated at acquisition) of the acquired in the current period foreign company "CARBON AS"	423.338
TOTAL GOODWILL GROUP	**22.091.582**

The account "Aquaculture licences" on Group level concerns the fair value of the aquaculture licenses of the companies of the Group "SEAFARM IONIAN SA", which arose following a study by an independent appraisal firm (in the frame of the participation of "NIREUS AQUACULTURE SA" in the increase of the Share Capital of "SEAFARM IONIAN SA") and was determined to the amount of € 8.500.000,00

The said fair value is not depreciated, but will be examined for impairment of its value, if there are events that provide indications for loss, according to IAS 36.

The goodwill derived from the consolidation of KEGO SA, PREDOMAR S.L. and Carbon A.S., has been measured using the relevant provision of IFRS 3, according to which an Entity may use provisional values for the evaluation of acquisition and recognise adjustments either in fair values or on acquisition cost on these provisional values:

a) within 12 month period of acquisition date and

b) with retrospective application from the acquisition date, as if its fair value at the acquisition date had been recognised from that date, and by amending goodwill and any comparative information

The provisional acquisition cost for PREDOMAR S.L. amounted to € 2.099.723

The total acquisition cost of CARBON AS amounted to € 417.021.

6.4 Subsidiaries

In the individual financial statements, the investments in subsidiary companies have been measured at impaired acquisition cost.

	GROUP	COMPANY
	30/6/2007	30/6/2007
Beginning of the year	**401.920**	**9.600.234**
Additions /decreases due to absorbion	-	7.856.176
Total	**401.920**	**17.456.409**

The amount of € 401.920 that is disclosed in the interim financial statements for the period 1/1-30/06/2007 includes the amount of € 39.414 which represents the impaired cost of NIREUS subsidiary company "THETIS SA", and the amount of €362.506 which represents the impaired cost of SEAFARM IONIAN SA subsidiary company "DIATROFIKI SA". Both companies are not included in consolidation since they are under liquidation.

In this interim half-year period 01/01-30/06/07 the company acquired participation in the companies KEGO SA and its subsidiaries, PRENGORDE DE DORADAS PARA MARICULTURA S.L. (PREDOMAR) and CARBON DIS TICARET YATIRIM INSAAT VE SANAYI A.S. (CARBON) that were consolidated for the first time in its Group Financial Statements.

In the consolidated Income Statement of the current interim half-year period 01/01-30/06/07 the relevant figures of these participations are accounted as of their acquisition date till 30/06/07 as follows:

a) KEGO SA and its subsidiaries for the period 28/02/-30/06/07. b) PRENGORDE DE DORADAS PARA MARICULTURA S.L. (PREDOMAR) for the period 24/1-30/06/07 and c) CARBON DIS TICARET YATIRIM INSAAT VE SANAYI A.S. (CARBON) for the period 11/3-30/06/07.

Company's shares in non-listed companies are as follows:

Company	Cost	Impairment	Recovery on investment/divinents obtained	Balance Sheet Value	Country of Incorporation	Participation percentage
THETIS SA (under liquidation)	1.690.060	(1.650.646)	-	39.414	GREECE	100,00%
PROTEUS EQUIPMENT SA	29.347	-	-	29.347	GREECE	50,00%
ALPINO SA	17.328.978	(15.548.567)	-	1.780.412	GREECE	100,00%
AQUACOM LTD	1.141.394	-	-	1.141.394	VIRGIN ISLANDS	100,00%
A-SEA SA	575.446	(337.159)	-	238.288	GREECE	100,00%
NIREUS INTERNATIONAL LTD	530.000	-	-	530.000	CYPRUS	100,00%
MIRAMAR SU URUNLERI VE BALIK YEMI URETIMI SANAYI VE TICARET A.S.	148	-	-	148	TURKEY	0,02%
SEA FARM IONIAN SA	7.023.144	-	-	7.023.144	GREECE	18,366%
KEGO A.E.	6.917.077	-	(242.815)	6.674.262	GREECE	20,0045%
	35.235.595	**(17.536.371)**	**(242.815)**	**17.456.409**		

Dividends received from accumulated profits that arise before the date of acquisition are regarded as a recovery of an investment.

6.5. Investments in associates

In the individual financial statements of the Company the investments in associates have been valued at impaired cost.

	GROUP		COMPANY	
	30/6/2007	**31/12/2006**	**30/6/2007**	**31/12/2006**
Beginning of the period	**1.333.861**	**852.084**	**518.959**	**518.959**
Balance of new companies , at acquisition date	**529.875**	**-**	**-**	-
Additions	34.697.718	-	34.697.718	-
Consolidation by the equity method	(442.179)	481.777	-	-
Total	**36.119.275**	**1.333.861**	**35.216.677**	**518.959**

The amount of (€ 442.179) that appears at the incorporation of investments in associates using the equity method at 30/06/2007, concerns for (€ 117.920) the company BLUE FIN TUNA S.A., for € 42.408 the company VITATRACE NUTRITION LTD and for (€ 366.667) the company MARINE FARMS A.S.A.. The amount of € 529.875 is the participation KEGO Company's share value in the Equity of VITATRACE NUTRITION SA, at the acquisition date.

The company's interest in its associates, all of which are not listed on the Athens Stock Exchange (except MARINE FARMS A.S.A.), is as follows:

NAME OF THE COMPANY	Cost	Impairment	Net book amount	Country of incorporation	% Participation Percentage
PER MARE RESEARCH A.E	22.891	(9.932)	12.959	GREECE	39%
ILKNAK	56.000	-	56.000	TURKEY	3,10%
BLUEFIN TUNA A.E	650.000	-	650.000	GREECE	25%
MARINE FARMS ASA	34.497.718	-	34.497.718	NORWAY	29,88%
	35.226.608	**(9.932)**	**35.216.677**		

The investment in the associate company MARINE FARMS ASA includes Goodwill amounting to euro 17.704.712,78

6.6. Deferred Tax

Deferred tax assets and liabilities as arise from relative temporary tax differences, are as follows:

	GROUP				COMPANY			
	30/6/2007		31/12/2006		30/6/2007		31/12/2006	
	ASSETS	LIABILITIES	ASSETS	LIABILITIES	ASSETS	LIABILITIES	ASSETS	LIABILITIES
Non-current Assets								
Intangible assets	570.351	565.144	598.726	186.121	-	22.837	218.606	-
Property, Plant & Equipment	653.817	1.479.748	414.189	393.558	167.903	-	240.454	-
Other long-term receivables								
Current Assets								
Inventories	1.058.744	10.339.106	608.425	8.621.227	10.833	7.998.536	10.833	6.783.781
Receivables	2.664.236	164.724	2.671.286	52.494	1.658.763	7.324	1.655.064	2.618
Non-current liabilities								
Retirement benefit plans	669.594	25.047	572.247	16.542	501.940	-	469.110	-
Other non-current liabilities	-	146.157	-	135.846	-	146.157	-	135.846
Provisions	673.340	-	-	4.832	-	-	-	4.832
Current liabilities								
Other current liabilities	41.492	83.999	-	-	-	52.378	-	-
Adjustment of tax rate	-	-	59.356	69.359	-	-	-	-
	6.331.573	**12.803.926**	**4.924.229**	**9.479.979**	**2.339.439**	**8.227.232**	**2.594.068**	**6.927.077**
		6.472.353		**4.555.751**		**5.887.793**		**4.333.009**

The Group's deferred tax liabilities as at 30/06/2007 pertain for € 317.129 to companies with registered office in Turkey, for € 10.381 to companies with registered office in Spain and for € 12.476.416 to companies with registered office in Greece. The respective amounts as at 31/12/2006 for companies with registered office in Turkey where € 389.935 and for companies with registered office in Greece € 9.090.044.

The Group's deferred tax assets as at 30/06/2007 pertain for € 26.540 to companies with registered office in Turkey (income tax statutory rate equal to 30%), for € 40.208 to companies with registered office in Spain (income tax statutory rate 30%) and for € 6.264.825 (income tax statutory rate 25%) to companies with registered office in Greece.

The respective amounts as at 31/12/2006 for companies with registered office in Turkey where € 26.418 and for companies with registered office in Greece where € 4.897.811.

6.7 Non Current Assets classified as held for sale

	GROUP		COMPANY	
	30/6/2007	31/12/2006	30/6/2007	31/12/2006
Beginning of the period	**2.054.485**	**2.384.016**	**123.229**	**2.384.016**
Balance at acquisition date of new companies				
Tranfers	-	4.682.269	-	-
Additions	-	2.000	-	2.000
Disposals/Write offs	(124.654)	-	(74.273)	-
Sales	-	(5.013.800)	-	(2.262.787)
Total	**1.929.831**	**2.054.485**	**48.955**	**123.229**

In the interim half-year period 1/1-30/6/2007 the liquidated companies SOS AEGEAN and HELLENIC AGRICULTURAL EXPORTAS S.A. that have been written-off have been reported by crediting the "Other income/expenses" account (Note 6.27).

6.8 Other non-current liabilities

	GROUP		COMPANY	
	30/6/2007	30/6/2006	30/6/2007	30/6/2006
Other long term receivables	12.260	-	-	-
Given guaranties	225.530	216.812	118.919	124.224
Total	**237.790**	**216.812**	**118.919**	**124.224**

6.9 Biological assets

The biological assets of the Group were measured at their fair value, according to IAS 41. The fair value was determined based on market prices at the Balance Sheet date. Biological assets are the reserves of spawn-generating adult fish, fish spawn and stock breeding products at that time and are measured at fair value (i.e. selling price) based on IAS 41. This method has as a consequence in periods with intensive harvesting the significant growth of reserves and gains that arise from the difference between cost of produce and measurement at selling prices.

Fair value reconciliation of biological assets is presented is the following table:

	GROUP		COMPANY	
	30/6/2007	31/12/2006	30/6/2007	31/12/2006
Opening Balance of biological assets at 1 January	**153.068.570**	**114.600.471**	**128.315.642**	**100.369.326**
Opening inventories at date of acquisition of subsidiary with biological assets	**5.748.768**	**13.153.647**	**-**	**9.700.237**
Increases due to purchases of biological assets	4.121.796	473.732	1.570.076	615.244
Gain/Loss arising from changes at fair value attributable to price or quantity changes of biological assets	66.158.876	106.319.298	57.032.306	100.286.975
Decreases due to sales	(61.237.336)	(81.478.578)	(51.274.419)	(82.656.140)
Closing Balance of biological assets at 30 June 2007	**167.860.675**	**153.068.570**	**135.643.606**	**128.315.642**
ANALYSIS OF BIOLOGICAL ASSETS IN BALANCE SHEET				
A) Biological assets below 200gr (Assets – Non-current assets)	69.864.967	63.220.524	59.886.692	52.347.777
B) Biological assets above 200gr (Inventories - Current assets)	97.795.636	89.848.047	75.756.915	75.967.865
C) Biological Stock breeding Assets (inventories current assets	200.071	-	-	-
TOTAL BIOLOGICAL ASSETS	**167.860.675**	**153.068.570**	**135.643.606**	**128.315.642**

6.10 Inventories

The inventories of the Group and the Company are as follows:

	GROUP		COMPANY	
	30/6/2007	31/12/2006	30/6/2007	31/12/2006
Merchandise	3.424.784	1.420.752	1.922.715	1.413.569
Finished and semi-finished goods	7.355.581	5.722.447	5.671.652	5.566.643
Work in progress	230.307	126.499	230.307	126.499
Raw and auxiliary materials-Package materials	5.882.574	4.015.841	3.128.419	2.663.380
Consumables	92.593	82.806	86.356	75.421
Packaging items	44.961	42.248	43.506	41.457
Total	**17.030.800**	**11.410.594**	**11.082.954**	**9.886.969**

6.11 Trade receivables

The trade and other receivables of the Group and the Company are as follows:

	GROUP		COMPANY	
	30/6/2007	31/12/2006	30/6/2007	31/12/2006
Trade receivables	42.688.582	23.680.773	38.473.188	28.447.707
Notes receivable	542.915	1.148.456	272.695	1.123.671
Cheques receivable	43.702.410	29.879.970	22.076.178	27.807.963
Total	**86.933.907**	**54.709.198**	**60.822.061**	**57.379.341**

The above amounts have been decreased with the amounts of any relative provisions

6.12 Other receivables

Other receivables of the Group and the Company are as follows:

	GROUP		COMPANY	
	30/6/2007	31/12/2006	30/6/2007	31/12/2006
Sundry debtors	10.016.784	8.384.142	14.620.623	11.121.812
Claims from Greek State	10.986.929	11.246.343	8.498.637	8.440.290
Other claims	238.406	-	-	-
Disputed debtors	41.540	70.379	30.000	30.000
Cash accommodation to personnel	318.227	-	170.231	-
Derivative	240.000	- -	-	-
Prepayments to personnel	507	304.525	-	214.700
Total	**21.842.393**	**20.005.388**	**23.319.491**	**19.806.802**

The above amounts have been decreased with the amounts of any relative provisions

6.13 Other current assets

Other current assets of the Group and the Company are as follows:

	GROUP		COMPANY	
	30/6/2007	31/12/2006	30/6/2007	31/12/2006
Deferred expenses	455.566	477.372	238.368	345.825
Accrued income	194.611	339.086	29.293	76.233
Purchases uppon delivery	-	93.837	-	93.837
Other deferred expenses and accrued income	498.691	-	498.691	-
Total	**1.148.868**	**910.295**	**766.351**	**515.895**

6.14 Financial Assets at fair value through profit and loss (FVTPL)

FVRPL Concerns high liquidity investments in shares with short-term investment horizon. The financial assets at fair value through profit or loss of the Group and the Company are as follows:

	GROUP		COMPANY	
	30/6/2007	31/12/2006	30/6/2007	31/12/2006
Securities	**1.304**	**595**	**1.304**	**595**
Balance, at acquisition date, of new companies	6.335	-	-	-
Transfers/(decreases)/Revaluation	4	709	(62)	709
TOTAL	**7.643**	**1.304**	**1.242**	**1.304**

6.15 Cash and cash equivalents

The cash and cash equivalents of the Group and the Company are as follows:

	GROUP		COMPANY	
	30/6/2007	31/12/2006	30/6/2007	31/12/2006
Cash in hand	95.527	125.857	61.625	60.514
Sight bank deposits	2.124.277	10.629.752	450.626	10.340.000
Time bank deposits	5.507.247	655.137	4.980.000	280.708
Total	**7.727.051**	**11.410.746**	**5.492.251**	**10.681.222**

The cash and cash equivalents represent cash in hand and bank deposits available at first call.

6.16 Equity

i) Issued Capital

NIREUS SA shares are traded in the Athens Stock Exchange.

	GROUP				COMPANY			
	Number of Shares	Share Capital (ordinary shares)	Share premium	Total	Number of Shares	Share Capital (ordinary shares)	Share premium	Total
At 1 January 2006	**40.368.514**	**50.460.643**	**37.152.013**	**87.612.655**	**40.368.514**	**50.460.643**	**37.152.013**	**87.612.655**
Changes due to merger of subsidiaries companies	69.755	87.194	(0)	**87.194**	**69.755**	**87.194**	(0)	**87.194**
Other Changes	494.350	617.938	512.147	**1.130.084**	**494.350**	**617.938**	512.147	**1.130.084**
Balance at 31/12/2006	**40.932.619**	**51.165.774**	**37.664.159**	**88.829.933**	**40.932.619**	**51.165.774**	**37.664.159**	**88.829.933**
Increase of share capital with the capitalization of reserves and retained earnings	**-**	**10.233.155**	**(6.957.912)**	**3.275.243**	**-**	**10.233.155**	**(6.957.912)**	**3.275.243**
Increase of share capital by cash payment	**1.522**	**2.283**	**2.739**	**5.022**	**1.522**	**2.283**	**2.739**	**5.022**
Share capital increase expenses	-	-	(276.811)	**(276.811)**	-	-	(276.811)	(276.811)
Balance at 30 June 2007	**40.934.141**	**61.401.212**	**30.432.177**	**91.833.388**	**40.934.141**	**61.401.212**	**30.432.177**	**91.833.388**

The repeating General Assembly Meeting at 11/04/2007 has decided:

a) The increase of share capital with the capitalization of reserves to the amount of 10.233.154,75 € by the increase of the nominal value of the share from 1,25 to 1,50 €,

b) The share capital increase by cash payment to 15.349.731 € and the issue of 10.233.154 new nominal shares of nominal value of 1,50 and offering price of 3,30 € each. Total income from the capital increase will rise to 33.769.408,2€. The share premium of 18.419.677,2 € will be classified in balance sheet under "Share Premium" account.

ii) Fair value Revaluation Reserve

The analysis of fair value reserves is as follows:

	GROUP	COMPANY
Balance at 1 January 2006	**11.424.075**	**8.691.297**
Transfers	37.997	744.759
Revaluations 2006	(970.138)	-
Balance at 31/12/2006	**10.491.934**	**9.436.057**
Tranfers	118	-
Balance at 30 June 2007	**10.492.052**	**9.436.057**

iii) Other reserves

Other reserves of the Company are as follows:

COMPANY	LEGAL RESERVE	IMPAIRMENT LOSS OF PARTICIPATIONS	TAX-FREE RESERVES UNDER SPECIAL LAW PROVISIONS	RESERVES WITH ADJUSTMENTS TO IFRS 2	RESERVES FUNDS FOR FUTURE CAPITAL INCREASE	OTHER RESERVES	TOTAL
Balance at 1 January 2006	**2.819.341**	**(3.598.628)**	**8.802.639**	**-**	**-**	**45.687**	**8.069.038**
Tranfers from merger	45.751	-	121.841	-	-	6.367	**173.959**
Changes from merger	-	3.598.628	-	-	387.775	-	**3.986.403**
Stock options IFRS 2	-	-	-	764.625	-	-	**764.625**
Changes throughout the year	129.632	-	-	-	-	-	**129.632**
Balance at 31 December 2006	**2.994.724**	**-**	**8.924.479**	**764.625**	**387.775**	**52.054**	**13.123.657**
Changes throughout the period	-	-	(2.810.756)	-	(387.775)	(52.054)	**(3.250.586)**
Balance at 30/6/2007	**2.994.724**	**-**	**6.113.723**	**764.625**	-	-	**9.873.071**

The changes to Other Reserves for the interim half-year period 1/1-30/6/07 relates to the capitalization or reserves as quoted above (Note 6.16)

6.17 Borrowing costs

The non-current and current borrowings are as follows:

	GROUP		COMPANY	
	30/6/2007	**31/12/2006**	**30/6/2007**	**31/12/2006**
Non-current borrowings				
Bank borrowings	100.879.367	89.610.477	66.120.915	57.051.237
Less: Current part of the long term bank borrowings	(8.484.646)	(6.390.945)	(6.167.728)	(5.222.042)
Total non-current borrowings	**92.394.722**	**83.219.532**	**59.953.187**	**51.829.195**
Current part of the long term borrowings				
Current part of long term bank borrowings	8.484.646	6.390.945	6.167.728	5.222.042
Current part of borrowings (other long term liabilities)	146.735	146.735	146.735	146.735
Current part of the long term borrowings	**8.631.381**	**6.537.680**	**6.314.463**	**5.368.777**
Short Term Loans				
Bank borrowings	91.311.455	28.426.099	67.822.653	28.424.023
Total short term bank borrowings	**91.311.455**	**28.426.099**	**67.822.653**	**28.424.023**
Total borrowings	**192.190.823**	**118.036.576**	**133.943.568**	**85.475.260**

Maturities of non-current borrowings are analysed below:

The maturity of non-current borrowings is as follows:	GROUP		COMPANY	
	30/6/2007	**31/12/2006**	**30/6/2007**	**31/12/2006**
Between 1 and 2 years	19.013.265	8.488.681	14.075.353	6.872.849
Between 2 and 5 years	44.914.949	38.371.283	34.872.172	28.691.785
Over 5 years	28.466.509	36.359.568	11.005.662	16.264.562
	92.394.722	**83.219.532**	**59.953.187**	**51.829.195**

6.18 Retirement benefit Plans

The Group and the company recognises as retirement benefit obligation the present value of the legal commitment that has assumed for the payment of lump sum compensation to retired personnel. The relative obligation was determined based on actuarial calculations.

The respective obligation of the Group and the Company is as follows:

	GROUP		COMPANY	
	30/6/2007	31/12/2006	30/6/2007	31/12/2006
Balance liability at beginning of the year	**2.155.854**	**1.538.117**	**1.876.440**	**1.318.626**
Balance at acquisition date of new companies	260.838	165.065		202.132
Current service cost	28.981	14.810	-	-
Interest cost	1.102	6.665	-	-
Compensation paid	-	(4.602)	-	-
Net actuarial (profit)/losses recognised in PL	131.320	435.799	131.320	355.682
Balance liability at beginning of the period	**2.578.096**	**2.155.854**	**2.007.760**	**1.876.440**

The principal actuarial assumptions used are the following:

	30/6/2007	31/12/2006
Discount rate	4,5%	4,5%
Future salary increases	3,5%	3,5%
Inflation	2,5%	2,5%
Percentage of retirements	0,5%	0,5%

6.19 Government Grants

The analysis of Grants of the Group and the Company, is as follows:

	GROUP	COMPANY
Balance at 1 January 2006	**5.806.629**	**4.654.290**
Balance at acquisition date of new companies	668.694	586.017
Proceeds	1.515.139	1.167.617
Changes throughout the year	(1.932.520)	(1.368.154)
Balance at 31 December 2006	**6.057.942**	**5.039.770**
Balance at acquisition date of new companies	1.039.432	-
Proceeds	350.307	350.307
Changes throughout the year	(762.334)	(636.114)
Balance at 30 June 2007	**6.685.347**	**4.753.963**

6.20 Other non-current liabilities

The analysis of other non-current liabilities, of the Group and the Company, is as follows:

	GROUP		COMPANY	
	30/6/2007	31/12/2006	30/6/2007	31/12/2006
Long term liabilities according to article 44 of Law 1892/90	5.102.367	4.989.269	-	-
Liability for purchase of PPE assets	308.471	308.471	308.471	308.471
TOTAL	**5.410.838**	**5.297.740**	**308.471**	**308.471**

The amount of € 5.102.367 of Group Other non-current liabilities arise from liabilities of the Group "SEAFARM IONIAN SA" which has been inducted to article 44 of L. 1892/90.

6.21 Trade and other payables

The analysis of the balances of trade and other payables of the Group and the Company, is as follows:

	GROUP		COMPANY	
	30/6/2007	31/12/2006	30/6/2007	31/12/2006
Trade payables	18.559.313	20.473.365	17.650.374	20.448.037
Cheques payables	46.928.080	44.531.045	43.006.414	42.833.706
Promissory notes	620.937	486.577	620.937	486.577
Notes payables	131.192	96.995	-	-
Total	**66.239.522**	**65.587.982**	**61.277.725**	**63.768.320**

6.22 Other current payables

Other current payables are analysed as follows:

	GROUP		COMPANY	
	30/6/2007	31/12/2006	30/6/2007	31/12/2006
Wages and salaries payables	1.356.031	1.428.797	1.022.548	1.096.502
Dividends	4.484.826	91.858	3.276.182	1.637
Social securities	1.320.183	1.775.564	716.871	1.133.317
Taxes due	4.552.353	4.601.283	1.864.719	2.791.046
Accrued expenses	4.542.300	3.534.556	2.893.082	1.946.191
Sundry creditors-prepayments	7.632.548	3.356.317	3.881.845	2.112.537
Total	**23.888.242**	**14.788.374**	**13.655.247**	**9.081.231**

6.23 Revenue

Analysis of sales of merchandise and other inventories is as follows:

	GROUP		COMPANY	
	30/6/2007	30/6/2006	30/6/2007	30/6/2006
Sales of Merchandise & goods	37.805.980	30.441.510	31.703.876	27.170.463
Sales of other inventories and waste materials	5.323.007	4.708.248	5.151.080	4.344.154
Rendering of services	173.323	312.192	176.350	110
Total sales of merchandise and other inventories	**43.302.310**	**35.461.950**	**37.031.306**	**31.514.727**

6.24 Third party fees and utilities

Follows analysis of third party fees and benefits:

	GROUP		COMPANY	
	30/6/2007	30/6/2006	30/6/2007	30/6/2006
Third party fees and utilities	6.597.777	4.253.089	6.596.615	4.921.014
Third party benefits	4.393.641	3.466.010	3.049.005	2.653.127
Total third party fees and benefits	**10.991.417**	**7.719.099**	**9.645.620**	**7.574.141**

6.25 Finance income/costs

	GROUP		COMPANY	
	30/6/2007	30/6/2006	30/6/2007	30/6/2006
Income/expenses from the incorporation of companies by the equity method	(287.614)	331.600	-	-
Profit/Loss from the acquisition of participations	(359.747)	8.163	-	-
Income from participations	-	-	50.000	-
Income from valuation of derivatives	240.000	-	-	-
Income from securities	313	2.804	33	524
Other credit interest	72.738	61.739	66.085	61.232
Other income	13.430	-	-	-
Interest and other expenses	(4.743.479)	(2.888.308)	(3.191.684)	(1.968.764)
Finance costs	**(5.064.360)**	**(2.484.003)**	**(3.075.566)**	**(1.907.008)**

6.26 Other operating expenses

Analysis of other operating expenses is as follows:

	GROUP		COMPANY	
	30/6/2007	30/6/2006	30/6/2007	30/6/2006
Taxes-duties (Other non-incorporated in the operating cost taxes)	365.387	233.885	294.750	142.880
Transportation expenses	5.469.249	4.524.026	4.926.083	4.124.485
Travelling expenses	398.983	380.243	322.227	328.647
Sales promotion and advertising expenses	594.583	1.176.950	566.956	870.952
Exhibition and demonstration expenses	214.267	152.607	213.974	146.456
Special export expenses	54.779	50.945	51.936	48.234
Subscriptions – Memberships	87.612	90.334	76.837	79.784
Donations and subsidies	69.356	42.429	54.150	24.279
Printed matter and stationery	77.335	79.783	57.901	69.666
Consumable materials	1.362.593	663.744	602.120	423.138
Publication expenses	59.853	69.166	27.110	16.420
Expenses for participating interests and securities	-	33.796	-	11.092
Valuation differences of participating interests	62	-	62	-
Losses from sale of participating interests and	-	54.406	-	54.406
Sundry expenses	319.694	223.360	174.949	137.720
Accrual sundry expenses (Acc. 58.64)	243.737	127.074	243.737	112.685
Operating provisions	390.693	682.665	146.209	518.928
Total other operating expenses	**9.708.184**	**8.585.414**	**7.759.000**	**7.109.772**

6.27 Other income/(expenses)

The analysis of other income and expenses is the following:

	GROUP		COMPANY	
	30/6/2007	30/6/2006	30/6/2007	30/6/2006
Grants and other sales revenue	305.454	329.284	66.801	50.974
Other Operating Income	149.367	152.995	143.543	312.566
Other income	1.286.184	124.297	742.929	451.377
Tax fines and related charges	(31.233)	(1.085)	(3.567)	(144)
Exchange differences	51.689	(177.796)	(45.761)	(36.216)
Other expenses	(719.425)	476.783	(564.430)	(2.051)
Loss from destruction of obsolete stock	(209.535)	(255.588)	(199.581)	(89.232)
Loss from Fixed Assets disposal	(1.577)	(421.704)	-	(171)
Profit from Fixed Assets disposal	33.174	67.912	7.250	34.486
Prior year Taxes (except income tax)	(85.125)	-	-	-
Other prior year income /expenses	(7.640)	(212.657)	72.471	(519.255)
Total of Other Income/(Expenses)	**771.335**	**82.441**	**219.656**	**202.336**

Other operating income mainly concerns income from rendering of services to third parties as well as income from rentals.

Other income mainly comprises of income from exchange differences, as well as deferred income from grants.

Other income/expenses includes the deletion of the liquidated companies SOS AEGEAN and HELLENIC AGRICULTURAL EXPORTS SA (Note 6.7)

6.28 Income tax

The income tax expense of the Group and the Company, is as follows:

	GROUP		COMPANY	
	30/6/2007	30/6/2006	30/6/2007	30/6/2006
Current Income Tax for the period	(1.092.707)	(403.262)	(392.448)	(235.066)
Prior years' tax audit differences	(664.605)	(673.130)	(424.605)	-
Other non-incorporated in the operating cost taxes	-	(1.463)		(1.463)
Deferred tax	(1.737.539)	(2.122.811)	(1.554.785)	(1.449.961)
Total	**(3.494.851)**	**(3.200.665)**	**(2.371.839)**	**(1.686.489)**
Profit before tax	**12.067.209**	**8.404.989**	**7.985.467**	**7.036.232**
Tax rate	25%	29%	25%	29%
Estimated tax charge	**(3.016.802)**	**(2.437.447)**	**(1.996.367)**	**(2.040.507)**
Differed income tax for the period	(1.737.539)	(2.122.811)	(1.554.785)	(1.449.961)
Other adjustments (tax-free reserves, other tax relieves, other non deductible expenses	1.924.095	2.034.185	1.603.919	1.805.442
Tax audit differences for prior years	(664.605)	(673.130)	(424.605)	-
Other non-incorporated in the operating cost taxes	-	(1.463)	-	(1.463)
Actual tax charge	**(3.494.851)**	**(3.200.665)**	**(2.371.839)**	**(1.686.489)**

Tax charge for the period 01/01-30/06/07, has been calculated using an effective tax rate of 25% on taxable profit.

6.29 Earnings per share

Analysis of earnings per share of the Group and the Company is as follows:

	GROUP		COMPANY	
	30/6/2007	30/6/2006	30/6/2007	30/6/2006
Profit attributable to equity holders of the	5.323.718	4.915.500	5.613.629	5.349.741
Weighted average number of ordinary shares	40.932.627	40.368.514	40.932.627	40.368.514
Basic earnings per share (€ per share)	**0,130**	**0,122**	**0,137**	**0,133**

Basic earnings per share are calculated by dividing the profit attributable to shareholders of the parent Company by the weighted average number of ordinary shares in issue during the year, excluding ordinary shares purchased by the Company and held as treasury shares.

6.30 Critical accounting judgements and key Sources of Estimation Uncertainty

In the process of applying IFRS, management has made judgements and assumptions, which may cause significant effects on the carrying amounts of assets and liabilities, the required disclosures for contingent assets and liabilities at the balance sheet date as well as the reported amounts of revenue and expenses recognised within the accounting period. The use of available information and management's judgement constitutes integral part of making estimates. Future results may differ from the above estimates, while the deviations may have a significant impact on the financial statements. Management's estimates and judgements are continually reviewed, based on historical experience and other factors, including expectations of future events that are deemed to be currently reasonable.

7. Contingent Assets and Contingent Liabilities

The Company and the Group have contingent liabilities in respect of Banks, other guarantees and other matters arising in the ordinary course of business, as following:

Information in respect of contingent assets and liabilities

There are no claims or litigations to national or arbitrary courts that may have a material effect on the financial position or operation of the Group.

	30/6/2007	31/12/2006
Liabilities		
Letters of guarantee for securing good execution of suppliers contracts	316.537	143.613
Letters of guarantee for securing liabilities	519.597	542.723
Other collaterals for securing liabilities	115.932	488.208
Real estate mortgages & pre-notices	3.159.252	3.159.252
Total	**4.111.318**	**4.333.794**

We also find appropriate to mention the following:

The European Commission ruled that the tax-free reserves of Law 3220/2004 constitute unlawful state incentives. Because the Greek ministry of Finance, at the present time, has not issued an interpretation of this ruling the parent company for this reason has not made a provision against its results.

The above tax-free reserves of the parent company and one of its subsidiaries that were formed in the years 2003 and 2004 amount to euro 1.817.524,55 and the minimum amount of tax that the Group may be called to pay for these tax-free reserves is estimated to be approximately euro 635 thousand.

	30/6/2007	31/12/2006
Receivables		
Notes receivable for securing execution of contract terms	171.093	171.093
Letters of guarantee for securing receivables	176.596	176.596
Cheques receivable for securing execution of contract terms	165.613	101.133
Other collaterals for securing receivables	151.274	151.274
Bills of exchange from trade debtors for guarantee	29.347	29.347
Total	**693.923**	**629.443**

8. Assets pledged as Security

Mortgages of € 15.000.000,00 have been registered on the fixed assets of the parent company "NIREUS SA" as a collateral of a Bond loan issued in favour of EUROBANK, the balance of which amounted to € 47.500.000,00 on 30/06/07. Pre-notice of mortgage of € 1.220.000,00 has been registered, as a collateral of a long-term loan from the National Bank of Greece, the balance of which on 30/06/07 amounted to € 927.272,73 as well as pre-notation of mortgage of € 1.244.740 in favour of Agricultural Bank of Greece as a collateral of credit balance which on 30/06/07 amounted 455.206,29 Euros.

Moreover, on the property of the consolidated not listed in the Athens Stock Exchange subsidiary ALPINO S.A, has been registered a mortgage of € 4.225.000,00 to secure a Bond loan issued in favour of ALPHA BANK, the balance of which at 30/06/2007 amounted to € 3.945.000,00. On the land of the consolidated subsidiary company "SEAFARM IONIAN S.A" have been registered mortgage amounted Euros 200.000 to secure a loan in favour of Attica Bank, the balance of which on 30/06/07 amounted to € 157.786,18 as well as a mortgage amounted Euros 100.000 and pre-notice of mortgage amount to 80.000 Euros in favour of third party. Besides, on two parcels of land have been registered pre-notice mortgages amount to 296.404,99 Euros to secure the loan of National Bank of Greece the balance of which on 30/06/07 amounted to € 1.704.917,40 and euros 381.511,37 to secure the loan of Bank of Cyprus and the balance of which on 30/06/2007 amounted to € 720.620,44. Also on fixed assets of the consolidated subsidiary ALPHA ZOOTROFES LOKRIDAS S.A. have been registered pre-notice mortgage amount to 352.164,35 Euros in favour of Agricultural Bank of Greece. Following an agreement at 13/12/06 between the firm and Agricultural Bank of Greece that amount has been adjusted to 411.243,51 Euros. This happened due to the transfer of "SEAFARM IONIAN S.A" under the jurisdiction of article 44 of Law 1892/1990 and all that are mentioned there concerning subsidiaries.

Moreover it is noteworthy that companies " Proteines Zootrofon and Ixthiotrofon Ltd" and "Th.& H. Vlaxos O.E." have registered two pre- notice mortgages on ALPHA ZOOTROFES LOKRIDOS SA fixed assets amounting € 850.000. Following a settlement between the parties, the two companies agreed to remove those pre-notice mortgages.

Mortgages have also been registered in favour of NBG on "KEGO S.A." property for the amount of € 293.470 as a collateral of a loan amount to € 5.835.395,27 as at 30/06/07.

A pre-notice on a parcel of land has also been registered in favour of Eurobank for the amount of €733.675,00 as a collateral for a loan amounted to € 829.959,52 as at 30/06/07. Another parcel of land of the same company has been pledged in favour of NBG for the amount of €1.100.000,00 as a collateral of a loan amounted to € 900.000 as at 30/06/07.

Also on a parcel of land of the subsidiary ENALIOS S.A. there has been registered a pre-notice mortgage in favour of EUROBANK for the amount of € 264.123,25 to secure a loan amounting to €700.000,00 as at 30/06/2007

We note also last, that shares of a consolidated subsidiary company of NIREUS AQUACALTURE SA, listed in the Athens Stock Exchange, of total value (closing price of 30/06/2007) of euro 6.480.000,00 at 30/6/2007, have been placed as security in favour of Cyprus Bank for a long-term loan of the parent company, the balance of which amounted to euro 5.000.000,00 at 30/6/2007.

Apart from the above mentioned there are no other pledges against Nireus and the Group's assets

9. Related – party transactions

The sharing composition of NIREUS S.A in 30/06/2007 is the following

Surname - Name	Number of Shares	Percentage
BELLES ARISTIDIS	7.813.001	19,09%
DEUTSCHE BANK AG LONDON	3.016.462	7,37%
HAVIARAS NIKOLAOS	2.168.841	5,30%
G22-HG22 SMALLCAP WORLD FUND ING.	2.075.000	5,07%
Other Sahreholders < 5%	25.860.837	63,18%
Total	**40.934.141**	**100,00%**

The amounts of the purchases and the sales of the company, cumulatively from the beginning of the current year as well as the balance of receivables and payables of the company that have arisen from the transactions with related parties at the end of the current year are as follows:

a) Purchases of goods and services	**GROUP**	**COMPANY**
Purchases of goods & merchandise	-	12.454.999
Purchases of other services	-	1.071.805
Total	**-**	**13.526.804**

b) Sales of goods and services	**GROUP**	**COMPANY**
Sales of goods & merchandise	-	11.393.320
Sales of other services	-	44.830
Total	**-**	**11.438.150**

The above transactions were made under arm's length transactions

c) Receivables from related parties	**GROUP**	**COMPANY**
Subsidiaries of NIREUS Group	-	14.986.781
	-	**14.986.781**

d) Payables to related parties	**GROUP**	**COMPANY**
Subsidiaries of NIREUS Group	-	6.960.536
	-	**6.960.536**

The above transactions and the balances have been written off from the consolidated financial data of the Group.

e) Loans to Directors	**GROUP**	**COMPANY**
Directors' fees	508.180	185.654
Directors' renumeration	413.891	413.891
	922.071	**599.545**

f) Managers Fees	**GROUP**	**COMPANY**
Managers Fees	1.181.197	833.501
	1.181.197	**833.501**

10. Un-audited by tax authorities fiscal years

The un-audited by the tax authorities financial years for the companies forming part of the Group are as follows:

	UN-AUDITED
A.COMPANIES of «NIREUS AQUACULTURE GROUP	
NIREUS AQUACULTURE S.A	2005-2006
AQUACOM LTD	---
ALPINO S.A.	2001-2006
PROTEUS CONSTRUCTIONS S.A	2005-2006
A-SEA S.A.	2003-2006
ILKNAK SU URUNLERI SAN Ve TIC A.S.	2006
CARBON DIS TICARET YATIRIM INSAAT VE SANAYI A.S.	2000-2006
PREENGORDE DE DORADAS PARA MARICULTURA S.L.	1999-2006
KEGO SA	2005-2006
ENALIOS SA.	2003-2006
VITA TRACE NUTRITION LTD	2003-2006
NIREUS INTERNATIONAL LTD	newly incorported
MIRAMAR PROJECTS CO LTD - UK	newly incorported
MIRAMAR SU URUNLERI VE BALIK YEMI URETIMI SANAYI VE TICARET A.S.	newly incorported
BLUEFIN TUNA SA	2004- 2006
MARINE FARMS ASA	---
B. COMPANIES OF «SEAFARM IONIAN Group»	
SEAFARM IONIAN S.A.	2005 - 2006
ALPHA ZOOTROFES LOKRIDAS S.A.	2003-2006
SEAFARM IONIAN (CENTRAL EUROPE) GMBH	1999-2006
AQUA TERRAIR S.A.	1999-2006

11. Significant events for the period 01/01-30/06/2007

1) Three year exclusive co-operation agreement with MERKOS S.A.

At 24/1/07 a 3-year exclusive co operation agreement was signed with MERKOS S.A. which operates in Fishery processing. According to this agreement, Merkos will handle certain steps in the chain of production (i.e. gutting and filleting of fresh farmed fish).

This co-operation enables NIREUS to cover the greatly increasing demand for processed products, mainly abroad, succeeding one of the main strategic goals of the Group; the growth and distribution of high quality products to meet consumer's demands. The Group has already started the production and distribution of 2000 tons of the above-mentioned products. Furthermore, a higher growth rate of such products has been planned for the up coming years.

2) Acquisition of the listed Norwegian Firm Marine Farms ASA

At 17/4/07 NIREUS SA acquired the 17,9% of the share capital of Marine Farms ASA, which is listed in the Oslo Stock Exchange. In particular, NIREUS SA acquired 6.557.497 shares in the closing price of 16/4/07 at 23 NOK (Norwegian Crown) per share (2,85€ /share). Afterwards NIREUS SA acquired 4.384.650 shares more in the closing price of 20/4/2007 at 27,9887 NOK (3,45€ /share). As a result NIREUS SA increased its share in the equity capital of Marine Farms to 10.942.147 shares which represents the 29,88% of its total share capital. The total acquisition cost amounted to 34,5 million Euros and was funded by Bank borrowing.

This acquisition is a part of an overall plan for the internationalisation of the Group's activities, which is so far accomplished through acquisitions and direct investments in Turkey and Spain. The productive profile of Marine Farms meets the strategic goals of NIREUS SA. The Norwegian company has developed a vertical production structure for Mediterranean Aquaculture (sea bass and sea bream) in Spain with annual productive capacity of 7.200 tons and 15 million pieces of spawn. In addition, the company has another unit in Scotland with producing capacity 9.500 tons and 7,5 million pieces of spawn. The Company has also started to produce fish Cobia in Central America and in Asia (Vietnam) in order to cover the increasing demand in the US and Japanese Markets. The Company is licensed to produce 8000 tons of Cobia fish (annually). Finally company's operations include the production of haddock spawn in a hatchery unit in Scotland of a capacity of 3 million units.

Marine Farms Group in the year 2006 reached Turn Over of 71,9 million €, EBITDA 19,9 million € and earnings before taxes 13,3 million.

3) The 1st repeated General Assembly Meeting at 11/04/2007 has decided:

a) The increase of share capital with the capitalization of reserves to the amount of 10.233.154,75 € by the increase of the nominal value of the share from 1,25 to 1,50 €, in order to participate in investing plans.

b) The share capital increase by cash payment to 15.349.731 € and the issue of 10.233.154 new nominal shares of nominal value of 1,50 and offering price of 3,30 € each. Total income from the capital increase will rise to 33.769.408,2€. The share premium of 18.419.677,2 € will be classified in balance sheet under "Share Premium" account. The already existing shareholders may exercise their preference right. Money received from the share capital increase in cash will fund the investment program of NIREUS Aquaculture SA.

c) The issue of a convertible bond, with preference right of already existing shareholders, but not traded in Athens Stock Exchange. This bond will be used to both refinance the syndicated loan of EFG EUROBANK ERGASIAS and MILLENNIUM BANK (existing from 28/12/2006) and partially pay bank borrowings already employed for the Company's investment programme.

The Company has issued a briefing note according to the Greek Legislation and the Rule 809/2004 of the EU Committee (concerning the share capital issue by cash payments with preference right of already existing shareholders and issue of the convertible bond), which has been approved from the Board of Directors of the Stock exchange Committee.

4) The regular General Assembly of 8/05/2007 has decided the following:

a) The General Assembly has unanimously approved Board of Directors Report for the year 2006 together with the Report concerning the transactions with the associated companies, which is in accordance with the law N.3016/2002 for Corporate Governance. Moreover, the General Assembly approved the annual individual and consolidated Financial Statements for the year ended 31.12.2006 after hearing the Auditor's report.

b) The General Assembly approved the profit for the year and the dividend distribution of 2006, 0,080 € per share which would be available to the shareholders by 6/7/2007.

c) The General Assembly has decided to transfer its Headquarters location to the Koropi Municipal from the Kampohora Municipal in the Island of Chios. It has also been decided to amend the Charter of Incorporation (article 2). The company was listed in the SA registry at 21/05/2007 following the relevant approving decision by the Ministry of Development.

e) The General Assembly has unanimously elected the new Board of Directors. Its term will expire along with the General Assembly of 2012. The General Assembly has also elected its independent non-executive members complying with the provisions of law N. 3016 (Corporate Governance). They are:

1) Belles Aristidis

2) Haviaras Nikolaos

3) Alexakis Panagiotis

4) Loumpounis Dimitrios

5) Hahlakis Antonios

6) Triantafilou Christos

7) Lampadarios Epameinondas

8) Lamprinoudis Pantelis

9) Karachaliou Ioanna , independent non executive member.

10) Lamprinopoulos Konstantinos, independent non-executive.

11) Theos Konstantinos, independent non-executive.

5) NIREUS S.A. has acquired at 28/6/2007 38,78% (namely 793 shares) on the share capital of the subsidiary company A-SEA S.A. for the symbolic price of one (1) euro after a majority decision of the General Assembly of 8/05/2007 that approved the terms and conditions of the purchase agreement according to article 23a of Law 2190/1920; as well as a 1,23 % (namely 7.365 shares) of the share capital of the subsidiary company ALPINO S.A after two consecutive acquisitions at 25/6/2007 and 27/6/2007. After these transactions the total participation percentage of NIREUS in both companies has reached 100%.

12. Number of employed personnel

The number of employed personnel at June 30, 2007 amounted to 923 for the Company and 1.761 for the Group while at June 30, 2006 amounted to 753 and 1.208 respectively.

13. Events after the Balance Sheet date

1)(a) The share capital increase through cash payment in favour of shareholders, as decided by the 1st Repeated Extraordinary General Meeting of Shareholders on 11-4-2007, took place from 21/6/2007 to 5/7/2007, and was fully subscribed, raising 33.769.408,20 euro, by the issue of 10.233.154 new common registered shares at 1,50€ par value and 3,30€ issue price each.

The total number of shares asked by shareholders who exercised their preference right as well as by those who exercised their pre-registration right amounted totally to 11.615.676 shares corresponding to 38.331.730,80 euros resulting to an over-subscription of 1,135 times compared to 10.233.154 shares of a total 33.769.408,20 euros that represent the actual capital raise issue.

More specifically, 97,39% of the total capital raised was covered by exercised preference rights while 2,61% corresponding to non-executed preference rights was distributed to those shareholders that exercised their pre-registration right. It is noted that a total of 1.650.058 shares were pre-subscribed resulting to 6,167611 times over the amount of the un-subscribed shares, forming a pre-subscription satisfaction rate of 16,21373%.

Consequently, the company's share capital is to increase by 15.349.731 euros, through the issuance of 10.233.154 new common registered shares at a par value of 1,50€ each.

According to the Law and the Company's statutory, the proceeds of 18.419.677,20 euro resulting from the difference between the issue price and the par value of the shares will be committed to the 'above par reserves' account. After the raise of capital is concluded, the Company's share capital will amount to 76.748.659,50 euro, divided in 51.165.773 common registered shares at a par value of 1,50€ each.

As of Thursday 19-07-2007 the 10.233.154 new common registered shares at a par value of 1,50 euros that were issued due to the capital raise, have started trading on the Athens Stock Exchange after the relevant approving decision of the Board of Directors of the Athens Exchange on 12/07/2007.

The new shares (which will be issued in a dematerialized form) that have been resulted from the above said capital increase will be credited to each shareholder's declared share account (S.A.T. accounts).

1(b) The issue of a convertible bond by the Company, according to articles 8 of Law 3156/2003 and article 3a of Law 2190/1920, of a total amount of 19.995.575,10 each, by cash payment and with a preference right in favor of existing shareholders, as it has been decided by the 1st Repeated Extraordinary General Meeting of Shareholders on 11-4-2007, was initially subscribed during the period 21/6/2007 until 5/7/2007, by 44,98% from shareholders who exercised their preference right, representing 920.541 convertible bonds of total amount of 8.993.685,57 euros.

Then, by decision of the Board of Directors of the Company that has been previously authorized by the 1st Repeated Extraordinary General Meeting of Shareholders on 11-4-2007, the remaining 1.126.089 un-subscribed convertible bonds, were distributed to the cooperating banks EFG Eurobank-Ergasias S.A. and Millennium Bank S.A. and specifically 563.045 were distributed to EFG Eurobank-Ergasias S.A., and 563.044 were distributed to Millennium Bank S.A., which are also lenders to NIREUS for the existing syndicated loan of 28-12-2006, the refinancing of which constitutes one of the purposes for the issue of the said convertible bond. The two banks, on July 12 2007, undertook the obligation to cover the un-subscribed bonds, each of them paying 5.500.950 euros and 5.500.940 euros, respectively.

Therefore, the above convertible bond issue was subscribed by 100% reaching the total amount of 19.995.575,10 euros, divided in 2.046.630 common registered bonds at a par value and issue price of 9,77€ each.

The main terms of the convertible bond loan are:

Type of Bonds: Registered, convertible to common registered shares of the issuer.

Number of Bonds convertible to common shares: 2.046.630

Nominal value of Bonds: 9,77 Euro

Issue price of Bonds: 9,77 Euro per Bond

Duration: 5 years.

Coupon: fixed annual 1.00%

Yield to maturity: 31,01%

Redemption price of bonds: 12,799677 Euro

Conversion Price: 4,68129 euro

Conversion Rate: 2,08703 common registered shares with equal voting rights at a nominal value of 1,50 euro each.

Consequently, every convertible bond owner will have the right to convert every single bond to 2,08703 common registered shares (Conversion Rate), with equal voting rights, at a conversion price of 4,68129 euro per share (Conversion Price).

2) NIREUS S.A. has proceeded from 24/7/2007 till 24/8/2007 to the acquisition of 475.890 shares with equal voting rights of KEGO S.A. of a total value of € 1.753.287,92. After the above transactions, the total participation percentage of NIREUS S.A. to KEGO S.A. reached 22,749% from 20,004%

3) NIREUS S.A. has proceeded from 6/8/2007 till 22/8/2007 to the acquisition of 107.000 shares with equal voting rights of MARINE FARMS ASA, increasing after these transactions its share in the equity capital to 11.049.147 shares which represents the 30,17% of its total share capital. After that, NIREUS SA controls the 33,325% (both directly and indirectly) of the share capital of Marine Farms.

4) NIREUS S.A. in execution of the 28/6/2006 pre-agreement has acquired 303.909 nominal shares of SEAFARM IONIAN S.A from Mr. Stavros Papageorgiou. Also in execution of the 7/7/2006 pre-agreement NIREUS SA has acquired 112.528 nominal shares of SEAFARM IONIAN S.A., from Mr. Stavros Papageorgiou, Irilena Papageorgiou, Stamatis Papageorgiou and Aristides Papageorgiou. NIREUS SA has acquired other 51.205 nominal shares of SEAFARM IONIAN S.A from the company “Afoi Pavlaki O.E”. After the above transactions that were carried out on 9/7/2007 the total participation percentage of NIREUS S.A. to SEAFARM IONIAN S.A. reached 19,809% from 18,366%.

Athens, August 24 2007

PRESIDENT AND MANAGING DIRECTOR	VICE PRESIDENT AND MANAGING DIRECTOR	GROUP CHIEF FINANCIAL OFFICER	ACCOUNTING MANAGER
ARISTIDIS ST. BELLES I.D. No: AB 347823	HAVIARAS EMM. NIKOLAOS I.D. No: AA 499020	PAPANIKOLAOU H. DIMITRIOS I.D. No: S 260153	KONSTANTOPOULOS G. IOANNIS I.D. No: AB 264939