

SFAKIANAKIS

Interim Financial Statements

For the period 01.01.2007 - 30.06.2007

prepared in accordance with the International Financial Reporting Standards (IFRS)

The attached interim financial statements are those approved by the Board of Directors of SFAKIANAKIS S.A. on 3rd September 2007 which have been posted to the internet on the website www.sfakianakis.gr

SFAKIANAKIS S.A.

Companies Reg. No. 483/06/B/86/10

5-7 Siderokastrou St. & Pydnas St., Athens, GR-11855

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Review Report on Interim Financial Information

To the Shareholders of SFAKIANAKIS S.A

Introduction

We have reviewed the accompanying standalone and consolidated balance sheet of SFAKIANAKIS S.A as at 30 June 2007, and the related statements standalone and consolidated 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 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 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 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”.

Athens, 3 September 2007

Konstantinos Evangelinos

Certified Public Accountant Auditor

SOEL Reg. No. 13151

SOL S.A. – Certified Public Accountants Auditors

3, Fok. Negri Street - Athens, Greece

FINANCIAL STATEMENTS

I. BALANCE SHEET					
		GROUP		COMPANY	
	NOTE	30.06.2007	31.12.2006	30.06.2007	31.12.2006
ASSETS					
Non-current assets					
Tangible Assets (Property, plant and equipment)	6	183,461,108	165,190,196	93,714,000	85,567,968
Intangible assets	7	800,064	734,347	573,142	454,043
Goodwill	8	4,385,276	4,385,276		
Investments in subsidiaries	9.1			37,512,140	39,964,804
Investments in associates	9.2	15,098,927	14,270,137	17,310,008	16,292,047
Deferred income tax	16	3,086,828	3,430,809	760,954	1,205,065
Customers and other receivables	11	42,122,645	39,890,441	2,968,621	2,883,468
Total non-current assets		248,954,849	227,901,206	152,838,865	146,367,395
Current assets					
Inventories	10	74,775,951	78,979,717	50,363,878	47,570,066
Customers and other receivables	11.1	183,276,009	147,845,834	144,079,797	97,519,738
Available-for-sale financial assets	11.2	12,693,380	9,903,977	12,234,756	9,297,149
Cash and cash equivalents	12	52,502,779	28,787,980	43,084,085	19,876,283
		323,248,118	265,517,508	249,762,517	174,263,236
Total assets		572,202,967	493,418,714	402,601,382	320,630,631
EQUITY					
Capital and reserves attributed to parent company shareholders					
Share Capital	13.1	12,109,500	12,109,500	12,109,500	12,109,500
Premium on capital stock	13.1	10,601,614	10,601,614	10,601,614	10,601,614
Fair value reserves	13.2	587,548	1,297,753	6,359,112	7,046,277
Other reserves	13.2	28,172,556	15,998,113	27,660,553	15,693,900
Results carried forward	13.4	59,208,729	61,783,470	57,855,056	60,355,938
		110,679,946	101,790,450	114,585,835	105,807,229
Minority interest		5,776	218,494	0	0
Total equity		110,685,723	102,008,944	114,585,835	105,807,229
LIABILITIES					
Long-term liabilities					
Loans	14.1	89,733,457	88,740,972	58,200,000	62,800,000
Deferred income tax	15	15,031,465	14,901,479	11,857,591	11,576,223
Provisions for employee benefits	16	1,537,684	1,582,241	1,193,394	1,223,993
Other provisions	17	1,437,114	1,437,114	1,400,000	1,400,000
Asset subsidies		9,137	18,273	0	0
		107,748,857	106,680,079	72,650,984	77,000,216
Short-term liabilities					
Suppliers and other liabilities	18	137,344,824	110,555,642	93,513,458	54,619,030
Current Income tax	18.1	10,872,325	3,821,906	9,840,631	2,919,055
Short-term loans	14.2	205,551,238	170,352,143	112,010,473	80,285,101
		353,768,387	284,729,691	215,364,563	137,823,186
Total liabilities		461,517,244	391,409,770	288,015,547	214,823,402
Total Liabilities and Equity		572,202,967	493,418,714	402,601,382	320,630,631

INCOME STATEMENT					
OPERATING RESULTS		GROUP		COMPANY	
		<u>01.01-30.06.2007</u>	<u>01.01-30.06.2006</u>	<u>01.01-30.06.2007</u>	<u>01.01-30.06.2006</u>
Sales	5	219,503,183.92	199,565,630.25	181,568,254.50	110,608,026.95
Cost of sales		<u>152,993,763.30</u>	<u>145,878,357.62</u>	<u>134,564,658.99</u>	<u>78,826,102.09</u>
Gross Profit		66,509,420.62	53,687,272.63	47,003,595.51	31,781,924.86
Selling expenses	19.1	47,150,856.94	36,555,134.90	28,143,894.44	13,298,831.00
Administrative expenses	19.1	11,787,714.24	9,138,783.73	7,035,973.61	3,324,707.75
Other operating income/(expenses) (net)	19.2	<u>13,050,957.61</u>	<u>11,764,270.81</u>	<u>8,946,865.06</u>	<u>5,051,505.05</u>
Operating income		20,621,807.05	19,757,624.81	20,770,592.52	20,209,891.16
Net financial expenses	19.3	6,071,113.06	5,501,307.59	3,916,134.49	2,399,679.52
Investing result	19.4	<u>6,503,628.42</u>	<u>(707,669.43)</u>	<u>6,239,412.24</u>	<u>713,460.68</u>
Earnings before tax		21,054,322.41	13,548,647.79	23,093,870.27	18,523,672.32
Income tax	20	<u>5,310,966.40</u>	<u>7,017,624.59</u>	<u>4,738,991.58</u>	<u>6,728,099.63</u>
Profits for the period		<u>15,743,356.01</u>	<u>6,531,023.20</u>	<u>18,354,878.69</u>	<u>11,795,572.69</u>
Attributable to:					
Parent company shareholders	21	15,955,561.45	5,777,657.20	18,354,878.69	11,795,572.69
Minority interest		(212,205.44)	753,366.00		
Earnings per share net of tax (in €)		1.21	0.44	1.39	0.90
Average weighted No. of shares		13,162,500	13,162,500	13,162,500	13,162,500

STATEMENT OF CHANGES IN EQUITY

Attributable to company shareholders					
<i>amounts in euro</i>	Share capital and premium on capital stock	Reserves	Results carried forward	Minority interest	Total equity
CONSOLIDATED FINANCIALS					
Balance on 1 January 2006	22,711,114.09	23,122,733.00	37,608,922.00	4,398,054.00	87,840,823.23
ADJUSTMENT			31,609.08	(7,007.00)	24,602.08
Profit distributed in 2006 to reserves		2,689,423.33	(2,689,423.33)		0.00
Fair value reserves		26,232.63			26,232.63
Net profit/loss for the period			7,284,388.88	(753,366.00)	6,531,022.88
Less: Dividends			(3,344,140.93)		(3,344,140.93)
Total net profit (loss) recognised for the period	0.00	2,715,655.96	1,282,433.70	(760,373.00)	3,237,716.66
Balance on 30 June 2006	22,711,114.09	25,838,388.96	38,891,355.70	3,637,681.00	91,078,539.89
Attributable to company shareholders					
<i>amounts in euro</i>	Share capital and premium on capital stock	Reserves	Results carried forward	Minority interest	Total equity
CONSOLIDATED FINANCIALS					
Balance on 1 January 2007	22,711,114.09	17,295,865.37	61,783,470.08	218,494.00	102,008,943.54
ADJUSTMENT		(138,559.90)	363,950.07	(512.06)	224,878.11
Profit distributed in 2006 to reserves		12,313,002.93	(12,313,002.93)		0.00
Fair value reserves		(710,205.00)			(710,205.00)
Net profit/loss for the period			15,955,561.45	(212,205.44)	15,743,356.01
Less: Dividends			(6,581,250.00)		(6,581,250.00)
Total net profit (loss) recognised for the period	0.00	11,464,238.03	(2,574,741.41)	(212,717.50)	8,676,779.12
Balance on 30 June 2007	22,711,114.09	28,760,103.40	59,208,728.67	5,776.50	110,685,722.66
Attributable to company shareholders					
<i>amounts in euro</i>	Share capital and premium on capital stock	Reserves	Results carried forward	Minority interest	Total equity
COMPANY FINANCIALS					
Balance on 1 January 2006	22,711,114.09	16,248,107.00	39,847,361.00	0.00	78,806,582.09
ADJUSTMENT		46,920.32	160,816		207,736.37
Profit distributed in 2006 to reserves		1,115,017.05	(1,115,017.05)		0.00
Fair value reserves		26,232.63			26,232.63
Net profit/loss for the period			11,795,573.00		11,795,573.00
Less: Dividends			(3,290,625.00)		(3,290,625.00)
Total net profit (loss) recognised for the period	0.00	1,188,170.00	7,550,747.00	0.00	8,738,917.00
Balance on 30 June 2006	22,711,114.09	17,436,277.00	47,398,108.00	0.00	87,545,499.09
Attributable to company shareholders					
<i>amounts in euro</i>	Share capital and premium on capital stock	Reserves	Results carried forward	Minority interest	Total equity
COMPANY FINANCIALS					
Balance on 1 January 2007	22,711,114.09	22,740,177.10	60,355,937.91	0.00	105,807,229.10
ADJUSTMENT			(2,307,857.73)		(2,307,857.73)
Profit distributed in 2006 to reserves		11,487,072.65	(11,487,072.65)		0.00
Fair value reserves		(687,165.33)			(687,165.33)
Net profit/loss for the period			18,354,878.69		18,354,878.69
Less: Dividends			(6,581,250.00)		(6,581,250.00)
Total net profit (loss) recognised for the period	0.00	10,799,907.32	(2,021,301.69)	0.00	8,778,605.63
Balance on 30 June 2007	22,711,114.09	33,540,084.42	58,334,636.22	0.00	114,585,834.73

CASH FLOW STATEMENT (Amounts in €)				
	GROUP		COMPANY	
	30.06.2007	30.06.2006	30.06.2007	30.06.2006
Operating activities				
Earnings before tax	21,054,322.41	13,548,647.79	23,093,870.27	18,523,672.32
Plus/Minus adjustments for:				
Depreciation	10,416,301.49	7,744,578.12	2,054,221.39	1,592,154.87
Provisions	1,498,146.64	872,535.77	672,721.30	407,249.00
Foreign currency differences	(985,935.02)	(1,290,887.53)	(986,974.65)	(1,278,475.51)
Results (income, expenses, profits & losses) from investing activities	(7,113,128.31)	214,281.04	(6,513,660.49)	(978,788.17)
Interest charges and related expenses	7,399,381.75	5,884,989.00	4,241,331.20	2,755,890.87
Plus / minus adjustments for changes in working capital accounts or related to operating activities				
Decrease/ (increase) in stocks	4,203,766.20	4,741,572.17	434,169.62	5,131,855.26
Decrease/ (increase) in receivables	(21,249,023.61)	(17,669,417.02)	(15,140,397.30)	(10,758,719.69)
(Decrease)/Increase in liabilities (save banks)	9,768,995.93	17,643,488.38	7,302,169.20	12,945,689.63
Less:				
Interest charges and related expenses paid	(7,743,890.54)	(5,474,117.80)	(4,879,491.71)	(2,748,416.70)
Tax paid	<u>(2,575,440.22)</u>	<u>(8,979,985.60)</u>	<u>(2,223,832.08)</u>	<u>(8,394,265.36)</u>
Total input/(output) from operating activities (a)	<u>14,673,496.73</u>	<u>17,235,684.32</u>	<u>8,054,126.75</u>	<u>17,197,846.52</u>
Investing Activities:				
Acquisition of subsidiaries, affiliates, joint ventures and other investments	(7,717,960.00)	(8,981,930.14)	(8,257,960.00)	(9,485,552.64)
Purchase of intangible and tangible assets	(34,724,876.32)	(27,594,330.16)	(5,689,975.34)	(2,529,491.28)
Proceeds on sale of intangible and tangible assets	5,693,394.75	5,382,536.56	1,739,693.59	972,756.72
Proceeds (payments) from sale (purchases) of investment securities (shares/ commercial papers)	8,855,135.09	0.00	8,561,936.49	0.00
Interest received	861,659.08	689,084.47	288,987.09	361,324.29
Dividends collected	<u>1,193.08</u>	<u>40,973.48</u>	<u>0.00</u>	<u>40,973.48</u>
Total input/(output) from investing activities (b)	<u>(27,031,454.32)</u>	<u>(30,463,665.79)</u>	<u>(3,357,318.17)</u>	<u>(10,639,989.43)</u>
Financing Activities				
Proceeds from increase in share capital	0.00	0.00	0.00	0.00
Proceeds on loans issued/ taken out	62,250,224.88	(3,499,907.13)	43,118,910.74	10,911,551.55
Loan repayment	(22,159,165.80)	32,029,878.19	(24,607,916.97)	(9,369,802.85)
Leasing arrangement liabilities paid (instalments)	(4,018,302.49)	(8,716,780.51)	0.00	0.00
Dividends paid	<u>0.00</u>	<u>(2,116,765.41)</u>	<u>0.00</u>	<u>(2,116,765.41)</u>
Total input/ (output) from financing activities (c)	<u>36,072,756.59</u>	<u>17,696,425.14</u>	<u>18,510,993.77</u>	<u>(575,016.71)</u>
Net increase/ (decrease) in cash and cash equivalents (a) + (b) + (c)	<u>23,714,799.00</u>	<u>4,468,443.67</u>	<u>23,207,802.35</u>	<u>5,982,840.38</u>
Cash and cash equivalents at the beginning of the period	<u>28,787,979.68</u>	<u>22,127,267.30</u>	<u>19,876,283.14</u>	<u>11,765,757.16</u>
Cash and cash equivalents at the end of the period	<u>52,502,778.68</u>	<u>26,595,710.97</u>	<u>43,084,085.49</u>	<u>17,748,597.54</u>

NOTES TO THE FINANCIAL STATEMENTS

1. General Information

These financial statements include the corporate financial statements of SFAKIANAKIS S.A. (the Company) and the consolidated financial statements of the Company and its subsidiaries (the Group).

Group's main activity is the import and trade in cars, motorcycles and spare parts for Suzuki and Cadillac and Daf trucks, Berkhof buses and Landini farm machinery. Group's retail activities include trade in Opel, Ford, Volvo and Cadillac cars and Suzuki and BMW cars and motorcycles. Moreover, the Group is involved in car hire, trade in electronic and telecommunications materials and telecom services and insurance brokerage, IT and communications product distribution and providing courier services. Additionally, Group is active in urban residential and real estate.

The Group operates in Greece, Cyprus, Bulgaria, FYROM and Albania. Parent company's shares are traded on the Athens Exchange.

The company's registered offices are in Greece in the Municipality of Athens, Attica at the junction of 5-7 Sidirokastrou St. & Pynas St. The company's website is www.sfakianakis.gr.

Merger of subsidiaries

During 2006 the subsidiaries AUTOTEAM S.A., AUTOLINK S.A., AUTOFORUM S.A. and CADILLAC HELLAS S.A. were merged by absorption with the parent company SFAKIANAKIS S.A. in line with Law 2166/1993 which operated in the retail sale of cars as official dealers for the manufacturers OPEL, FORD, VOLVO and CADILLAC.

The merger of these companies was approved by decision No. K2-18176 of the Ministry of Development on 22.12.2006. The transformation date was 31.10.2006 and the operations of the merged companies for the period 01.11 – 31.12.2006 was included in the parent company's financial statements of 31.12.2006. In the consolidated results of 31.12.2006 were included the results for the period 01.01 – 31.10.2006 of the subsidiaries which were merged.

During 2007 the subsidiary SFAKIANAKIS S.A., which operates in the retail sale of cars as official dealer and repairer for BMW, was merged by absorption with the parent company SFAKIANAKIS S.A. The merger of the above mentioned company was approved by decision No. K2-8300 of the Ministry of Development on 31.05.2007. The date of transformation Balance Sheet was assigned on 28.02.2007.

This merger did not affect the consolidated financial statements. The operations of the merged company SFAKIANAKIS S.A. for the period 01.03–30.06.2007 were included in the parent company's financial statements of 30.06.2007. Consequently, due to this merger the figures for the parent company shown in the financial statements and the breakdowns of those statements are not comparable (30.06.2007 - 30.06.2006).

Structure of the Group – Total Integration

Group's structure after the merger of the five subsidiaries is as follows:

COMPANY	GROUP % HOLDING			
	Country	Direct	Indirect	Total
SFAKIANAKIS S.A.	Greece	Parent company		Parent company
PERSONAL BEST S.A.	Greece	100,00%		100,00%
PANERGON S.A.	Greece	100,00%		100,00%
EXECUTIVE INSURANCE BROKERS S.A.	Greece	100,00%		100,00%
EXECUTIVE LEASE S.A.	Greece	100,00%		100,00%
MIRKAT OOD	Bulgaria	99,91%		99,91%
MIRKAT DOOEL SKOPJE	FYROM	100,00%		100,00%
WIN LINK S.A.	Greece	40,00%		40,00%

2. Major accounting principles used by the Group

2.1 Context within which the financial statements are drawn up

These financial statements of Sfakianakis S.A. relate to the period 01.01.2007 to 30.06.2007 and are complete. They have been prepared in accordance with the IFRS adopted by the European Union.

The accounting principles which are outlined below have been applied to all periods presented.

Preparation of the financial statements in accordance with the IFRS requires the use of accounting estimates and the exercise of judgement on how the accounting principles followed apply. These cases are outlined in Note 4.

The financial statements have been prepared on the basis of the historic cost principle amended by the adjustment in the value of real estate property to their fair (market) value in line with the exemption granted in IFRS 1, the valuation of investments in subsidiaries, affiliates and assets available for sale at fair value, and financial assets and liabilities at fair value in the income statement.

There are no changes to the accounting principles used compared to those used in preparation the financial reports for 31 December 2006.

The estimates and judgements made by Management are re-examined continuously and are based on historical data and expectations about future events which are considered reasonable in light of current circumstances.

2.1.1 Impact of newly issued accounting standards and interpretations

The IASB and the IFRIC have issued new accounting standards and interpretations. Management estimates concerning their impacts are as follows:

IAS 19 (Revision) Employee benefits: (Valid from 1.1.2006) According to this amendment, IAS 19 grants an option for new accounting of how actuarial profits and losses from certain pension plan benefits. It permits full posting of the actuarial profits and losses direct to equity. It also clarifies how economic units should take into account defined employment benefit plans in their financial statements and requires disclosure of supplementary information. The Company did not review its current accounting principles for recognising liabilities in terms of employee benefits.

IAS 39 (Revision) Accounting offsetting of cash flows to calculate intragroup transactions: (Valid from 1.1.2006) This revision permits a FX risk for a very likely intragroup transaction to be deemed subject to a hedge in the financial statements where: (a) the transaction is conducted in a currency other than the current currency of the entity entering into the transaction and (b) the FX risk will affect the profits or losses. On 30.06.2007 there were not expected transactions between the Company and the SFAKIANAKIS Group of companies which could be deemed hedges.

IAS 39 (Revision), Selection of fair value: (Valid from 1.1.2006) This revision changes the definition of financial instruments which have been presented at fair value in the income statement and limits the ability to place financial instruments in this category. The company did not use this option in its financial statements.

IAS 39 and IFRS 4 (amendment) – Financial guarantee contracts: (Valid from 1.1.2006) This revision seeks to ensure that the issuers of financial guarantee contracts include the liabilities arising in their balance sheet. In particular, the issuer of such a contract should initially recognise it at fair value (unless it is considered to be an insurance contract) and then value at either whichever of the following values is higher: (a) the amount arising on the basis of the principles in IAS 37 on Provisions and (b) the amount initially recognised less the amount already posted as income in accordance with IAS 18 on income recognition. These amendments had no impact on the Company's financial statements.

IAS 21 (Revision) The effects of changes in foreign exchange rates: (valid from 1.1.2006). This amendment permits foreign exchange difference arising from monetary assets which are part of the net investment in economic units abroad to be posted directly to consolidated equity even when those assets are

expressed in a currency other than the functional currency of the Group's counterparties. These amendments do not affect the Group's financial statements.

IFRS 1 (Revision) First-time adoption of the International Financial Reporting Standards and IFRS 6 (Revision) Exploration for and evaluation of mineral resources: (Valid from 1.1.2006) These revisions are not related to company activities since it is not applying the IFRS for the first time and does not explore for and evaluate mineral resources.

IFRIC 3: Emission rights: This interpretation was withdrawn by IFRIC.

IFRIC 4: Determining whether an arrangement contains a lease: (Valid from 1.1.2006) IFRIC 4 requires a determination of whether a receivable is or includes a lease based on the substance of the receivable. It requires an assessment of whether: (a) fulfilment of the receivable depends on the use of the specific asset and (b) the receivable transfers the right to use the asset. This is not applicable to the Group and will not affect its financial statements.

IFRIC 5: Rights to Interests Arising from Decommissioning, Restoration and Environmental Funds: (Valid from 1.1.2006). This is not applicable to the Group and will not affect its financial statements.

IFRIC 6: Liabilities Arising from Participating in a Specific Market - Waste Electrical and Electronic Equipment: (Valid from 1.1.2005). This is applicable to the Group and will not affect its financial statements.

The IASB issued the following standards and interpretations which were adopted by the EU and implementation thereof is mandatory after 1.1.2006.

IFRS 7: Financial Instruments - Disclosures: This standard is mandatory for accounting periods commencing after 1.1.2007. It is not expected to have a significant impact on the financial statements. This standard primarily requires additional disclosures about financial instruments.

IFRIC 7: Applying the Restatement Approach under IAS 29 - Financial Reporting in Hyperinflationary Economies: (Valid from 1.3.2006). This is not applicable to the Group and will not affect its financial statements.

IFRIC 8: Scope of IFRS 2: (Valid from 1.5.2006). This is not applicable to the Group and will not affect its financial statements.

IFRIC 9: Reassessment of Embedded Derivatives: (Valid from 1.6.2006). This is not applicable to the Group and will not affect its financial statements.

2.2 Consolidation

Subsidiaries

The consolidated financial statements include the financial statements of the company and the business units controlled by the company (its subsidiaries) on 30.06.2007.

Control is achieved where the company has the power to determine financial and operating decisions of a business unit so as to acquire benefits from its activities.

In acquiring a business, assets, liabilities and contingent liabilities on the acquisition date are valued at fair value.

The cost of acquisition, to the extent that it exceeds the fair value of the net assets acquired (assets – liabilities – contingent liabilities) is posted as goodwill to the accounting period in which the acquisition occurred.

Where the cost of acquisition is less than the fair value the difference is posted to the results of the accounting period in which the acquisition occurred.

The results of subsidiaries acquired or sold within an accounting period are included in the consolidated income statement from or up to the date of acquisition or sale respectively.

Financial statements of subsidiaries are suitably adjusted so that they are prepared based on Group accounting principles.

Intragroup transactions, intragroup balances and intragroup income and expenses are crossed out during consolidation.

Participations in subsidiaries in the separate balance sheet of the parent company are valued at acquisition cost less impairment losses.

In the parent company's separate balance sheet they are valued at fair value with the changes posted to equity.

Investments in associates

Associates are business units over which the Group can exercise substantive influence but not control or joint control. Substantive control is exercised via participation in financial and operational decisions of the business unit.

Investments in associates are presented in the balance sheet at cost, adjusted to the later changes in the Group's holding in the net assets of the associate, taking into account any impairment to the value of individual investments. Losses of associates other than Group rights in them are not posted.

The cost of acquisition of an associate, to the extent that it exceeds the fair value of the net assets acquired (assets – liabilities – contingent liabilities) is posted as goodwill to the accounting period in which the acquisition occurred in the account 'Investments in associates'.

In the parent company's separate balance sheet investments in associates are valued at fair value with the changes posted to equity.

2.3 Segmental Reporting

A business segment is a group of assets and operations engaged in providing products or services that are subject to risks and returns that are different from those of other business segments. A geographical segment is a geographical area engaged in providing products or services that are subject to risks and returns that are different from those of other areas.

Sales in Greece are treated as one geographical segment.

The Group is divided into three business/ geographical segments:

- (1) Domestic trade which is the main segment of activity for the parent company and group which operate in Greece. The greatest part relates to wholesale and retail sale of cars and spare parts. There is also industrial activity which is minimal and this is not monitored separately.
- (2) Domestic services, which relates to all activities of the subsidiary Executive Lease (car hire) and Executive Insurance Brokers (insurance brokerage).
- (3) Foreign trade, which relates to the activities of the subsidiary MIRKAT OOD (dealer for Suzuki in Bulgaria) and MIRKAT DOOEL SKOPJE (dealer for Suzuki in Skopje).

2.4 Foreign Exchange differences from conversion

(a) Functional and presentation currency

The financial statements of the Group's entities are valued in the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in Euro, which is the parent company's functional currency.

(b) Transactions and balances

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

Profits and losses from foreign exchange differences arising from conversion of currency units expressed in foreign currency during the period and on the balance sheet date at current exchange rates are posted to the results.

Foreign exchange differences from non-currency units valued at fair value are considered part of the fair value and thus are posted wherever fair value differences are posted.

(c) Companies of the Group

The conversion of the financial statements of companies of the Group which have a different functional currency than that of the parent company is done as follows:

Assets and liabilities are translated at the exchange rate at the date of that balance sheet.

Equity is translated at the exchange rate at the date on which it arose.

The foreign exchange differences arising are posted to an equity reserve and are recognised in the income statement when the businesses are sold.

Goodwill and adjustments in fair value generated during the acquisition of business units abroad are translated using exchange rates on the balance sheet date.

2.5 Property, plant and equipment

a) Property, plant and equipment (tangible assets) used by company itself

Tangible assets (property, plant and equipment), apart from production-related property, are valued at acquisition cost less accumulated depreciation and impairment losses. The cost of acquisition includes all directly payable expenses for acquiring assets.

Expenses incurred in later periods increase the book value of tangible assets only where it is likely that in the future they will generate financial benefits for the Group and their cost can be reliably estimated. The cost of repairs and maintenance is posted to the results when incurred.

Residual value and the useful life of tangible assets are subject to re-examination on each balance sheet date.

When the book value of property, plant and equipment exceeds the recoverable value the differences (impairment) are posted as expenses to the results (Note 2.7).

Plots – lots are not depreciated. Depreciation of other tangible assets is calculated using the straight line method over their useful life as follows:

Buildings	25-40	YEARS
Machinery & equipment	12-15	YEARS
Cars	4-6	YEARS
Other equipment	5-7	YEARS

The residual values are not recognized. When the tangible assets are sold, differences between the price received and the book value are posted as profits or losses in the income statement.

b) Investments in Property

Investments in property are valued at acquisition cost less depreciation and impairment losses.

2.6 Intangible assets

(a) Goodwill

Goodwill represents the difference between the cost and fair value of individual assets and liabilities upon acquisition of subsidiaries, associates or jointly controlled companies. Goodwill upon acquisition of associates includes the cost of investment.

Goodwill is posted as an asset and audited at least year for impairment.

To check goodwill, in order to ascertain if there is impairment, goodwill is allocated to the cash-generating units which represent the primary segmental reporting.

(b) Trademarks and licences

Trademarks and licences are valued at acquisition cost less depreciation. Depreciation is recorded using the straight line method over the useful life of the assets which ranges from 10 to 15 years.

(c) Software

Software licences are valued at acquisition cost less depreciation. Depreciation is recorded using the straight line method over the useful life of the assets which ranges from 3 to 5 years.

2.7 Impairment testing of tangible and intangible assets

Intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment.

Assets subject to depreciation are tested for impairment, when there are indications that their book value cannot be recovered.

The recoverable value is either the fair value less the amount required for the cost of sale or the usage value of the asset whichever is higher. The usage value is determined using discounted future cash flows with a suitable discount rate.

If the recoverable value is less than the carried value, then the carried value is reduced to the level of the recoverable value.

Impairment losses are posted as expenses in the income statement for the accounting period in which they were incurred.

When the impairment loss in a later period has to be reversed, the carried value of the asset is increased up to the level of the revised assessment of recoverable value to the extent that the new carried value does not exceed the carried value which would have been determined had the impairment loss not been posted in previous periods.

Reversal of the impairment loss is posted to income. To assess impairment losses assets are placed in the smallest possible cash-generating units.

2.8 Financial assets

The Group classifies financial assets in the following categories:

a) Receivables from customers

Receivables from customers are posted initially at fair value and later valued at carried cost using the actual interest rate less impairment losses. Impairment losses (losses from bad debt) are recognised when there are objective indications that the Group is not in a position to collect the amounts due based on contractual terms. The amount of the impairment loss is the difference between the book value of receivables and the present value of estimated future cash flows, discounted at the effective interest rate. The amount of impairment loss is recognised in the income statement as an expense.

b) Loans and other receivables

This includes non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. These are created when the Group provides money or goods and services and there is no intention to sell these assets.

c) Held-to-maturity investments

This includes non-derivative financial assets with fixed or determinable payments and a specific maturity date which the Group intends to and is capable of holding to maturity.

d) Available-for-sale financial assets

This includes non-derivative financial assets which cannot be included in any of the foregoing categories. They are included in non-current assets unless Management intends to dispose of them within 12 months of the balance sheet date.

Financial assets held for sale are valued at fair value and the relevant profits or losses posted to an equity reserve until the assets are sold or recognised as impaired. Upon sale or when recognised as impaired, the profits or losses are transferred to the results.

Fair value determination

The fair values of investments quoted on active markets are designated based on current prices. In the case of non-quoted assets, fair value is determined using valuation techniques such as discounted future cash flows and option valuation models.

On each balance sheet date the Group ascertains if there are objective indications which lead to the conclusion that the financial assets are impaired. In the case of equity investments classified as available for sale, a significant or prolonged decline in the fair value of the security below its cost is considered an indication of impairment. If impairment is identified, the cumulative loss, which is the difference between the acquisition cost and fair value, is recognised in the income statement.

2.9 Hedging activities

Cash flow hedges

The effective proportion of change in the fair value of derivatives defined as cash flow change hedges are posted to an equity reserve. The gain or loss on the non-effective proportion is posted to the results. The amounts posted as an equity reserve are carried forward to the results of the periods where the hedged assets affect profits or losses. In cases of hedging forecast future transactions which result in recognition of a non-monetary asset, profits or losses which had been posted to equity are carried forward to acquisition cost of the non-financial asset generated.

When a hedge matures or is sold or when the hedging proportion no longer meets the hedge accounting criteria, the profits and losses accrued to equity remain as a reserve and are carried forward to the results when the hedge affects profits or losses. In the case of a hedge on a forecast future transaction which is no longer expected to be realised, the profits or losses accrued to equity are carried forward to the income statement.

2.10 Inventories

Inventory is valued at acquisition cost or net realisable value which is lower. The cost of acquisition is designated using the average weighted cost method.

Net realisable value is assessed based on current sale prices of stocks in the context of normal activities less any sales expenses which apply in the case.

2.11 Cash and cash equivalents

Cash and cash equivalents include cash in sight deposits and short-term investments of up to 3 months which are highly-realizable and low risk.

2.12 Share capital

Ordinary shares are posted as equity. Direct costs for the issuing of shares are presented after deducting the income tax applied to reduce the proceeds of the issue. Direct costs related to the issuing of shares to

acquire businesses are included in the cost of acquiring the business acquired. There were no own share transactions.

2.13 Borrowings

Accounting principles

The cost of borrowing arising from the construction of production-related assets is capitalised during the period required to complete and prepare the asset for the use for which it is intended. Other borrowing costs are posted as expenses.

Net financial cost

Loans are posted initially at fair value less any direct costs for entering into the transaction. Later they are valued at carried cost using the effective interest rate. The Group has no liabilities from convertible corporate bonds.

2.14 Deferred income tax

Deferred income tax is calculated using the liability method which arises from temporary differences between the book value and taxation basis of the assets and liabilities.

Deferred tax is calculated at the tax rates applicable on the balance sheet date or those which will apply in the accounting periods in which the assets are expected to be acquired or the liabilities settled.

Deferred tax assets are posted to the extent that there will be a future taxable profit for use of the temporary difference generated by the deferred tax assets.

2.15 Employee benefits

Short-term benefits

Short-term benefits to staff in cash and kind are posted as expenses when accrued.

Staff leaving indemnity benefits

Leaving indemnity benefits are paid when employees depart before their retirement date. The Group posts these benefits when it undertakes either to terminate the employment of current employees in line with a detailed plan which is not likely to be withdrawn or when these benefits are offered as an incentive for voluntary redundancy. Leaving indemnity benefits due 12 months after the balance sheet date are discounted.

Provisions for post-employment benefits

The liability which is posted to the financial statements for defined benefit plans is the current value of the commitment for the defined benefit.

Independent actuaries using the projected unit credit method calculate the defined benefit obligation (compensation under Law 2112/1920 in the year of departure) each year.

2.16 Provisions

Provisions are recognised when the Group has current legal or presumed commitments as a result of incidents in the past, their clearance is likely via outputs and the level of the liability can be reliably estimated. Provisions are valued on the balance sheet date and are adjusted in order to reflect the current value of the expense which is expected to be required to settle the liability. Contingent liabilities are not recognised in the financial statements but are disclosed unless there is likelihood of a resource output incorporating financial benefits. Contingent assets are not recognised in the financial statements but are disclosed where the input of financial benefits is likely.

2.17 Income recognition

Income is recognised at valued at fair value of the sale of goods and services, before VAT and other taxes and net of discounts and returns. Intragroup revenue is completely crossed out. Revenue is recognised as follows:

a) Sales of goods

Sales of goods are recognised where the Group delivers goods to customers, the goods are accepted by them and collection of the receivables is reasonably secured.

b) Services

Income from services is booked based on the service completion stage compared to the total estimated cost.

c) Income from interest

Interest income is recognised on a time proportion basis using the effective or presumed interest method. When there is an indication of impairment of the receivable the book value is reduced to the recoverable amount which is the net value of expected future cash flows discounted using the initial effective interest rate.

d) Income from royalties

Income from royalties is booked based on accrued income arising from the substantive terms of the relevant contracts.

e) Dividends

Dividends are recognised as income when the right to receive payment is established.

2.18 Leasing

Leasing arrangements, where in effect the risk and rights of ownership remain with the lessor, are posted as operational leasing arrangements. Other leasing arrangements are classified as finance leases.

Lessor

The Group does not function as a lessor for financial leases.

Lessee

The lease payments made for operating leases are posted as expenses to the results on a systematic basis during the lease.

Assets held under finance leases are posted as Group assets valued upon signing of the lease at fair value or, where lower, at the present value of the minimum payable lease payments. The relevant liability to the lessor is posted to the balance sheet as a finance lease liability. Lease payments are allocated to financial expenses and to payment of liability in a manner which generates a fixed interest rate from time to time. The financial cost is posted to expenses.

2.19 Dividend Distribution

Dividends distributed to shareholders in the parent company are presented in the consolidated financial statements on the date that dividend distribution is approved by the General Meeting of Shareholders.

3. Financial risk management

3.1 Financial risk factors

The Group is exposed to financial risks, primarily market risk (changes in exchange rates, interest rates, market prices), credit risk and liquidity risk. The Group's general risk management plan focuses on the unpredictability of financial markets and seeks to minimise potential negative impacts on Group financial performance.

Risk management is effected by the Group's central financial services which operate on the basis of specific rules that have been approved by the Board of Directors. The Board of Directors provides guidelines and instructions on general risk management and special instructions on managing specific risks such as exchange rate risk, interest rate risk and credit risk.

(a) Market Risk

The Group operates in Greece and thus the greater part of Group sales are generated in Euro. However, part of the Group's merchandise is purchased in Japanese Yen.

(b)Credit Risk

The greater part of sales are in cash or with customer bank financing and thus the Group is not exposed to credit risk.

(c) Liquidity risk

Liquidity risks remains low given that adequate credit limits have been obtained from financial institutions and at the same time cash is at satisfactory levels. Effect cash flow management is utilized.

(d) Interest rate fluctuation risk

The Group's borrowing liabilities are associated with floating interest rates which can either remain floating or be converted to fixed rates depending on the circumstances.

4. Major accounting estimates & judgements made by the Management

The estimates and judgements made by the Management are re-examined continuously and are based on historical data and expectations about future events which are considered reasonable in light of current circumstances.

The Group makes estimates and assumptions about the development of future events. Estimates and assumptions which entail a significant risk of substantive adjustments in the book value of assets and liabilities

The Group's judgement is required to calculate:

- a) The provision for income tax. There are many transactions and calculations for which the final level of tax is uncertain. If the final tax is different from that initially recognised the difference will affect income tax and the provision for deferred taxation for that period.
- b) The useful life of assets, change in which will affect depreciation and the results of later accounting periods.
- c) Interest rate levels.

5. Segmental Reporting

Primary information sector - business segments

The Group is divided into three business/geographical segments:

- a) Domestic trade
- b) Domestic service provision and
- c) Foreign trade.

The results per segment on 30.06.2007 and 30.06.2006 were as follows:

30/06/2007				
<i>amounts in euro</i>	Domestic trade	Domestic service provision	Foreign trade	Total
Total gross sales per segment	241,158,791	10,425,593	8,347,692	259,932,076
Domestic sales	(25,277,300)	(11,335,551)	(3,816,041)	(40,428,892)
Net Sales	215,881,491	(909,958)	4,531,650	219,503,184
Operating income	24,559,645	1,372,354	1,193,437	27,125,435
Financial Expenses	(7,765,088)	1,382,984	310,991	(6,071,113)
Earnings before tax	16,794,557	2,755,338	1,504,428	21,054,322
Income tax and other taxes (distributed to results)				(5,310,966)
Net profit				15,743,356
30/06/2006				
<i>amounts in euro</i>	Domestic trade	Domestic service provision	Foreign trade	Total
Total gross sales per segment	215,669,604	10,448,300	3,979,385	230,097,289
Domestic sales	(26,898,587)	(900,135)	(2,732,938)	(30,531,659)
Net Sales	188,771,017	9,548,166	1,246,447	199,565,630
Operating income	8,365,567	(461,389)	143,162	8,047,340
Financial Expenses	4,577,583	1,050,014	(126,289)	5,501,308
Earnings before tax	12,943,150	588,625	16,873	13,548,648
Income tax and other taxes (distributed to results)				(7,017,625)
Net profit				6,531,023

Transfers and transactions between segments (internal sales) are made at arm's length subject to the same terms applying to transactions with third parties.

The assets and liabilities of the segments on 30.06.2007 and 30.06.2006 are as follows:

Assets and liabilities per segment on 30 June 2007				
<i>Amounts in €</i>	Domestic trade	Domestic service provision	Foreign trade	Total
Total assets	466,596,685	75,036,620	30,569,661	572,202,967
Total liabilities	354,674,923	83,211,985	23,630,335	461,517,244

Assets and liabilities per segment on 30 June 2006				
<i>Amounts in €</i>	Domestic trade	Domestic service provision	Foreign trade	Total
Total assets	358,373,591	68,923,048	22,343,455	449,640,094
Total liabilities	278,193,209	65,713,537	18,292,490	362,199,235

The assets of these segments primarily include tangible assets, intangible assets, inventories, receivables and cash.

Segment liabilities include operating liabilities.

6. Tangible assets

The acquisition cost of plots and lots is the presumed cost of 01.01.2004.

Parent Company							
	<u>Land</u>	<u>Buildings & installations</u>	<u>Machinery- Installations- Miscellaneous Equipment</u>	<u>Motor vehicles</u>	<u>Furniture and Miscellaneous Equipment</u>	<u>Tangible assets in course of construction</u>	<u>Total</u>
31/12/2006 Cost	45,588,579.41	35,532,863.97	2,395,642.34	7,325,336.77	6,094,953.38	898,566.65	97,835,942.52
Accumulated depreciation		(4,245,254.37)	(1,633,032.74)	(1,742,337.86)	(4,647,349.23)		(12,267,974.20)
Net book value 31/12/2006	45,588,579.41	31,287,609.60	762,609.60	5,582,998.91	1,447,604.15	898,566.65	85,567,968.32
Year 2007 Additions		1,819,656.48	884,366.84	5,030,656.01	1,006,839.40	2,769,850.77	11,511,369.50
Reductions/Transfers of Cost			(1,812.19)	(1,786,783.03)	(37,631.23)		(1,826,226.45)
Depreciation of the year		621,885.75	148,782.39	868,027.83	354,337.76	0.00	1,993,033.73
Reductions of depreciation			(1,812.17)	(489,740.43)	(37,630.63)	0.00	(529,183.23)
30/06/2007 Cost	45,588,579.41	37,352,520.45	3,278,196.99	10,569,209.75	7,064,161.55	3,668,417.42	107,521,085.57
Accumulated depreciation	0.00	(4,867,140.11)	(1,780,002.96)	(2,120,625.26)	(5,039,317.62)	0.00	(13,807,085.95)
Net book value 30/06/2007	45,588,579.41	32,485,380.34	1,498,194.03	8,448,584.49	2,024,843.93	3,668,417.42	93,713,999.62
Group							
	<u>Land</u>	<u>Buildings & installations</u>	<u>Machinery- Installations- Miscellaneous Equipment</u>	<u>Motor vehicles</u>	<u>Furniture and Miscellaneous Equipment</u>	<u>Tangible assets in course of construction</u>	<u>Total</u>
31/12/2006 Cost	63,467,513.34	44,721,925.78	3,899,908.20	85,893,968.10	10,521,373.78	912,136.07	209,416,825.27
Accumulated depreciation		(5,449,956.31)	(2,112,745.42)	(29,090,024.52)	(7,573,903.25)		(44,226,629.51)
Net book value 31/12/2006	63,467,513.34	39,271,969.47	1,787,162.78	56,803,943.58	2,947,470.53	912,136.07	165,190,195.76
Year 2007 Additions		422,428.58	297,750.97	30,306,421.74	688,264.50	2,769,850.77	34,484,716.56
Reductions/Transfers of Cost		(77,800.44)	(2,087.35)	(7,561,787.87)	(129,940.27)		(7,771,615.93)
Depreciation of the year		936,898.83	222,247.45	8,508,967.24	573,745.36		10,241,858.87
Reductions of depreciation		(24,696.67)	(2,087.30)	(1,670,493.92)	(102,392.84)		(1,799,670.73)
30/06/2007 Cost	63,467,513.34	45,066,553.92	4,195,571.82	108,638,601.97	11,079,698.01	3,681,986.84	236,129,925.90
Accumulated depreciation	0.00	(6,362,158.47)	(2,332,905.57)	(35,928,497.84)	(8,045,255.77)	0.00	(52,668,817.65)
Net book value 30/06/2007	63,467,513.34	38,704,395.45	1,862,666.25	72,710,104.13	3,034,442.24	3,681,986.84	183,461,108.25

Plots and buildings were adjusted to fair value on 01.01.2004 by independent assessors. The adjustment was based on the fair market values of the properties.

The amount of € 11,511,369.50 of parent company's additions for the period 01.01.2007-30.06.2007 includes amount € 5,974,845.18 which refer to the merged on 01.03.2007 subsidiary company SFAKIANAKIS S.A. and additions for the period 01.01.2007-30.06.2007 of parent company SFAKIANAKIS S.A. € 5,536,524.32.

There are mortgages and mortgage liens registered on the company's property worth a total of € 35 million to secure bank loans (corporate bond). There are no liens registered in respect of the property of subsidiaries. Group and company fixed asset purchases for the period can be broken down as follows:

FIXED ASSET ADDITIONS	GROUP	COMPANY
Buildings – building facilities	336,890.75	301,126.90
Other technical works	16,500.00	16,500.00
Plots for development (depreciable)	69,037.83	45,226.86
Third party buildings - facilities	0.00	0.00
Machinery	246,762.75	203,601.25
Technical Installations	5,430.00	0.00
Manually Operated Loading Machines	2,469.34	1,440.00
Tools	42,417.15	19,781.20
Other Mechanical Equipment	671.73	200.00
Other passenger vehicles	30,110,264.64	1,370,754.90
Trucks - tow-trucks - special use vehicles	69,593.03	69,110.03
Indoor vehicles	3,374.99	3,374.99
Other means of transport	70,274.84	0.00
Motorcycles	52,914.24	52,914.24
Furniture	242,730.60	241,196.86
PCs and electrical units	56,218.02	54,168.32
Telecommunications Equipment	103,285.03	101,411.98
Other Equipment	286,030.85	285,866.02
Buildings-facilities-technical works under construction	2,769,850.77	2,769,850.77
Total	34,484,716.56	5,536,524.32

7. Intangible Assets

Intangible assets can be broken down as follows:

INTANGIBLE ASSETS	Group		Company	
	30.06.2007	31.12.2006	30.06.2007	31.12.2006
Software Applications	1,975,172.75	1,889,194.00	1,306,456.50	1,113,341.58
Depreciation recorded on software applications	(1,175,108.38)	(1,154,846.76)	(733,314.83)	(659,298.70)
Total	800,064.37	734,347.24	573,141.67	454,042.88

Software is depreciated over 3 to 5 years.

Group account transactions in the period 01.01 – 30.06.2007 can be broken down as follows:

	ACQUISITION COST				DEPRECIATION				CARRIED VALUE
	Total on 31.12.2006	Additions & Purchases in 2007	Reductions in 2007	Total on 30.06.2007	Depreciation up to 2006	Depreciation Recorded in 2007	Depreciation on Sold Items	Total Depreciation	30.06.2007
Software Applications	1,889,194.00	240,159.76	(154,181.01)	1,975,172.75	1,154,846.76	174,442.62	(154,181.00)	1,175,108.38	800,064.37

8. Goodwill

Goodwill	Group	
	30.06.2007	31.12.2006
MIRKAT OOD	2,104,596.00	2,104,596.00
ALPAN Ltd	1,256,852.00	1,256,852.00
ATHONIKI TECHNIKI S.A.	1,023,828.00	1,023,828.00
Total	4,385,276.00	4,385,276.00

This relates to the fair value of net assets of associates and subsidiaries (less liabilities) based on the accounting statements at the date of purchase.

9. Investments in subsidiaries and affiliates

Group holdings fall into two categories, those consolidated using total integration and those consolidated using the equity method.

In 2006 subsidiaries involved in the retail sale of cars as official dealers of the manufacturers OPEL, FORD, VOLVO and CADILLAC were merged by absorption by the parent company SFAKIANAKIS S.A.

The companies merged/absorbed were: Autoteam S.A., Autolink S.A., Autoforum S.A. and Cadillac Hellas S.A. The synergies and economies of scale which will arise from this merger combined with the improved productivity and effectiveness will further bolster the consolidated financial results of SFAKIANAKIS S.A.

The merger of these companies was approved by decision No. K2-18176 of the Ministry of Development on 22.12.2006.

In 2007 the subsidiary SFAKIANAKIS S.A., which operates in the retail sale of cars as official dealer and repairer for BMW, was merged by absorption with the parent company SFAKIANAKIS S.A. The merger of the above mentioned company was approved by decision No. K2-8300 of the Ministry of Development on 31.05.2007.

9.1 Investments in subsidiaries

The valuation of all holdings on 30.06.2007, the country where each company is established and the percentage holding per category are as follows:

TOTAL CONSOLIDATION METHOD	ACQUISITION COST	DIFFERENCE IN FAIR VALUE	FAIR VALUE	COUNTRY	DIRECT
PERSONAL BEST S.A.	6,629,040.39	(1,172,709.53)	5,456,330.86	Greece	100.00%
PANERGON S.A.	7,439,722.41	281,428.43	7,721,150.84	Greece	100.00%
EXECUTIVE INSURANCE BROKERS S.A.	154,071.91	1,170,227.43	1,324,299.34	Greece	100.00%
EXECUTIVE LEASE S.A.	10,657,651.13	(1,131,337.15)	9,526,313.98	Greece	100.00%
MIRKAT OOD	5,994,559.63	6,834,485.41	12,829,045.04	Bulgaria	99.91%
MIRKAT DOOEL SKOPJE	655,000.00	0.00	655,000.00	FYROM	100.00%
WIN LINK S.A.	0.01	0.00	0.01	Greece	40.00%
TOTAL	31,530,045.48	5,982,094.59	37,512,140.07		

Changes to the acquisition value in the period 01.01 – 30.06.2007 can be broken down as follows:

CORPORATE NAME	ACQUISITION COST ON 31.12.2006	CHANGES IN 2007	ADDITIONS IN 2007	ACQUISITION COST ON 30.06.2007
PERSONAL BEST S.A.	6,629,040.39	0.00	0.00	6,629,040.39
PANERGON S.A.	7,439,722.41	0.00	0.00	7,439,722.41
EXECUTIVE INSURANCE BROKERS S.A.	146,735.15	7,336.76	0.00	154,071.91
EXECUTIVE LEASE S.A.	10,657,651.13	0.00	0.00	10,657,651.13
MIRKAT OOD	5,994,559.63	0.00	0.00	5,994,559.63
MIRKAT DOOEL SKOPJE	205,000.00	0.00	450,000.00	655,000.00
SFAKIANAKIS EMPORIKI S.A.	2,910,000.00	(3,000,000.00)	90,000.00	0.00
WIN LINK S.A.	0.01	0.00	0.00	0.01
TOTAL	33,982,708.72	(2,992,663.24)	540,000.00	31,530,045.48

The subsidiary company SFAKIANAKIS S.A. was merged by the parent company SFAKIANAKIS S.A. on 01.03.2007.

9.2 Investments in affiliated enterprises

The holdings in affiliates which are presented in the separate balance sheet are as follows:

Affiliates	ACQUISITION COST 30.06.2007	CHANGES IN FAIR VALUE	FAIR VALUE
SPEEDEX S.A.	0.01	0.00	0.01
ALPAN ELECTROLINE Ltd	6,950,627.70	3,872,428.12	3,078,199.58
ATHONIKI TECHNIKI S.A.	14,017,960.01	(213,848.08)	14,231,808.09
TOTAL	20,968,587.72	3,658,580.04	17,310,007.68

Changes to the acquisition value of affiliates in the period 01.01–30.06.2007 can be broken down as follows:

Affiliates	ACQUISITION COST ON 31.12.2006	ADDITIONS IN 2007	Acquisition cost on 31.03.07	COUNTRY	% HOLDING
SPEEDEX S.A.	0.01	0.00	0.01	Greece	49.53%
ALPAN ELECTROLINE Ltd	6,950,627.70	0.00	6,950,627.70	Cyprus	40.00%
ATHONIKI TECHNIKI S.A.	13,000,000.01	1,017,960.00	14,017,960.01	Greece	49.90%
TOTAL	19,950,627.72	1,017,960.00	20,968,587.72		

The holdings in affiliates which are presented in the consolidated balance sheet in two accounts are as follows:

Affiliates	FAIR VALUE	LESS GOODWILL	BALANCE SHEET 30.06.2007
SPEEDEX S.A.	0.01	0.00	0.01
ALPAN ELECTROLINE Ltd	2,905,201.29	1,256,852.16	1,648,349.13
ATHONIKI TECHNIKI S.A.	14,474,405.57	1,023,828.62	13,450,576.95
TOTAL	17,379,606.87	2,280,680.78	15,098,926.09

The fair value of 01.01.2007 of the affiliates, as presented in the above table, was changed by foreign exchange differences of foreign investments, ratio gains or loses till 30.06.2007 and share capital increases. Analytically changes for period 01.01.2007-30.06.2007 are as follows:

Affiliates	FAIR VALUE 01.01.2007	FOREIGN EXCHANGE DIFFERENCE	GAINS & LOSSES	SHARE CAPITAL INCREASE	BALANCE SHEET 30.06.2007
SPEEDEX S.A.	0.01	0.00	0.00	0.00	0.01
ALPAN ELECTROLINE Ltd	3,078,199.58	(53,653.39)	(119,344.90)	0.00	2,905,201.29
ATHONIKI TECHNIKI S.A.	13,472,617.88	(198,433.80)	182,261.49	1,017,960.00	14,474,405.57
TOTAL	16,550,817.47	(252,087.19)	62,916.59	1,017,960.00	17,379,606.87

The financials (in thousands of €) of affiliates on 31.12 were as follows:

Affiliates	ASSETS	LIABILITIES	INCOME	PROFIT or LOSSES
2006				
SPEEDEX S.A.	14,543	16,329	27,049	(661.00)
ALPAN ELECTROLINE Ltd	19,462	9,679	25,835	89
ATHONIKI TECHNIKI S.A.	72,660	43,709	36,765	1,054
2005				
SPEEDEX S.A.	14,675	16,294	25,867	(865.00)
ALPAN ELECTROLINE Ltd	17,457	11,222	20,672	(213.21)
ATHONIKI TECHNIKI S.A.	---	---	---	---

9.3 Holdings acquired in the period

Shares purchased in subsidiaries and affiliates in the period 01.01.2007 – 30.06.2007 were as follows:

COMPANY	Balance on 31.12.06	Purchases in 2007	Balance on 30.06.2007
SFAKIANAKIS S.A.	2,910,000.00	90,000.00	3,000,000.00
ATHONIKI TECHNIKI S.A.	13,000,000.01	1,017,960.00	14,017,960.01
MIRKAT DOOEL SKOPJE	205,000.00	450,000.00	655,000.00
Total	16,115,000.01	1,557,960.00	17,672,960.01

SFAKIANAKIS S.A. participated in the share capital increase of the company ATHONIKI TECHNIKI S.A. worth a total amount of € 4,080,000.00 in line with the decision of the Extraordinary General Meeting of the Shareholders of ATHONIKI TECHNIKI S.A. taken on 18.12.2006. SFAKIANAKIS S.A. holds 49.90% of the share capital of that company and its participation in the increase was € 2,035,920 and will be covered in four equal quarterly instalments, two of which were paid during the period 01.01.2007-30.06.2007.

SFAKIANAKIS S.A. was merged by the parent company SFAKIANAKIS S.A. after the acquisition of the 100% of its shares by the parent company.

10. Inventories

INVENTORIES	Group		Company	
	30/6/2007	31/12/2006	30/6/2007	31/12/2006
Merchandise	72,663,819.39	76,867,585.59	47,551,747.27	44,757,935.04
Work in progress	2,501,637.54	2,501,637.54	2,501,637.54	2,501,637.54
Raw direct and indirect materials - consumables, spare parts and containers	910,493.68	910,493.68	910,493.68	910,493.68
Provisions for inventory impairment	(1,300,000.00)	(1,300,000.00)	(600,000.00)	(600,000.00)
Total	74,775,950.61	78,979,716.81	50,363,878.49	47,570,066.26

An impairment provision is formed at the end of each accounting period for possible loss which may arise from the sale of out-dated inventory. Group inventories with a total acquisition cost of € 2,755,437.93 were valued on 31.12.2006 at a net realisable value of € 1,455,437.93, namely a value of € 1,300,000.00 less.

11. Receivables from customers

Long-term financial assets (non-current assets) can be broken down as follows:

TRADE AND OTHER RECEIVABLES (non-current)	Group		Company	
	30/6/2007	31/12/2006	30/6/2007	31/12/2006
Long-term bills receivable	27,326,309.18	20,813,075.20	1,064,956.15	1,196,291.54
Non-accrued interest on long-term bills receivable	(3,505,723)	(2,773,096)	(94,856)	(140,464)
Receivables from customers	23,820,586.31	18,039,979.50	970,100.05	1,055,827.48
Holding derivatives	1,526,000.00	1,526,000.00	1,526,000.00	1,526,000.00
Long-term financial assets	3,517,002.35	3,377,594.17	0.00	0.00
Receivables from leasing	12,505,124.85	16,154,234.97	0.00	0.00
Guarantees given	753,931.42	792,632.15	472,521.27	301,640.44
OTHER ASSETS	18,302,058.62	21,850,461.29	1,998,521.27	1,827,640.44
Total	42,122,644.93	39,890,440.78	2,968,621.32	2,883,467.92

Non-accrued interest on notes is calculated using the effective interest rate.

The derivative whose present value is € 1,526,000 relates to an option to sell the vendor the parent company in WINLINK S.A.

Long-term receivables from customers relate exclusively to the activities of the subsidiary MIRKAT OOD and come from the sale of cars.

11.1 Customers and other receivables (current)

Short-term (current) assets can be broken down as follows:

TRADE AND OTHER RECEIVABLES (current)	Group		Company	
	30/6/2007	31/12/2006	30/6/2007	31/12/2006
Customers	45,433,678.18	49,870,956.51	34,092,005.37	30,389,786.49
Short-term notes	16,130,959.51	14,970,105.96	1,207,208.05	1,892,990.36
Cheques receivable	33,972,766.35	37,730,587.85	26,300,889.95	28,675,245.83
Less: Provision for customer bad debt	(4,636,631.08)	(4,636,631.08)	(1,672,000.00)	(1,672,000.00)
Receivables from customers	90,900,772.96	97,935,019.24	59,928,103.37	59,286,022.68
Current asset orders	72,186,123.73	34,583,631.02	68,300,270.50	30,507,245.68
Sundry debtors	20,189,111.91	15,327,184.26	15,851,423.42	7,726,469.65
OTHER ASSETS	92,375,235.64	49,910,815.28	84,151,693.92	38,233,715.33
Total	183,276,008.59	147,845,834.52	144,079,797.29	97,519,738.01

The Sundry Debtors account can be broken down as follows:

SUNDRY DEBTORS	Group		Company	
	30/6/2007	31/12/2006	30/6/2007	31/12/2006
Advances to personnel	58,936.47	40,505.85	21,122.46	10,693.77
Greek state - advance & withholding tax	6,342,269.12	1,118,580.03	5,693,849.02	355,441.49
Greek state - other receivables	143,652.31	95,929.69	143,652.31	0.00
Supplier guarantee accounts	1,565,856.49	2,248,096.76	1,014,170.70	1,172,834.52
Sundry debtors	3,254,534.27	2,177,221.69	2,112,525.06	408,630.49
Other sundry debtors in €	7,397,590.63	6,981,665.93	5,529,832.73	4,417,855.78
Other contested debtors	(1,638.97)	(2,951.47)	2,693.14	2,693.14
Customs clearance - accounts payable	529,056.09	11,405.53	529,056.09	(15,293.69)
Prepaid expenses	898,855.49	2,656,730.25	804,521.91	1,373,614.15
Total	20,189,111.91	15,327,184.26	15,851,423.42	7,726,469.65

The greater part of sales are in cash or customer bank financing and thus the Group has limited credit risk given that a major part of its receivables from customers are covered by guarantees provided (guarantee letters or liens).

11.2 Available-for-sale financial assets

FINANCIAL ASSETS AVAILABLE FOR SALE	Group		Company	
	30/6/2007	31/12/2006	30/6/2007	31/12/2006
Shares listed on ATHEX	11,308,981.60	3,431,430.76	10,985,560.00	2,952,400.00
Shares not listed on ATHEX	1,384,398.66	1,405,124.01	1,249,195.71	1,277,326.66
Domestic mutual fund shares	0.00	5,067,422.01	0.00	5,067,422.01
Total	12,693,380.26	9,903,976.78	12,234,755.71	9,297,148.67

The valuation of securities listed on ATHEX was effectuated at the spot price on 30.06.2007. Non-listed securities were valued at fair value.

SFAKIANAKIS S.A.		
Portfolio valuation on 30.06.2007		
SHARES	QUANTITY	Current value on 30.06.2007
SHARES LISTED ON ATHEX		
MINOAN LINES S.A.	166,000	1,005,960.00
ELBISCO HOLDING S.A.	40,000	79,600.00
MARFIN INVESTMENT GROUP HOLDING S.A.	1,000,000	9,900,000.00
TOTAL (A)		10,985,560.00
SHARES NOT LISTED ON ATHEX		
HELLENIC SEAWAYS	150,000	402,000.00
CLUB HOTEL CASINO LOUTRAKI	748,340	847,195.71
TOTAL (B)		1,249,195.71
GRAND TOTAL (A+B)		12,234,755.71

PERSONAL BEST S.A.		
Portfolio valuation on 30.06.2007		
SHARES	QUANTITY	Current value on 30.06.2007
SHARES LISTED ON ATHEX		
ELLINIKI TECHNODOMIKI S.A.	15,000	145,500.00
MINOAN LINES S.A.	29,360	177,921.60
TOTAL (A)		323,421.60
SHARES NOT LISTED ON ATHEX		
HELLENIC SEAWAYS	50,000	134,145.27
TOTAL (B)		134,145.27
GRAND TOTAL (A+B)		457,566.87

WINLINK S.A.		
Portfolio valuation on 30.06.2007		
SHARES	QUANTITY	Current value on 30.06.2007
RADIO KORASIDIS S.A.	4,680	1,057.68
TOTAL		1,057.68

GROUP SECURITIES	QUANTITY	Current value on 30.06.2007
SHARES LISTED ON ATHEX	1,250,360	11,308,981.60
SHARES NOT LISTED ON ATHEX	853,020	1,384,398.66
TOTAL 30.06.2007		12,693,380.26

In the following table securities are presented for every Group company:

GROUP SECURITIES	Current value on 30.06.2007
SFAKIANAKIS S.A. SECURITIES	12,234,755.71
PERSONAL BEST S.A. SECURITIES	457,566.87
WINLINK S.A. SECURITIES	1,057.68
TOTAL 30.06.2007	12,693,380.26

12. Cash

The breakdown of cash assets is as follows:

Cash and cash equivalents	Group		Company	
	30/6/2007	31/12/2006	30/6/2007	31/12/2006
Cash on hand	1,421,823.55	586,977.38	444,048.20	300,800.89
Sight Deposits	25,574,649.38	11,271,983.57	18,293,863.04	5,255,655.16
Time deposits	23,481,267.06	6,251,004.84	22,321,135.56	3,641,813.20
FX Sight deposits	2,025,038.69	10,678,013.89	2,025,038.69	10,678,013.89
Total	52,502,778.68	28,787,979.68	43,084,085.49	19,876,283.14

Time deposits are for a few days (1-3) with an annual net interest rate ranging from 4.00% to 4.25%.

13. Equity

13.1 Share capital

The number of ordinary shares issued is 13,162,500 with a nominal value of € 0.92 each, namely a total of € 12,109,500.00. All shares issued have been subscribed in full. The sum of € 10,601,614.09 was paid as a premium on capital stock.

	Group		Company	
	30/6/2007	31/12/2006	30/6/2007	31/12/2006
Share Capital	12,109,500.00	12,109,500.00	12,109,500.00	12,109,500.00
Premium on capital stock	10,601,614.09	10,601,614.09	10,601,614.09	10,601,614.09

The Ordinary General Meeting on 15.06.2006 decided to increase the company's share capital by € 526,500.00 by capitalising:

i) Reserves from the adjustment in the value of assets by € 479,580.35. The sum of € 22,193.64 relates to reserves which arose from the adjustment on 31.12.2000 and the sum of € 457,386.71 relates to reserves which arose from the adjustment on 31.12.2004.

ii) Special reserves from income taxed in line with special provisions, € 46,919.65 by increasing the nominal value of shares from € 0.92 to € 0.96.

This increase has not yet been approved by the competent authorities and is not shown in the company's financial statements. The Ordinary General Meeting on 20.06.2007 decided the annulment of the above share capital increase, due to non approval of the decision by the Ministry of Development.

13.2 Fair value reserves

Fair value reserves	Group		Company	
	30/6/2007	31/12/2006	30/6/2007	31/12/2006
Investments fair value reserve	587,547.67	1,297,752.67	6,359,111.85	7,046,277.18
Total	587,547.67	1,297,752.67	6,359,111.85	7,046,277.18

These can be broken down as follows:

Fair value reserves	Group		Company	
	30/6/2007	31/12/2006	30/6/2007	31/12/2006
Participations consolidated	0.00	0.00	5,982,094.59	5,982,094.59
Affiliates	(3,658,580.04)	(3,658,580.04)	(3,658,580.04)	(3,658,580.04)
Shares listed on ATHEX	4,215,253.72	2,156,868.43	3,999,927.72	1,912,154.84
Shares not listed on ATHEX	30,873.99	52,657.02	35,669.58	63,800.53
Mutual Funds	0.00	2,746,807.26	0.00	2,746,807.26
Total	587,547.67	1,297,752.67	6,359,111.85	7,046,277.18

13.3 Other reserves

Other reserves	Group		Company	
	30/6/2007	31/12/2006	30/6/2007	31/12/2006
Statutory Reserve	6,459,398.80	5,015,883.11	6,261,926.42	4,842,208.46
Special Reserves	595,145.76	505,034.81	590,915.55	500,804.60
Extraordinary Reserves	1,364,985.84	1,364,985.84	1,248,106.37	1,248,106.37
Difference From Adjustment In Value Of Holdings - Securities	161.37	161.37	161.37	161.37
Difference From Adjustment Of Value Of Other Assets	484,909.40	5,329.05	479,580.35	0.00
Untaxed Reserves Under Special Provisions Of Law	9,502,335.27	8,804.11	9,764,807.60	8,804.11
Other Reserves	124.34	124.34	0.00	0.00
Tax-Exempt Income Reserves	449,583.82	2,884.25	0.00	0.00
Special Taxation Reserves	9,311,796.13	9,090,555.88	9,310,940.26	9,089,700.01
Difference From Conversion Of Capital To Euro	4,115.00	4,350.14	4,115.00	4,115.00
Total	28,172,555.73	15,998,112.90	27,660,552.92	15,693,899.92

The special and extraordinary reserves come from prior periods and in the case of distribution or capitalisation will be taxed at a rate of 3%. If reserves from items taxed under special provisions are distributed or capitalised, they will be taxed at the rates current at the time of distribution.

13.4 Results carried forward

RESULTS CARRIED FORWARD	Group		Company	
	30/6/2007	31/12/2006	30/6/2007	31/12/2006
Balance brought forward	43,253,167.22	38,038,878.70	39,500,177.18	31,961,578.42
Net profit for the period	15,955,561.45	23,744,591.38	18,354,878.69	28,394,359.49
Total	59,208,728.67	61,783,470.08	57,855,055.87	60,355,937.91

14. Loans (including leasing)

14.1 Loans

Loans can be broken down as follows:

Long-term loans	Group		Company	
	30/6/2007	31/12/2006	30/6/2007	31/12/2006
Corporate bond in € not convertible to shares	81,400,000.00	76,000,000.00	67,400,000.00	72,000,000.00
Long-term bank liabilities in FX	1,224,784.35	1,826,462.85	0.00	0.00
	82,624,784.35	77,826,462.85	67,400,000.00	72,000,000.00
Less: Long-term corporate bond liabilities payable within the next 12 months	(9,200,000.00)	(9,200,000.00)	(9,200,000.00)	(9,200,000.00)
Total loans	73,424,784.35	68,626,462.85	58,200,000.00	62,800,000.00
Long-term leasing liabilities	16,308,672.48	20,114,509.02	0.00	0.00
Total	89,733,456.83	88,740,971.86	58,200,000.00	62,800,000.00

The repayments for the parent company's corporate bond each year are presented in the following table:

Year	2007	2008	2009	2010	TOTAL
amounts in €	4,600,000	9,200,000	9,200,000	44,400,000	67,400,000

The loan interest rate is floating and the effective interest rate is between 4.5% and 4.85%.

14.2 Short-term loans

Short-term loans can be broken down as follows:

Short-term loans	Group		Company	
	30/6/2007	31/12/2006	30/6/2007	31/12/2006
Short-term loans	187,190,284.21	150,806,332.29	102,810,473.24	71,085,100.91
Short-term corporate bond installments payable in next year	9,200,000.00	9,200,000.00	9,200,000.00	9,200,000.00
Short-term leasing instalments payable in next year (sinking fund)	9,160,954.18	10,345,810.50	0.00	0.00
Total	205,551,238.39	170,352,142.79	112,010,473.24	80,285,100.91

The parent company SFAKIANAKIS S.A. has given corporate guarantees to its subsidiaries as follows:

- EXECUTIVE LEASE S.A. for loans of € 25,272,855.01
- PERSONAL BEST S.A. for loans of € 3,500,000.00
- PANERGON S.A. for loans of € 41,766,000.00
- ALPAN ELECTROLINE Ltd for loans of CYP 5,000,000.

The total level of guarantee letters to secure outstanding (open) liabilities on 30.06.2007 was € 20,052,978.10 while the total amount of guarantee letters to secure receivables was € 7,419,008.54.

14.3 Leasing obligations

The fixed assets include the following amounts which the Group holds as lessee under financial leases.

	Group	
	30/6/2007	31/12/2006
Cost of capitalising financial leases	39,375,456.89	44,525,952.31
Accumulated depreciation	(15,200,060.06)	(15,543,216.78)
Net book value	24,175,396.83	28,982,735.53

Financial lease obligations	Group	
	30/6/2007	31/12/2006
Long-term financial lease liabilities	16,302,521.96	20,106,358.49
Short-term financial lease liabilities	9,160,954.18	10,345,810.50
Total Liabilities	25,463,476.14	30,452,168.99

Financial lease obligations are secured on rented tangible assets which devolve to the lessor in the case the lessee is unable to pay its liabilities.

Financial lease obligations - Minimum rental payments	Group	
	30/6/2007	31/12/2006
Up to 1 year	10,154,217.57	11,513,754.15
From 1 to 5 years	17,306,689.93	21,433,114.70
After 5 years	0.00	0.00
TOTAL	27,460,907.50	32,946,868.85
Future charges of financial cost at the financial leases	(1,997,431.36)	(2,494,699.86)
TOTAL	25,463,476.14	30,452,168.99

The current value of financial lease liabilities is as follows:

	Group	
	30/6/2007	31/12/2006
Up to 1 year	9,160,954.18	10,345,810.50
From 1 to 5 years	16,302,521.96	20,106,358.49
After 5 years	0.00	0.00
	25,463,476.14	30,452,168.99

15. Deferred income tax

Deferred tax assets are offset against deferred tax liabilities when there is a legitimate exercisable right of offset and both are subject to the same taxation authority. Deferred tax was calculated at a rate of 25%.

The breakdown of deferred tax assets and liabilities is set out below:

RECEIVABLES	Group		Company	
	30/6/2007	31/12/2006	30/6/2007	31/12/2006
From staff compensation	387,358.59	393,100.47	301,286.01	305,998.31
From provision for bad debt	763,390.67	763,390.67	417,745.55	417,745.55
From inventory value decline	102,137.42	234,357.31	150,000.00	150,000.00
Other interim differences	1,434,901.74	1,689,960.66	(108,077.13)	331,320.78
Tax losses	399,039.64	350,000.00	0.00	0.00
Total	3,086,828.05	3,430,809.11	760,954.42	1,205,064.64

The deferred tax asset due to deductible tax losses of some subsidiaries arises based on provisions for offsetting the said losses against future profits.

LIABILITY	Group		Company	
	30/6/2007	31/12/2006	30/6/2007	31/12/2006
From adjustments to lots and buildings	13,635,847.34	13,545,861.64	10,766,973.10	10,735,604.87
From open tax periods	1,395,617.77	1,355,617.77	1,090,617.77	840,617.77
Total	15,031,465.11	14,901,479.41	11,857,590.87	11,576,222.64

The Company formed a provision for contingent liabilities which would arise from a tax audit of Group companies.

16. Number of staff employed, cost and provisions for compensation

The number of staff employed and the total cost both for parent company and Group subsidiaries can be broken down as follows:

	Group		Company	
	30/6/2007	31/12/2006	30/6/2007	31/12/2006
Total cost of employment	15,245,281.70	27,969,123.12	8,890,185.41	9,817,742.34
Staff Employed	1,558	1,584	561	504

Provisions for employee benefits	Group		Company	
	30/6/2007	31/12/2006	30/6/2007	31/12/2006
Personnel dismissal and retirement compensation provision	1,537,683.92	1,582,240.91	1,193,393.62	1,223,993.23

The obligation to pay compensation due to staff retirement is calculated using the projected unit credit method which considers that each year in service gives an additional unit of benefit entitlement and builds the total obligation, calculating each unit separately. Under this method the cost of past experience is the current value of any future benefit units which have been credited to employees for service in periods before the start of the plan or due to changes to the plan.

The estimated average weighted interest rate (4.25%) is used in discounting, while to mature the pay scale regard is had to an annual figure of 3% (2% inflation under the Lisbon strategy for EU convergence + 1/3 of the average annual increase in GDP).

The company has assigned this calculation to recognised actuaries and the estimated obligation on 30.06.2007 has been booked and presented in the financial statements based on IAS 19.

17. Other provisions

Other provisions can be broken down as follows:

Other provisions	Group		Company	
	30/6/2007	31/12/2006	30/6/2007	31/12/2006
Provisions for contingencies and extraordinary expenses	1,400,000.00	1,400,000.00	1,400,000.00	1,400,000.00
Other provisions	37,114.19	37,114.19	0.00	0.00
Total	1,437,114.19	1,437,114.19	1,400,000.00	1,400,000.00

The provision of € 1,400,000.00 relates to contingent compensation from merchants in the network and was imputed to the results of the 2003 accounting period.

18. Suppliers and other liabilities

SUPPLIERS AND OTHER LIABILITIES	Group		Company	
	30/6/2007	31/12/2006	30/6/2007	31/12/2006
Suppliers	81,293,461.34	56,647,838.63	46,656,445.43	16,234,707.55
Notes payable in FX	26,951,295.01	23,827,169.08	26,951,295.01	23,827,169.08
Dividends payable	6,588,565.95	8,013.45	6,588,565.95	8,013.45
Cheques payable	13,905,999.43	11,215,209.38	9,136,688.37	4,271,039.95
Other short-term liabilities	6,558,422.14	13,927,172.57	3,191,593.96	8,825,404.73
Derivative-based liabilities	628,558.93	814,534.71	628,558.93	814,534.71
Accrued expenses	1,418,520.84	4,115,704.09	360,310.71	638,160.51
Total	137,344,823.64	110,555,641.91	93,513,458.36	54,619,029.98

Other short-term liabilities include:

Other short-term liabilities	Group		Company	
	30/6/2007	31/12/2006	30/6/2007	31/12/2006
Advances - other associates - third parties	686,447.06	790,941.66	571,401.69	746,758.39
Beneficiaries of financial guarantees	3,446,579.32	3,905,752.94	859,766.96	1,487,293.00
Tax and duties payable	(838,731.65)	1,055,248.75	813,576.51	610,516.68
Liabilities to insurance funds	582,284.77	1,163,541.57	341,640.83	631,044.15
Other short-term liabilities	2,681,842.65	7,011,687.65	605,207.97	5,349,792.51
Total	6,558,422.14	13,927,172.57	3,191,593.96	8,825,404.73

Derivative-based liabilities

In order to hedge risk arising from liabilities denominated in JPY which mature in the forth quarter of 2007 the Company entered into forwards. In particular it acquired forwards worth JPY 6,000,000,000.

The current value of the said derivatives is € 628,558.93 (liability) and was imputed to the results for the period.

The corresponding (hedged) liabilities in JPY and USD which are included in the Suppliers account were valued as normal at the spot price on 30.06.2007 and the foreign exchange difference generated a profit which was also posted to the income statement.

18.1 Current Income tax

This account relates to a liability for income tax for the period at the currently applicable rate.

Current Income tax	Group		Company	
	30/6/2007	31/12/2006	30/6/2007	31/12/2006
Taxes & duties clearing account	6,456,841.12	0.00	6,016,596.44	(152,924.75)
Income tax for the period	4,415,484.29	3,821,906.32	3,824,034.50	3,071,979.23
Total	10,872,325.41	3,821,906.32	9,840,630.94	2,919,054.48

Open tax periods

The income tax returns cited below from Greek companies in the Group have not been examined by the tax authorities yet with the result that tax fines and surcharges could be imposed when they are examined and finalised. A provision was formed in the financial statements imputed to the results of the period and prior periods. This liability is presented in section 15 (Deferred income tax).

Company	Country	Total % holding	Open tax periods
<i>Total integration method</i>			
PERSONAL BEST S.A.	Greece	100.00%	2005-2006
AUTOTEAM S.A.	Greece	100.00%	2004-2006
AUTOLINK S.A.	Greece	100.00%	2002-2006
AUTOFORUM S.A.	Greece	100.00%	2003-2006
PANERAGON S.A.	Greece	100.00%	2006
EXECUTIVE INSURANCE BROKERS S.A.	Greece	100.00%	2003-2006
EXECUTIVE LEASE S.A.	Greece	100.00%	2006
CADILLAC HELLAS S.A.	Greece	100.00%	2005-2006
WIN LINK S.A.	Greece	40.00%	2003-2006
SFAKIANAKIS EMPORIKI S.A.	Greece	100.00%	2006
MIRKAT OOD	Bulgaria	99.91%	2003-2006
MIRKAT DOOEL SKOPJE	FYROM	100.00%	2006
SFAKIANAKIS S.A.	Greece	Parent company	2006

19. Results

19.1 Breakdown of expenditure

The main categories of expenditure can be broken down as follows:

Breakdown of expenditure and other expenses	Group		Company	
	30/6/2007	30/6/2006	30/6/2007	30/6/2006
Staff salaries and expenses	15,245,281.70	13,330,985.88	8,890,185.41	3,736,197.71
Third party fees and expenses	5,472,167.61	4,630,043.72	3,361,548.44	2,443,982.00
Charges for outside services	9,711,609.07	8,894,125.89	5,194,644.49	2,598,670.43
Taxes – Duties	1,761,936.37	1,330,224.66	748,218.04	409,839.50
Miscellaneous Expenses	13,839,669.88	9,420,717.99	11,891,051.02	5,676,857.55
Depreciation	10,416,301.49	7,744,578.12	2,054,221.38	1,592,154.86
Provisions / impairment	(14,193.86)	(30,519.51)	(42,350.00)	(36,719.88)
Other expenses	2,505,798.92	373,761.88	3,082,349.27	202,556.57
Total	58,938,571.18	45,693,918.63	35,179,868.05	16,623,538.75

This expenditure is presented (allocated) in the income statement as follows:

	Group		Company	
	30/6/2007	30/6/2006	30/6/2007	30/6/2006
Selling expenses	47,150,856.94	36,555,134.90	28,143,894.44	13,298,831.00
Administrative expenses	11,787,714.24	9,138,783.73	7,035,973.61	3,324,707.75
Total	58,938,571.18	45,693,918.63	35,179,868.05	16,623,538.75

Staff fees and expenses can be broken down as follows:

	Group		Company	
	30/6/2007	30/6/2006	30/6/2007	30/6/2006
Salaries and wages	11,790,765.54	10,366,161.22	6,821,586.91	2,898,821.86
Employer contributions	2,744,001.30	2,459,920.49	1,582,068.68	637,239.50
Other benefits	710,514.86	504,904.17	486,529.82	200,136.35
Total	15,245,281.70	13,330,985.88	8,890,185.41	3,736,197.71

Third party fees can be broken down as follows:

CHARGES FOR OUTSIDE SERVICES	Group		Company	
	30/6/2007	30/6/2006	30/6/2007	30/6/2006
Electricity - waster supply for production - telecommunications	1,451,973.46	1,273,464.32	434,309.27	339,298.93
Rent	3,019,462.18	2,393,495.30	1,794,545.25	579,944.09
Insurance premiums & warehousing costs	2,254,133.89	3,281,046.01	388,562.45	115,012.80
Repairs & maintenance	1,367,527.95	1,554,944.97	688,684.85	275,786.78
Other third party benefits	1,618,511.59	391,175.29	1,888,542.67	1,288,627.83
Total	9,711,609.07	8,894,125.89	5,194,644.49	2,598,670.43

Sundry expenses can be broken down as follows:

MISCELLANEOUS EXPENSES	Group		Company	
	30/6/2007	30/6/2006	30/6/2007	30/6/2006
Transport costs	1,910,869.51	1,376,720.22	1,009,013.57	688,362.81
Promotion & advertising expenses	6,390,225.91	5,244,858.21	6,109,964.51	3,747,081.82
Subscriptions - contributions	212,237.16	158,076.67	173,940.45	114,518.08
Donations - Grants & XDE VAT	3,367,718.43	448,229.03	3,271,537.75	93,730.55
Printed materials and office supply expenses	228,753.04	287,941.57	155,424.45	111,338.63
Direct consumables	425,748.93	355,233.29	363,255.83	120,833.79
Miscellaneous Expenses	1,304,116.90	1,549,659.00	807,914.46	800,991.87
Total	13,839,669.88	9,420,717.99	11,891,051.02	5,676,857.55

Depreciation can be broken down as follows:

	Group		Company	
	30/6/2007	30/6/2006	30/6/2007	30/6/2006
Depreciation of tangible assets	10,241,858.87	7,614,879.06	1,993,033.73	1,531,643.21
Depreciation of intangible assets	174,442.62	129,699.06	61,187.65	60,511.66
Total	10,416,301.49	7,744,578.12	2,054,221.38	1,592,154.87

The above expenditure is presented (allocated) in the income statement as follows:

	Group		Company	
	30/6/2007	30/6/2006	30/6/2007	30/6/2006
Selling expenses	10,241,858.87	7,614,879.06	1,993,033.73	1,531,643.21
Administrative expenses	174,442.62	129,699.06	61,187.65	60,511.66
Total	10,416,301.49	7,744,578.12	2,054,221.38	1,592,154.87

19.2 Breakdown of other income

The breakdown of other income is as follows:

Other income	Group		Company	
	30/6/2007	30/6/2006	30/6/2007	30/6/2006
Subsidies – sundry income from sales	2,955,661.62	2,518,408.13	1,570,951.92	992,846.92
Income from related services and activities	3,499,178.44	3,298,282.84	1,739,398.16	1,122,307.71
Other income	6,596,117.56	5,947,579.85	5,636,514.98	2,936,350.41
Total	13,050,957.61	11,764,270.82	8,946,865.06	5,051,505.04

Income from related services and activities includes mainly collection of bulk for retail car sales, rents and expenses for delivery of goods.

Other Income includes mainly service sales and foreign exchange differences.

19.3 Financial Expenses

The breakdown of Financial Income - Expenses is as follows:

Net financial cost	Group		Company	
	30/6/2007	30/6/2006	30/6/2007	30/6/2006
Interest charges and related expenses	7,399,381.75	5,884,988.90	4,241,331.20	2,755,890.87
Interest and related income	1,328,268.69	383,681.30	325,196.71	356,211.35
Financial result	6,071,113.06	5,501,307.59	3,916,134.49	2,399,679.52

19.4 Investment result

The breakdown of the investment result is as follows:

Investing result	Group		Company	
	30/6/2007	30/6/2006	30/6/2007	30/6/2006
Differences from sale of participations & securities	5,599,083.49	0.00	5,486,708.86	0.00
Financial income	564,135.70	308,608.68	609,732.72	468,872.27
Extraordinary losses	(622,934.33)	(1,374,320.90)	(47,194.03)	(24,170.43)
Extraordinary profits	963,343.56	358,042.80	190,164.69	268,758.84
Investing result	6,503,628.42	(707,669.43)	6,239,412.24	713,460.68

20. Income tax expenditure

The income tax expenditure can be broken down as follows:

	Group		Company	
	30/6/2007	30/6/2006	30/6/2007	30/6/2006
Income tax for the period	4,792,830.80	5,295,709.94	4,945,711.72	4,951,317.86
Expenses (income) for deferred tax interim differences	268,873.60	252,664.97	(456,720)	268,113.77
Prior period tax audit adjustments	0.00	1,331,698.00	0.00	1,331,698.00
Provision for deferred tax from open tax periods	249,262.00	137,551.69	250,000.00	176,970.00
Total	5,310,966.40	7,017,624.59	4,738,991.58	6,728,099.63

In 2007 income tax expenditure is at a rate of 25% of the taxable profits for the period while in the prior period it was calculated at 29%.

21. Earnings per share

The basic reduced earnings per share are calculated by dividing earnings corresponding to parent company shareholders by the weighted average number of ordinary shares during the period, less own ordinary shares purchased by the enterprise.

Earnings net of tax per share	GROUP		COMPANY	
	1.1-30.6.2007	1.1-30.6.2006	1.1-30.6.2007	1.1-30.6.2006
Profits allocated to:				
Parent company shareholders	15,955,561.45	5,777,657.20	18,354,878.69	11,795,572.69
Minority interest	(212,205.44)	753,366.00	0.00	0.00
Earnings per share net of tax (in €)	1.21	0.44	1.39	0.90
Dividend proposed per share (in €)				
Average weighted No. of shares	13,162,500	13,162,500	13,162,500	13,162,500

22. Transactions with affiliates

Services to and from affiliates and sales and purchases of goods are effectuated in accordance with the fee schedules which apply for non-affiliates.

The following transactions are transactions with affiliates which are consolidated using the total integration method.

<i>amounts in euro</i>	Group	Company
a) Sales of goods and services and other income	40,428,892.02	36,439,484.76
b) Purchases of goods and services and expenses charged	40,428,892.02	1,778,940.30
c) Customers	9,296,225.10	568,567.29
d) Suppliers	9,296,225.10	552,775.95

Parent company

As can be seen from the table above, the parent company entered into transactions with associates:

- Sales of goods, services and other income worth a total of € 36,439,484.76 of which € 24,340,972.61 relates to sales of Suzuki cars to the 100% subsidiary Personal Best S.A. which is the most important Suzuki dealer. Income from property rentals of the parent company leased to subsidiaries under operating leases worth a total of € 407,930.96, of which the highest rents relate to the companies Personal Best S.A. (€ 195,509.06), Panergon S.A. (€ 61,353.00) and Executive Lease S.A. (€ 70,949.84).
- Purchases of goods and services of € 1,778,940.30 of which € 1,079,718.53 relates to services obtained from Personal Best S.A. and € 517,233.05 from Executive Lease S.A.

The parent company's receivables and liabilities from associates primarily relate to:

- Receivables from customers of € 568,567.29 of which the largest amount relates to the subsidiaries Personal Best S.A. (€ 68,350.43) and Executive Lease S.A. (€ 489,124.05).
- Liabilities to suppliers of goods and services of € 552,775.95 of which the largest amounts relate to Personal Best S.A. (€ 337,421.09) and Executive Insurance Brokers S.A. (€ 166,081.41).

Group

All transactions (sales of goods and services and rents) of the parent company with its subsidiaries are integrated in total consolidation and the transactions between consolidated companies worth a total of € 40,428,892.02 have been crossed out in the consolidated financial statements.

Affiliates:

SPEEDEX S.A. is consolidated using the equity method and is the only affiliated company which has transactions with companies in the Group.

During consolidation the relevant transactions and balances with the affiliate were not crossed out.

<i>amounts in euro</i>	Group	Company
a) Purchases of goods and services and expenses charged	176,976	143,550
b) Rental income	61,091	61,091
c) Customers	95,024	2,707
d) Suppliers	37,789	31,452

Companies in the Group have received courier services from the affiliate worth a total of € 176,976.

Moreover, the parent company has income from rents from the affiliate of € 61,091 for the period 01.01.2007-30.06.2007.

Fees and other benefits to members of the Board and senior executives

The fees and benefits which relate to 10 senior executives and members of the Board of Directors for the parent company and 20 senior executives and members of the Board of Directors for the Group can be broken down as follows:

BENEFITS	Group		Company	
	30/6/2007	31/12/2006	30/6/2007	31/12/2006
Short-term benefits (salaries & fees)	1,336,167.73	3,318,275.75	882,854.88	1,805,132.21
Other short-term benefits (car expenses, travel expenses, etc.)	561,887.79	953,896.98	422,592.06	701,831.24
Other long-term benefits (premiums)	16,004.20	43,884.46	11,909.28	28,726.27
Provisions for post-employment benefits	25,918.34	212,391.65	143,981.66	116,900.01
Total	1,939,978.06	4,528,448.84	1,461,337.88	2,652,589.73

Receivables and Liabilities of members of the Board and senior executives

The receivables and liabilities which relate to all senior executives and Board members on 30.06.2007 were as follows:

	GROUP	COMPANY
a) Receivables from Board members and senior executives - trading accounts (travel expenses, attendance fees, etc..)	43,176	30,676
b) Liabilities to Board members and senior executives	106,736	106,736

The receivable from a senior executive dated 30.06.2007 relates to normal trading accounts, attendance fees, travel expenses, etc. The relevant supporting documents have already been settled for the greater part of this amount and thus there is no longer a receivable.

23. Events occurring after the balance sheet date

The Ordinary General Meeting of Company's shareholders on 20.06.2007 decided a) the increase of Company's share capital by € 7,634,250 through the capitalization of not distributed profits of fiscal year 2006, increasing the nominal value of each share by € 0.58, from € 0.92 to € 1.50, b) the deduction of nominal value of each share from € 1.50 to € 0.50 and c) the distribution gratis at the rate of two new shares for each one old share to the shareholders of the Company. According to the same General Meeting it was decided the distribution of 84,900 free shares to employees of SFAKIANAKIS S.A. and Affiliated companies deriving from share capital increase by capitalization of € 42,450 taxed profits of fiscal year 2006. The above increase was approved by num. K2-9968/05.07.2007 decision of the Ministry of Development and on 06.07.2007 the share capital increase was confirmed by Company's Board of Directors. Following the above approval, Company's share capital amounts to € 19,786,200, divided in 39,572,400 shares of nominal value € 0.50 each.