

# **SFAKIANAKIS**

## **Annual Restated Financial Statements**

For the period 01.01.2007 - 31.12.2007

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. 8 May 2008 which have been posted to the internet on the website [www.sfakianakis.gr](http://www.sfakianakis.gr)

**SFAKIANAKIS S.A.**

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

5-7 Sidirokastrou St. & Pynas St.,

Athens, GR-11855

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## **INDEPENDENT AUDITOR'S REPORT**

*To the Shareholders of SFAKIANAKIS S.A.*

### **Report on the Financial Statements**

We have audited the accompanying individual and consolidated financial statements of SFAKIANAKIS S.A., which comprise the individual and consolidated balance sheet as at 31 December 2007, and the income statement, statement of changes in equity and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes.

### **Management's Responsibility for the Financial Statements**

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

### **Auditor's Responsibility**

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

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

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

### **Opinion**

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

## Report on Other Legal and Regulatory Requirements

The report of the Board of Directors includes the provided information of article 43<sup>a</sup> § 3 and 107 § 3 of C.L. 2190/1920 and of article 11a of Law 3371/2005 and article 4§7 of Law 3556/2007. The content of the Report of the Board of Directors is consistent with the aforementioned financial statements.

Athens, 9 May 2008

Certified Public Accountant Auditor



Konstantinos P. Evaggelinos  
SOEL Reg. No. 13151  
**SOL S.A. – Certified Public Accountants Auditors**  
3, Fok. Negri Street - Athens, Greece

## FINANCIAL STATEMENTS

BALANCE SHEET	NOTE	GROUP		COMPANY	
		RESTATED DATA		31.12.2007	31.12.2006
		31.12.2007	31.12.2006		
<b>ASSETS</b>					
<b>Non-current assets</b>					
Tangible Assets (Property, plant & equipment)	6	177.501.424	165.190.196	96.634.270	85.567.968
Intangible assets	7	639.801	734.347	416.500	454.043
Goodwill	8	2.104.596	2.104.596		
Investments in subsidiaries	9.1			38.275.273	39.964.804
Investments in affiliates	9.2	18.828.850	16.550.817	18.327.968	16.292.047
Deferred income tax	15	3.727.265	3.430.809	1.008.890	1.205.065
Customers and other receivables	11	41.706.095	39.890.441	2.421.665	2.883.468
<b>Total non-current assets</b>		<b>244.508.030</b>	<b>227.901.206</b>	<b>157.084.566</b>	<b>146.367.395</b>
<b>Current assets</b>					
Inventories	10	95.796.313	78.979.717	68.101.100	47.570.066
Customers and other receivables	11.1	185.726.078	147.845.834	128.455.036	97.519.738
Available-for-sale financial assets	11.2	8.571.625	9.903.977	8.134.507	9.297.149
Cash and cash equivalents	12	47.185.922	28.787.980	39.073.262	19.876.283
		<b>337.279.937</b>	<b>265.517.508</b>	<b>243.763.906</b>	<b>174.263.236</b>
<b>Total assets</b>		<b>581.787.967</b>	<b>493.418.714</b>	<b>400.848.472</b>	<b>320.630.631</b>
<b>EQUITY</b>					
<b>Capital and reserves attributed to parent company shareholders</b>					
Share Capital	13.1	19.786.200	12.109.500	19.786.200	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	(3.552.304)	1.297.753	201.516	7.046.277
Other reserves	13.3	28.368.973	15.998.113	27.846.377	15.693.900
Results carried forward	13.4	64.080.559	61.783.470	59.033.019	60.355.938
		<b>119.285.043</b>	<b>101.790.450</b>	<b>117.468.726</b>	<b>105.807.229</b>
Minority interest		6.625	218.494	0	0
<b>Total equity</b>		<b>119.291.668</b>	<b>102.008.944</b>	<b>117.468.726</b>	<b>105.807.229</b>
<b>LIABILITIES</b>					
<b>Long-term liabilities</b>					
Loans	14.1	100.536.258	88.740.972	53.600.000	62.800.000
Deferred income tax	15	15.752.366	14.901.479	15.225.600	11.576.223
Provisions for employee benefits	16	1.280.477	1.582.241	983.259	1.223.993
Other provisions	17	42.265	1.437.114	0	1.400.000
Asset subsidies		0	18.273	0	0
		<b>117.611.366</b>	<b>106.680.079</b>	<b>69.808.859</b>	<b>77.000.216</b>
<b>Short-term liabilities</b>					
Suppliers and other liabilities	18	121.482.391	110.555.642	72.319.855	54.619.030
Current Income tax	18.1	3.856.214	3.821.906	2.873.428	2.919.055
Short-term loans	14.2	219.546.328	170.352.143	138.377.603	80.285.101
		<b>344.884.933</b>	<b>284.729.691</b>	<b>213.570.886</b>	<b>137.823.186</b>
<b>Total liabilities</b>		<b>462.496.299</b>	<b>391.409.770</b>	<b>283.379.745</b>	<b>214.823.402</b>
<b>Total Liabilities and Equity</b>		<b>581.787.967</b>	<b>493.418.714</b>	<b>400.848.472</b>	<b>320.630.631</b>

<b>INCOME STATEMENT</b>					
<b>OPERATING RESULTS</b>		<u>GROUP</u>		<u>COMPANY</u>	
		<u>1.1-31.12.2007</u>	<u>1.1-31.12.2006</u>	<u>1.1-31.12.2007</u>	<u>1.1-31.12.2006</u>
<b>Sales</b>	<b>5</b>	<b>441,197,337.68</b>	<b>407,177,725.43</b>	<b>358,069,755.02</b>	<b>235,651,305.75</b>
Cost of sales		<u>308,511,077.80</u>	<u>295,150,055.74</u>	<u>267,215,280.30</u>	<u>168,699,904.99</u>
<b>Gross Profit</b>		<b>132,686,259.88</b>	<b>112,027,669.69</b>	<b>90,854,474.72</b>	<b>66,951,400.76</b>
Selling expenses	<b>19.1</b>	96,464,089.77	84,839,912.06	57,292,000.05	30,427,593.03
Administrative expenses	<b>19.1</b>	24,116,022.44	21,209,978.02	14,323,000.01	7,606,898.26
Other operating income/(expenses) (net)	<b>19.2</b>	<u>30,549,879.80</u>	<u>27,092,005.75</u>	<u>20,152,217.74</u>	<u>5,915,594.76</u>
<b>Operating income</b>		<b>42,656,027.47</b>	<b>33,069,785.36</b>	<b>39,391,692.40</b>	<b>34,832,504.23</b>
Net financial expenses	<b>19.3</b>	13,658,225.24	9,090,248.59	8,885,156.71	5,098,890.99
Investing result	<b>19.4</b>	<u>9,033,990.99</u>	<u>11,746,658.02</u>	<u>6,225,252.05</u>	<u>9,573,189.96</u>
<b>Earnings before tax</b>		<b>38,031,793.22</b>	<b>35,726,194.79</b>	<b>36,731,787.74</b>	<b>39,306,803.20</b>
Income tax	<b>20</b>	<u>10,370,983.51</u>	<u>11,981,603.41</u>	<u>9,336,421.45</u>	<u>10,912,443.71</u>
<b>Profits for the period</b>		<b>27,660,809.71</b>	<b>23,744,591.38</b>	<b>27,395,366.29</b>	<b>28,394,359.49</b>
<b>Attributable to:</b>					
Parent company shareholders	<b>21</b>	<b>28,495,885.35</b>	<b>25,500,579.50</b>	<b>27,395,366.29</b>	<b>28,394,359.49</b>
Minority interest		(835,075.64)	(1,755,988.12)		
Earnings per share net of tax (in €)		0.72	0.64	0.69	0.72
Average weighted No. of shares		39,572,400	39,572,400	39,572,400	39,572,400

STATEMENT OF CHANGES IN EQUITY					
Attributable to company shareholders					
2006	Share capital and premium on capital stock	Reserves	Results carried forward	Minority interest	Total equity
<b>CONSOLIDATED FINANCIALS</b>					
Balance on 1 January	22,711,114	23,122,733	37,608,922	4,398,054	87,840,823
Adjustment		968,807	2,018,622	(2,424,084)	563,345
Fair value reserves		(6,795,674)			(6,795,674)
Net profit/loss for the period			25,500,067	(1,755,476)	23,744,591
Less: Dividends			(3,344,141)		(3,344,141)
Total net profit (loss) recognised for the period	0	(5,826,867)	24,174,548	(4,179,560)	14,168,121
Balance on 31 December	22,711,114	17,295,866	61,783,470	218,494	102,008,944
Attributable to company shareholders					
2007	Share capital and premium on capital stock	Reserves	Results carried forward	Minority interest	Total equity
<b>CONSOLIDATED FINANCIALS</b>					
Balance on 1 January	22,711,114	17,295,865	61,783,470	218,494	102,008,944
Adjustment		10,358	418,028	(375,165)	53,221
Share capital increase	7,676,700		(7,676,700)	1,000,000	1,000,000
Appropriation of profit of the period to reserves		12,360,502	(12,360,502)		0
Fair value reserve		(4,850,056)			(4,850,056)
Net profit/loss for the period			28,497,514	(836,704)	27,660,810
Less: Dividends			(6,581,250)		(6,581,250)
Total net profit (loss) recognised for the period	0	7,520,804	2,297,089	(211,869)	17,282,725
Balance on 31 December	22,711,114	24,816,670	64,080,559	6,625	119,291,668
Attributable to company shareholders					
2006	Share capital and premium on capital stock	Reserves	Results carried forward	Minority interest	Total equity
<b>COMPANY FINANCIALS</b>					
Balance on 1 January	22,711,114	16,248,107	39,847,361	0	78,806,582
Adjustment		1,160,381	(768,378)		392,004
Changes due to merger		246,930	(2,167,863)		(1,920,933)
Fair value reserves		5,084,759	(1,658,918)		3,425,841
Net profit/loss for the period			28,394,360		28,394,360
Less: Dividends			(3,290,625)		(3,290,625)
Total net profit (loss) recognised for the period	0	6,492,070	20,508,577	0	27,000,647
Balance on 31 December	22,711,114	22,740,177	60,355,938	0	105,807,229
Attributable to company shareholders					
2007	Share capital and premium on capital stock	Reserves	Results carried forward	Minority interest	Total equity
<b>COMPANY FINANCIALS</b>					
Balance on 1 January 2007	22,711,114	22,740,177	60,355,938	0.00	105,807,229.10
Adjustment			(2,307,858)		(2,307,858)
Share capital increase	7,676,700		(7,676,700)		0.00
Appropriation of profit of the period to reserves		12,152,477	(12,152,477)		0.00
Fair value reserve		(6,844,761)			(6,844,761)
Net profit/loss for the period			27,395,366		27,395,366.29
Less: Dividends			(6,581,250)		(6,581,250)
Total net profit (loss) recognised for the period	7,676,700	5,307,716	(1,322,919)	0	11,661,497
Balance on 31 December	30,387,814	28,047,893	59,033,019	0	117,468,726

<b>CASH FLOW STATEMENT (Amounts in €)</b>				
	<b>GROUP</b>		<b>COMPANY</b>	
	<u>31.12.2007</u>	<u>31.12.2006</u>	<u>31.12.2007</u>	<u>31.12.2006</u>
<b><u>Operating activities</u></b>				
<b>Earnings before tax</b>	<b>38,031,793.22</b>	<b>35,726,194.79</b>	<b>36,731,787.74</b>	<b>39,306,803.20</b>
Plus/Minus adjustments for:				
Depreciation	19,695,979.78	19,879,763.39	4,471,917.41	3,044,733.15
Provisions	1,620,800.28	(1,819,723.05)	884,282.61	(1,581,303.80)
Income coming from unused provisions	(1,400,000.00)	0.00	(1,400,000.00)	0.00
Exchange rate results	795,707.52	0.00	733,920.10	0.00
Results (income, expenses, profits & losses) from investing activities	(11,822,607.39)	(11,914,865.92)	(6,708,933.84)	(9,542,532.57)
Interest charges and related expenses	16,446,841.64	12,091,665.42	9,478,899.64	5,781,981.60
Plus / minus adjustments for changes in working capital accounts or related to operating activities :				
Decrease/ (increase) in stocks	(40,208,607.89)	(4,862,291.58)	(17,935,356.75)	(1,590,026.80)
Decrease/ (increase) in receivables	(17,459,173.41)	(37,180,011.90)	(21,096,700.12)	(7,223,250.14)
(Decrease)/Increase in liabilities (save banks)	13,052,143.87	18,345,938.53	5,782,945.03	7,670,571.67
Less:				
Interest charges and related expenses paid	(15,883,203.47)	(11,953,509.62)	(9,189,057.95)	(5,869,814.04)
Tax paid	(9,826,203.57)	(9,922,022.95)	(8,377,859.92)	(8,678,472.17)
<b>Total input/(output) from operating activities (a)</b>	<b><u>(6,956,529.42)</u></b>	<b><u>8,391,137.11</u></b>	<b><u>(6,624,156.05)</u></b>	<b><u>21,318,690.10</u></b>
<b><u>Investing Activities:</u></b>				
Acquisition of subsidiaries, affiliates, joint ventures and other investments	(9,006,085.99)	(25,341,760.87)	(9,539,360.00)	(25,837,098.73)
Purchase of intangible and tangible assets	(55,074,265.91)	(51,835,947.92)	(12,514,970.20)	(13,399,674.03)
Proceeds on sale of intangible and tangible assets	21,589,433.54	22,059,829.00	3,564,030.47	1,397,635.62
Proceeds (payments) from sale (purchas) of investment securiteis (shares/ commercial papers)	8,751,950.72	13,856,022.12	8,561,936.49	13,225,183.06
Interest received	1,766,240.09	1,395,475.51	464,890.54	601,429.45
Dividends collected	513,058.16	429,191.71	481,222.22	717,239.13
<b>Total input/(output) from investing activities (b)</b>	<b><u>(31,459,669.39)</u></b>	<b><u>(39,437,190.45)</u></b>	<b><u>(8,982,250.48)</u></b>	<b><u>(23,295,285.50)</u></b>
<b><u>Financing Activities</u></b>				
Proceeds from increase in share capital	1,000,000.00	0.00	0.00	0.00
Proceeds on loans issued/ taken out	89,627,849.03	72,356,630.28	73,361,113.04	8,602,388.63
Loan repayment	(19,986,529.51)	(23,929,838.89)	(32,477,268.87)	982,506.07
Leasing arrangement liabilities paid (instalments)	(7,249,524.05)	(7,375,884.42)	0.00	
Dividends paid	(6,577,525.00)	(3,344,140.93)	(6,577,525.00)	(3,289,231.11)
<b>Total input/ (output) from financing activities (c)</b>	<b><u>56,814,270.47</u></b>	<b><u>37,706,766.04</u></b>	<b><u>34,306,319.17</u></b>	<b><u>6,295,663.59</u></b>
<b>Net increase/ (decrease) in cash and cash equivalents (a)+(b)+(c)</b>	<b><u>18,398,071.66</u></b>	<b><u>6,660,712.70</u></b>	<b><u>18,699,912.64</u></b>	<b><u>4,319,068.19</u></b>
<b>Cash and cash equivalents of the merging affiliated companies</b>			<b>497,066.32</b>	<b>3,791,457.79</b>
<b>Cash and cash equivalents at the beginning of the period</b>	<b><u>28,787,980.01</u></b>	<b><u>22,127,267.31</u></b>	<b><u>19,876,283.14</u></b>	<b><u>11,765,757.16</u></b>
<b>Cash and cash equivalents at the end of the period</b>	<b><u>47,186,051.67</u></b>	<b><u>28,787,980.01</u></b>	<b><u>39,073,262.10</u></b>	<b><u>19,876,283.14</u></b>

## NOTES ON THE CONSOLIDATED 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).

The Company's main activity is the import and trade in cars, motorcycles and spare parts for Suzuki and Cadillac as well as Daf trucks, Berkhof buses and Landini farm machinery. The Group's retail activities include the trade of Opel, Ford, Volvo, Cadillac, Corvette and Hummer cars as well as 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 Stock Exchange.

The company's registered offices are in Greece in the Municipality of Athens, Attica at the junction of 5-7 Sidirokastrou St. & Pydnas St. The company's website is [www.sfakianakis.gr](http://www.sfakianakis.gr).

### Merger of subsidiaries

During 2007 SFAKIANAKIS EMPORIKI S.A., which was active in the automobile retail sales sector as official distributor of the manufacturer BMW, was merged by absorption with the parent company SFAKIANAKIS S.A. The merger of the above company was approved by decision No. K2-8300 of the Ministry of Development on 31.05.2007. The transformation date was 28.02.2007.

The consolidated financial statements were not affected by the above mentioned merger. The operations of the merged company SFAKIANAKIS EMPORIKI S.A. for the period 01.03 – 31.12.2007 was included in the parent company's financial statements of 31.12.2007. As a result of the above mentioned merger parent company's figures presented in Financial Statements and their analysis are not comparable (31.12.2007-31.12.2006).

### Structure of the Group – Total Integration

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

COMPANY	Greece			Total
	Country	Direct	Indirect	
<b>SFAKIANAKIS S.A.</b>	<b>Greece</b>	<b>Parent Company</b>		<b>Parent Company</b>
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	Boulgaria	99.91%		99.91%
MIRKAT DOOEL SKOPJE	FYROM	100.00%		100.00%
WINLINK S.A.	Greece	28.57%		28.57%

## 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 31.12.2007 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 International Accounting Standards Board (IASB) as well as the IFRI committee have, till the date of approval of the Financial Statements, already published new accounting standards and interpretations or have introduced amendments to current ones, the implementation of which is compulsory for any accounting period that begins after the 1<sup>st</sup> of January 2007 or onwards. The management's evaluation in relation to any possible effect from implementation of the new accounting standards are as follows:

**Amendment of IAS 23 Borrowing Cost** (effective for annual periods beginning on or after 1 January 2009). In the amendment of IAS 23 "Borrowing cost", the previously considered basic method for recognition of borrowing cost in the results has been eliminated. On the contrary, borrowing cost that is directly attributed to the acquisition, construction or production of a selective asset, as defined by IAS 23, must be part of the item's cost. Given that the implementation of this principle has no retroactive force, it will have no impact to the Group and the Company's Financial Statements.

**Amendment of IAS 32 and IAS 1** regarding the accounting treatment of certain financial instruments and obligations arising on liquidation to be classified as equity if certain criteria are met with simultaneous amendment of IAS 1 requires disclosure of certain information relating to puttable instruments classified as equity. These amendments are effective for annual periods beginning on or after 01.01.2009. The above mentioned amendments have no impact to the Group and the Company.

#### **IFRS 3 Business Combinations and IAS 27 Consolidated and Separate Financial Statements.**

The amendment in IFRS 3 and IAS 27 was issued on January 2008 and is effective for the annual financial periods beginning on or after 1 July 2009. IFRS 3 will be applied in business combinations occurring in these periods and it is amended so that it will be applicable to business combinations of common control and combinations without price payment (parallel share introduction). IFRS 3 and IAS 27, among others, ask for extensive usage of fair value in the Income Statements and the reinforcement of the above mentioned statement. Moreover these principles introduce the following demands: 1) re-estimation of participation share when control is reacquired or lost, 2) directly recognition in shareholders' equity the impact of all transactions between controlled and non-controlled parties when control is not lost, and 3) focusing in what has been given to the seller as price rather than to the amount of acquired cost. More particularly, elements such as cost related directly to the purchase, changes in the value of the potential price, benefits depending on the value of shares and payments of existing contracts will be noted separately from business combinations and will impact frequently the Income Statements. The Group does not intend to proceed to the earlier appliance of the

principle (which is allowed) for purchases that it might make, before the date of its compulsory appliance.

**Amendment of IAS 1 Presentation of Financial Statements.** The amended IAS 1 Presentation of Financial Statements was issued on September 2007 and is effective for the annual financial periods beginning on or after 1 January 2009. This amendment requires that the statement of changes in equity includes only transactions with shareholders. The introduction of a new statement of comprehensive income that combines all items of income and expense recognised in profit or loss together with “other comprehensive income”; and the requirement to present restatements of financial statements or retrospective application of a new accounting policy as at the beginning of the earliest comparative period, i.e. a third column on the balance sheet. The implementation of this principle apart from the different presentation will have no affect to the financial statements.

**IFRS 8 Operating Segments** (effective for annual periods beginning on or after 1 January 2009). IFRS 8 replaces IAS 14 ‘Segment Reporting’ and adopts a management-based approach to segment reporting. The information reported will be the one the management uses internally for evaluating the performance of operating segments and allocating resources to those segments. This information may be different from the one presented in the Balance Sheet and the Income Statements and companies will have to explain those differences. The implementation of this principle will have no substantial affect to the presentation of the financial statements.

**IFRIC 11 – IFRS 2 – Group and Treasury Share Transactions** (Effective for accounting periods beginning on or after 1 March 2007). This Interpretation requires arrangements whereby an employee is granted options to buy equity shares, to be accounted for as equity-settled schemes by an entity even if the entity chooses or is required to buy those equity shares from another party, or the shareholders of the entity provide the equity instruments granted. The interpretation also extends to the way in which subsidiaries, in their separate financial statements, account for such schemes when their employees receive rights to equity instruments of the parent company.

**IFRIC 12 Service Concession Arrangements** (effective for annual periods beginning on or after 1 July 2008). IFRIC 12 outlines an approach to account for contractual (service concession) arrangements arising from entities providing public services. It provides that the operator should not account for the infrastructure as property, plant and equipment, but recognise a financial asset and/or an intangible asset. IFRIC 12 is not applicable to the Group and the Company. This IFRIC has not been adopted by EU.

**IFRIC 13 Customer Loyalty Programmes** (effective for annual periods beginning on or after 1 July 2008). IFRIC issued an interpretation related to the implementation of those defined by IAS 18 for the recognition of income. The IFRIC 13 specifies that when companies grant their customers award credits (i.e. points) as part of a sale transaction and customers can cash such credits in the future for free or discounted goods or services, then paragraph 13 of IAS 18 should be applied. This requires that award credits be accounted for as a separate item of the sale transaction and a part of the price received or the receivable recognized to be allocated to award credits. The recognition time of this income item is postponed until the company satisfies its liabilities that are linked to the award credits, either providing such awards directly or transferring the liability to a third party. IFRIC 13 is not applicable to the Group and the Company. This IFRIC has not been adopted by EU.

**IFRIC 14 The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction** (effective for annual periods beginning on or after 1 January 2008). IFRIC 14 provides guidance on how to assess the risk included in IAS 19 concerning the amount of surplus recognised as an asset. Moreover it explains how this limit may be influenced by minimum funding requirements. IFRIC 14 is not applicable to the Group and the Company.

## 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 31.12.2007.

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 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 associated companies 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 in the Group**

The conversion of the financial statements of companies in 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 Tangible Assets

### **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 annually 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 not 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 define 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 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 the 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 the 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 Management**

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.

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 in the following 12 months are significantly bounded.

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
- d) Provisions for devaluation of inventories and receivables.

**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 31.12.2007 and 31.12.2006 were as follows:

<b>31/12/2007</b>				
	<b>Domestic trade</b>	<b>Domestic service provision</b>	<b>Foreign trade</b>	<b>Total</b>
<i>amounts in euro</i>				
Total gross sales per segment	<b>465,473,905</b>	<b>28,391,304</b>	<b>23,592,488</b>	<b>517,457,696</b>
Domestic sales	(50,408,712)	(13,072,256)	(12,779,390)	(76,260,358)
<b>Net Sales</b>	<b>415,065,192</b>	<b>15,319,047</b>	<b>10,813,098</b>	<b>441,197,338</b>
Operating income	46,756,280	2,408,541	2,525,197	51,690,018
Financial Expenses	(17,508,599)	3,163,988	686,385	(13,658,225)
<b>Earnings before tax</b>	<b>29,247,681</b>	<b>5,572,530</b>	<b>3,211,582</b>	<b>38,031,793</b>
Income tax and other taxes (distributed to results)				(10,370,984)
<b>Net profit</b>				<b>27,660,810</b>
<b>31/12/2006</b>				
	<b>Domestic trade</b>	<b>Domestic service provision</b>	<b>Foreign trade</b>	<b>Total</b>
<i>amounts in euro</i>				
Total gross sales per segment	<b>408,260,042</b>	<b>25,390,969</b>	<b>16,378,272</b>	450,029,283
Domestic sales	(44,255,558)	1,404,000	0	(42,851,558)
<b>Net Sales</b>	<b>364,004,484</b>	<b>26,794,970</b>	<b>16,378,272</b>	<b>407,177,725</b>
Operating income	41,853,358	1,315,278	1,647,807	44,816,443
Financial Expenses	(11,312,935)	2,524,886	(302,200)	(9,090,249)
<b>Earnings before tax</b>	<b>30,540,423</b>	<b>3,840,164</b>	<b>1,345,607</b>	<b>35,726,195</b>
Income tax and other taxes (distributed to results)				(11,981,603)
<b>Net profit</b>				<b>23,744,591</b>

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 31.12.2007 and 31.12.2006 are as follows:

<b>Assets and liabilities per segment on 31 December 2007</b>				
<i>Amounts in €</i>	<b>Domestic trade</b>	<b>Domestic service provision</b>	<b>Foreign trade</b>	<b>Total</b>
Total assets	471,961,229	77,289,896	32,536,842	<b>581,787,967</b>
Total liabilities	363,476,648	74,040,542	24,979,109	<b>462,496,299</b>

<b>Assets and liabilities per segment on 31 December 2006</b>				
<i>Amounts in €</i>	<b>Domestic trade</b>	<b>Domestic service provision</b>	<b>Foreign trade</b>	<b>Total</b>
Total assets	396,499,960	65,928,597	30,990,157	<b>493,418,714</b>
Total liabilities	303,965,601	62,140,883	25,303,287	<b>391,409,771</b>

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.

<b>Parent Company</b>							
	<u>Land</u>	<u>Buildings &amp; 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	0.00	(4,245,254.37)	(1,633,032.74)	(1,742,337.86)	(4,647,349.23)	0.00	(12,267,974.20)
<b>Net book value 31/12/2006</b>	<b>45,588,579.41</b>	<b>31,287,609.60</b>	<b>762,609.60</b>	<b>5,582,998.91</b>	<b>1,447,604.15</b>	<b>898,566.65</b>	<b>85,567,968.32</b>
Year 2007 Additions		6,786,684.48	548,929.76	3,708,339.57	724,848.52	537,641.48	12,306,443.81
Reductions/Transfers of Cost		2,602,800.40	741,964.45	(367,852.80)	721,430.52	-1,081,714.22	2,616,628.35
Depreciation of the year		1,402,003.15	352,910.82	1,522,250.96	921,847.59		4,199,012.52
Reductions of depreciation		26,047.00	15,170.77	916,787.77	56,093.90		1,014,099.44
Transfer of depreciation		(90,330.48)	(126,307.09)	(227,276.61)	(227,942.80)		
31/12/2007 Cost	45,588,579.41	44,922,348.85	3,686,536.55	10,665,823.54	7,541,232.42	354,493.91	112,759,014.68
Accumulated depreciation	0.00	(5,711,541.00)	(2,097,079.88)	(2,575,077.66)	(5,741,045.72)	0.00	(16,124,744.26)
<b>Net book value 31/12/2007</b>	<b>45,588,579.41</b>	<b>39,210,807.85</b>	<b>1,589,456.67</b>	<b>8,090,745.88</b>	<b>1,800,186.70</b>	<b>354,493.91</b>	<b>96,634,270.42</b>
<b>Group</b>							
	<u>Land</u>	<u>Buildings &amp; 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	0,00	(5,449,956.31)	(2,112,745.42)	(29,090,024.52)	(7,573,903.25)	0,00	(44,226,629.51)
<b>Net book value 31/12/2006</b>	<b>63,467,513,34</b>	<b>39,271,969,46</b>	<b>1,787,162,78</b>	<b>56,803,943,58</b>	<b>2,947,470,53</b>	<b>912,136,07</b>	<b>165,190,195,76</b>
Year 2007 Additions		7,084,471.12	749,108.23	44,736,201.07	1,141,579.57	1,013,486.77	54,724,846.76
Reductions/Transfers of Cost		(46,556.93)	19,178.03	(41,757,093.68)	(19,807.11)	(1,081,714.22)	(42,885,993.91)
Depreciation of the year		1,753,815.97	483,934.84	15,671,782.88	1,363,037.38		19,272,571.06
Reductions of depreciation		(1,021,632.07)	48,412.13	(18,904,827.16)	133,100.93	0,00	(19,744,946.17)
31/12/2007 Cost	63,467,513,34	51,759,839,97	4,668,194,46	88,873,075,49	11,643,146,25	843,908,61	221,255,678,12
Accumulated depreciation	0,00	(6,182,140,21)	(2,645,092,39)	(25,856,980,24)	(9,070,041,56)	0,00	(43,754,254,40)
<b>Net book value 31/12/2007</b>	<b>63,467,513,34</b>	<b>45,577,699,75</b>	<b>2,023,102,07</b>	<b>63,016,095,25</b>	<b>2,573,104,69</b>	<b>843,908,61</b>	<b>177,501,423,72</b>

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.

There are mortgages and mortgage liens registered on the company's property worth a total of € 42,700,000 to secure bank loans (syndicated bond). There are no liens registered in respect of the property of the subsidiaries. Group and company fixed asset purchases for the period can be broken down as follows:

<b>FIXED ASSET ADDITIONS</b>	<b>GROUP</b>	<b>COMPANY</b>
Buildings – building facilities	3,988,735.69	3,891,876.70
Other technical works	16,500.00	16,500.00
Plots for development (depreciable)	83,886.00	83,886.00
Third party buildings - facilities	2,995,349.43	2,794,421.78
Machinery	646,675.14	510,454.89
Portable hand machinery	20,236.59	8,270.00
Tools	62,244.31	30,004.87
Mechanical Appliances	19,952.19	200.00
Other cars	44,695,491.27	3,683,420.60
Trucks - tow-trucks - special use vehicles	40,709.80	24,918.97
Furniture	238,993.25	74,067.51
Appliances	2,204.83	1,383.22
Office machines	662.38	590.00
PCs and electrical units	73,428.92	32,121.57
Telecommunications Equipment	184,792.19	178,770.29
Other Equipment	641,498.00	437,915.93
Buildings-facilities-technical works under construction	1,013,486.77	537,641.48
<b>Total</b>	<b>54,724,846.77</b>	<b>12,306,443.81</b>

## 7. Intangible assets

Intangible assets can be broken down as follows:

<b>INTANGIBLE ASSETS</b>	<b>Group</b>		<b>Company</b>	
	<b>31.12.2007</b>	<b>31.12.2006</b>	<b>31.12.2007</b>	<b>31.12.2006</b>
Software Applications	2,031,769.57	1,889,194.00	1,306,915.29	1,113,341.58
Depreciation recorded on software applications	(1,391,969.02)	(1,154,846.76)	(890,415.49)	(659,298.70)
<b>Total</b>	<b>639,800.55</b>	<b>734,347.24</b>	<b>416,499.80</b>	<b>454,042.88</b>

Software is depreciated over 3 to 5 years.

Group account transactions in the period 01.01– 31.12.2007 can be broken down as follows:

	<b>ACQUISITION COST</b>				<b>DEPRECIATION</b>				<b>CARRIED VALUE</b>
	Total on 31.12.2006	Additions & Purchases in 2007	Reductions in 2007	Total on 31.12.2007	Depreciation up to 2006	Depreciation Recorded in 2007	Depreciation on Sold Items	Total Depreciation	31.12.2007
Software Applications	1,889,194.00	349,419.15	(206,843.58)	2,031,769.57	1,154,846.76	423,408.73	(186,286.47)	1,391,969.02	639,800.55

## 8. Goodwill

<b>Goodwill</b>	<b>Group</b>			
	<b>31.12.2007</b>		<b>31.12.2006</b>	
	<b>PRIMARYLY DATA</b>	<b>RESTATED DATA</b>	<b>PRIMARYLY DATA</b>	<b>RESTATED DATA</b>
MIRKAT OOD	2.104.596,29	2.104.596,29	2.104.596,29	2.104.596,29
ALPAN Ltd	1.256.852,00	0,00	1.256.852,00	0,00
ATHONIKI TECHNIKI S.A.	1.023.828,00	0,00	1.023.828,00	0,00
<b>Total</b>	<b>4.385.276,29</b>	<b>2.104.596,29</b>	<b>4.385.276,29</b>	<b>2.104.596,29</b>

This relates to the fair value of net assets of associates and subsidiaries (less liability) 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 consolidation method and those consolidated using the equity method.

During fiscal year 2007 SFAKIANAKIS EMPORIKI S.A., which was active in the automobile retail sales sector as official distributor of the manufacturer BMW, was merged by absorption with the parent company SFAKIANAKIS S.A. The merger of the above 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 31.12.2007, 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	INDIRECT	TOTAL
PERSONAL BEST S.A.	6,629,040.39	2,550,184.82	9,179,225.21	Greece	100.00%		100.00%
PANERGON S.A.	7,439,722.41	107,819.82	7,547,542.23	Greece	100.00%		100.00%
EXECUTIVE INSURANCE BROKERS S.A.	154,071.91	1,427,121.05	1,581,192.96	Greece	100.00%		100.00%
EXECUTIVE LEASE S.A.	10,657,651.13	(4,475,434.91)	6,182,216.22	Greece	100.00%		100.00%
MIRKAT OOD	5,994,559.63	7,135,537.14	13,130,096.77	Bulgaria	99.91%		99.91%
MIRKAT DOOEL SKOPJE	655,000.00	0.00	655,000.00	FYROM	100.00%		100.00%
WIN LINK S.A.	0.01	0.00	0.01	Greece	28.57%		28.57%
<b>TOTAL</b>	<b>31,530,045.48</b>	<b>6,745,227.92</b>	<b>38,275,273.40</b>				

Changes to the acquisition value in the period 01.01 – 31.12.2007 can be broken down as follows:

CORPORATE NAME	ACQUISITION COST ON 31.12.2006	CHANGES IN 2006	ADDITIONS IN 2006	ACQUISITION COST ON 31.12.2007
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
<b>TOTAL</b>	<b>33,982,708.72</b>	<b>(2,992,663.24)</b>	<b>540,000.00</b>	<b>31,530,045.48</b>

SFAKIANAKIS EMPORIKI S.A. was merged by absorption with the parent company SFAKIANAKIS S.A. on 01.03.2007.

The General Meeting of the Shareholders of Winlink S.A. on 29.06.2007 decided the reduction of company's share capital by € 2,500,000 by the setting off prior year losses and deducting of the nominal value of each share by € 50.00, and in the same time it was increased, with cash € 1,000,000.00 with the issuance of 20,000 new shares of a nominal value of € 50.00 each. Share capital raises to € 3,500,000.00 divided in 70,000 shares of a nominal value of € 50.00 each. SFAKIANAKIS S.A. did not participate to this increase and as a result its percentage of participation from 40.00% amounts now 28.57%.

## 9.2 Investments in affiliates

Investments in affiliated companies presented on the parent company's balance sheet are as follows:

AFFILIATES	ACQUISITION COST 31.12.2007	CHANGES OF FAIR VALUE	ACQUISITION COST 31.12.2007
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.	15,035,920.01	(213,848.08)	15,249,768.09
<b>TOTAL</b>	<b>21,986,547.72</b>	<b>3,658,580.04</b>	<b>18,327,967.68</b>

Changes in acquisition cost of the affiliated companies for period 01.01-31.12.2007 are as follows:

AFFILIATES	ACQUISITION COST 31.12.2006	CHANGES 2007	ACQUISITION COST 31.12.2007	COUNTRY	% HOLDING
SPEEDEX S.A.	0.01	0.00	0.01	Greece	49.55%
ALPAN ELECTROLINE Ltd	6,950,627.70	0.00	6,950,627.70	Cyprus	40.00%
ATHONIKI TECHNIKI S.A.	13,000,000.01	2,035,920.00	15,035,920.01	Greece	49.90%
<b>TOTAL</b>	<b>19,950,627.72</b>	<b>2,035,920.00</b>	<b>21,986,547.72</b>		

In the fourth semester of 2007 a share capital increase of SPEEDEX S.A. was realised by € 500,000.00. The Company paid € 250,000.00 and as a result its percentage of participation changed from 49.53% to 49.55%. This increase was deleted decreasing the results of the year.

The participations in affiliates which are presented in the consolidated balance sheet are as follows:

INVESTMENTS IN AFFILIATES	GROUP			
	31/12/2007		31/12/2006	
	PRIMARY DATA	RESTATE DATA	PRIMARY DATA	RESTATE DATA
SPEEDEX S.A.	0,01	0,01	0,01	0,01
ALPAN ELECTROLINE Ltd	1.919.294,57	3.176.146,57	1.821.347,42	3.078.199,58
ATHONIKI TECHNIKI S.A.	14.628.875,26	15.652.703,26	12.448.789,26	13.472.617,88
<b>TOTAL</b>	<b>16.548.169,84</b>	<b>18.828.849,84</b>	<b>14.270.136,69</b>	<b>16.550.817,47</b>

Fair value of affiliated companies on 01.01.2007, as presented in the above table was changed with exchange rate differences of foreign investments, proportion of gains or losses till 31.12.2007 and share capital increases. Analytically, changes for period 01.01.2007-31.12.2007 are as follows:

AFFILIATES	ACQUISITION COST 31.12.2007	CHANGES 2007	GAINS & LOSES	SHARE CAPITAL INCREASE	FAIR VALUE 31.12.2007
SPEEDEX S.A.	0.01	0.00	0.00	0.00	0.01
ALPAN ELECTROLINE Ltd	3,078,199.58	(61,787.42)	159,734.41	0.00	3,176,146.57
ATHONIKI TECHNIKI S.A.	13,472,617.88	(198,433.80)	342,599.18	2,035,920.00	15,652,703.26
<b>TOTAL</b>	<b>16,550,817.47</b>	<b>(260,221.22)</b>	<b>502,333.59</b>	<b>2,035,920.00</b>	<b>18,828,849.84</b>

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

Affiliates	ASSETS	LIABILITIES	INCOME	PROFIT or LOSSES
<b>2006</b>				
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
<b>2007</b>				
SPEEDEX S.A.	18,812	21,037	29,702	(933.00)
ALPAN ELECTROLINE Ltd	20,655	10,594	27,827	399
ATHONIKI TECHNIKI S.A.	102,766	71,978	56,298	2,339

### 9.3 Holdings acquired in the period

Shares purchased in subsidiaries and affiliates in the period 01.01.2007 – 31.12.2007 are as follows:

COMPANY	Balance on 31.12.2006	Purchases in 2007	Balance on 31.12.2007
SFAKIANAKIS EMPORIKI S.A.	2,910,000.00	90,000.00	3,000,000.00
ATHONIKI TECHNIKI S.A.	13,000,000.01	1,526,940.00	14,526,940.01
MIRKAT DOOEL SKOPJE	205,000.00	450,000.00	655,000.00
<b>Total</b>	<b>16,115,000.01</b>	<b>2,066,940.00</b>	<b>18,181,940.01</b>

SFAKIANAKIS S.A participated in the increase of the share capital of ATHONIKI TECHNIKI S.A., total amount of increase € 4,080,000, according to the decision of the Extraordinary General Meeting of the shareholders of ATHONIKI TECHNIKI S.A. dated 18/12/2006. SFAKIANAKIS S.A. participates in the share capital of ATHONIKI TECHNIKI S.A. with 49.90% and the amount of its participation in the above mentioned increase amounts € 2,035,920 and it was covered in four equivalent three-monthly installments.

### 10. Inventories

INVENTORIES	Group		Company	
	31.12.2007	31.12.2006	31.12.2007	31.12.2006
Merchandise	95,460,862.61	76,867,585.59	67,065,649.87	44,757,935.04
Work in progress	974,956.52	2,501,637.54	974,956.52	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	(1,550,000.00)	(1,300,000.00)	(850,000.00)	(600,000.00)
<b>Total</b>	<b>95,796,312.81</b>	<b>78,979,716.81</b>	<b>68,101,100.07</b>	<b>47,570,066.26</b>

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 € 2,545,642.01 were valued on 31.12.2007 at a net realisable value of € 995,642.01, namely a value f € 1,550,000.00 less.

The movement of provisions for inventory impairment is as follows:

	Group		Company	
	31.12.2007	31.12.2006	31.12.2007	31.12.2006
Starting balance	1,300,000.00	1,575,303.33	600,000.00	1,275,303.33
Merchandise destruction	(382,304.79)	(575,303.33)	(382,304.79)	(575,303.33)
Devaluation provisions	632,304.79	300,000.00	632,304.79	(100,000.00)
<b>Total</b>	<b>1,550,000.00</b>	<b>1,300,000.00</b>	<b>850,000.00</b>	<b>600,000.00</b>

**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	
	31.12.2007	31.12.2006	31.12.2007	31.12.2006
Long-term bills receivable	28,019,549.47	20,813,075.20	353,199.03	1,196,291.54
Non-accrued interest on long-term bills receivable	(3,912,668.99)	(2,773,095.70)	(61,199.97)	(140,464.06)
<b>RECEIVABLES FROM CUSTOMERS</b>	<b>24,106,880.48</b>	<b>18,039,979.50</b>	<b>291,999.06</b>	<b>1,055,827.48</b>
Long-term receivables	3,143,470.70	3,377,594.17	0.00	0.00
Non-accrued interest on long-term receivable	(3,005,931.08)	0.00	0.00	0.00
Receivables from leasing	15,027,705.75	16,154,234.97	0.00	0.00
Guarantees given	801,372.90	792,632.15	497,069.45	301,640.44
<b>OTHER ASSETS</b>	<b>15,966,618.28</b>	<b>20,324,461.29</b>	<b>497,069.45</b>	<b>301,640.44</b>
Derivatives on participations	1,632,596.00	1,526,000.00	1,632,596.00	1,526,000.00
<b>TOTAL</b>	<b>41,706,094.76</b>	<b>39,890,440.79</b>	<b>2,421,664.51</b>	<b>2,883,467.92</b>

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

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

**Derivatives on participation**

	Group		Company	
	31.12.2007	31.12.2006	31.12.2007	31.12.2006
Derivatives on participations	1,632,596.00	1,526,000.00	1,632,596.00	1,526,000.00
<b>TOTAL</b>	<b>1,632,596.00</b>	<b>1,526,000.00</b>	<b>1,632,596.00</b>	<b>1,526,000.00</b>

The derivative value € 1.632.596.00 relates to an option to sell to the vendor of the participation of the parent company to WINLINK S.A.

**11.1 Trade and other receivables (current)**

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

TRADE AND OTHER RECEIVABLES (current)	Group		Company	
	31.12.2007	31.12.2006	31.12.2007	31.12.2006
Customers	59,787,061.78	49,870,956.51	34,511,873.57	30,389,786.49
Short-term notes	14,088,219.62	14,970,105.96	1,225,519.40	1,892,990.36
Cheques receivable	36,014,223.37	37,730,587.85	25,356,292.95	28,675,245.83
Less: Provision for customer bad debt	(5,639,437.39)	(4,636,631.08)	(1,900,000.00)	(1,672,000.00)
<b>RECEIVABLES FROM CUSTOMERS</b>	<b>104,250,067.38</b>	<b>97,935,019.24</b>	<b>59,193,685.92</b>	<b>59,286,022.68</b>
Current asset orders	55,960,212.34	34,583,631.02	51,361,312.34	30,507,245.68
Sundry debtors	25,515,798.55	15,327,184.26	17,900,037.94	7,726,469.65
<b>OTHER ASSETS</b>	<b>81,476,010.89</b>	<b>49,910,815.28</b>	<b>69,261,350.28</b>	<b>38,233,715.33</b>
<b>TOTAL</b>	<b>185,726,078.27</b>	<b>147,845,834.52</b>	<b>128,455,036.20</b>	<b>97,519,738.01</b>

The Provisions for customer bad debts account is as follows:

	Group		Company	
	31.12.2007	31.12.2006	31.12.2007	31.12.2006
Starting balance	4,636,631.08	4,365,425.14	1,672,000.00	1,650,000.00
Provisions for new bad debts	1,002,806.31	271,205.94	228,000.00	22,000.00
<b>Total</b>	<b>5,639,437.39</b>	<b>4,636,631.08</b>	<b>1,900,000.00</b>	<b>1,672,000.00</b>

Provisions for customer bad debts cover possible damage of receivables being in long-term delinquency earlier than year and for which no provisions have been made decreasing the results and are not important.

The Sundry Debtors account can be broken down as follows:

SUNDRY DEBTORS	Group		Company	
	31.12.2007	31.12.2006	31.12.2007	31.12.2006
Advances to personnel	20,344.84	40,505.85	7,777.78	10,693.77
Greek state - advance & withholding tax	1,065,541.42	1,118,580.03	346,267.84	355,441.49
Greek state - other receivables	251,340.47	95,929.69	251,340.47	0.00
Supplier guarantee accounts	2,045,371.44	2,248,096.76	1,206,140.97	1,172,834.52
Sundry debtors	3,344,275.40	2,177,221.69	2,554,856.56	408,630.49
Other sundry debtors in €	12,049,072.64	6,981,665.93	9,982,058.07	4,417,855.78
Advance for purchase of participation-Kontellis	2,000,000.00	0.00	2,000,000.00	0.00
Other contested debtors	2,274.56	(2,951.47)	2,274.56	2,693.14
Customs clearance - accounts payable	305,704.1	11,405.53	293,531.00	(15,293.69)
Prepaid expenses	4,431,873.72	2,656,730.25	1,255,790.69	1,373,614.15
<b>TOTAL</b>	<b>25,515,798.55</b>	<b>15,327,184.26</b>	<b>17,900,037.94</b>	<b>7,726,469.65</b>

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 Financial assets available for sale

FINANCIAL ASSETS AVAILABLE FOR SALE	Group		Company	
	31.12.2007	31.12.2006	31.12.2007	31.12.2006
Shares listed on ATHEX	7,111,329.60	3,431,430.76	6,821,640.00	2,952,400.00
Shares not listed on ATHEX	1,453,568.94	1,405,124.01	1,312,867.42	1,277,326.66
Domestic mutual fund shares	0.00	5,067,422.01	0.00	5,067,422.01
Repos	6,725.99	0.00	0.00	0.00
<b>TOTAL</b>	<b>8,571,624.53</b>	<b>9,903,976.78</b>	<b>8,134,507.42</b>	<b>9,297,148.67</b>

The valuation of securities listed on ATHEX was effectuated at the spot price on 31.12.2007. Non-listed securities were valued at fair value.

SFAKIANAKIS S.A. Portfolio valuation on 31.12.2007		
SHARES	QUANTITY	Current value on 31.12.2007
<b>SHARES LISTED ON ATHEX</b>		
MINOAN LINES S.A.	166,000	806,760.00
ELBISCO HOLDING S.A.	48,000	74,880.00
MARFIN INVESTMENT GROUP HOLDING S.A.	1,000,000	5,940,000.00
<b>TOTAL (A)</b>		<b>6,821,640.00</b>
<b>SHARES NOT LISTED ON ATHEX</b>		
HELLENIC SEAWAYS	150,000	418,931.51
CLUB HOTEL CASINO LOUTRAKI	748,340	893,935.91
<b>TOTAL (B)</b>		<b>1,312,867.42</b>
<b>GRAND TOTAL (A+B)</b>		<b>8,134,507.42</b>

<b>PERSONAL BEST S.A.</b>		
<b>Portfolio valuation on 31.12.2007</b>		
<b>SHARES</b>	<b>QUANTITY</b>	<b>Current value on 31.12.2007</b>
<b>SHARES LISTED ON ATHEX</b>		
ELLINIKI TECHNODOMIKI S.A.	15,000	147,000.00
MINOAN LINES S.A.	29,360	142,689.60
<b>TOTAL (A)</b>		<b>289,689.60</b>
<b>SHARES NOT LISTED ON ATHEX</b>		
HELLENIC SEAWAYS	50,000	139,643.84
<b>TOTAL (B)</b>		<b>139,643.84</b>
<b>GRAND TOTAL (A+B)</b>		<b>429,333.44</b>

<b>WINLINK S.A.</b>		
<b>Portfolio valuation on 31.12.2007</b>		
<b>SHARES</b>	<b>QUANTITY</b>	<b>Current value on 31.12.2007</b>
RADIO KORASIDI S.A.	4,680	1,057,068.00
<b>TOTAL</b>		<b>1,057,068.00</b>

In the following table securities are presented per Company:

<b>GROUP SECURITIES</b>	<b>Current value on 31.12.2007</b>
SFAKIANAKIS SECURITIES	8,134,507.42
PERSONAL BEST SECURITIES	429,333.44
WINLINK SECURITIES	1,057.68
<b>TOTAL ON 31.12.2006</b>	<b>8,564,898.54</b>

The breakdown securities account for 2007 as follows.

<b>Company</b>	<b>Shares listed on ATHEX</b>	<b>Mutual Funds</b>	<b>Shares not listed on ATHEX</b>
Fair value 31/12/2006	2,952,400.00	5,067,422.01	1,277,326.66
Plus Purchase 2007	6,713,440.00	0.00	0.00
<b>Total</b>	<b>9,665,840.00</b>	<b>5,067,422.01</b>	<b>1,277,326.66</b>
Less : Fair value of sales 2007	2,178,520.00	5,067,422.01	0.00
Balance	7,487,320.00	0.00	1,277,326.66
Devaluation on 31/12/2007	665,680.00	0.00	35,540.76
<b>Fair Value 31/12/2007</b>	<b>6,821,640.00</b>	<b>0.00</b>	<b>1,312,867.42</b>

## 12. Cash

The breakdown of cash assets is as follows:

<b>CASH AND CASH EQUIVALENTS</b>	<b>Group</b>		<b>Company</b>	
	<b>31.12.2007</b>	<b>31.12.2006</b>	<b>31.12.2007</b>	<b>31.12.2006</b>
Cash on hand	760,848.54	586,977.38	332,874.04	300,800.89
Sight Deposits	14,312,003.52	11,271,983.57	7,188,531.89	5,255,655.16
Time deposits	31,139,198.02	6,251,004.84	30,577,984.60	3,641,813.20
FX Sight deposits	973,871.57	10,678,013.89	973,871.57	10,678,013.89
<b>TOTAL</b>	<b>47,185,921.66</b>	<b>28,787,979.68</b>	<b>39,073,262.10</b>	<b>19,876,283.14</b>

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

**13. Equity****13.1. Share capital**

	Group		Company	
	31.12.2007	31.12.2006	31.12.2007	31.12.2006
Share Capital	19,786,200.00	12,109,500.00	19,786,200.00	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 reserves from the adjustment in the value of assets and special reserves. Special reserves from income taxed in line with special provisions 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.

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.

New common shares of the company deriving from the above mentioned capital increase, are listed in the A.S.E. from August 1<sup>st</sup> 2008.

**13.2 Fair value reserves**

FAIR VALUE RESERVES	Group		Company	
	31.12.2007	31.12.2006	31.12.2007	31.12.2006
Investments fair value reserve	(3,552,303.52)	1,297,752.67	201,515.86	7,046,277.18
<b>TOTAL</b>	<b>(3,552,303.52)</b>	<b>1,297,752.67</b>	<b>201,515.86</b>	<b>7,046,277.18</b>

These can be broken down as follows:

FAIR VALUE RESERVES	Group		Company	
	31.12.2007	31.12.2006	31.12.2007	31.12.2006
Participations consolidated	0.00	0.00	3,940,062.21	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	27,121.74	2,156,868.43	(154,472.28)	1,912,154.84
Shares not listed on ATHEX	79,154.78	52,657.02	74,505.97	63,800.53
Mutual Funds	0.00	2,746,807.26	0.00	2,746,807.26
<b>TOTAL</b>	<b>(3,552,303.52)</b>	<b>1,297,752.67</b>	<b>201,515.86</b>	<b>7,046,277.18</b>

**13.3 Other reserves**

OTHER RESERVES	Group		Company	
	31.12.2007	31.12.2006	31.12.2007	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	679,770.82	5,329.05	663,849.43	0.00
Untaxed Reserves Under Special Provisions Of Law	9,764,807.60	8,804.11	9,764,807.60	8,804.11
Other Reserves	125.09	124.34	0.00	0.00
Tax-Exempt Income Reserves	187,111.49	2,884.25	0.00	0.00
Special Taxation Reserves	9,313,351.35	9,090,555.88	9,312,495.48	9,089,700.01
Difference From Conversion Of Capital To Euro	4,115.00	4,350.14	4,115.00	4,115.00
<b>TOTAL</b>	<b>28,368,973.12</b>	<b>15,998,112.90</b>	<b>27,846,377.22</b>	<b>15,693,899.92</b>

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 Result carried forward**

RESULT CARRIED FORWARD	Group		Company	
	31.12.2007	31.12.2006	31.12.2007	31.12.2006
Balance brought forward	36,419,749.60	38,038,878.70	31,637,652.88	31,961,578.42
Net profit for the period	27,660,809.71	23,744,591.38	27,395,366.29	28,394,359.49
<b>TOTAL</b>	<b>64,080,559.31</b>	<b>61,783,470.08</b>	<b>59,033,019.17</b>	<b>60,355,937.91</b>

**13.5 Changes of Equity****Explanations on changes of equity**

**Parent Company:** The amount of revaluation of € 2,307,857.73 for parent company refers to: a) the amount of accumulated losses € 2,347,260.28 of affiliated company Sfakianakis Emporiki S.A. which was absorbed based on Law 2166/93 with transformation date 28.02.2007 and b) other revaluations of € 39,402.35 which refer to tax paid.

The change in fair value reserves of € 6,844,761.32 refer to difference of valuation in fair value of shares and mutual funds of € 4,850,056.19 and difference in valuation of participations that are consolidated of € 2,042,032.38.

**Consolidated Balance Sheet:** The amount of revaluation for the Group refers to change in fair value reserves of € 4,850,056.19 from difference in the valuation of the fair value of shares and mutual funds.

Group's revaluations refer to changes in minority rights of the affiliate Winlink S.A. of € 375,164.85, as the parent company did not participate in the increase by € 1,000,000.00 of its share capital, revaluation of inventories of affiliate situated in foreign country amount € 10,358.15 and other revaluations which refer to tax paid.

**14. Loans (including Leasing)****14.1 Loans**

Loans can be broken down as follows:

LONG-TERM LOANS	Group		Company	
	31.12.2007	31.12.2006	31.12.2007	31.12.2006
Syndicated bond in € not convertible to shares	96,550,000.00	76,000,000.00	62,800,000.00	72,000,000.00
Long-term bank liabilities in FX	2,844,953.20	1,826,462.85	0.00	0.00
	<b>99,394,953.20</b>	<b>77,826,462.85</b>	<b>62,800,000.00</b>	<b>72,000,000.00</b>
Less: Long-term corporate bond liabilities payable within the next 12 months	(10,836,360.00)	(9,200,000.00)	(9,200,000.00)	(9,200,000.00)
<b>TOTAL LOANS</b>	<b>88,558,593.20</b>	<b>68,626,462.85</b>	<b>53,600,000.00</b>	<b>62,800,000.00</b>
Long-term leasing liabilities	11,977,665.00	20,114,509.02	0.00	0.00
<b>TOTAL</b>	<b>100,536,258.20</b>	<b>88,740,971.86</b>	<b>53,600,000.00</b>	<b>62,800,000.00</b>

The repayment of the non paid syndicated bonds remaining on 31.12.2007 for the parent company's and Group's are presented per year in the following table:

Year	Company	Panergon S.A.	Executive Lease S.A.	Total	Maturity Analysis	
<b>2008</b>	9,200,000	500,000	1,136,360	10,836,360	<i>10,836,360</i>	<i>Up to 1 year</i>
<b>2009</b>	9,200,000	500,000	1,772,720	11,472,720		
<b>2010</b>	44,400,000	500,000	1,772,720	46,672,720		
<b>2011</b>		375,000	1,647,720	2,022,720		
<b>2012</b>		20,000,000	1,272,720	21,272,720	<i>81,440,880</i>	<i>From 1 to 5 years</i>
<b>2013</b>			1,272,720	1,272,720		
<b>2014</b>			3,000,040	3,000,040		
<b>Total</b>	<b>62,800,000</b>	<b>21,875,000</b>	<b>11,875,000</b>	<b>96,550,000</b>	<b>96,550,000</b>	<i>After 5 years</i>

The loan interest rate is floating and the effective interest rate is between 5.5% and 5.75%. Information for the long-term Leasing liabilities is presented in paragraph 14.3.

**14.2 Short-term loans**

Short-term loans can be broken down as follows:

Short-term loans	Group		Company	
	31.12.2007	31.12.2006	31.12.2007	31.12.2006
Short-term loans	201,858,764.70	150,806,332.29	129,177,602.57	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)	7,987,562.86	10,345,810.50	0.00	0.00
<b>Total</b>	<b>219,046,327.56</b>	<b>170,352,142.79</b>	<b>138,377,602.57</b>	<b>80,285,100.91</b>

Information for the short-term Leasing liabilities is presented in paragraph 14.3.

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

- EXECUTIVE LEASE S.A. for loans of € 38,740,097.65
- PERSONAL BEST S.A. for loans of € 1,900,000.00
- PANERGON S.A. for loans of € 47,058,000.00
- MIRKAT OOD for loans of € 18,769,053.71
- SPEEDEX S.A. for loans of € 3,500,00.00

The total level of guarantee letters to secure outstanding (open) liabilities on 31.12.2007 was € 13,325,146.28 while the total amount of guarantee letters to secure receivables was € 14,124,045.47.

### 14.3 Leasing obligations

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

	Group	
	31.12.2007	31.12.2006
Cost of capitalising financial leases	33,552,977.00	44,525,952.31
Accumulated depreciation	(14,005,370.53)	(15,543,216.78)
<b>Net book value</b>	<b>19,547,606.47</b>	<b>28,982,735.53</b>

FINANCIAL LEASE OBLIGATIONS	Group	
	31.12.2007	31.12.2006
Long-term financial lease liabilities	11,977,665.00	20,106,358.49
Short-term financial lease liabilities	7,987,562.86	10,345,810.50
<b>TOTAL LIABILITIES</b>	<b>19,965,227.86</b>	<b>30,452,168.99</b>

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

FINANCIAL LEASE OBLIGATIONS - MINIMUM LEASING PAYMENTS	Group	
	31.12.2007	31.12.2006
Up to 1 year	8,748,289.68	11,513,754.15
From 1 - 5 years	12,626,798.24	21,433,114.70
After 5 years	0.00	0.00
<b>TOTAL</b>	<b>21,375,087.92</b>	<b>32,946,868.85</b>
Future charges of financial cost at the financial leases	(1,409,860.06)	(2,494,699.86)
<b>TOTAL</b>	<b>19,965,227.86</b>	<b>30,452,168.99</b>

The current value of financial lease liabilities is as follows:

	Group	
	31.12.2007	31.12.2006
Up to 1 year	7,987,562.86	10,345,810.50
From 1 to 5 years	11,977,665.00	20,106,358.49
After 5 years	0.00	0.00
	<b>19,965,227.86</b>	<b>30,452,168.99</b>

### 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	
	31.12.2007	31.12.2006	31.12.2007	31.12.2006
From staff compensation	318,426.31	393,100.47	245,814.82	305,998.31
From provision for bad debt	756,062.46	763,390.67	375,000.00	417,745.55
From inventory value decline	417,368.03	234,357.31	212,500.00	150,000.00
Other interim differences	1,485,408.04	1,689,960.66	175,575.14	331,320.78
Tax losses	750,000.00	350,000.00	0.00	0.00
<b>TOTAL</b>	<b>3,727,264.84</b>	<b>3,430,809.11</b>	<b>1,008,889.96</b>	<b>1,205,064.64</b>

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	
	31.12.2007	31.12.2006	31.12.2007	31.12.2006
From adjustments to lots and buildings	13,745,363.38	13,545,861.64	10,804,981.05	10,735,604.87
From open tax periods	1,980,617.77	1,355,617.77	1,590,617.77	840,617.77
Other temporary differences	26,384.92	0.00	2,830,001.03	0.00
<b>Total</b>	<b>15,752,366.07</b>	<b>14,901,479.41</b>	<b>15,225,599.85</b>	<b>11,576,222.64</b>

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

## 16. No. of staff employed, cost and provisions for compensation

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

	Group		Company	
	31.12.2007	31.12.2006	31.12.2007	31.12.2006
Total cost of employment	30,983,343.42	27,969,123.12	18,462,428.32	9,817,742.34
Staff Employed	1,495	1,584	552	504

PROVISIONS FOR EMPLOYEE BENEFITS	Group		Company	
	31.12.2007	31.12.2006	31.12.2007	31.12.2006
Personnel dismissal and retirement compensation provision	1,280,477.05	1,582,240.91	983,259.26	1,223,993.23

PROVISIONS FOR EMPLOYEE BENEFITS	Group		Company	
	31.12.2007	31.12.2006	31.12.2007	31.12.2006
Net liability in the beginning of the period	1,582,240.90	1,414,384.00	1,223,993.00	1,104,635.00
Social securities paid by the employer	(462,785.11)	(242,609.55)	(332,634.62)	(47,436.99)
Total expenses included in financial results	161,021.26	410,466.45	81,234.26	62,280.84
From merged companies	0.00	0.00	10,666.39	104,514.15
<b>Balance end of the year</b>	<b>1,280,477.05</b>	<b>1,582,240.90</b>	<b>983,259.03</b>	<b>1,223,993.00</b>

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 an annual figure of 3% is calculated (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 31.12.2006 and the changes for fiscal year 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	
	31.12.2007	31.12.2006	31.12.2007	31.12.2006
Provisions for contingencies and extraordinary expenses	0.00	1,400,000.00	0.00	1,400,000.00
Other provisions	42,264.75	37,114.19	0.00	0.00
<b>Total</b>	<b>42,264.75</b>	<b>1,437,114.19</b>	<b>0.00</b>	<b>1,400,000.00</b>

The provision of € 1,400,000.00 relates to contingent compensation from merchants of the network and was imputed to the results of the 2003 accounting period. This provision has been re-examined on 31.12.2007 and it is decided that there is no possibility of outflow of revenue for this reason and it has been transferred to financial results to the account Other Income.

## 18. Suppliers and other liabilities

Suppliers and other liabilities are analysed as follows:

SUPPLIERS AND OTHER LIABILITIES	Group		Company	
	31/12/2007	31/12/2006	31/12/2007	31/12/2006
Suppliers	77,704,755.32	56,647,838.63	38,446,393.70	16,234,707.55
Notes payable in FX	24,857,414.37	23,827,169.08	24,857,414.37	23,827,169.08
Dividends payable	11,738.45	8,013.45	11,738.45	8,013.45
Cheques payable	10,427,541.64	11,215,209.38	4,596,026.08	4,271,039.95
Other short-term liabilities	5,865,843.65	13,927,172.57	2,857,727.01	8,825,404.73
Derivative-based liabilities	585,246.95	814,534.71	585,246.95	814,534.71
Accrued expenses	2,029,850.72	4,115,704.09	965,308.54	638,160.51
<b>ΣΥΝΟΛΟ</b>	<b>121,482,391.10</b>	<b>110,555,641.91</b>	<b>72,319,855.10</b>	<b>54,619,029.98</b>

Other short-term liabilities include:

OTHER SHORT-TERM LIABILITIES	Group		Company	
	31.12.2007	31.12.2006	31.12.2007	31.12.2006
Advances - other associates - third parties	658,972.83	790,941.66	581,198.04	746,758.39
Beneficiaries of financial guarantees	745,967.59	3,905,752.94	49,431.80	1,487,293.00
Tax and duties payable	1,180,287.98	1,055,248.75	967,666.61	610,516.68
Liabilities to insurance funds	1,566,643.02	1,163,541.57	786,091.58	631,044.15
Other short-term liabilities	1,713,972.23	7,011,687.65	473,338.98	5,349,792.51
<b>TOTAL</b>	<b>5,865,843.65</b>	<b>13,927,172.57</b>	<b>2,857,727.01</b>	<b>8,825,404.73</b>

### 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	
	31.12.2007	31.12.2006	31.12.2007	31.12.2006
Taxes & duties clearing account	0.00	0.00	0.00	(152,924.75)
Income tax for the period	3,856,214.23	3,821,906.32	2,873,428.44	3,071,979.23
<b>TOTAL</b>	<b>3,856,214.23</b>	<b>3,821,906.32</b>	<b>2,873,428.44</b>	<b>2,919,054.48</b>

#### 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
<b><u>Total consolidation method</u></b>			
PERSONAL BEST S.A.	Greece	100.00%	2005-2007
PANERGON S.A.	Greece	100.00%	2006-2007
EXECUTIVE INSURANCE BROKERS S.A.	Greece	100.00%	2003-2007
EXECUTIVE LEASE S.A.	Greece	100.00%	2006-2007
WIN LINK S.A.	Greece	28.57%	2003-2007
MIRKAT OOD	Bulgaria	99.91%	2006-2007
MIRKAT DOOEL SKOPJE	FYROM	100.00%	2006-2007
SFAKIANAKIS S.A.	Greece	Parent company	2006-2007
<b><u>Merged companies</u></b>			
AUTOTEAM S.A.	Greece	100.00%	2004-2007
AUTOLINK S.A.	Greece	100.00%	2002-2007
AUTOFORUM S.A.	Greece	100.00%	2003-2007
CADILLAC HELLAS S.A.	Greece	100.00%	2005-2007
SFAKIANAKIS EMPORIKI S.A.	Greece	100.00%	2006-2007

## 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	
	31.12.2007	31.12.2006	31.12.2007	31.12.2006
Staff salaries and expenses	30,983,343.42	27,969,123.12	18,462,428.32	9,817,742.34
Third party fees and expenses	12,544,334.47	10,008,922.15	8,117,880.12	5,613,696.97
Charges for outside services	21,345,994.52	18,557,424.84	10,576,366.25	6,248,520.33
Taxes – Duties	3,545,146.22	3,009,858.25	1,635,060.41	1,013,545.37
Miscellaneous Expenses	28,905,811.28	21,690,681.58	24,965,182.71	11,720,712.53
Depreciation	19,695,979.78	19,879,763.39	4,471,917.41	3,044,733.15
Provisions / impairment	1,620,800.28	1,162,953	884,282.61	118,495.26
Other expenses	1,938,702.24	3,771,163.92	2,501,882.23	457,045.34
<b>Total</b>	<b>120,580,112.21</b>	<b>106,049,890.08</b>	<b>71,615,000.06</b>	<b>38,034,491.29</b>

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

	Group		Company	
	31.12.2007	31.12.2006	31.12.2007	31.12.2006
Selling expenses	96,464,089.77	84,839,912.06	57,292,000.05	30,427,593.03
Administrative expenses	24,116,022.44	21,209,978.02	14,323,000.01	7,606,898.26
Cost of goods sold	0.00	0.00	0.00	0.00
<b>TOTAL</b>	<b>120,580,112.21</b>	<b>106,049,890.08</b>	<b>71,615,000.06</b>	<b>38,034,491.29</b>

Staff fees and expenses can be broken down as follows:

	Group		Company	
	31.12.2007	31.12.2006	31.12.2007	31.12.2006
Salaries and wages	23,887,714.34	21,805,235.58	14,572,726.92	7,943,996.78
Employer contributions	5,550,381.71	5,003,876.74	3,261,822.31	1,583,774.90
Other benefits	1,545,247.37	1,160,010.80	627,879.09	289,970.66
<b>TOTAL</b>	<b>30,983,343.42</b>	<b>27,969,123.12</b>	<b>18,462,428.32</b>	<b>9,817,742.34</b>

Third party fees can be broken down as follows:

CHARGES FOR OUTSIDE SERVICES	Group		Company	
	31.12.2007	31.12.2006	31.12.2007	31.12.2006
Electricity - Water	2,058,703.75	931,436.17	0.00	78.00
Telecommunications	1,265,852.67	1,235,119.00	873,062.45	611,052.33
Rent	6,098,696.45	5,872,351.11	3,597,373.37	1,384,810.50
Insurance premiums & warehousing costs	3,782,093.69	3,985,035.51	688,291.96	519,654.09
Repairs & maintenance	3,720,610.95	2,957,223.76	1,388,642.21	771,449.20
Other third party benefits	4,420,037.01	3,576,259.29	4,028,996.26	2,961,476.21
<b>Total</b>	<b>21,345,994.52</b>	<b>18,557,424.84</b>	<b>10,576,366.25</b>	<b>6,248,520.33</b>

Sundry expenses can be broken down as follows:

MISCELLANEOUS EXPENSES	Group		Company	
	31.12.2007	31.12.2006	31.12.2007	31.12.2006
Transport costs	3,783,763.11	3,285,017.70	2,134,669.04	1,579,361.42
Promotion & advertising expenses	14,278,829.27	9,783,795.78	13,622,331.41	7,264,142.77
Subscriptions - contributions	361,936.87	335,375.60	302,968.16	252,759.26
Donations - Grants & XDE VAT	6,589,859.91	2,554,896.96	6,290,819.57	1,937,884.96
Printed materials and office supply expenses	462,165.59	561,236.29	309,494.83	256,125.83
Direct consumables	850,983.84	697,555.04	742,345.35	277,124.76
Miscellaneous Expenses	2,578,272.69	4,472,804.21	1,562,554.35	153,313.53
<b>TOTAL</b>	<b>28,905,811.28</b>	<b>21,690,681.58</b>	<b>24,965,182.71</b>	<b>11,720,712.53</b>

Depreciation can be broken down as follows:

	Group		Company	
	31.12.2007	31.12.2006	31.12.2007	31.12.2006
Depreciation of tangible assets	19,279,132.96	18,471,480.13	4,199,012.52	1,809,536.41
Depreciation of intangible assets	416,846.82	1,408,283.26	272,904.89	1,235,196.74
<b>Total</b>	<b>19,695,979.78</b>	<b>19,879,763.39</b>	<b>4,471,917.41</b>	<b>3,044,733.15</b>

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

	Group		Company	
	31.12.2007	31.12.2006	31.12.2007	31.12.2006
Selling expenses	15,756,783.82	15,672,503.44	3,577,533.93	2,203,424.25
Administrative expenses	3,939,195.96	3,918,125.86	894,383.48	550,856.06
Cost of goods sold	0.00	289,134.09	0.00	290,452.84
<b>TOTAL</b>	<b>19,695,979.78</b>	<b>19,879,763.39</b>	<b>4,471,917.41</b>	<b>3,044,733.15</b>

## 19.2 Breakdown of other income

The breakdown of other income is as follows:

OTHER INCOME	Group		Company	
	31.12.2007	31.12.2006	31.12.2007	31.12.2006
Subsidies – sundry income from sales	9,844,414.33	7,182,924.85	5,639,421.65	1,991,301.47
Income from related services and activities	14,997,934.22	12,985,227.43	8,145,129.75	3,503,482.78
Unused provision	1,400,000.00	0.00	1,400,000.00	0.00
Other income	4,307,531.24	6,923,853.47	4,967,666.34	420,810.51
<b>TOTAL</b>	<b>30,549,879.79</b>	<b>27,092,005.75</b>	<b>20,152,217.74</b>	<b>5,915,594.76</b>

### 19.3 Financial Expenses

The breakdown of Financial Income - Expenses is as follows:

NET FINANCIAL COST	Group		Company	
	31.12.2007	31.12.2006	31.12.2007	31.12.2006
Interest charges and related expenses	16,446,841.64	12,091,665.42	9,478,899.64	5,781,981.60
Interest and related income	2,788,616.40	3,001,416.82	593,742.93	683,090.61
<b>FINANCIAL RESULT</b>	<b>13,658,225.24</b>	<b>9,090,248.59</b>	<b>8,885,156.71</b>	<b>5,098,890.99</b>

### 19.4 Investment Result

The breakdown of the investment result is as follows:

INVESTING RESULT	Group		Company	
	31.12.2007	31.12.2006	31.12.2007	31.12.2006
Earnings from available for selling financial assets	290,707.49	752,559.88	481,222.22	717,239.13
Financial income	1,149,687.03	317,309.21		47,624.09
Differences from sale of participations & securities	5,556,963.48	9,833,891.95	5,486,708.86	9,631,465.98
Losses from permanent deletion of participations	(250,000.00)	(1,869,009.04)	(250,000.00)	0.00
Earnings 2007 from affiliated companies	502,333.59	0.00	0.00	0.00
Earnings from derivatives	106,596.00	0.00	106,596.00	0.00
Extraordinary losses	(900,050.80)	(689,761.32)	(68,147.43)	(2,223,999.99)
Extraordinary profits	2,577,754.20	3,401,667.34	468,872.40	1,400,860.75
<b>INVESTING RESULT</b>	<b>9,033,990.99</b>	<b>11,746,658.02</b>	<b>6,225,252.05</b>	<b>9,573,189.96</b>

The amount of € 250,000.00 refers to loss from permanent deletion of participation in SPEDEX S.A. and amount € 106,569.00 refers to profit from derivatives of WINLINK S.A.

The differences from sale of participations and securities of the parent company are as follows:

Parent Company	Total	Shares listed on ATHEX	Mutual Funds
Fair Value of Sales	7,245,942.01	2,178,520.00	5,067,422.01
Reserves Adjustment	4,170,714.38	1,423,907.12	2,746,807.26
<b>Balance</b>	<b>3,075,227.63</b>	<b>754,612.88</b>	<b>2,320,614.75</b>
Sales	8,561,936.49	2,893,320.82	5,668,615.67
<b>Profit through the Income Statements 2007</b>	<b>(5,486,708.86)</b>	<b>(2,138,707.94)</b>	<b>(3,348,000.92)</b>

In the account of sale of participations and securities of the Group apart from the amount of € 5,486,708.86 referring to the parent company, an amount of € 70,254.62 is included which refers to subsidiary Personal Best S.A.

### 20. Income tax expenditure

The income tax expenditure can be broken down as follows:

	Group		Company	
	31.12.2007	31.12.2006	31.12.2007	31.12.2006
Income tax for the period (profit before tax 25% and 29%)	9,507,948.31	8,038,122.62	9,182,946.94	9,092,182.84
Income tax on accounting differences	885,550.59	3,908,027.35	650,992.52	3,730,570.14
Income tax on non-taxed income	(1,564,986.57)	(3,094,118.49)	(1,473,531.18)	(3,066,333.53)
Income tax due to loss of tax losses	636,111.17	1,822,558.64	0.00	0.00
Income tax due to difference of tax rate	(279,162.36)	(457,346.28)	0	(248,047.54)
Supplemented assets income tax	47,399.68	0.00	39,472.14	0.00
<b>CURRENT INCOME TAX</b>	<b>9,232,860.82</b>	<b>10,217,243.84</b>	<b>8,399,880.41</b>	<b>9,508,371.91</b>
Other non-operating taxes	223,861.10	159,911.95	186,541.04	904,071.80
Prior period tax audit adjustments	0.00	786,220.13	0.00	0.00
Provision for deferred tax from open tax periods	914,262.00	818,227.49	750,000.00	500,000.00
<b>TOTAL</b>	<b>1,138,123.10</b>	<b>1,764,359.57</b>	<b>936,541.04</b>	<b>1,404,071.80</b>
<b>GRAND TOTAL</b>	<b>10,370,983.92</b>	<b>11,981,603.41</b>	<b>9,336,421.45</b>	<b>10,912,443.71</b>

Income tax expenditure for year 2007 is raised 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	
	1.1-31.12.2007	1.1-31.12.2006	1.1-31.12.2007	1.1-31.12.2006
<b>Profits allocated to:</b>				
Parent company shareholders	<b>28,475,885.35</b>	<b>25,500,579.50</b>	<b>27,395,366.29</b>	<b>28,394,359.49</b>
Minority interest	(835,075.64)	(1,755,988.12)	0	0
Earnings per share net of tax (in €)	0.72	0.64	0.69	0.72
Dividend proposed per share (in €)			0.25	0.17
Average weighted No. of shares	39,572,400	39,572,400	39,572,400	39,572,400

## 22. Risk Analysis

Risk analysis as required according to IFRS 7, and applying for first time in the present financial statements, is as follows:

### 22.1 Expiration Risk

The analysis of liabilities according to time of their payment is as follows:

Liabilities Analysis	Group		Company	
	31/12/2007	31/12/2006	31/12/2007	31/12/2006
Up to 1 year	344,884,932.89	284,729,691.02	213,570,886.11	137,823,185.87
From 1 to 5 years	113,338,606.08	106,680,079.87	69,808,859.11	77,000,215.87
After 5 years	4,272,760.00	0.00	0.00	0.00
<b>TOTAL</b>	<b>462,496,298.97</b>	<b>391,409,770.89</b>	<b>283,379,745.22</b>	<b>214,823,401.74</b>

**22.2 Foreign exchange rate risk**

FINANCIAL STATEMENTS' FIGURES IN FOREIGN CURRENCY	Group			
	Amounts in Euro 31.12.2007			
	JPY	CHF	USD	TOTAL
Assets	28,747,419.65	0.00	42,308.53	28,789,728.18
Liabilities	24,857,414.37	12,790,615.82	0.00	37,648,030.19
<b>Exchange position in foreign currency</b>	<b>3,890,005.28</b>	<b>(12,790,615.82)</b>	<b>42,308.53</b>	<b>(8,858,302.01)</b>
Risk balance	39,410,329.21	0.00	2,037,905.03	41,448,234.24
<b>OPEN EXCHANGE POSITION IN FOREIGN CURRENCY</b>	<b>43,300,334.49</b>	<b>(12,790,615.82)</b>	<b>2,080,213.56</b>	<b>32,589,932.23</b>

	Amounts in Euro 31.12.2007			
	JPY	CHF	USD	TOTAL
	Assets	11,835,606.22	0.00	15,242.19
Liabilities	25,710,145.77	14,157,334.77	0.00	39,867,480.54
<b>Exchange position in foreign currency</b>	<b>(13,874,539.55)</b>	<b>(14,157,334.77)</b>	<b>15,242.19</b>	<b>(28,016,632.13)</b>
Risk balance	29,969,028.78	0.00	0.00	29,969,028.78
<b>OPEN EXCHANGE POSITION IN FOREIGN CURRENCY</b>	<b>16,094,489.23</b>	<b>(14,157,334.77)</b>	<b>15,242.19</b>	<b>1,952,396.65</b>

	Company			
	Amounts in Euro 31.12.2007			
	JPY	CHF	USD	TOTAL
Assets	28,747,419.65	0.00	42,308.53	28,789,728.18
Liabilities	24,857,414.37	9,401,316.44	0.00	34,258,730.81
<b>Exchange position in foreign currency</b>	<b>3,890,005.28</b>	<b>(9,401,316.44)</b>	<b>42,308.53</b>	<b>(5,469,002.63)</b>
Risk balance	39,410,329.21	0.00	2,037,905.03	41,448,234.24
<b>OPEN EXCHANGE POSITION IN FOREIGN CURRENCY</b>	<b>43,300,334.49</b>	<b>(9,401,316.44)</b>	<b>2,080,213.56</b>	<b>35,979,231.61</b>

	Amounts in Euro 31.12.2007			
	JPY	CHF	USD	TOTAL
	Assets	11,835,606.22	0.00	15,242.19
Liabilities	25,710,145.77	8,114,175.63	0.00	33,824,321.40
<b>Exchange position in foreign currency</b>	<b>(13,874,539.55)</b>	<b>(8,114,175.63)</b>	<b>15,242.19</b>	<b>(21,973,472.99)</b>
Risk balance	29,969,028.78	0.00	0.00	29,969,028.78
<b>OPEN EXCHANGE POSITION IN FOREIGN CURRENCY</b>	<b>16,094,489.23</b>	<b>(8,114,175.63)</b>	<b>15,242.19</b>	<b>7,995,555.79</b>

In order to hedge risk arising from liabilities denominated in JPY and USD which mature in the next fiscal year, the Company entered into forwards. In particular it acquired forwards in JPY of total amount JPY 6,500,000,000 worth € 39,410,329.21 and forwards in USD of total amount \$3,000,000.00 worth € 2,037,905.03.

The current value of the said derivative is € 582,246.95 (liability) and was imputed to the results for the period and it is presented to the account Liabilities from derivatives paragraph 18.

The corresponding (hedged) liabilities in JPY and USD which are included in the Suppliers account were valued as normal at the spot price on 31.12.2007 and the foreign exchange difference generated a profit which was also posted to the income statements.

The possible change in foreign exchange rate influences equivalently next year's results as follows:

	Group		Company	
	31.12.2007	31.12.2006	31.12.2007	31.12.2006
Open exchange rate risk	32,589,932.23	1,952,396.65	35,979,231.61	7,995,555.79
Percentage of possible change in exchange rate	10.00%	10.00%	10.00%	10.00%
Change posted in financial results	3,258,993.22	195,239.66	3,597,923.16	799,555.58

### 22.3 Foreign exchange rate risk for foreign affiliated company

Group has invested in foreign affiliated companies whose transactions are being attended in local currency.

Particularly, Mirkat OOD is active in Bulgaria and keeps its books in BGN. Mirkat Doel Skopje is active in Fyrom and keeps its books in Denars.

Group is exposed in foreign exchange rate risk due to possible change of local currency rates over Euro.

Liabilities and receivables for the above mentioned companies which are presented in local currency, excluding those presented in Euro, are presented in the following table:

FINANCIAL STATEMENTS' FIGURES IN FOREIGN CURRENCY	Group			
	Amounts in Euro 31.12.2007			
	BGN	DENARS	EURO	TOTAL
<b>ASSETS</b>				
Assets Accounts	31,554,255.35	982,586.23	0.00	32,536,841.58
<b>TOTAL ASSETS</b>	<b>31,554,255.35</b>	<b>982,586.23</b>	<b>0.00</b>	<b>32,536,841.58</b>
<b>LIABILITIES</b>				
Liabilities Accounts	24,472,827.97	506,280.64	0.00	24,979,108.61
Less: Liabilities in Euro	(3,762,521.96)	(480,499.36)	4,243,021.32	0.00
<b>TOTAL LIABILITIES</b>	<b>20,710,306.01</b>	<b>25,781.28</b>	<b>4,243,021.32</b>	<b>24,979,108.61</b>
Exchange position in foreign currency	10,843,949.34	956,804.95	(4,243,021.32)	7,557,732.97
Risk balance	0.00	0.00	0.00	0.00
<b>OPEN EXCHANGE POSITION IN FOREIGN</b>	<b>10,843,949.34</b>	<b>956,804.95</b>	<b>(4,243,021.32)</b>	<b>7,557,732.97</b>

ACCRUED FINANCIAL STATEMENTS' FIGURES	Group			
	Amounts in Euro 31.12.2007			
	BGN	DENARS	EURO	TOTAL
<b>ASSETS</b>				
Assets Accounts	30,791,606.49	198,550.24	0.00	30,990,156.73
<b>TOTAL ASSETS</b>	<b>30,791,606.49</b>	<b>198,550.24</b>	<b>0.00</b>	<b>30,990,156.73</b>
<b>LIABILITIES</b>				
Liabilities Accounts	25,300,512.57	2,774.03	0.00	25,303,286.60
Less: Liabilities in Euro	(11,148,237.50)	0.00	11,148,237.50	0.00
<b>TOTAL LIABILITIES</b>	<b>14,152,275.07</b>	<b>2,774.03</b>	<b>11,148,237.50</b>	<b>25,303,286.60</b>
Exchange position in foreign currency	16,639,331.42	195,776.21	(11,148,237.50)	5,686,870.13
Risk balance	0.00	0.00	0.00	0.00
<b>OPEN EXCHANGE POSITION IN FOREIGN</b>	<b>16,639,331.42</b>	<b>195,776.21</b>	<b>(11,148,237.50)</b>	<b>5,686,870.13</b>

Group estimates that the possibility of significant change of exchange rates over Euro is minimal as this is appointed by managers of the local authorities. The possible change in foreign exchange rates will influence Group's equity as follows:

	BGN		DENARS	
	31.12.2007	31.12.2006	31.12.2007	31.12.2006
Open exchange rate risk	10,843,949.34	16,639,331.42	956,804.95	195,776.21
Percentage of possible change in exchange rate	5.00%	5.00%	5.00%	5.00%
Change posted in equity	542,197.47	831,966.57	47,840.25	9,788.81

## 22.4 Interest rate risk

In order to define the risk of interest rate fluctuation there have been taken into account the following accrued items of liabilities and receivables:

1. Notes receivable of fixed interest rate.
2. Time deposits which they may have a fixed interest rate though due to their short duration they are considered as items having floating interest rate.
3. Loans (long-term bond loans, short-term loans) have floating interest rate excluding some which have fixed interest rates.
4. Loans for leasing are considered liabilities with floating interest rate.

Taking into account the above mentioned the accrued items of assets and liabilities of floating interest rate are the following:

	Group		Company	
	31.12.2007	31.12.2006	31.12.2007	31.12.2006
Accrued Assets	31,139,198.02	30,577,984.60	21,949,997.46	15,933,669.05
Accrued Liabilities	322,282,410.53	118,917,256.90	242,178,493.04	179,090,111.39
<b>Interest rate risk</b>	<b>(291,143,212.51)</b>	<b>(88,339,272.30)</b>	<b>(220,228,495.58)</b>	<b>(163,156,442.34)</b>
Risk balance	0.00	0.00	0.00	0.00
<b>Open Interest rate risk</b>	<b>(291,143,212.51)</b>	<b>(88,339,272.30)</b>	<b>(220,228,495.58)</b>	<b>(163,156,442.34)</b>
Change of 50 base points	0.50%	0.50%	0.50%	0.50%
<b>Change in Interest Income</b>	<b>1,455,716.06</b>	<b>441,696.36</b>	<b>1,101,142.48</b>	<b>815,782.21</b>

For the above interest rate risk the Company does not use equalisation tools.

Group has made agreements defying a highest limit for interest rate which are not an effective measure of equalisation according to IAS 39.

These liabilities and their relevant interest rate risk are presented below:

	Group		Company	
	31.12.2007	31.12.2006	31.12.2007	31.12.2006
Accrued Assets	0.00	0.00	0.00	0.00
Accrued Liabilities	13,750,000.00	0.00	10,000,000.00	0.00
<b>Interest rate risk</b>	<b>(13,750,000.00)</b>	<b>0.00</b>	<b>(10,000,000.00)</b>	<b>0.00</b>
Risk balance	0.00	0.00	0.00	0.00
<b>Open Interest rate risk</b>	<b>(13,750,000.00)</b>	<b>0.00</b>	<b>(10,000,000.00)</b>	<b>0.00</b>
Change of 50 base points	0.50%	0.50%	0.50%	0.50%
<b>Change in Interest Income</b>	<b>68,750.00</b>	<b>0.00</b>	<b>50,000.00</b>	<b>0.00</b>

## 23. Operating Leasing

The Company and the Group have entered into real estate operating leaseings both as a lessee and as a lessor. Taking into account the present leaseings on 31.12.2007 and 31.12.2006 respectively, future leaseings derive from the following tables, divided depending on the time they refer to and the role of lessee or lessor relating to the parent Company and the Group.

**Parent Company and Group as a Lessor**

<b>Company's leaseings 31.12.2007</b>				
<b>LESSEE</b>	<b>Up to 1 year</b>	<b>From 1 to 5 years</b>	<b>After 5 years</b>	<b>TOTAL</b>
AFFILIATED COMPANIES	778,035.84	2,444,812.70	2,186,646.00	5,409,494.54
RELATED COMPANIES	141,438.96	418,069.91	24,803.82	584,312.69
OTHER	18,000.00	72,000.00	55,750.00	145,750.00
<b>TOTAL</b>	<b>937,474.80</b>	<b>2,934,882.62</b>	<b>2,267,199.82</b>	<b>6,139,557.24</b>

<b>Company's leaseings 31.12.2006</b>				
<b>LESSEE</b>	<b>Up to 1 year</b>	<b>From 1 to 5 years</b>	<b>After 5 years</b>	<b>TOTAL</b>
AFFILIATED COMPANIES	582,873.03	1,888,884.45	1,346,715.43	3,818,472.91
RELATED COMPANIES	141,438.96	536,417.76	35,065.37	712,922.09
OTHER	18,000.00	72,000.00	73,750.00	163,750.00
<b>TOTAL</b>	<b>742,311.99</b>	<b>2,497,302.21</b>	<b>1,455,530.80</b>	<b>4,695,145.00</b>

**Group's leaseings (related companies, other)**

<b>Group's leaseings 31.12.2007</b>				
<b>LESSEE</b>	<b>Up to 1 year</b>	<b>From 1 to 5 years</b>	<b>After 5 years</b>	<b>TOTAL</b>
RELATED COMPANIES	141,438.96	418,069.91	24,803.82	584,312.69
OTHER	18,000.00	72,000.00	55,750.00	145,750.00
<b>TOTAL</b>	<b>159,438.96</b>	<b>490,069.91</b>	<b>80,553.82</b>	<b>730,062.69</b>

<b>Group's leaseings 31.12.2007</b>				
<b>LESSEE</b>	<b>Up to 1 year</b>	<b>From 1 to 5 years</b>	<b>After 5 years</b>	<b>TOTAL</b>
RELATED COMPANIES	141,438.96	536,417.76	35,065.37	712,922.09
OTHER	18,000.00	72,000.00	73,750.00	163,750.00
<b>TOTAL</b>	<b>159,438.96</b>	<b>608,417.76</b>	<b>108,815.37</b>	<b>876,672.09</b>

**Parent Company and Group as a lessee**

<b>Company's leaseings 31.12.2007</b>				
<b>LESSOR</b>	<b>Up to 1 year</b>	<b>From 1 to 5 years</b>	<b>After 5 years</b>	<b>TOTAL</b>
AFFILIATED COMPANIES	148,176.00	592,704.00	592,704.00	1,333,584.00
RELATED COMPANIES	0.00	0.00	0.00	0.00
OTHER	2,839,121.80	9,150,191.69	10,009,332.14	21,998,645.64
<b>TOTAL</b>	<b>2,987,297.80</b>	<b>9,742,895.69</b>	<b>10,602,036.14</b>	<b>23,332,229.64</b>

<b>Company's leaseings 31.12.2006</b>				
<b>LESSOR</b>	<b>Up to 1 year</b>	<b>From 1 to 5 years</b>	<b>After 5 years</b>	<b>TOTAL</b>
AFFILIATED COMPANIES	148,176.00	592,704.00	740,880.00	1,481,760.00
RELATED COMPANIES	0.00	0.00	0.00	0.00
OTHER	2,795,962.32	9,475,898.37	11,527,912.81	23,799,773.51
<b>TOTAL</b>	<b>2,944,138.32</b>	<b>10,068,602.37</b>	<b>12,268,792.81</b>	<b>25,281,533.51</b>

<b>Group's leasings 31.12.2007</b>				
<b>LESSEE/LESSOR</b>	<b>Up to 1 year</b>	<b>From 1 to 5 years</b>	<b>After 5 years</b>	<b>TOTAL</b>
PARENT COMPANY/AFFILIATES	778,035.84	2,444,812.70	2,186,646.00	5,409,494.54
AFFILIATES/PARENT COMPANY	148,176.00	592,704.00	592,704.00	1,333,584.00
AFFILIATES/PARENT COMPANY	43,482.00	173,928.00	95,901.97	313,311.97
<b>TOTAL</b>	<b>969,693.84</b>	<b>3,211,444.70</b>	<b>2,875,251.97</b>	<b>7,056,390.51</b>

<b>Group's leasings 31.12.2006</b>				
<b>LESSEE/LESSOR</b>	<b>Up to 1 year</b>	<b>From 1 to 5 years</b>	<b>After 5 years</b>	<b>TOTAL</b>
PARENT COMPANY/AFFILIATES	582,873.03	1,888,884.45	1,346,715.43	3,818,472.91
AFFILIATES/PARENT COMPANY	148,176.00	592,704.00	740,880.00	1,481,760.00
AFFILIATES/PARENT COMPANY	90,654.43	347,856.00	278,767.93	717,278.36
<b>TOTAL</b>	<b>821,703.46</b>	<b>2,829,444.45</b>	<b>2,366,363.37</b>	<b>6,017,511.27</b>

## 24. Transactions with affiliated Companies

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>	<b>Group</b>	<b>Company</b>
a) Sales of goods and services and other income	76,260,358.18	63,348,992.91
b) Purchases of goods and services and expenses charged	76,260,358.18	8,268,419.73
c) Customers	7,395,063.77	3,941,902.53
d) Suppliers	7,395,063.77	1,358,857.06

### 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 € 63,348,992.91 of which € 48,515,467.19 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 € 716,519.98, of which higher rentals relate to companies Personal Best S.A. (€ 409,207.76), Panergon S.A. (€ 123,170.00) and Executive Lease S.A. (€ 146,034.62).
- Purchases of goods and services of € 8,268,419.73 of which € 1,933,640.82 relates to services obtained from Personal Best S.A. and € 1,047,354.14 from Executive Lease S.A.

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

- Receivables from customers of € 3,941,902.53 of which the largest amounts relate to the subsidiaries Personal Best S.A. € 1,303,673.58 and Executive Lease S.A. € 2,467,949.57.
- Liabilities to suppliers of goods and services of € 1,358,857.06 of which the largest amounts relate to Personal Best S.A. € 360,619.95 and Executive Insurance Brokers S.A. € 435,767.61.

### Group

All transactions (sales of goods and services as well as rents) of the parent company with its subsidiaries that are integrated in total consolidation and the transactions between consolidated companies worth a total of € 76,260,358.18 have been crossed out in the consolidated financial statements.

### Affiliates:

During the consolidation the relevant transactions and balances with the group's affiliates consolidated by the equity method were not crossed out.

<i>amounts in euro</i>	<b>Group</b>	<b>Company</b>
a) Purchases of goods and services and expenses charged	1,983,532.14	298,259.38
b) Rental income	122,182.20	122,182.20
c) Customers	166,570.53	33,216.07
d) Suppliers	462,262.68	442,275.00

Group's companies have received courier services from the affiliate SEEDEX S.A. worth a total of € 417,656.49 and services for the acquisition of building worth of € 1,565,875.65 from the affiliate ATHONIKI TECHNIKI S.A.

Moreover, the parent company has income from rents from the affiliate of € 122,182.20 for the period 01.01.2007- 31.12.2007.

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

The fees and benefits which relate to 11 senior executives and members of the Board of Directors for the parent company and 17 senior executives and members of the Board of Directors for the Group can be broken down as follows:

<b>BENEFITS</b>	<b>Group</b>		<b>Company</b>	
	<b>31.12.2007</b>	<b>31.12.2006</b>	<b>31.12.2007</b>	<b>31.12.2006</b>
Short-term benefits (salaries & fees)	3,458,227.56	3,318,275.75	2,530,874.34	1,805,132.21
Other short-term benefits (car expenses, travel expenses, etc.)	1,233,797.54	953,896.98	925,438.16	701,831.24
Other long-term benefits (premiums)	32,310.89	43,884.46	25,266.61	28,726.27
Provisions for post-employment benefits	164,285.00	212,391.65	229,848.33	116,900.01
<b>TOTAL</b>	<b>4,888,620.99</b>	<b>4,528,448.84</b>	<b>3,711,427.44</b>	<b>2,652,589.73</b>

### **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 31.12.2007 were as follows:

	<b>GROUP</b>	<b>COMPANY</b>
a) Receivables from Board members and senior executives - trading accounts (travel expenses, attendance fees, etc.)	24,223.61	9,375.26
b) Liabilities to Board members and senior executives	315,110.21	315,110.21

The receivable from senior executives dated 31.12.2007 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.

## **25. Events occurring after the balance sheet date**

1. The Company consolidated from 01.02.2008, after the relevant approval by the Competition Committee, the 13 new retail selling points of cars, spare parts, services and paint and body for makes Ford, Volvo, Fiat, Alfa Romeo and Lancia, which came from the buy-out of the retail activities of Kontellis group of companies.
2. On 16.01.2008 there has been signed a preliminary agreement between companies SFAKIANAKIS S.A. and Koulouris S.A. for the acquisition of car retail activities of two showrooms of retail sale of BMW cars, of the sectors of spare parts and services, as well as paint and body, against a total price of € 9,000,000. The above amounts include the purchase of a landed property of Koulouris S.A situated on Lavrion Avenue num 81 and the stocks are not included.

The above was approved with the decision 386/V/2008/21.03.2008 of the Competition Committee and within April 2008 the final agreement will be signed and realised concerning the transfer of Koulouris S.A. activities to SFAKIANAKIS S.A.

3. SFAKIANAKIS S.A. did not participate in the increase of the share capital of Winlink S.A. and as result its percentage of participation decreased to 28.57% of the share capital and control over this company is lost. Moreover Mr Stavros Taki and Mr. Nikitas Pothoulakis have resigned from the company's Board of Directors and as a result from 01.01.2008 Winlink S.A. is consolidated by equity method as affiliated company.

Athens 8 May 2008,

The President of the BOD & Chief Executive Officer	The Vice-President of the BOD	Group's Financial Manager & Alternate Chief Executive Officer	The Financial Manager
Stavros P. Taki	Miranta-Efstratia Sfakianaki	Nikitas I. Pothoulakis	George N. Laoutaris
ID No. C-354170	ID No. X-544280	ID No. AE-003583	ID No. AE-092466