



VIVARTIA SA
INTERIM CONDENSED FINANCIAL STATEMENTS FOR
SIX MONTH PERIOD
ENDED JUNE 30, 2007
IN ACCORDANCE WITH INTERNATIONAL FINANCIAL
REPORTING STANDARDS
(IFRS)

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FREE TRANSLATION FROM THE GREEK ORIGINAL

REPORT ON REVIEW OF INTERIM FINANCIAL STATEMENTS

To the shareholders of VIVARTIA S.A

Introduction

We have reviewed the accompanying interim balance sheet of VIVARTIA S.A (“the Company”), as well as the accompanying interim consolidated balance sheet of the Company and its subsidiaries (“the Group”) as at June 30, 2007, the related income statements, statements of changes in equity, and cash flow statements of the Company and the Group for the six month period then ended, as well as the selected explanatory notes. Management is responsible for the preparation and presentation of this interim financial information in accordance with International Financial Reporting Standards applicable to interim financial reporting as adopted by the European Union and applies to interim financial reporting (“IAS 34”). Our responsibility is to express a conclusion on this interim condensed financial information based on our review.

Scope of Review

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

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with IAS 34.

Emphasis of a matter

Without qualifying our opinion as fully described in note 12 to the financial statements the Greek Competition Committee has commenced an investigation with respect to the Company and other dairy and retail entities for alleged participation in horizontal and vertical agreements and adoption of concerted practices which may potentially result in fines. As the final decision of the Greek Competition Committee is pending and the final outcome cannot be reliably determined at present, no provision has been made in the financial statements with respect with the above issue.

Athens, August 30, 2007

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VIVARTIA S.A



**INTERIM STATEMENT OF INCOME
FOR THE SIX MONTHS ENDED JUNE 30, 2007**
(All amounts in thousands of Euro, except per share data)

	Company		Company	
	1/1-30/06 2007	1/1-30/06 2006	1/4-30/06 2007	1/4-30/06 2006
REVENUES:				
Net sales	291.381	8.324	151.291	3.814
Cost of sales	(189.911)	(4.898)	(100.036)	(2.936)
Gross profit	101.470	3.426	51.255	878
Selling, general and administrative expenses	(94.340)	(4.760)	(50.238)	(3.061)
Other income/(expenses)	9.590	106	5.304	52
Financial income	26.666	50.694	13.570	25.553
Financial expenses	(25.230)	(30.338)	(14.114)	(15.309)
Loss on disposal of subsidiary	-	(17.237)	-	(17.237)
PROFIT BEFORE INCOME TAXES	18.156	1.891	5.777	(9.124)
Income taxes	(3.013)	(2.901)	(1.982)	600
NET PROFIT /(LOSS)	15.143	(1.010)	3.795	(8.524)
Earnings /(Loss) per share (basic and diluted)	0,21	(0,02)	0,05	(0,19)
Weighted average number of shares, basic and diluted	73.305.549	44.110.574	73.305.549	44.110.574

The accompanying notes and appendix are an integral part of these interim condensed financial statements

INTERIM CONSOLIDATED STATEMENT OF INCOME
FOR THE PERIOD ENDED JUNE 30,2007

(All amounts in thousands of Euro, except per share data)



		Group							
		1/1-30/06/2007	1/1-30/06/2006			1/4-30/06/2007	1/4-30/06/2006		
			Continuing Operations	Discontinued Operations (contribution to the group)	Total		Continuing Operations	Discontinued Operations (contribution to the group)	Total
Notes									
REVENUES									
	5	517.617	288.515	44.960	333.475	271.732	150.433	33.362	183.795
		(321.880)	(168.797)	(23.957)	(192.754)	(170.739)	(89.346)	(15.999)	(105.345)
		195.737	119.718	21.003	140.721	100.993	61.087	17.363	78.450
		(161.876)	(95.800)	(19.736)	(115.536)	(85.933)	(54.201)	(10.801)	(65.002)
		5.314	5.449	(581)	4.868	2.757	3.427	(121)	3.306
		22.834	41.892	(928)	40.964	10.881	17.070	(561)	16.509
		(28.779)	(30.392)	(1.607)	(31.999)	(14.642)	(15.386)	(1.043)	(16.429)
		(29)	(70)	(70)	(70)	(16)	(43)	-	(43)
		-	-	57.016	57.016	-	-	57.016	57.016
		33.201	40.797	55.167	95.964	14.040	11.954	61.853	73.807
		(4.649)	(13.048)	(220)	(13.268)	(1.122)	(3.671)	(1.864)	(5.535)
		28.552	27.749	54.947	82.696	12.918	8.283	59.989	68.272
Attributable to:									
		20.648	25.337		80.345	8.636	6.927		66.605
		7.904	2.412		2.351	4.282	1.356		1.667
		28.552	27.749		82.696	12.918	8.283		68.272
Earnings /Loss per share (basic and diluted)									
		0,28	0,57		1,82	0,12	0,16		1,51
Weighted average number of shares, basic and diluted									
		73.305.549	44.110.574		44.110.574	73.305.549	44.110.574		44.110.574

The accompanying notes and appendix are an integral part of these interim condensed financial statements

VIVARTIA S.A

INTERIM BALANCE SHEET
AT JUNE 30, 2007



(All amounts in thousands of Euro, unless otherwise stated)

	Notes	Group		Company	
		June 30, 2007	December 31, 2006	June 30, 2007	December 31, 2006
ASSETS					
Non-Current Assets:					
Property, plant and equipment	8	677.497	647.786	339.996	343.439
Goodwill		303.825	296.614	249.611	243.903
Intangible assets		6.215	6.197	2.951	3.313
Investments in subsidiaries		-	-	249.613	224.861
Investments in associates		3.749	4.652	2.908	3.495
Available for sale financial assets		25.300	23.511	23.061	22.803
Bond loans		-	-	8.500	8.500
Other long term assets		2.358	3.451	96.579	97.985
Derivative financial instruments		24	112	24	112
Deferred income taxes		13.330	11.711	-	-
Total non-current assets		1.032.298	994.034	973.243	948.411
Current Assets:					
Inventories		107.135	83.763	47.443	35.467
Trade accounts receivable		187.030	156.033	147.227	112.947
Prepayments and other receivables		60.170	48.339	19.444	28.446
Financial assets at fair value through profit and loss		9.697	1.912	9.449	1.811
Cash and cash equivalents		242.679	135.024	185.905	72.618
Total current assets		606.711	425.071	409.468	251.289
TOTAL ASSETS		1.639.009	1.419.105	1.382.711	1.199.700
EQUITY AND LIABILITIES					
Equity attributable to equity holders of parent					
Share capital	9	170.801	170.801	170.801	170.801
Paid-in surplus		78.332	171.093	78.332	171.093
Retained earnings		30.338	16.429	89.056	73.913
Foreign exchange differences		1.454	(1.089)	-	-
Legal, tax free and special reserves		126.061	126.061	126.061	126.061
Reserves of merged companies		93.498	93.498	(4.239)	(4.239)
Treasury shares		(478)	-	(478)	-
Fair value reserve		1.119	1.119	1.237	1.237
Other reserves		36.483	3.056	44.894	11.467
		537.608	580.968	505.664	550.333
Minority interests		51.972	44.211	-	-
Total Equity		589.580	625.179	505.664	550.333
Non-Current Liabilities:					
Long-term borrowings at amortised cost	10	350.424	214.024	348.372	218.735
Long-term borrowings at fair value through profit and loss		165.868	174.291	165.868	174.291
Long-term liabilities from financial leases		30.591	32.248	30.439	31.457
Grants		16.938	18.412	10.096	10.865
Deferred income taxes		52.162	50.788	28.029	28.243
Reserve for staff retirement indemnities		17.328	16.882	10.256	9.671
Other provisions		1.978	1.843	1.500	1.500
Derivative financial instruments		35.074	29.372	35.074	29.372
Other long-term liabilities		1.263	1.654	-	-
Total non-current liabilities		671.626	539.514	629.634	504.134
Current Liabilities:					
Trade accounts payable		156.878	141.374	95.609	96.355
Short-term borrowings		56.064	32.099	11.679	13
Short-term liabilities from financial leases		3.237	3.891	2.891	3.582
Current portion of long-term debt		1.077	3.056	-	-
Income taxes payable		8.487	11.479	4.798	7.163
Dividends payable	13	91.632	-	91.632	-
Accrued and other current liabilities		60.428	62.513	40.804	38.120
Total current liabilities		377.803	254.412	247.413	145.233
TOTAL LIABILITIES AND EQUITY		1.639.009	1.419.105	1.382.711	1.199.700

The accompanying notes and appendix are an integral part of these interim condensed financial statements

VIVARTIA S.A

INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE SIX MONTH PERIOD ENDED JUNE 30, 2007

(All amounts in thousand of Euro, unless otherwise stated)

	Group									Minority interests	Total equity	
	Attributable to equity holders of the parent											
	Share capital	Paid-in surplus	Legal, tax free and special reserves	Reserve of merged companies	Other reserves	Treasury Shares	Fair value reserve	Exchange Differences	Retained Earnings			Total
Balance, January 1, 2007	170.801	171.093	126.061	93.498	3.056	-	1.119	(1.089)	16.429	580.968	44.211	625.179
Profit for the period	-	-	-	-	-	-	-	-	20.648	20.648	7.904	28.552
Equity portion of convertible bond	-	-	-	-	33.427	-	-	-	-	33.427	-	33.427
Share capital increase	91.632	(91.632)	-	-	-	-	-	-	-	-	-	-
Decrease of share capital / Capital paid back to shareholders	(91.632)	-	-	-	-	-	-	-	-	(91.632)	-	(91.632)
Expenses for share capital increase	-	(1.129)	-	-	-	-	-	-	-	(1.129)	-	(1.129)
Dividends to minority of subsidiaries	-	-	-	-	-	-	-	-	-	-	(3.489)	(3.489)
Acquisition of minority interest of subsidiaries	-	-	-	-	-	-	-	-	(6.739)	(6.739)	3.346	(3.393)
Treasury shares	-	-	-	-	-	(478)	-	-	-	(478)	-	(478)
Exchange differences	-	-	-	-	-	-	-	2.543	-	2.543	-	2.543
Balance June 30, 2007	170.801	78.332	126.061	93.498	36.483	(478)	1.119	1.454	30.338	537.608	51.972	589.580

	Group							Minority interests	Total equity	
	Attributable to equity holders of the parent									
	Share capital	Paid-in surplus	Legal, tax free and special reserves	Other reserves	Fair value reserve	Exchange Differences	Accumulated deficit			Total
Balance, January 1, 2006	120.417	93.214	83.633	3.056	346	(1.854)	(41.124)	257.688	61.450	319.138
Profit for the period	-	-	-	-	-	-	80.345	80.345	2.351	82.696
Share Capital Increase from settlement of convertible bond	10.484	9.575	-	-	-	-	-	20.059	-	20.059
Dividends of the period	-	-	-	-	-	-	(7.569)	(7.569)	-	(7.569)
Early conversion of convertible bond	-	(795)	-	-	-	-	7.092	6.297	-	6.297
Movement of legal reserves	-	-	154	-	-	-	(154)	-	-	-
Dividends to minority of subsidiaries	-	-	-	-	-	-	-	-	(4.480)	(4.480)
Exchange differences	-	-	-	-	-	1.916	-	1.916	-	1.916
Minority of Delta Ice Cream S.A. (disposal)	-	-	-	-	-	-	-	-	(2.576)	(2.576)
Other movements	-	-	-	-	-	-	533	533	406	939
Balance June 30, 2006	130.901	101.994	83.787	3.056	346	62	39.123	359.269	57.151	416.420

The accompanying notes and appendix are an integral part of these interim condensed financial statements

VIVARTIA S.A

INTERIM STATEMENT OF CHANGES IN EQUITY
FOR THE SIX MONTH PERIOD ENDED JUNE 30, 2007

(All amounts in thousand of Euro, unless otherwise stated)

	Company								
	Share capital	Paid-in surplus	Legal, tax free and special reserves	Reserve of merged companies	Treasury Shares	Other reserves	Fair value reserve	Retained earnings/ Accumulated deficit	Total equity
Restated Balance , January 1, 2007	170.801	171.093	126.061	(4.239)	-	11.467	1.237	73.913	550.333
Profit for the period	-	-	-	-	-	-	-	15.143	15.143
Share capital increase	91.632	(91.632)	-	-	-	-	-	-	-
Expenses for share capital increase	-	(1.129)	-	-	-	-	-	-	(1.129)
Decrease of share capital / Capital paid back to shareholders	(91.632)	-	-	-	-	-	-	-	(91.632)
Equity portion of convertible bond	-	-	-	-	-	33.427	-	-	33.427
Treasury Shares	-	-	-	-	(478)	-	-	-	(478)
Balance June 30, 2007	170.801	78.332	126.061	(4.239)	(478)	44.894	1.237	89.056	505.664

	Company						
	Share capital	Paid-in surplus	Legal, tax free and special reserves	Other reserves	Fair value reserve	Accumulated deficit	Total equity
Restated Balance , January 1, 2006	120.417	93.214	70.221	1.300	462	(61.753)	223.861
Share Capital Increase from settlement of convertible bond	10.484	9.575	-	-	-	-	20.059
Dividends	-	-	-	-	-	(7.569)	(7.569)
Early conversion of convertible bond	-	(795)	-	-	-	7.094	6.299
Loss of the period	-	-	-	-	-	(1.010)	(1.010)
Balance June 30, 2006	130.901	101.994	70.221	1.300	462	(63.238)	241.640

The accompanying notes and appendix are an integral part of these interim condensed financial statements

INTERIM CASH FLOW STATEMENT
FOR THE SIX MONTH PERIOD ENDED JUNE 30, 2007
(All amounts in thousands of Euro, unless otherwise stated)



	Group		Company	
	1/1-/30/06/2007	1/1-/30/06/2006	1/1-/30/06/2007	1/1-/30/06/2006
Cash Inflows/(Outflows) for operating activities				
Profit before income taxes	33.201	95.964	18.156	1.891
Adjustments to reconcile to net cash provided by operating activities:				
Depreciation and amortisation	25.842	12.428	12.705	539
Depreciation of discontinued operations	-	5.070	-	-
Provisions	384	545	384	89
Interest and other related income	(14.063)	(8.650)	(16.042)	(8.820)
Interest and other related expenses	19.533	11.669	12.662	10.653
Gain on disposal of Delta Ice Cream subgroup	-	(57.016)	-	17.760
Gain/ (Loss) from valuation and disposal of investments, financial assets and derivatives	475	(11.982)	4.483	(12.545)
Impairment in associates	-	-	(1.891)	-
Dividends received	-	-	-	(10.161)
Gain/ (Loss) on disposal of property, plant and equipment	(111)	1	(155)	(3)
Gain/(Loss) on equity investees	29	70	-	-
Amortization of government grants	(1.474)	(503)	(769)	-
Profit before working capital changes	63.816	47.596	29.533	(597)
(Increase)/Decrease in:				
Inventories	(9.613)	(14.244)	(423)	-
Receivables	(46.774)	(5.036)	(41.473)	3.742
Increase/(Decrease) in:				
Liabilities (except bank)	(4.831)	(10.198)	(7.322)	1.740
Income taxes paid	(4.650)	(10.288)	(3.810)	(372)
Interest paid	(11.833)	(18.259)	(4.907)	(16.942)
Grants received	-	707	-	-
Cash Inflows/(Outflows) for Operating Activities:	(13.885)	(9.722)	(28.402)	(12.429)
Cash Inflows/(Outflows) for Investing Activities:				
Capital expenditure for tangible and intangible assets	(26.321)	(7.550)	(8.745)	(202)
Proceeds from disposal of property, plant and equipment	-	218	-	5
Interest, dividends and other related income received	13.649	10.150	15.162	23.783
Acquisition of minority of subsidiaries	(30.985)	(1.790)	(24.406)	(574)
Sales/(Purchases) of financial assets	(12.629)	(950)	(12.629)	(2.321)
Gain on disposal of Delta Ice Cream subgroup	-	109.598	-	109.598
Gain/(loss) on disposal of financial assets	6.183	3.545	9.167	2.818
Cash Inflows/(Outflows) for Investing Activities:	(50.103)	113.221	(21.451)	133.107
Cash Inflows/(Outflows) for Financing Activities:				
Net change in long-term borrowings of discontinued operations	-	96.000	-	96.000
Net change in short-term borrowings	16.202	2.481	11.666	(23)
Net change in long term borrowings	160.720	3.416	153.183	-
Decrease of long-term liabilities from leasing	(1.064)	-	(438)	-
Decrease in short-term liabilities from leasing	(938)	-	(1.271)	-
Dividends paid	(3.277)	(14.059)	-	(7.310)
Cash Inflows/(Outflows) for Financing Activities	171.643	87.838	163.140	88.667
Net Increase/Decrease of cash and cash equivalent:	107.655	191.337	113.287	209.345
Cash and cash equivalents at beginning of year	135.024	101.841	72.618	18.644
Cash and cash equivalents at end of period	242.679	293.178	185.905	227.989

The accompanying notes and appendix are an integral part of these interim condensed financial statements.



VIVARTIA S.A
NOTES TO THE FINANCIAL STATEMENTS
AS OF JUNE 30, 2007

(All amounts in thousands of Euro, unless otherwise stated)

ENGLISH TRANSLATION FROM THE GREEK ORIGINAL

1. CORPORATE INFORMATION:

Vivartia S.A was incorporated in September 1st 2006 following the merger by absorption according to the provisions of L. 2166/1993 of DELTA Dairy S.A, CHIPITA S.A, Goody's S.A. and General Frozen Foods S.A by the formerly named Delta Holding S.A. (the former parent company). The shares of the Company are traded on the Athens Stock Exchange ("ASE"). References to the «Company » or «VIVARTIA», include, unless the contents indicate otherwise, VIVARTIA S.A and its consolidated subsidiaries.

The absorbed companies comprise business divisions of Vivartia. Specifically, Vivartia performs its activities in the market segments of Dairy & Drinks through the former Delta Dairy S.A., Bakery & Confectionery, through the former Chipita, Foodservices and Entertainment through the former Goody's and Frozen Foods through the former General Frozen Foods S.A.

Its main lines of business are (i) the production and distribution of dairy products, such as milk and related products, yogurt and fruit juices, (ii) quick service restaurants and café bars, (iii) the production and distribution of general frozen foods such as vegetables, ready made recipes/meals and pastries, and (iv) the snacks and other confectionary products based on soft dough.

Vivartia extends its productive and commercial activities through its subsidiaries in countries such as Bulgaria, Cyprus, Egypt, Greece, Mexico, Poland, Portugal, Romania, and Russia. It engages in commercial activities in: Czech Republic, Germany, Hungary, Italy, Slovakia, Ukraine and export activities in: Albania, Austria, Belarus, Canada, Croatia, FYROM, Kazakhstan, Lebanon, Malta, Serbia & Montenegro, Slovenia, Spain, United Kingdom and the USA.

The Company's registered office is in Athens at 10 Ziridi Street, 151 23 Marousi. The life of Vivartia S.A., according to its Articles of Association, is eighty (80) years effective December 31, 1968, with a possible extension permitted following a decision of the General Meeting of its Shareholders.

As at June 30, 2007 and 2006, the Group's average number of employees was approximately 11,657 and 5,465 respectively.

A full list of the consolidated subsidiaries together with their related unaudited years by tax authorities is provided in Appendix I.

VIVARTIA S.A
NOTES TO THE FINANCIAL STATEMENTS
AS OF JUNE 30, 2007

(All amounts in thousands of Euro, unless otherwise stated)

2.1 BASIS OF PRESENTATION OF INTERIM FINANCIAL STATEMENTS

The accompanying interim condensed separate and consolidated financial statements for the six-month period ended June 30, 2007 have been prepared in accordance with International Financial Reporting Standards (IFRS) applicable to interim financial reporting as adopted by the European Union (IAS 34 “Interim Financial Reporting”).

These financial statements have been prepared using the same accounting principles and basis of measurement followed for the preparation of the most recent annual financial statements for the year ended December 31, 2006. The accompanying interim financial statements should be read in conjunction with the annual financial statements for the year ended at December 31, 2006 which have been published at the Company’s web site and include full analysis of the accounting principles, methods and assessments that have been implemented together with the analysis of the significant line items of the financial statements.

Certain line items of the previous period’s financial statements were reclassified in order to conform to the current year’s presentation.

New accounting standards, interpretations or amendments have been issued whose application is mandatory for accounting periods beginning from January 1, 2007 onwards. Those standards are mentioned below and had no effect to the Group’s or Company’s financial position and efficiency:

IAS 1 (amendment) Capital disclosures (on application to annual financial statements starting on or after January 1st, 2007).

Due to the issuance of IFRS 7, further disclosures were added to IAS 1 in order for a company to provide useful information to users regarding the objectives, policies and management procedures for its capital. The group will apply the amendments of IAS 1 on its annual financial statements for the year ending on December 31st, 2007 considering that the accompanying financial statements are condensed.

IFRS 7: Financial Instruments: Disclosures, and a complementary amendment to IAS 1, Presentation of Financial Statements – Capital Disclosures: (effective for financial years beginning on or after 1 January 2007).

IFRS 7 introduces new disclosures to improve the information about financial instruments. It requires the disclosure of qualitative and quantitative information about exposure to risks arising from financial instruments, including specified minimum disclosures about credit risk, liquidity risk and market risk, including sensitivity analysis to market risk. It replaces IAS 30, (Disclosures in the Financial Statements of Banks and Similar Financial Institutions), and disclosure requirements in IAS 32, (Financial Instruments: Disclosure and Presentation). It is applicable to all entities that report under IFRS. The Group will implement the disclosures of IFRS 7 to the financial statements for the year ends December 31, 2007 as the accompanying interim financial statements are condensed.

IFRIC 7, Applying the Restatement Approach under IAS 29 Financial Reporting in Hyper-inflationary Economies: (effective for financial years beginning on or after 1 March, 2006).

IFRIC 7 requires entities to apply *IAS 29 Financial Reporting in Hyper-inflationary Economies* in the reporting period in which an entity first identifies the existence of hyperinflation in the economy of its functional currency as if the economy had always been hyperinflationary. IFRIC 7 is not relevant to the Group’s operations.

IFRIC 8: Scope of IFRS 2 (effective for financial years beginning on or after 1 May 2006).

VIVARTIA S.A
NOTES TO THE FINANCIAL STATEMENTS
AS OF JUNE 30, 2007

(All amounts in thousands of Euro, unless otherwise stated)

IFRIC 8 clarifies that IFRS 2 *Share-based payment* will apply to any arrangement when equity instruments are granted or liabilities (based on the value of an entity's equity instrument) are incurred by an entity, when the identifiable consideration appears to be less than the fair value of the instruments given. IFRIC 8 is not relevant to the Group's operations.

IFRIC 9, Reassessment of Embedded Derivatives: (effective for financial years beginning on or after 1 June 2006).

IFRIC 9 requires an entity to assess whether a contract contains an embedded derivative at the date an entity first becomes a party to the contract and prohibits reassessment unless there is a change to the contract that significantly modifies the cash flows. IFRIC 9 is not relevant to the Group's operations.

IFRIC 10, Interim Financial Reporting and Impairment: (effective for financial years beginning on or after 1 November 2006).

This interpretation may impact the financial statements should any impairment losses be recognized in the interim financial statements in relation to goodwill or available for sale equity investments or unquoted equity instruments carried at cost as these may not be reversed in later interim periods or when preparing the annual financial statements. This Interpretation is expected to be adopted by the EU in the near future.

2.2 NEW STANDARDS AND INTERPRETATIONS

The International Accounting Standards Board, as well as the IFRIC, have already issued a number of new accounting standards and interpretations whose application is mandatory for future accounting periods. The Group's assessment regarding the effect of these new standards and interpretations is as follows:

IFRS 8, Operating Segments: (effective for financial years beginning on or after 1 January 2009)
IFRS 8 replaces IAS 14 Segment Reporting and adopts a management approach to segment reporting. The information reported would be that which management uses internally for evaluating the performance of operating segments and allocating resources to those segments. This information may be different from that reported in the balance sheet and income statement and entities will need to provide explanations and reconciliations of the differences. The Group is in the process of assessing the impact this new standard will have on its financial statements. This Interpretation has not yet been endorsed by the EU.

IFRS 23 (amendment) Borrowing Cost (effective for financial years beginning on or after January 1, 2009).

In the revised standard, the previous benchmark treatment of recognising borrowing costs as an expense has been eliminated. Instead, borrowing costs that are directly attributable to the acquisition, construction or production of qualifying assets form part of the costs of the asset. The Group is considering possible effects from the specific amendment.

IFRIC 11, IFRS 2- Group and Treasury Share Transactions (effective for financial years beginning on or after 1 March 2007).

This interpretation requires arrangements whereby an employee is granted rights to an entity's equity instrument to be accounted for as an equity-settled scheme by an entity even if the entity chooses or

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is required to buy those equity instruments from another party, or the shareholders of the entity provide the equity instruments needed. The Interpretation also extends to the way in which subsidiaries, in their separate financial statements, account for schemes when their employees receive rights to equity instruments of the parent. IFRIC 11 is not relevant to the Group's operations. This Interpretation has not yet been endorsed by the EU.

IFRIC 12, Service Concession Arrangements (effective for financial years beginning on or after 1 January 2008).

The Interpretation outlines an approach to account for contractual arrangements arising from entities providing public services. It provides for the operator should not account for the infrastructure as property, plant and equipment, but recognize a financial asset or an intangible asset. IFRIC 12 is not relevant to the Group's operations. This Interpretation has not yet been endorsed by the EU.

IFRIC 13 Customer Loyalty Programmes (effective for financial years beginning on or after July 1, 2008)

The International Financial Reporting Interpretations Committee (IFRIC) issued a new interpretation relating to the application of IAS 18 Revenue Recognition. IFRIC 13 "Customer Loyalty Programmes" clarifies that where entities grant award credits (e.g. loyalty points or reward miles) as part of a sales transaction and customers can redeem those award credits in the future for free or discounted goods or services, IAS 18 paragraph 13 applies. This requires that the award credits are treated as a separate component of the sales transaction and an amount of the consideration received or receivable needs to be allocated to the award credits. The timing of the recognition of this element of revenue is deferred until the entity satisfies its obligations relating to the award credits, either by supplying the rewards directly or by transferring the obligation to a third party. The Group is considering possible effects from the specific amendment.

IFRIC 14, The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction (effective for financial years beginning on or after January 1, 2008).

The interpretation addresses three issues, namely, (i) when refunds or reductions in future contributions should be regarded as "available" in the context of paragraph 58 of IAS 19 "Employee Benefits", (ii) how a minimum funding requirement might affect the availability of reductions in future contributions, and (iii) when a funding requirement might give rise to a liability. Furthermore, should a minimum funding requirement exist, the Interpretation distinguishes between contributions that are required to cover an existing shortfall for past service on the minimum funding basis and, the future accrual of benefits. IFRIC 14 is not relevant to the Group's operations. This Interpretation has not yet been endorsed by the EU.

3. BUSINESS COMBINATIONS AND ACQUISITION OF MINORITY INTERESTS:

(a) Acquisition-merger by absorption of Chipita International S.A. Group

On December 19, 2005 the Board of Directors of Delta Holding S.A. (acquirer) announced its decision to merge by absorption Chipita International S.A. (acquiree) according to the provisions of L. 2166/1993. December 31, 2005 was determined to be the date on which the merged entities will prepare the conversion balance sheets. According to the merger agreement concluded the existing shareholders of Chipita exchanged 1 share of Chipita with 0.33 shares of Delta Holding, which were issued upon the share capital increase of the acquirer. Confirmation of the true and fair of the share exchange ratio was assigned to international firms, after considering the result of the

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legal and financial due diligence reviews performed. The BoD's of the two companies decided the new company to be named "VIVARTIA S.A."

The merger agreement through absorption was approved by the Shareholders General Assembly on July 1, 2006 and the related legal and financial documents were submitted to the Respective State authorities and the final approval was obtained by the Ministry of Development on August 31, 2006, the date on which the new Board of Directors of VIVARTIA S.A was officially assembled. The aforementioned final approval date was considered, in accordance with IFRS 3 «Business Combinations», as the date when VIVARTIA S.A. obtained control over Chipita International S.A.

The determination of the fair values of identifiable assets, liabilities and contingent liabilities of the acquiree, the Purchase Price Allocation on the basis and the provisions of IFRS 3 "Business Combinations" and the resulting final determination of goodwill will be concluded subsequently, as the acquirer has opted to use the option provided in the standard. Based on such option the acquirer shall recognize any adjustments to those provisional values as a result of completing the initial accounting within twelve months of the acquisition date. Due to the size and the number of Chipita's subsidiaries, which mainly act abroad, we adopted the aforementioned policy provided in the standard.

The provisional goodwill had been determined at the amount of € 148,230 as at June 30, 2007 and it is expected to decrease significantly due to intangible assets which were recognized with the acquisition. The valuation of those intangible assets is in the final stage.

The intangible assets that have been recognised are trademarks/brand names, technical assistance and agreements with customers/distributors.

(b) Acquisition of Christies Dairies Public Ltd:

On April 20, 2007, following the relevant approval by the Competition Committee of Cyprus, VIVARTIA S.A. acquired 46% of the share capital of CHRISTIES DAIRIES PUBLIC LTD from N.K.Siakolas Group at a price of 0.29 CYP per share (€ 0.499 per share), obtaining at the same time the majority in the Board of Directors. The aforementioned date was considered, in accordance with IFRS 3 «Business Combinations», as the date when VIVARTIA S.A. obtained control over CHRISTIES DAIRIES PUBLIC LTD. Following the acquisition of 46% of the shares of the company VIVARTIA (according to relevant announcement to the Cyprus Stock Exchange) began the public offer for the acquisition of total shares of Christies Dairies Public LTD at the same price. On June 30, 2007 VIVARTIA has acquired the 81.10% of the shares of the company.

The goodwill arose on due the above acquisition and is presented in the accompanying consolidated balance sheet is determined based on the carrying (accounting) values of the acquired entity as of April 20, 2007 and thus is considered provisional. The determination of the fair values of identifiable assets, liabilities and contingent liabilities of the acquiree, the Purchase Price Allocation on the basis and the provisions of IFRS 3 "Business Combinations" and the resulting final determination of goodwill will be concluded subsequently, as the acquirer has opted to use the option provided in the standard. Based on such option the acquirer shall recognize any adjustments to those provisional values as a result of completing the initial accounting within twelve months of the acquisition date.

The carrying values, the cost of acquisition and the provisional goodwill on the merger transaction with CHIPITA as of April 20, 2007, are as follows:

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ASSETS

Intangibles assets	397
Property, plant and equipment	10,685
Financial assets available for sale	904
Inventories	1,575
Current assets	4,457
Cash and cash equivalent	625
Total assets	<u>18,643</u>

LIABILITIES

Long term interest- bearing loans and borrowings	1,259
Short term interest- bearing loans and borrowings	3,570
Deferred tax liabilities	351
Other short term liabilities	2,007
Total liabilities	<u>7,187</u>

Net assets **11,456**

Total acquisition cost	12,583
Net assets	11,456
Goodwill arising on acquisition	<u>1,127</u>

Cash outflow on acquisition:

Net cash acquired with the subsidiary	625
Cash paid	(12,583)
Net cash outflow:	<u>(11,958)</u>

As mentioned above the Company has acquired 81.10% (44,361,700 shares) of Christies Dairies Public Ltd as at June 30, 2007 at the acquisition cost of € 22,115. The goodwill arose on due to the additional step-up acquisition of minority interest 35.10% amounted to € 1,033 and was recognized in the consolidated shareholders' equity in accordance with the accounting policies followed by the Group.

(c) Acquisition of minority interest of subsidiary EDITA SAE:

On January 18, 2007, the Group acquired, through its 100% subsidiary Chipita Participations Ltd, additional 5% of the share capital, with voting right, of its subsidiary company EDITA SAE, and as a result the participation percentage at 31 December 2006 amounts to 30%. The buy-out price amounted to € 6,862.

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The fair value of the identifiable assets and liabilities as at the date of acquisition were:

	<u>Fair values</u>
Non-current assets	
Tangible and intangible assets	<u>1,389</u>
Current Assets	
Inventories	209
Trade and other receivables	79
Cash and cash equivalents	<u>283</u>
	<u>571</u>
Liabilities	
Trade and other payables	(345)
Deferred Tax Liability	(53)
Loans	<u>(29)</u>
	<u>(427)</u>
Net assets	1,533
Goodwill arising on acquisition	<u>5,329</u>
Total acquisition cost	<u><u>6,862</u></u>

The aforementioned goodwill was recognized in the consolidated shareholders' equity, in Group's retained earnings.

4. MERGER THROUGH ABSORPTION OF THE SUBSIDIARIES GOODY'S S.A., GENERAL FROZEN FOODS S.A. AND DELTA DAIRY S.A.:

On December 19, 2005 the Board of Directors of Delta Holding S.A. announced its decision to merge by absorption its subsidiaries Goody's S.A. General Frozen Foods S.A. and Delta Dairy S.A. according to the provisions of Greek L 2166/1993. December 31, 2005 was determined to be the date of preparation of the conversion Balance Sheets. The existing shareholders of Goody's exchanged 1 share of their company for 1.05 new shares of Delta Holding and the existing shareholders of General Frozen Foods exchanged 1 share of their company for 0.54 new shares of Delta Holding. Delta Dairy is a wholly owned subsidiary of the parent.

The parent's and the subsidiaries Shareholders' General Assemblies for the fiscal year 2005 approved the merger agreement. The merger was completed on September 1st 2006.

In connection with the legal merger of the three subsidiaries they were accounted for in the separate financial statements of the parent on the basis of the pooling of interest method as such mergers were made at intragroup level and lacked commercial substance. Accordingly and based on the accounting treatment followed when the pooling of interest applies and the respective provision of Greek L.2166/93 according to which the commercial transaction and activities of the absorbed entities subsequent to the conversion date (31/12/2005) are made on behalf of the legal absorber. Consequently the separate income statement of VIVARTIA from January 1, 2006 includes the

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income statement of the absorbed subsidiaries , therefore the separate income statement of VIVARTIA for the period ended June 30, 2007 is not comparable with the separate income statement for the corresponding period of 2006.

The following table has been prepared for comparability purpose and presents the separate income statement for the period ended June 30, 2006 together with a proforma separate income statement on the assumption that the legal absorption of the three subsidiaries had been effected as at January 1, 2006:

	Proforma Income Statement	Proforma Income Statement
	1.1. - 30.06.2006	1.4. - 30.06.2006
REVENUES:		
Net sales	206,672	106,274
Cost of sales	(130,181)	(68,669)
Gross profit	76,491	37,605
Selling, general and administrative	(61,668)	(30,602)
Other income/(expenses)	4,156	1,865
Net financial income	(682)	(10,253)
PROFIT BEFORE INCOME TAXES	18,297	(1,385)
Income taxes	(10,335)	(4,176)
NET PROFIT	7,962	(5,561)



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5. SEGMENT INFORMATION:

Segment Information

30 June 2007

	<u>Dairy & Beverages</u>	<u>Frozen Foods</u>	<u>Catering services & entertainment</u>	<u>Bakery & pastry</u>	<u>Other</u>	<u>Eliminations</u>	<u>Consolidated</u>
Segment revenues	<u>210,733</u>	<u>43,644</u>	<u>80,116</u>	<u>188,964</u>	<u>332</u>	<u>(6,172)</u>	<u>517,617</u>
Profit before tax and financial results	<u>21,292</u>	<u>8,217</u>	<u>7,621</u>	<u>13,740</u>	<u>(11,695)</u>	<u>-</u>	<u>39,175</u>

30 June 2006

	<u>Dairy & Beverages</u>	<u>Frozen Foods</u>	<u>Catering services & entertainment</u>	<u>Bakery & pastry</u>	<u>Other</u>	<u>Eliminations</u>	<u>Continuing operations</u>	<u>Discontinued operations</u>	<u>Consolidated</u>
Segment revenues	<u>176,345</u>	<u>38,848</u>	<u>72,707</u>	<u>-</u>	<u>8,324</u>	<u>(7,709)</u>	<u>288,515</u>	<u>44,960</u>	<u>333,475</u>
Profit before tax and financial results	<u>17,089</u>	<u>7,191</u>	<u>6,627</u>	<u>-</u>	<u>(1,540)</u>	<u>-</u>	<u>29,367</u>	<u>686</u>	<u>30,053</u>



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The following tables present revenues, expenditure and certain asset information regarding the Group's geographical segments for the years ended June 30, 2007 and June 30, 2006.

30 June 2007

	<u>Greece</u>	<u>Europe</u>	<u>Other</u>	<u>Eliminations</u>	<u>Consolidated</u>
Segment revenues	368,361	136,758	32,547	(20,049)	517,617
Profit before tax and financial results	24,932	5,466	8,777	-	39,175

30 June 2006

	<u>Greece</u>	<u>Europe</u>	<u>Other</u>	<u>Eliminations</u>	<u>Continuing operations</u>	<u>Discontinued operations</u>	<u>Consolidated</u>
Segment revenues	309,303	21,528	-	(42,316)	288,515	44,960	333,475
Profit before tax and financial results	29,253	114	-	-	29,367	686	30,053

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8. PROPERTY, PLANT AND EQUIPMENT:

Property, plant and equipment is analyzed as follows:

	<u>Group</u>	<u>Company</u>
COST		
At January 2007	876,593	463,252
Additions	33,282	9,399
Transfers from CIP	(220)	-
Disposals	(9,461)	(2,657)
Business combination	36,253	-
Translation adjust.	3,252	-
Other transfers	(911)	-
At June 30, 2007	938,788	469,994
ACCUMULATED DEPRECIATION		
At January 1 2007	(228,807)	(119,813)
Depreciation expense	(25,024)	(12,309)
Disposals	3,723	2,124
Business combination	(11,438)	-
Translation adjust.	(569)	-
Other transfers	824	-
At June 30, 2007	(261,291)	(129,998)
NET VALUE		
At June 30, 2007	677,497	339,996

There are no restrictions on title or transfer or other encumbrances on the Company's property. In addition, no item of property, plant and equipment has been pledged as security for liabilities. There are pledges on fixed assets of Group's subsidiary Christies Dairies Public Ltd which on June 30, 2007 were amounted to € 7,917.

9. SHARE CAPITAL (the amounts per share are in Euros)

On June 8, 2007 according to the annual shareholders meeting of May 9, 2007: a) the Company's share capital increased by € 91,632 with capitalization of paid-in surplus reserve and b) equally decreased by € 91,632 with return of the whole amount to the shareholders.

The increase of share capital was realised with corresponding increase of share nominal value from € 2.33 to € 3.58 and the share capital return was realized with cash payment to the shareholders € 1.25 per share and with decrease of share nominal value from € 3.58 to € 2.33. As a result, the Company's share capital as at June 30, 2007, amounted to € 170,802 divided into 73,305,549 authorised ordinary shares of € 2.33 par value each. All issued shares are fully paid as at June 30, 2007.

According to the L. 2190/1920 article 16 paragraph 5 and the relevant decision of the annual shareholders meeting of May 9, 2007 the Company acquired 28,147 treasury shares for € 478.4 during the period 04-06/06/2007.

10. CONVERTIBLE BOND LOAN

VIVARTIA S.A. on June 29, 2007 completed the issue of €150,000 convertible bonds due 2017 bearing interest rate 1.50%. The Convertible Bonds were subscribed and fully paid by Vivartia Luxembourg S.A., a wholly owned subsidiary of Vivartia incorporated in the Grand Duchy of Luxembourg, using the proceeds of the issue of €150,000 exchangeable notes due 2017 bearing

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interest rate 1.50%, guaranteed by Vivartia. The offering of the Exchangeable Notes was made outside the United States exclusively to institutional investors who are non-US persons and was completed by way of a book building.

The Exchangeable Notes are exchangeable for the Convertible Bonds, which are automatically convertible into new ordinary shares in Vivartia in accordance with the terms and conditions of the Convertible Bonds. The initial conversion price is €21.80 per new share in Vivartia, considering the adjustment due to return of capital € 1.25 which took place on June 25, 2007.

A successful application was made for the listing of the Exchangeable Notes on the Official List of the Luxembourg Stock Exchange and to trading on the Luxembourg Stock Exchange's Euro MTF market. Trading in the Exchangeable Notes on the Euro MTF Market commenced on June 29, 2007.

The net proceed from the aforementioned convertible bond loan € 150,00 was accounted for according to IFRS 32 by splitting it into a liability component and an equity component (€ 33,427). This liability has initially been recognized at the fair value of the consideration received less directly attributable transaction costs. Subsequently to its initial recognition it was measured at amortised cost using the effective interest rate method.

As mentioned in note 14(a), on July 13, 2007 MARFIN INVESTMENT GROUP (MIG) acquired after agreement with main shareholders 34% of VIVARTIA's share capital. The percentage increased to 51% on July 17, 2007 after shares' acquisition in Athens Stock Exchange. According to the terms of the bond loan in case the majority of the share capital transfers to third parties the conversion price will be reassessed according to the relevant settlements of the bond loan agreement. The new conversion price arose was € 18.01 per share. The Company is considering the effects of the aforementioned adjustments of the bond loan terms, which are expected to be presented in the financial statements of the third quarter of 2007.

11. RELATED PARTY DISCLOSURES:

i) Transactions with related parties:

The consolidated financial statements include the financial statements of Vivartia S.A. and its subsidiaries listed in Appendix I. The Company has also investments in associates. In relation to Vivartia S.A, there is no ultimate parent in the form of a legal entity, as the majority of the share capital (26.88% of common shares as of June 30, 2007) is owned by Mr. Dimitris Daskalopoulos, 4.535% and 13.701% of VIVARTIA's share capital are owned by Mr. Spyridon Theodoropoulos and Morgan Stanley and Co International respectively as at aforementioned date.

Vivartia purchases goods and services from and makes sales of goods to certain related companies in the ordinary course of business. Such related companies consist of associates or companies, which have common ownership and/or management with Vivartia.

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Account balances with related parties are as follows:

	Group		Company	
	June 30, 2007	December 31, 2006	June 30, 2007	December 31, 2006
Trade receivables from subsidiaries:	-	-	27,822	23,593
Interest receivable from subsidiaries:	-	-	133	121
Loan receivables from subsidiaries (a):	-	-	95,612	97,112
Bond receivables from subsidiaries:	-	-	8,500	8,500
Trade receivables from associates:	5,793	3,960	5,793	3,960
Total	5,793	3,960	137,860	133,286
Commercial liabilities to subsidiaries:	-	-	9,807	17,929
Interest payable to subsidiaries:	-	-	304	341
Bond payables to subsidiaries (b):	-	-	13,200	17,600
Trade payables to associates:	6,946	4,535	6,946	4,535
Total	6,946	4,535	30,257	40,405

(a) In queue of contracts loan, Vivartia has loaned its subsidiary Chipita East Europe (Cyprus) Ltd, by an annual interest rate of EURIBOR plus 2%. The total of above loans amounting on June 30, 2007 to € 74,910, is depicted in parent company's long term receivables. Furthermore, in parent company's long term receivables, are included interest loans granted to its subsidiaries Chipita Participations Ltd και Cream Line (Cyprus) Ltd, which were amounting to € 18,200 and € 2,500 respectively, on June 30, 2007.

(b) It concerns a loan bond, issued by VIVARTIA S.A. on 22 July, 2005 and was totally covered by its subsidiary. The loan is predicted to be paid off until 22 July 2012 (seven years after its issue), bears interest rate Euribor plus 1.30% and is payable semi-annually.

Transactions with related parties for the year ended June 30, 2007 and 2006 are analyzed as follows:

	Group		Company	
	1/1- 30/06/2007	1/1- 30/06/2006	1/1- 30/06/2007	1/1- 30/06/2006
Inventory sales to subsidiaries:	-	-	23,913	-
Service sales to subsidiaries:	-	-	8,168	8,360
Interest charges to subsidiaries:	-	-	2,820	2,988
Inventory sales to associates:	4,602	771	4,602	771
Service sales to associates:	117	156	117	156
Interest charges to associates:	22	-	22	-
Total:	4,741	927	39,642	12,275
Inventory purchases from subsidiaries:	-	-	39,218	-
Service purchases from subsidiaries:	-	-	2,236	-
Interest charges from subsidiaries:	-	-	379	860
Inventory purchases from associates:	9,523	-	9,523	-
Total	9,523	-	51,356	860

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Outstanding balances at year-end are unsecured and settlement occurs in cash. No related guarantees have been provided or received for the above receivables. For the periods ended June 30, 2007 and 2006, the Company has not raised any provision for doubtful debts relating to amounts owed by related parties.

Key management personnel fees of the Company for the periods ended June 30, 2007 and 2006, have as follows:

	<u>1/1-30/062007</u>	<u>1/1-30/06/2006</u>
Short-term employee benefits	2,412	384
Social security contributions	46	13
Total compensation paid to key management personnel	<u>2,458</u>	<u>397</u>

Key management personnel fees of the Group for the period ended June 30, 2007 (employers' contributions were concluded) were amounted to € 3,396.

12. CONTINGENCIES AND COMMITMENTS:

(a) Competition Committee's Investigation

In the context of officio investigation of Competition Committee's General Management in Greek Purchase of Milk, for violation of article 1 of L.703/77, as being in force and the article 81 SEK, the General Management issued on December 15, 2006 its proposal 8218/06 accusing Vivartia of horizontal and vertical collaborations and specifically for:

- (1) agreement with other milk industries aiming to definition of producer's price.
- (2) exchange of confidential information at Greek Union Milk Industry level
- (3) exchange of confidential information with other milk industries
- (4) agreement with other milk industries aiming to common discount policy
- (5) resale price definition concerning retail market chain
- (6) resale price definition concerning Company's distributors
- (7) ban of passive sales to Company's distributors

The Company submitted note on February 16, 2007, contradicting the 8218/06 proposal of Competition Committee's General Management and on March 6, 2007 submitted addition-contradiction to companies' notes to which the above proposal is addressed.

The conversation of the above case before the Competition Committee's General Management, started on March 22, 2007, concerning the accusation of the horizontal collaborations and was completed with Vivartia's memorandum submission on May 21, 2007. The conversation concerning the accusation of the horizontal collaborations started on May 31, 2007 and was completed with Vivartia's memorandum submission on June 8, 2007.

Group's management and its legal advisors estimate that the accusation of Competition Committee are ungrounded and reject the reasons of General Management, but cannot estimate the judgment of Competition Committee referred to accusations against Group, the possibility of fine imposition and the possible amount.

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(b) Litigation and claims:

The Company and its subsidiaries are parties to various lawsuits (as a defendant or as a plaintiff) and arbitration proceedings in the normal course of business. Management and the Company's legal advisors estimate that all of the lawsuits are expected to be settled without any material adverse effect on the Group's or the Company's financial position or results of operations.

(c) Commitments:

(i) Guarantees:

The Group has the following contingent liabilities as at June 30, 2007:

- It has issued letters of guarantee for good performance for a total amount of € 2,148.
- It has provided guarantees for repayment of bank overdrafts and commercial liabilities of various subsidiaries and associates aggregating to € 942.
- It has provided guarantees for good performance of subsidized investment programs aggregating to € 300.
- It has provided guarantees for its participation in various competitions aggregating to € 412.
- It has provided guarantees for creditors' good payment aggregating to € 1,712.

(ii) Operating Lease Commitments:

As of June 30, 2007, the Group has entered into a number of operating lease agreements relating to the rental of buildings and transportation equipment which expire on various dates through 2025.

Rental expense (continuing operations) included in the accompanying consolidated income statement for the year ended June 30, 2007, amounted to € 7,836 and € 2,341 for the Group and the Company respectively.

Future minimum rentals payable under non-cancelable operating leases as at June 30, 2007 and at June 30, 2006, are as follows:

	<u>Group</u>		<u>Company</u>	
	<u>June, 30</u>		<u>June, 30</u>	
	<u>2007</u>	<u>2006</u>	<u>2007</u>	<u>2006</u>
Within one year	8,500	8,679	2,489	887
1-5 years	39,318	39,728	5,532	2,971
After 5 years	39,761	31,983	401	-
Total	<u>87,579</u>	<u>80,390</u>	<u>8,422</u>	<u>3,858</u>

13. DIVIDEND:

On May 9, 2007 the Shareholders' General Assembly approved the proposal of the Board of Directors about extra dividend of € 1.25 (full amount) per share, through return of capital to the shareholders while increasing (capitalization of paid-in surplus reserve) and decreasing the share capital of the Company by € 91,632 at the same time. The return of capital to the shareholders commenced on July 3, 2007.

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14. SUBSEQUENT EVENTS

(a) Acquisition of percentage of the Company's share capital from MARFIN INVESTMENT GROUP Holding S.A.

On July 13, 2007 MARFIN INVESTMENT GROUP (MIG) Holding S.A. acquired 24,956,398 ordinary nominal shares of VIVARTIA S.A. for € 25 per share corresponding to 34% of the share capital and voting rights of the Company.

Following the acquisition of 34% of VIVARTIA's share capital MIG (according to relevant announcement to the Athens Stock Exchange) submitted mandatory public offer of the entirety of Company's shares at the same price per share (€ 25).

MIG executed a series of acquisitive transactions of VIVARTIA's shares through Athens Stock Exchange as a result of which the participation of MIG in the Company's share capital amounts in total to 77.4570% as at August 27, 2007.

(b) Letter of Intent for a co-operation memorandum with the shareholder of the Company "HELLENIC ZIMI S.A." Mr. Michalis Arabatzis.

On March 27, 2007, Vivartia S.A. announced the signing of Letter of Intent with the shareholder of the Company "HELLENIC ZIMI S.A." Mr. Michalis Arabatzis, for the exchange of 49% of the share capital of the Company "HELLENIC ZIMI" with 49% of the share capital of the Company "ALESIS S.A.", that is a 100% subsidiary of VIVARTIA S.A. On June 5, 2007 the transaction was approved by the Committee of Competition Protection and was completed on July 13, 2007.

(c) Group expansion in Saudi Arabia

On June 19, 2007 VIVARTIA S.A. announced the signing of a definite agreement for the creation of a joint venture with Western Bakeries and Olayan Financing Company (OFC) based in Saudi Arabia for the production and distribution of the bakery divisions products. The company will be active in the GCC countries (Saudi Arabia, UAE, Kuwait, Oman, Bahrain and Qatar). Vivartia will hold 25%, Western Bakeries 60% and OFC 15% of the share capital. The investment is expected to be completed in late 2008.

(d) Acquisition of Bulgarian UMC

On April 11, 2007, VIVARTIA S.A. announces the entrance of its Dairy and Beverages division in the Bulgarian dairy market, through the acquisition of 99.99% of UNITED MILK COMPANY AD (UMC) from BSF -a fund managed by GLOBAL FINANCE- and DOVERIE CAPITAL for the amount of euros 18.7 mil. On June 13, 2007 the transaction was approved by the Bulgarian Competition Authority and was completed on July 3, 2007.

(e) Disposal of investments

- (i)** On August 2, 2007 the Company announced the disposal of the investment (about 24%) in Dodoni Group of companies for about € 5 mil. to a company of the National Bank of Greece Group interest. The profit of approximately € 3.2 mil. will be recognized in the third's quarter income statement.

VIVARTIA S.A
NOTES TO THE FINANCIAL STATEMENTS
AS OF JUNE 30, 2006

(All amounts in thousands of Euro, unless otherwise stated)

- (ii) On August 23, 2007 the Company disposed its investment of 40% in the company Chipima-Sociedade de Produtos Alimentares (a jointly controlled company which is consolidated under the proportionate consolidation method) for approximately € 5 mil. The disposal's profit (about € 2 mil. and € 4.2 mil for the financial statements of the Company and the Group respectively) will be recognized in the third's quarter income statement.

**THE CHAIR MAN
OF THE BOARD**

**THE MANAGING
DIRECTOR**

**THE CHIEF
FINANCIAL
OFFICER**

**THE GROUP
CHIEF
ACCOUNTING
OFFICER**

**DIMITRIS
DASKALOPOULOS
I.D.no. M 289326**

**SPYRIDON
THEODOROPOULOS
I.D.no. F 090107**

**PANDELI
ECONOMO
PASS. No C 000668**

**NIKOLAOS
KAPPAS
I.D.no X 425851**

VIVARTIA SA

APPENDIX I SUBSIDIARIES OF VIVARTIA S.A AND TAX UNAUDITED YEARS PER COMPANY



1. The companies included in the consolidation are the following:

	Equity participation	Country of Incorporation	Unaudited years
(a) Subsidiaries of VIVARTIA SA			
AGROTEAM EOD	100,00%	BULGARIA	-
BALKAN RESTAURANTS S.A.	100,00%	BULGARIA	1999-2006
CHARALAMBIDES DAIRIES LTD	74,90%	CYPRUS	-
CHIPITA PARTICIPATIONS LTD	100,00%	CYPRUS	-
CREAM LINE S.A.	100,00%	GREECE	2003-2006
DELTA FOOD HOLDINGS LTD.	100,00%	CYPRUS	-
DELTA FOOD PARTICIPATION & INVESTMENTS LTD.	100,00%	CYPRUS	-
GREENFOOD S.A.	78,88%	GREECE	2003-2006
HELLENIC CATERING S.A.	98,15%	GREECE	2006
HELLENIC FOOD INVESTMENTS S.A.	51,04%	GREECE	2003-2006
SMAKY S.A.	100,00%	GREECE	1999-2006
UNCLE STATHIS EOD	100,00%	BULGARIA	-
ATHENIAN CAFÉ-PÂTISSERIES S.A.	80,91%	GREECE	2003-2006
ALESIS CONFECTIONERY S.A.	100,00%	GREECE	2004-2006
ANTHEMIA S.A.	100,00%	GREECE	2005-2006
VIGLA S.A.	100,00%	GREECE	2003-2006
VIOMAR S.A.	86,06%	GREECE	2003-2006
ENDEKA S.A.	100,00%	GREECE	2003-2006
ERMOU RESTAURANTS S.A.	55,00%	GREECE	2005-2006
EFKARPIA RESTAURANTS S.A.	51,00%	GREECE	2003-2006
EASTERN CRETE RESTAURANTS-PÂTISSERIES S.A.	60,00%	GREECE	2004-2006
TEMBI CAFÉ-PÂTISSERIES S.A.	52,10%	GREECE	2004-2006
MEGARA RESTAURANTS-PÂTISSERIES S.A.	54,10%	GREECE	2003-2006
SERRES RESTAURANTS-PÂTISSERIES S.A.	50,05%	GREECE	2003-2006
KAVALA RESTAURANTS S.A.	51,00%	GREECE	2003-2006
MALIAKOS RESTAURANTS S.A.	51,00%	GREECE	2003-2006
NERATZIOTISSA RESTAURANTS S.A.	60,00%	GREECE	2006
PANORAMA RESTAURANTS S.A.	51,00%	GREECE	2003-2006
VOLOS COAST RESTAURANTS S.A.	50,01%	GREECE	2003-2006
HARILAOU RESTAURANTS S.A.	51,00%	GREECE	2003-2006
GEFSIPIOIA S.A.	51,00%	GREECE	2005-2006
EUROFEED HELLAS S.A.	100,00%	GREECE	2006
VERIA CAFÉ-PÂTISSERIES S.A.	70,00%	GREECE	2004-2006
EXARCHIA CAFÉ-PÂTISSERIES S.A.	94,71%	GREECE	2003-2006
KIFISSIA CAFÉ-PÂTISSERIES S.A.	50,10%	GREECE	2004-2006
PARALIA CAFÉ-PÂTISSERIES S.A.	82,59%	GREECE	2003-2006
NAFPLIOS S.A.	94,71%	GREECE	2003-2006
SARANDA S.A.	98,61%	GREECE	2006
S. NENDOS S.A.	31,41%	GREECE	2005-2006
HELLENIC FOOD SERVICE PATRON S.A.	72,50%	GREECE	2006
FRANKA S.A.	100,00%	GREECE	2005-2006
INVESTAL RESTAURANTS	100,00%	GREECE	2005-2006
IVISKOS S.A.	50,02%	GREECE	2003-2006
PAPAGIANAKIS S.A.	60,00%	GREECE	NEW COMPANY
DESMOS DEVELOPMENTS S.A.	100,00%	GREECE	2001-2006
MARINA ZEAS S.A.	50,01%	GREECE	2005-2006
CHRISTIES DAIRIES PLC	81,10%	CYPRUS	-
CHRISTIES FARMS LTD	81,10%	CYPRUS	-
VIVARTIA LUXEMBOURG SA	100,00%	LUXEMBOURG	NEW COMPANY
(ii) Subsidiaries of HELLENIC FOOD INVESTMENTS S.A.			
HOLLYWOOD RESTAURANTS-PÂTISSERIES S.A.	93,57%	GREECE	2005-2006
ZEFXI RESTAURANTS-PÂTISSERIES S.A.	96,98%	GREECE	2003-2006
RESTAURANTS SYGROU S.A.	75,00%	GREECE	2006
SEA PAIANIAS S.A.	100,00%	GREECE	2005-2006
PAGRATI TECHNICAL AND CATERING COMPANY	100,00%	GREECE	2006
(iii) Subsidiaries of CREAM LINE SA			
CREAM LINE BULGARIA LTD	100,00%	BULGARIA	-
CREAM LINE (CYPRUS) LTD	100,00%	CYPRUS	-
CREAM LINE BULGARIA (CYPRUS) LTD	100,00%	CYPRUS	-
CREAM LINE NISS DOO	100,00%	SERBIA	-
CREAM LINE ROMANIA (CYPRUS) LTD	100,00%	CYPRUS	-
CREAM LINE ROMANIA S.A.	100,00%	ROMANIA	-
OPIRUS TRADING LTD	100,00%	CYPRUS	-
(iv) Subsidiaries of CHIPITA PARTICIPATIONS LTD			
CHIPITA UKRAINE (CYPRUS) LTD	100,00%	CYPRUS	-
CHIPITA ZAO	100,00%	RUSSIA	-
EDITA SAE	30,00%	EGYPT	-
CHIPITA NIGERIA (CYPRUS) LTD	100,00%	CYPRUS	-
CHIPITA EAST EUROPE (CYPRUS) LTD	100,00%	CYPRUS	-
CHIPITA ITALIA SPA	100,00%	ITALY	-
CHIPITA GERMANY GMBH	100,00%	GERMANY	-

VIVARTIA SA



**APPENDIX I
SUBSIDIARIES OF VIVARTIA S.A AND TAX UNAUDITED YEARS PER COMPANY**

(v) Subsidiary of EDITA SAE			
DIGMA SAE	100,00%	EGYPT	-
(vi) Subsidiary of CHIPITA UKRAINE (CYPRUS) LTD			
TEO PLUS	100,00%	UKRAINE	-
(vii) Subsidiaries of CHIPITA EAST EUROPE (CYPRUS) LTD			
CHIPITA BULGARIA (CYPRUS) LTD	100,00%	CYPRUS	-
CHIPITA POLAND (CYPRUS) LTD	100,00%	CYPRUS	-
CHIPITA ROMANIA (CYPRUS) LTD	100,00%	CYPRUS	-
CHIPITA YUGOSLAVIA (CYPRUS) LTD	100,00%	CYPRUS	-
CHIPITA HUNGARY (CYPRUS) LTD	100,00%	CYPRUS	-
CHIPITA RUSSIA (CYPRUS) LTD	100,00%	CYPRUS	-
CHIPITA RUSSIA TRADING (CYPRUS) LTD	100,00%	CYPRUS	-
CHIPITA CZECH (CYPRUS) LTD	100,00%	CYPRUS	-
CHIPITA UKRAINE TRADING (CYPRUS) LTD	100,00%	CYPRUS	-
CHIPITA FOODS BULGARIA (CYPRUS) LTD	100,00%	CYPRUS	-
CHIPITA BULGARIA TRANSPORTATION LTD	60,00%	CYPRUS	-
(viii) Subsidiary of CHIPITA BULGARIA (CYPRUS) LTD			
CHIPITA BULGARIA SA	100,00%	BULGARIA	-
ix) Subsidiary of CHIPITA POLAND (CYPRUS) LTD			
CHIPITA POLAND SP ZOO	100,00%	POLAND	-
x) Subsidiary of CHIPITA ROMANIA (CYPRUS) LTD			
CHIPITA ROMANIA SRL	100,00%	ROMANIA	-
xi) Subsidiary of CHIPITA YUGOSLAVIA (CYPRUS) LTD			
CHIPITA BELGRADE SA	100,00%	SERBIA	-
xii) Subsidiary of CHIPITA HUNGARY (CYPRUS) LTD			
CHIPITA HUNGARY KFT	100,00%	HUNGARY	-
xiii) Subsidiaries of CHIPITA RUSSIA (CYPRUS) LTD			
CHIPITA ST PETERSBURG ZAO	100,00%	RUSSIA	-
ELDI OOO	100,00%	RUSSIA	-
xiv) Subsidiary of CHIPITA RUSSIA TRADING (CYPRUS) LTD			
CHIPITA RUSSIA TRADING OOO	100,00%	RUSSIA	-
xv) Subsidiaries of CHIPITA CZECH (CYPRUS) LTD			
CHIPITA CZECH LTD	100,00%	CZECH	-
CHIPITA SLOVAKIA LTD	100,00%	SLOVAKIA	-
xvi) Subsidiary of CHIPITA UKRAINE TRADING (CYPRUS) LTD			
CHIPITA UKRAINE TRADING ZBUT	100,00%	UKRAINE	-
xvii) Subsidiary of CHIPITA FOODS BULGARIA (CYPRUS) LTD			
CHIPITA FOODS BULGARIA EAD	100,00%	BULGARIA	-
xviii) Subsidiary of CHIPITA BULGARIA TRANSPORTATION LTD			
DIAS TRANSPORTATION LTD	100,00%	BULGARIA	-
Associates consolidated under the proportionate consolidation method :			
CHIPIMA SOSIADADE DE PRODUTOS ALIMENTARES S.A.	40,00%	PORTUGAL	-
Associates consolidated under the equity consolidation method :			
VALTOP HOLDINGS Ltd (Dodoni Group of Companies)	24,21%	GREECE	-
ARMA INVESTMENTS S.A.	25,00%	GREECE	-
CAFÉ HALKYON S.A.	35,00%	GREECE	-
CHIPIGA S.A.	35,00%	MEXICO	-
TSIMIS S.A.	30,00%	GREECE	-
LEVENTIS SNACKS LTD	40,00%	NIGERIA	-