



ELGEKA S.A.

GROUP OF COMPANIES

**MANAGEMENT REPORT
FOR THE PERIOD
1 JANUARY – 30 JUNE 2011**

**SIX MONTH REPORT OF THE BOARD OF DIRECTORS OF “ELGEKA S.A. TRADE-DISTRIBUTIONS-REPRESENTATIONS-INDUSTRY”
COVERING BOTH THE ACTIVITIES OF THE PARENT COMPANY AND THE GROUP,
FOR THE PERIOD 1 JANUARY – 30 JUNE 2011
(In accordance with Law 3556/2007, article 5)**

Dear shareholders,

In accordance with the terms of Law 3556/2007 and the relevant decisions issued by the Capital Market Commission, we submit the present six-month Report of the Board of Directors for the six-month period of the current year 2011 (01/01/2011-30/06/2011).

This report includes in condensed form financial performance of the period, reference to significant events during first semester of 2011, analysis of perspectives and risks that are expected to incur during the second semester of 2011, along with an analysis of related party transactions. This information refers to both the Parent company and the Group ELGEKA as a whole.

The contents of the report are presented as follows:

1. FINANCIAL RESULTS & BUSINESS ACTIVITIES OF THE COMPANY & THE GROUP FOR THE PERIOD 01/01/2011 TO 30/06/2011

During the first semester of 2010, the Consolidated financial results of the Group are summarized as follows:

Turnover (sales) of the Group amounted to 176.675 thousand euro for the six-month period ended 30 June 2011 as opposed to 142.839 thousand euro for the respective period of 2010, showing a significant increase of 33.836 thousand euro or 23,69%. The significant increase in turnover is mainly the result of the consolidation of "VITA PI S.A." in the current period, while not consolidated in the corresponding period of last year ("VITA PI S.A." incorporated in the ELGEKA Group for the first time on July 7, 2010 - the date on which it was acquired), and consolidation of "DIAKINISIS PORT & CO" (established and started operations on August 5, 2010). Positive contribution had also the subsidiary "MEDIHELM PHARMACEUTICALS WHOLESALE STORE S.A.", which accomplished to increase its turnover by 34,49% in relation to the corresponding period of last year.

Gross profit of the Group amounted to 20.137 thousand euro for the first semester of 2011 compared with 22.047 thousand euro of the corresponding period of 2010, a decrease of 1.910 thousand euro or 8,66% in percentage, mainly due to the decrease of Parent's turnover, as well as due to the consolidation into the Group for the first time, of the wholesale company "VITA PI S.A.", which operates with lower margins in comparison with other companies of Group.

Other operating income of the Group is increased by 65,41% compared with the corresponding period of 2010, or by 5.776 thousand euro, due mainly to increased revenues of "ELGEKA S.A." (from 4.553 thousand euro in 2010 to 5.329 thousand euro in 2011) and its subsidiary company "VITA PI S.A." (4.785 thousand euro in 2011).

The consolidation of the subsidiary "VITA PI S.A." had also a significant impact on Operating Costs of the Group, which amounted to 32.480 thousand euro in comparison to 27.990 thousand euro of the first semester of 2010, an increase by 16,04%.

Earnings before interest, tax, depreciation and amortization (EBITDA) amounted to 5.355 thousand euro as opposed to 5.681 thousand euro in the previous year, a decrease of 5,74%, which is attributed on the

one hand to the decrease in gross profit and to the other hand to improvement in operating costs (Operating revenues - operating expenses) of the Group.

Operating profit amounted to 2.263 thousand euro against 2.887 thousand euro in the previous year, a decrease of 624 thousand euro or a percentage of 21,61%. The reduction is due largely to increased depreciation compared with the corresponding period of 2010 (3.217 thousand euro in 2011 compared to 2.892 thousand euro in 2010, an increase of 325 thousand euro).

Loss before tax of the Group amounted to 1.266 thousand euro in current period against profit of 378 thousand euro in first semester of 2010, showing a variation of 1.644 thousand euro, which is mainly the result of the increased Finance expenses by the amount of 1.393 thousand euro. It must be noted that the comparative results of 2010 were improved by the amount of 1.008 thousand euro from non-operating exceptional events (sale of the participation held by the Group to the company "PAPADIMITRIOU S.A." and transfer of the remaining stake in Financial assets available for sale).

Net loss after tax during the first semester of 2011 amounted to 1.630 thousand euro compared with 309 thousand euro in the corresponding period of 2010, presenting an increase of 1.321 thousand euro.

Loss per share of the Group reached 0,0515 euro in the first semester of 2011 compared to profit per share of 0,0034 euro in the comparable period of 2010, a decrease of 0,0549 per share.

From the above analysis, it is concluded that in the first half of 2011 ELGEKA Group managed to maintain a satisfactory level of operational profitability by increasing sales and controlling operating costs. However, the disproportionate increase of finance costs (mainly due to rising cost of money) led to the deterioration of the net profit. The key financial highlights that characterized the first half of 2011, in Group level, briefly are the following:

- Increase in turnover, mainly due to the incorporation for the first time of the subsidiary "VITA PI S.A." (acquired and consolidated since 7/7/2010).
- Decrease in gross margin, due to the low margins of the market in which operates the acquired subsidiary "VITA PI S.A.".
- Decrease of operating cost (Operating revenues – Operating expenses) by the amount of 1.286 thousand euro (from 19.160 thousand euro in 2010 to 17.874 thousand euro in 2011).
- Increase of Finance costs

The Group's financial position is deemed overall as satisfactory and it is fairly presented in the Consolidated Financial Statements for the six-month period of 2011.

Specifically, the net book value of Intangible Assets, Tangible Fixed Assets and Investment Property of the Group amounted, as at 30/06/2011, to 122.739 thousand euro representing 39,03% of the Group's Total Assets as opposed to 124.918 thousand euro at 31/12/2010 (representing the 37,51% of the Group's Total Assets).

The Group shareholders' Equity represents 23,03% of the Group's Total Equity & Liabilities amounting to 72.443 thousand euro as opposed to 73.868 thousand euro at 31/12/2010, representing a decrease of 1,93%.

The Group's total Liabilities amounted to 242.098 thousand euro as opposed to 259.130 thousand euro in 31/12/2010, representing a decrease by 6,57%. The Long term liabilities of the Group amounted to 64.257 thousand euro as opposed to 55.084 thousand euro in 31/12/2010, an increase of 16,65%.

The Group's Long term bank liabilities (long term liabilities payable within the following year included) amounted to 36.482 thousand euro as opposed to 27.346 thousand euro in 31/12/2010, representing an increase of 9.136 thousand euro or 33,41%.

Finally, the Group's Short term bank liabilities amounted to 70.157 thousand euro (22,30% of the Total Liabilities and Equity), decreased by 3.385 thousand euro or by 4,60% as opposed to 31/12/2010, which amounted to 73.542 thousand euro.

As regards to the financial performance of the Parent Company, we note the following:

Turnover (sales) of "ELGEKA S.A." for the first half of 2011 amounted to 55.605 thousand euro as opposed to 61.977 thousand euro in the corresponding period of 2010, showing a reduction of 6.372 thousand euro, or 10,28% in proportion. This decrease is the result of shrinking disposable income and thus reduced demand for consumer goods in the domestic market.

Gross profit amounted to 12.202 thousand euro in 2011 from 13.653 thousand euro in the corresponding period, which is a decrease of 1.451 thousand euro or 10,63%, while gross profit margin showed a marginal deterioration by 0,09%, namely 21,94% from 22,03%.

Operating Expenses increased by 1,00%, namely from 16.269 thousand euro in the six-month period of 2010 amounted to 16.432 thousand euro in the corresponding period of 2011, an increase of 163 thousand euro, mainly due to increased Administrative expenses.

Earnings before interest, taxes, depreciation and amortization (EBITDA) amounted to 1.704 thousand euro against 2.547 thousand euro in the first semester of 2010, a decrease of 33,10%, mainly due to reduced sales and hence to reduced gross profit. In contrast, the increase in other operating income, due to the participation of suppliers in promotional campaigns and product placement in stores, resulted in limiting the decline in that percentage.

Operating profit amounted to 1.099 thousand euro in the six-month period of 2011 as opposed to 1.937 thousand euro of the corresponding period of 2010, a decrease of 838 thousand euro.

Loss before tax amounted to 180 thousand euro during the current period versus profit of 1.038 thousand euro in the first semester of 2010, a decrease of 1.218 thousand euro. The results of "ELGEKA S.A." at this level have been adversely affected by the increase occurring during the current period in the Financial Expenses by 657 thousand euro compared with first half of 2010, as a result of increased cost of money.

Loss after tax amounted to 243 thousand euro against profit of 582 thousand euro in the previous year, a decrease of 825 thousand euro.

Loss per share of the Parent Company amounted to 0,0077 euro for the current period compared to profit per share of 0,0182 euro for the corresponding period of 2010.

From the above data, it is suggest that the continued recession in the domestic market had an impact on financial results of the Parent Company during the first half of 2011. The basic elements of economic data that characterized the period at the Parent Company level briefly are the following:

- Reducing turnover by 10,28% resulted in a corresponding decrease in gross profit (gross margin remained relatively in constant levels).
- Efforts to restrict operating costs (Operating income - Operating expenses) resulted in their reduction by the amount of 613 thousand euro (11.716 thousand euro in 2010 to 11.103 thousand euro in 2011) and reducing drop in operating profit.

- The increase in financial expenses by 657 thousand euro deteriorates the financials of the company and played an important role in shaping the final result.

2. SIGNIFICANT EVENTS FOR THE PERIOD 01/01/2011 TO 30/06/2011

a) Significant events for the year 2010

The most significant events which took place during first semester of 2011 are the following:

- "ELGEKA S.A." in accordance of the 29/06/2009 decision of the Annual General Meeting of its shareholders and the decision of the Board of Directors on 08/04/2011, signed a contract on April 19, 2011, regarding the issue of a common Bond Loan, with a maturity of five years, amounting to 7.500 thousand euro, with bond holders the banks "ALPHA BANK S.A." and "ALPHA BANK LONDON LTD", while "ALPHA BANK S.A." takes over as manager of payments. In addition, by virtue of the unsolicited Extraordinary General Meeting on 13/04/2011 of shareholders of the company "DIAKINISIS SA - Warehousing - Distribution - Promotional packaging", which is subsidiary of "ELGEKA S.A." with 99.99%, and the resulting special authorization to its Board of Directors, "DIAKINISIS S.A." signed a contract on April 19, 2011, regarding the issue of a common Bond Loan, with a maturity of five years, amounting to 6.000 thousand euro, guaranteed by its parent company "ELGEKA S.A.", with bond holders the banks "ALPHA BANK S.A." and "ALPHA BANK LONDON LTD", while "ALPHA BANK S.A." takes over as manager of payments and representative of bondholders.

The above common Bond Loans issued on 21/04/2011, under Law 3156/2003 and 2190/1920, to be used to refinance existing short term bank borrowings of "ELGEKA S.A." and "DIAKINISIS S.A.".

- The company "ELGEKA FERFELIS SRL" applied for liquidation to authorities of Moldavia during April of 2011. Its economic figures are insignificant for consolidation purposes.
- The Annual General Meeting of the company "MEDIHELM PHARMAC.WHOLESALE STORE S.A." decided on 30/06/2011 to increase its share capital by 710 thousand euro by issuing 71.000 new common shares, at a nominal value of 10 euro each. Consequently, its new share capital will amount to a total of 3.070 thousand euro divided into 307.000 common shares with a nominal value of 10 euro each. "ELGEKA S.A." undertook to cover entirely this increase and on 21/07/2011 paid the amount of 710 thousand euro, increasing its participation percentage in the above company from 98,48% to 98,83% approximately.
- The Annual General Meeting of the company "SAMBROOK PHARMACEUTICAL S.A." decided on 30/06/2011 to increase its share capital by 1.110 thousand euro by issuing 74.000 new common shares, at a nominal value of 15 euro each. Consequently, its new share capital will amount to a total of 2.124 thousand euro divided into 141.600 common shares with a nominal value of 15 euro each. "ELGEKA S.A." undertook to cover entirely this increase.
- The investments in Fixed Assets and Investment Property for the first semester of 2011 amounted to 1.004 thousand euro and 142 thousand euro for the Group and the Parent Company, respectively.

3. PERSPECTIVES – BUSINESS ACTIVITIES – MAIN RISKS AND UNCERTAINTIES

The first half of 2011 was characterized by particularly adverse economic environment in the domestic market, whose main features were the restrictive fiscal policy, the decline in disposable income, the

rising of unemployment and the further deterioration in consumer sentiment. As a result, demand for consumer products has declined and the recession has spread to all sectors of the economy. Moreover, the increased cost of money (both due to the increase in the base rate - Euribor - and also to the increase in margin from domestic credit institutions) exacerbates the already difficult economic situation.

The difficult economic conditions in the domestic market is expected to be maintained during the second half of 2011, further reinforced by the volatility in the international economic environment.

ELGEKA Group has proceed both during the previous year and throughout the duration of the first half of 2011 to the necessary actions to restrain the effects of the recession, fact which is reflected in increased turnover, as well as in satisfactorily operational profitability. However, efforts will be continued and intensified during the second half of 2011 in order to further develop the activities of the Group and improve its operating results through the controlling of operating costs.

In particular, the Group constantly seeks to improve and expand its products' distribution location through alternative retail channels, to invest in existing trading brands, through advertising and promotion expenses and actions at selling points to consumers, and to make new partnerships when it is likely that will help achieve its objectives.

In this context, the Parent Company has improved its product portfolio with the products of the American Farm School, the marketing and distribution of which undertook from February 2011. The Company also took over from July 25, 2011 marketing and distribution of Craft Microbrewery's products, enhancing thereby further its existing portfolio.

In parallel, ELGEKA Group, having as criterion the strategic growth in wholesale market, realizes a series of actions that will enable it to become one of the most important players in the specific sector. Specifically, the Group gradually operates in the field of vegetables, namely in the distribution and supply of retail stores with fresh and certified fruits and vegetables. The relative investment required to support the activity initially serving in Northern Greece has been already completed. Additionally, the planning of the Group consists of the operation in the area of developing private label products for third partner customers. Regarding the latter, it has been already established development department, which implements a range of items for the chain super market "Arista" and for stores under the brand name of "Elliniki Diatrofi". The objectives of this activity include, among others, the internationalization of Greek quality products, through their distribution in foreign markets.

In the context of further development of the strategic cooperation with Cosco Group, the subsidiary, by 50,01% percentage, company "DIAKINISIS PORT (CY) LIMITED", participated in the formation of a new limited company under the name "PIRAEUS CONSOLIDATION AND DISTRIBUTION CENTER S.A." with distinctive title "PCDC S.A.", on 12th of July 2011. The formation of the aforementioned company derives as a consequence of the Memorandum of Cooperation which was signed between ELGEKA Group and Cosco Pacific Limited on October 02, 2010, with the presence of the Prime Ministers of Greece and China. The company "DIAKINISIS PORT (CY) LIMITED" participates with 50% in the share capital of the newly created company "PCDC S.A.", while the remaining 50% is owned by the company "COSCO PORTS (GREECE) S.a r.l.". The sole purpose of the new company is the construction, development and operation of a "CONSOLIDATION AND DISTRIBUTION CENTER" on the premises of the NEW CONTAINER TERMINAL of Piraeus Port, through which it will provide handling services for incoming and intended for export goods, as well as for incoming and intended for the Greek domestic market containers, and, in general, services related to emptying, filling, storage and handling of containers and goods contained within them. The newly formed company will be managed by a 6-

member Board of Directors, in which the representation of both parties will be of equal weight. The construction of the aforementioned centre commenced on July 18, 2011 and is expected to be completed by the end of the year; thereafter it will begin its operation. The total covered surface that will have the Operations Centre is 7,000 square meters, while the investment cost is estimated at 5,000 thousand euro.

The aforementioned actions, coupled with additional business developments such as the further developing of the activities of subsidiaries "VITA PI S.A." and "DIAKINISIS PORT & CO", is expected to contribute significantly to achieving the objectives of ELGEKA Group.

The Group mainly operates in the Greek and Romanian markets which are very competitive and, as such, it is exposed in a series of financial risks, which are managed by the Parent Company's Management in constant cooperation with each subsidiary's local management. The most significant financial risks and uncertainties that the Group may face during the second semester of 2011 are the following:

a) Price Changes Risk

The recession of the Greek economy has sharply differentiated the profile of the average consumer, so and consequently increased uncertainty exists about the future developments. The Greek economy has fallen into a combination of simultaneous inflation and recession (stagflation), mainly due to increased indirect taxation. The continued decline in demand in combination with higher prices of raw materials and energy will boost inflation and further deteriorate the climate of inflationary pressures.

The Group is not exposed to price change risk related to securities as there are no investments in listed securities.

b) Credit Risk

The Group does not have a significant concentration of credit risk deriving from contracting/contractual parties, due to its highly differentiated client list and to high credibility of those clients that are responsible for the most significant percentage of revenues. The exposure to credit risks and the customers' financial position is assessed on a constant basis, so as the granted credit for significant customers not to exceed the predefined credit limit. Furthermore, in order to have a higher security, Management has adopted for the Parent Company and "VIOTROS S.A." the insurance of a significant part of their credits to a well-known insurance company ("EULER HERMES"). Moreover, both the Parent Company and "VIOTROS S.A." has obtained additional guarantees from major customers, the balances of which are not fully insured by the insurance company. As a result, the Management considers that during the second semester of 2011 there is not any significant credit risk unsecured or not adequately accrued for both the Parent Company and its subsidiaries.

c) Interest and Foreign Exchange Risk

Group's bank loans are mostly denominated in Euro and bear a floating interest rate. Group's Management considers that there is no significant risk deriving from possible significant changes in interest rates, despite the apparent upward trend in base rates (EURIBOR). Specifically, the companies "ELGEKA FERFELIS ROMANIA S.A." and "GATEDOOR HOLDINGS COM SRL", which operate in Romania and conduct significant transactions in local currency (functional currency), had proceeded to appropriate actions since the beginning of 2011, with the conclusion of contracts in financial derivatives, of total value 20.000 thousand euro and with an exercise date at 31/12/2011, to reduce or eliminate any potential foreign exchange losses resulting from the valuation of debt obligations in foreign currency (in

case of adverse changes in exchange rate), using financial instruments (options) to limit foreign exchange risk. In this way, the impact of foreign exchange losses was significantly reduced without adding new risks in their operation.

Furthermore, the Parent Company's Management decided, during 2009, to enter into hedging contracts with "Alpha Bank" and "Emporiki Bank of Greece". These are interest rate hedging contracts up to 7.500 thousand euro each in order to hedge for the Company's interest rate exposure. For the same reasons, the subsidiary "DIAKINISIS S.A." entered into a hedging contract with the amount of 7.500 thousand euro (Parent Company as guarantor). The abovementioned contracts were signed at the beginning of July 2009, activated in October 2009 and are still active in 30/06/2011.

The Group finances its investments as well as its needs for working capital through both its operating cash flows and bank debt, senior debt and a Sale & Lease Back property contract, leading to interest charges in its financial results. The potential increasing trends of interest rates (changes of EURIBOR interest rate) during the second semester of 2011 will have a negative impact on the Group's financial results, due to the increased interest expenses. However, the signing of the above interest rate derivatives will significantly offset the negative impact of such possibility.

Group short-term loans are contracted on floating interest rates. The interest rates' renewal takes place, for short-term loans, every 1 to 3 months, and for long-term loans every 3 to 6 months. This enables the Group to avoid the risk from immense interest rate fluctuations.

Furthermore, due to Group international activities, there are trade transactions in foreign currency. Consequently, it is exposed to the fluctuations of the exchange rates (main country, apart from Greece, is Romania). Finally, the Group's exposure to translation foreign exchange risks is limited.

d) Liquidity Risk (financial risk)

The Group faces no difficulties in the settlement of its liabilities, due to a) good operating cash flows, b) high debt capacity from financial institutions and c) financial assets, whose book values do not deviate from their fair values.

It is characteristic that, according to a press release from ICAP Group, in late 2010, "ELGEKA S.A." and its subsidiary "DIAKINISIS S.A." are among the strongest companies in Greece credit-wise, namely positioned No.22 and No.69 respectively among companies such as "Vodafone", "Motor Oil", "3E", Athens International Airport "Eleftherios Venizelos", "DEPA", "Sklavenitis", "Philips", "EVGA", "XEROX", etc.

The ranking of companies was based on criteria such as profitability, liquidity, cash flows, trading behavior and moral credit risk and included the ones that registered for the initiative of ICAP Group.

Group manages its risks that might occur due to limited liquidity by maintaining unused bank credit limits. As at 30/06/2011, the Group and the Parent possessed 10.666 thousand euro and 2.970 thousand euro in cash respectively (31/12/2010: 8.364 thousand euro and 387 thousand euro, respectively), whereas the available unused and approved bank credit limits amounted to 15.411 thousand euro and 1.826 thousand euro respectively (31/12/2010: 22.677 thousand euro and 6.485 thousand euro, respectively), which are deemed adequate for the Group to cover for a potential short-fall in cash or cash equivalents.

e) Capital management

The Group's primary goal regarding capital management is to ensure the maintenance of high credit rating and strong capital ratios, in order to secure and expand the Group's activities and to maximize shareholders' value.

No changes are expected to occur regarding the Group's approach in relation to capital management during the second semester of 2011.

The Group and the Parent Company, manage capital efficiency using the ratio of total borrowings to Equity, with the purpose to constantly improve their capital structure.

f) Macroeconomic risk

The main macroeconomic risks to which the Group is exposed are the inflation cost, the income policy and the recession risk that might lead into compression and shrinkage of consumer's disposable income. The decrease in consumption might lead not only to an intensification of competition but also to a sales decline, a gross profit decline and, as a result, a negative influence on profitability.

g) Risk relevant to Food safety

The Group's main area of activity is the food sector.

Packaging, marketing, distribution and food sales include inherent risks as far as the products' quality liability, the potential recall and the consequent unfavorable publicity is concerned. This might lead to negative consequences in reputation, operation, financial position and Group's financial results.

Such products might be unintentionally distributed by the Group and might have consequences in customers' health. As a result, the Group has the legal responsibility for potential damage claims and, as a result, has engaged to a corresponding insurance coverage.

The Group applies a strict quality and safety policy for food products, in order to offer to its customers, high quality and secure products and to faithfully and strictly follow safety and hygiene rules.

Both Management and the entire Group structure are socially sensitive, in order to offer to customers high quality and safe products, as indicated by the following certifications granted to the Parent Company:

"ELGEKA S.A.", following relevant amendments – reviews of Food Hygiene and Safety System (H.A.C.C.P.) in Athens and Thessaloniki premises (04.03.2004 and 10.03.2004 respectively), received certificate approval in regard with:

- "CODEX ALIMENTARIUS" standard by TUV-NORD, accredited by the German organization DAR.
- "ELOT 1416" standard by TUV-NORD (member of RWTUV Group), accredited by E.S.I.D.

It is noted that "ELGEKA S.A." is one of the few companies, which have certifications for H.A.C.C.P. from two (2) non-associated organizations with global reputation based on two (2) different standards.

4. RELATED-PARTY TRANSACTIONS (IN THOUSAND EURO)

The related-party transactions and Parent Company's intercompany balances in accordance with IAS 24, refer to the transactions with the following subsidiaries and other related parties (in accordance with Codified Law 2190/1920, article 42e, par.5), as presented in the following table:

Parent Company's related-party transactions	01/01/2011-30/06/2011		01/01/2010-30/06/2010	
	GROUP	COMPANY	GROUP	COMPANY
a) Sales / Revenue from services	-	260	-	142
b) Purchases	1	1.817	1	2.199
d) Key management personnel and members of Board compensation	654	579	529	527

Parent Company's related-party transactions	30/06/2011		31/12/2010	
	GROUP	COMPANY	GROUP	COMPANY
a) Receivables	1	1.998	-	129
b) Liabilities	-	574	4	962
c) Receivables from key management personnel and members of Board	1	1	1	1
d) Payables to key management personnel and members of Board	21	-	4	4

The related-party transactions and Parent Company's intercompany balances for the six-month period of 2011 are presented below:

SUBSIDIARIES	Sales / Income	Purchases/ Expenses	Receivables	Liabilities
DIAKINISIS S.A.	89	1.619	69	542
VITA PI S.A.	97	26	1.838	-
VIOTROS S.A.	64	172	33	32
SAMBROOK PHARMACEUTICALS S.A.	5	-	1	-
MEDIHELM PHARM. WHOLESALE STORE	5	-	38	-
ELGEKA FERFELIS ROMANIA S.A.	-	-	19	-
Total	260	1.817	1.998	574
OTHER RELATED PARTIES	-	1	1	-
TOTAL OF SUBSIDIARIES AND OTHER RELATED PARTIES	260	1.818	1.999	574

The related-party transactions and Parent Company's intercompany balances for the corresponding period of 2010 (transactions: 30/06/2010, payables/receivables: 31/12/2010) are presented below:

SUBSIDIARIES	Sales / Income	Purchases/ Expenses	Receivables	Liabilities
DIAKINISIS S.A.	42	2.027	9	932
PAPADIMITRIOU S.A.	6	21	-	-
VITA PI S.A.	-	-	19	3
VIOTROS S.A.	60	150	-	23
SAMBROOK PHARMACEUTICALS S.A.	9	-	-	-
MEDIHELM PHARM. WHOLESALE STORE S.A.	6	-	82	-
ELGEKA FERFELIS ROMANIA S.A.	19	-	19	-
Total	142	2.198	129	958
OTHER RELATED PARTIES	-	1	-	4
TOTAL OF SUBSIDIARIES AND OTHER RELATED PARTIES	142	2.199	129	962

Analytically, the following relationships exist between “ELGEKA S.A.” and related companies:

1. ELGEKA S.A. – VIOTROS S.A.

According to the private agreement signed by both counterparties, “ELGEKA S.A.” has undertaken “VIOTROS S.A.”’s products distribution in the Greek market. “VIOTROS S.A.” sales to “ELGEKA S.A.” amounted to 166 thousand euro.

In addition, “VIOTROS S.A.” sold to “ELGEKA S.A.” fixed assets of total amount 6 thousand euro.

“ELGEKA S.A.” charged “VIOTROS S.A.” with the following amounts:

- 48 thousand euro for the provision of consulting services
- 7 thousand euro for sale of fixed assets
- 4 thousand euro as a fee for preparing financial statements in accordance with IFRS
- 4 thousand euro for rentals and miscellaneous expenses (lighting)
- 1 thousand euro for promotion costs and entertainment and hospitality costs.

2. ELGEKA S.A. – DIAKINISIS S.A.

“DIAKINISIS S.A.” renders 3rd party logistics services to “ELGEKA S.A.”, based on a contractual agreement and it relates to warehousing and product distribution. “DIAKINISIS S.A.” has charged “ELGEKA S.A.” the amount of 665 thousand euro for services related to warehousing and 924 thousand euro for distribution services.

The headquarters and the warehouses of “ELGEKA S.A.” in Thessaloniki are located in premises which are leased by “DIAKINISIS S.A.” (since May 2010 they are leased only offices). “DIAKINISIS S.A.” has charged “ELGEKA S.A.” for this leases the amount of 28 thousand euro and for miscellaneous expenses (water and electricity expenses) the amount of 2 thousand euro.

“ELGEKA S.A.” charged “DIAKINISIS S.A.” with the following amounts:

- 50 thousand euro for the provision of consulting services regarding the support in SAP
- 23 thousand euro for sale of fixed assets
- 9 thousand euro for compensation due to lack of supplies
- 4 thousand euro as a fee for preparing financial statements in accordance with IFRS
- 3 thousand euro for transport costs of sold fixed assets.

3. ELGEKA S.A. – VITA PI S.A.

In July 2010, “ELGEKA S.A.” acquired wholesale company “VITA PI S.A.”, whose business objective is the representation, distribution and trade of food and other consumer products.

“ELGEKA S.A.” charged “VITA PI S.A.” with the following amounts:

- 73 thousand euro for the provision of consulting services
- 16 thousand euro for the sale of goods
- 8 thousand euro for rentals and co-location costs (lighting, water).

"VITA PI S.A." charged "ELGEKA S.A." with the following amounts:

- 24 thousand euro for commissions on sales made on behalf of "ELGEKA S.A."
- 2 thousand euro for promotional and marketing expenses.

4. ELGEKA S.A. - MEDIHELM PHARM. WHOLESALE STORE S.A.

"ELGEKA S.A." charged "MEDIHELM PHARM. WHOLESALE STORE S.A." with the following amounts:

- 6 thousand euro for the provision of consulting services
- 4 thousand euro as a fee for preparing financial statements in accordance with IFRS
- 2 thousand euro for the sale of a car.

"ELGEKA S.A." received by "MEDIHELM PHARM. WHOLESALE STORE S.A." the amount of 7 thousand euro as sales returns.

5. ELGEKA S.A. - SAMBROOK PHARMACEUTICALS S.A.

"ELGEKA S.A." charged "SAMBROOK PHARMACEUTICALS S.A." the amount of 4 thousand euro as fee for preparing financial statements in accordance with IFRS and the amount of 1 thousand euro for the provision of consulting services.

Companies are identified in the capital of which are involved with a percentage of at least 10%, members of the Board of Directors of "ELGEKA S.A." or shareholders. Subsequently, it was checked the existence of transactions between such companies and "ELGEKA S.A."

The only company in which a member of the Board of Directors participates in the share capital with a percentage higher than 10% is "EXCEED CONSULTING S.A. (FANDRIDIS & PARTNERS – CONSULTANTS)". The transactions with "ELGEKA S.A." amounting to 1 thousand euro (without VAT) related to fees for market research.

Finally, key management personnel and Board members remunerations for the Parent Company, during the six-month period of 2011, amounted to 579 thousand euro (30/06/2010: 527 thousand euro) and for the Group to 654 thousand euro (30/06/2010: 529 thousand euro) and include the following:

Board of Directors members' salaries, who offer their services as Managers to the Company amounted to 435 thousand euro (30/06/2010: 384 thousand euro) and to the Group amounted to 507 thousand euro (30/06/2010: 384 thousand euro).

The expenses for the presence of Board of Director's members, who do not offer their services as Managers to Company and the Group amounted to 55 thousand euro (30/06/2010: 56 thousand euro).

Other remunerations to Managers of the Parent Company amounted to 89 thousand euro (30/06/2010: 87 thousand euro) and of the Group 92 thousand euro (30/06/2010: 89 thousand euro).

No loans were given to the Board of Directors' members or to the Group's Managers.

There were no changes in transactions between the Company and its related parties' individuals which could lead to important consequences with regard to the financial position and performance of the Company during the first semester of 2011.

All aforementioned transactions were accomplished under the standard market rules.

Exact abstract from the Board of Directors minutes book
Municipality Delta – Industrial Area Sindos Thessaloniki

Thessaloniki, 29 August 2011

President & Managing Director
Alexandros Katsiotis