



ELGEKA S.A.

GROUP OF COMPANIES

**MANAGEMENT REPORT
FOR THE PERIOD
1 JANUARY – 30 JUNE 2012**

**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 2012
(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 2012 (01/01/2012-30/06/2012).

This report includes in condensed form financial performance of the period, reference to significant events during first semester of 2012, analysis of perspectives and risks that are expected to incur during the second semester of 2012, 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 01/01/2012 TO 30/06/2012

During the first semester of 2012, the Consolidated financial results of the Group are summarized as follows:

Turnover (sales) of the Group amounted to 167.492 thousand euro for the six-month period ended 30 June 2012 as opposed to 176.675 thousand euro for the respective period of 2011, showing a decrease of 9.183 thousand euro or 5,20%. This decline is primarily due to the negative contribution of the segment “Trade of food and other consumer products”, which hit hard by the recession of the Greek economy. Instead, the segment of “Logistics Services” is showing remarkable growth achieving increased sales, mainly due to enlarged co-operation with the Group of Cosco, as well as due the exploitation of opportunities arising through the redistribution of shares that takes place in the specific market.

Sales per Segment (in thousand euro)	2012	2011	%
Trade of food and other consumer products	122.748	136.061	(9,78%)
Production of food and other consumer products	5.431	5.379	0,97%
Real estate	405	398	1,76%
Production, trade and services in pharmaceutical industry	6.888	8.217	(16,17%)
Logistics services	32.020	26.612	20,32%
Other	-	8	-
TOTAL	167.492	176.675	(5,20%)

Gross profit of the Group amounted to 17.184 thousand euro for the first semester of 2012 compared with 20.137 thousand euro of the corresponding period of 2011, a decrease of 2.953 thousand euro or 14,66% in percentage, mainly due to the decreased sales, as well as due to the decreased gross margin (10,26% in 2012 from 11,40% in the comparable period of 2011).

Other operating income of the Group is decreased by 12,29% compared with the corresponding period of 2011, or by 1.795 thousand euro, due mainly to decreased sales and therefore the corresponding decreased contribution of suppliers to marketing expenses of the Group.

The Group's Operating Expenses decreased substantially by 3.584 thousand euro or 11,03% and amounted to 28.896 thousand euro from 32.480 thousand euro in first half of 2011 as a result of concerted efforts made to adapt cost base of the Group in the new conditions of the market.

Earnings before interest, tax, depreciation and amortization (EBITDA) of the Group amounted to 4.061 thousand euro in the first semester of 2012 as opposed to 5.355 thousand euro in the first semester of 2011, a decrease of 1.294 thousand euro, which is attributed on the decreased sales and gross margin. However, the improvement of operating cost (Operating revenues – Operating expenses) of the Group offset partially the above reduction.

At the segment level, the decline in sales that took place in "Trade of food and other consumer products" had as a result the significant reduction of EBITDA, which was partially offset by the increase in "Production of food and other consumer products" (increase which is the result of the rationalization of costs in the subsidiary company "VIOTROS S.A." under the guidance of the new General Department since the end of 2011).

EBITDA per Segment (in thousand euro)	2012	2011	Variation
Trade of food and other consumer products	917	2.627	(1.710)
Production of food and other consumer products	655	(190)	845
Real estate	95	133	(38)
Production, trade and services in pharmaceutical industry	(132)	46	(178)
Logistics services	2.588	2.701	(113)
Other	(62)	38	(100)
TOTAL	4.061	5.355	(1.294)

Operating profit of the Group amounted to 1.099 thousand euro in the first semester of 2012 against 2.263 thousand euro in the corresponding period of 2011, presenting a decrease of 1.164 thousand euro, a result that is attributable to the causes mentioned above.

Loss before tax of the Group amounted to 3.850 thousand euro in current period against 1.266 thousand euro in first semester of 2011, showing an increase of 2.584 thousand euro, which is the result on the one hand of the decreased Operating profits (by 1.164 thousand euro) and on the other hand of the increase of Finance expenses (by 602 thousand euro) and the deterioration of Other Finance Results (by 794 thousand euro, which concerns mainly loss from exchange differences of loans by foreign subsidiaries).

Net loss after tax of the Group during the first semester of 2012 amounted to 3.678 thousand euro compared with 1.630 thousand euro in the corresponding period of 2011, presenting an increase of 2.048 thousand euro.

Loss per share of the Group reached 0,1133 euro in the first semester of 2012 compared to loss per share of 0,0522 euro in the comparable period of 2011.

During the first half of 2012, ELGEKA Group held a series of actions aimed at redefining its cost base to new lower levels, despite the continuing growth of a series of uncontrolled cost factors, such as energy, taxes and interest rates. The key financial highlights that characterized the first half of 2012, in Group level, briefly are the following:

- The decrease in Sales and gross margin.
- The decrease of operating cost (Operating revenues – Operating expenses) by the amount of 1.789 thousand euro or by 10,01% in percentage (from 17.874 thousand euro in 2011 to 16.085 thousand euro in 2012).
- The increase of Finance costs by the amount of 602 thousand euro or by 16,29% in percentage.
- The deterioration of Other Finance Results by the amount of 794 thousand euro, which concerns mainly loss from exchange differences of loans by foreign subsidiaries.

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 2012.

Specifically, the net book value of Intangible Assets, Tangible Fixed Assets and Investment Property of the Group amounted, as at 30/06/2012, to 120.343 thousand euro representing 41,92% of the Group's Total Assets as opposed to 123.519 thousand euro at 31/12/2011 (representing the 40,26% of the Group's Total Assets).

The Group shareholders' Equity represents 21,62% of the Group's Total Equity & Liabilities amounting to 62.078 thousand euro as opposed to 66.702 thousand euro at 31/12/2011, representing a decrease of 6,93%.

The Group's total Liabilities amounted to 225.027 thousand euro as opposed to 240.080 thousand euro in 31/12/2011, representing a decrease by 6,27%. The Long term liabilities of the Group amounted to 51.163 thousand euro as opposed to 50.959 thousand euro in 31/12/2011, an increase of 0,40%.

The Group's Long term bank liabilities (long term liabilities payable within the following year included) amounted to 29.872 thousand euro as opposed to 32.914 thousand euro in 31/12/2011, representing a decrease of 3.042 thousand euro or 9,24%.

Finally, the Group's Short term bank liabilities amounted to 70.459 thousand euro (24,54% of the Total Liabilities and Equity), decreased by 2.616 thousand euro or by 3,58% as opposed to 31/12/2011, which amounted to 73.075 thousand euro.

As regards to the financial performance of the Parent Company is summarized as follows:

Turnover (sales) of "ELGEKA S.A." for the first half of 2012 amounted to 50.504 thousand euro as opposed to 55.605 thousand euro in the corresponding period of 2011, showing a reduction of 5.101 thousand euro, or 9,17% in percentage. This reduction is a consequence of the deep recession affecting the Greek market, despite the efforts that have been made through new partnerships and promotions of products. Optimism gives the fact that during the second quarter of 2012 (April to June), the sales decline was restricted to 2,30% compared to the same period of 2011.

Sales per quarter (in thousand euros)	2012	2011	Variation
Quarter 1 (January to March)	26.805	31.349	(14,49%)
Quarter 2 (April to June)	23.699	24.256	(2,30%)
TOTAL	50.504	55.605	(9,17%)

Gross profit amounted to 10.545 thousand euro in 2012 from 12.202 thousand euro in the corresponding period, which is a decrease of 1.657 thousand euro or 13,58%, while gross profit margin showed a deterioration by 1,06%, namely 20,88% from 21,94%.

Operating Expenses decreased by 8,75%, namely from 16.432 thousand euro in the six-month period of 2011 amounted to 14.995 thousand euro in the corresponding period of 2012, a decrease of 1.437 thousand euro.

Earnings before interest, taxes, depreciation and amortization (EBITDA) amounted to 1.150 thousand euro against 1.704 thousand euro in the first semester of 2011, a decrease of 32,51%, mainly due both to reduced sales and to reduced gross margin. In contrast, the decrease in operating cost, resulted in restricting the decline in that percentage.

Operating profit amounted to 592 thousand euro in the six-month period of 2012 as opposed to 1.099 thousand euro of the corresponding period of 2011, a decrease of 507 thousand euro.

Loss before tax amounted to 847 thousand euro during the current period versus 180 thousand euro in the first semester of 2011, an increase of 667 thousand euro. The results of "ELGEKA S.A." at this level have been negatively affected by the increase occurring during the current period in the Financial Expenses by 197 thousand euro compared with the first half of 2011, as a result of increased cost of money.

Loss after tax amounted to 754 thousand euro against 243 thousand euro in the previous year, an increase of 511 thousand euro.

Loss per share of the Parent Company amounted to 0,0237 euro for the current period compared to loss per share of 0,0077 euro for the corresponding period of 2011.

From the above data, it is suggested that the continued recession in the domestic market had an impact on financial results of the Parent Company during the first half of 2012. The basic elements of economic data that characterized the period at the Parent Company level briefly are the following:

- The reduction in Sales and in gross margin pushed negatively the level of gross profit (reduction by 1.657 thousand euro).
- Efforts to restrict operating costs (Operating income - Operating expenses) resulted in their reduction by the amount of 1.150 thousand euro (from 11.103 thousand euro in 2011 to 9.953 thousand euro in 2012) and restricting drop in operating profit.
- The increase in Financial Expenses by 197 thousand euro (despite the reduction in total debt) deteriorates the financials of the Company and played an important role in shaping the final result.

2. SIGNIFICANT EVENTS FOR THE PERIOD 01/01/2012 TO 30/06/2012

The most significant events which took place during first semester of 2012 are the following:

- “DIAKINISIS PORT AND CO E.E.”, which is controlled by ELGEKA Group, signed in early 2012 a contract regarding the extension of cooperation duration with the company “PIRAEUS CONTAINER TERMINAL S.A.” up on January 1, 2017. The initial 2-year cooperation agreement with the company “PIRAEUS CONTAINER TERMINAL S.A.” was signed on April 27, 2010 for the provision of services that relate to loading, unloading and handling of containers as well as other services at the Pier II of the New Container Terminal of the Port of Piraeus.
- In April 2012, “ELGEKA S.A.” and “DIAKINISIS S.A.” made an agreement to revise the terms of the contracts of common bonds with bondholders banks “ALPHA BANK S.A.” and “ALPHA BANK LONDON LTD”, and the “COMMERCIAL BANK OF GREECE S.A.”. This review concerns the repayment schedule of the outstanding capital.
- The Annual General Meeting of the company “VITA PI S.A.” decided on 28/06/2012 to increase its share capital by 2.756 thousand euro by issuing 5.200.000 new nominal common shares, at a nominal value of 0,53 euro each. Consequently, its new share capital will amount to a total of 5.300 thousand euro divided into 10.000.000 nominal common shares with nominal value of 0,53 euro each. The above increase covered in full by “ELGEKA S.A.” by offsetting equivalent financial claims of “VITA PI S.A.” of 2.756 thousand euro, which amount had already been credited partially at regular intervals during their existing commercial cooperation - sale and purchase of products. After the approve of the relevant decision of the above General Meeting by the Development Division R.U. Thessaloniki (no. 7651 /06.07.2012) followed an offsetting-capitalization of such amount and the percentage of "ELGEKA S.A." increased from 99,92% to approximately 99,96%.
- The Annual General Meeting of “MEDIHELM PHARMAC. WHOLESAL STORE S.A.” dated 29/06/2012 decided a share capital increase for the amount of 238 thousand euro with the issue of 23.800 new common shares with face value 10 euro each. As a consequence, the new share capital of “MEDIHELM PHARMAC. WHOLESAL STORE S.A.” will amount to 3.308 thousand euro divided into 330.800 common shares with face value 10 euro each. “ELGEKA S.A.” will cover the full amount of this share capital increase and therefore after the payment of 238 thousand euro will increase its participation percentage from 98,83% to 98,92% approximately.
- The investments in Fixed Assets and Investment Property for the first semester of 2012 amounted to 934 thousand euro and 185 thousand euro for the Group and the Parent Company, respectively.

3. PERSPECTIVES – BUSINESS ACTIVITIES – MAIN RISKS AND UNCERTAINTIES

The first half of 2012 was a continuation of last year regarding the fundamentals of the Greek economy, which remained at the same negative levels or worsened even more. The domestic economy has fallen into a deep recession, while expectations for stabilization of the situation or for the first signs of recovery continually postponed for the future.

The cost of money continues to rise (despite the reduction in the basic rate - Euribor), further hindering economic activity, while the financial system persists to absorb liquidity from households and businesses, robbing valuable resources for investment and hence on growth.

In the same time, in the international economic environment there is a drop in growth rates or even the first signs of recession, thereby reducing the potential of domestic enterprises that export their products.

These adverse economic conditions are expected to be maintained during the second half of 2012, as do not exist these factors that are capable to reverse the situation.

ELGEKA Group in order to deal with the difficult economic environment proceeds to actions regarding the development of activities in sectors which present promising perspectives, while constantly adjusts its cost basis to reflect the new conditions.

In particular, the cooperation with the Group of Cosco, the logistics services and the activity in the market of private label products show great potential for ELGEKA Group. In the field of logistics, in which ELGEKA Group operates through companies "DIAKINISIS S.A.", "DIAKINISIS PORT AND CO E.E." and "PCDC S.A." shows strong growth (sales growth by 20,32%), taking advantage of the redistribution of shares that takes place in the market, as well as its strategic partnership with the Chinese company "Cosco", in the port of Piraeus.

"DIAKINISIS PORT AND CO E.E.", sole provider of container management for "PCT" subsidiary of Cosco Group, follows the rapid growth of the Chinese in the port of Piraeus. Therefore, in 2012 recorded an increase in turnover by 90%, which from July onwards given the investments made to increase productivity will be reflected also in the financial results.

Considering that in 2013 and earlier than expected, it will operate the pier III of Cosco Group in the port of Piraeus, and also the completion (December 2011) of the investment in joint venture of two Groups, "PCDC S.A.", for operation of containers station in the port, ELGEKA Group expects strong growth of its activities in the transport sector and logistics.

Regarding the market of private label products, in which ELGEKA Group operates through its subsidiary "GSBG S.A.", it is expected sales to exceed the amount of 10 million euro, achieving significant penetration in the market of super markets, when in 2011 sales were only 700 thousand euro. The company aims to market domestically 1.080 product codes, while it has already started selling abroad, with the primary aim of establishing a portfolio of approximately 80 to 100 Greek products, especially food, for promotion in the markets of central and northern Europe.

During 2012, the subsidiary "VIOTROS S.A.", which moves very dynamic, proceeded to an extensive series of actions with aim to rationalize its cost, to produce new innovative products, to expand its customer base and to penetrate into new markets. The results of this strategy are already visible, as the subsidiary has become profitable, compared to the loss shown in previous years.

Finally, the Group presents growth rates in the Romanian market, which operates through "ELGEKA - FERFELIS ROMANIA S.A.", with new representations of mainly local products.

In conjunction with the above-mentioned actions to expand its business, ELGEKA Group proceeds in detailed control of its costs, restricting expenses and costs significantly and cutting others altogether. The result of these actions is that the Group has achieved during the first half of 2012 to reduced its operating costs by 10,01% in relation to the corresponding period of 2011, a trend expected to continue throughout the duration of the year and despite the significant increase in the prices of energy and fuel.

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 Financial Management of the Group 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 2012 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 by the companies of the Group, 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 for companies "VIOTROS S.A." and "VITA PI S.A." (since second semester of 2011) 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." and "VITA PI 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 2012 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.

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 and activated in October 2009.

In early July 2011, the Management of the Parent Company "ELGEKA S.A." proceeded to amendment of the terms of that interest rate swap contract in common with "ALPHA BANK S.A." adapting them to current financial needs of the Parent.

The products "Plain Vanilla IRS" qualify for hedge accounting in accordance with I.A.S. 39 "Financial Instruments: Recognition and Measurement" and, therefore, changes in their fair value recorded directly in the Statement of Other Comprehensive Income. Based on the valuation as at June 30, 2011, a loss of 30 thousand euro and 30 thousand euro for the Group and the Company accrued respectively (30/06/2011: profit 180 thousand euro and 129 thousand euro respectively), that was recorded in "Other Comprehensive Income" in the Statement of Comprehensive Income. Out of this amount, income tax of 6 thousand euro and 6 thousand euro (30/06/2011: 36 thousand euro and 26 thousand euro respectively) for the Group and the Company respectively was deducted and the remaining 24 thousand euro and 24 thousand euro (30/06/2011: 144 thousand euro and 103 thousand euro respectively) for the Group and Company respectively was added to the recorded loss of the previous year, while the net amount of 301 thousand euro and 261 thousand euro for the Group and the Company respectively recorded in "Other Reserves" in the Statement of Financial Position (31/12/2011: 277 thousand euro and 237 thousand euro respectively). Consequently, on 30 June 2012, the cumulative loss from derivatives is 377 thousand euro (31/12/2011: 347 thousand euro) for the Group and 326 thousand euro (31/12/2011: 296 thousand euro) for the Company and is presented in current liabilities in the Statement of Financial Position.

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 2012 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) very 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.

Group manages its risks that might occur due to limited liquidity by maintaining unused bank credit limits. As at 30/06/2021, the Group and the Parent possessed 7.342 thousand euro and 612 thousand euro in cash respectively (31/12/2011: 9.055 thousand euro and 1.327 thousand euro, respectively).

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 2012.

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:

The "ELGEKA", following reviews of related procedures and systems implemented, inspected by accredited certification bodies on its premises in Athens and Thessaloniki (03/11/2011 and 25/10/2011 respectively), and received certifications for the application thereof in accordance with international standards:

- ISO 9001: 2008 for Quality Management, by the certification body TÜV HELLAS (Member of TÜV NORD Group), accredited by ESYD on this field.
- QHSAS 18001: 2007 Health and Safety at Work, by the certification body TÜV HELLAS (Member of TÜV NORD Group), accredited by ESYD on this field.
- ISO 14001: 2004 for Environmental Management by the certification body, BUREAU VERITAS, accredited by UKAS Management System on this field.

The certifications cover all the areas in which the Company operates and which are as follows:
"TRADING, STORAGE AND DISTRIBUTION OF EVERY KIND OF CONSUMER GOODS. TRADING,
STORAGE AND DISTRIBUTION OF FOOD. "

4. RELATED-PARTY TRANSACTIONS (IN THOUSAND EURO)

The related-party transactions and Parent Company's intercompany balances in accordance with I.A.S. 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:

	01/01/2012 - 30/06/2012		01/01/2011 - 30/06/2011	
	GROUP	COMPANY	GROUP	COMPANY
Transactions of Parent Company with related-parties:				
a) Sales / Revenue from services	-	948	-	260
b) Purchases	3	2.723	1	1.817
c) Key management personnel and members of Board compensation	798	743	654	579
	30/06/2012		31/12/2011	
Transactions of Parent Company with related-parties:	GROUP	COMPANY	GROUP	COMPANY
a) Receivables	-	5.701	-	1.958
b) Liabilities	2	412	-	514
c) Receivables from key management personnel and members of Board	-	-	-	-
d) Payables to key management personnel and members of Board	17	6	-	-

The related-party transactions and Parent Company's intercompany balances for the first semester of 2012 are presented below:

	Sales / Income	Purchases/ Expenses	Receivables	Liabilities
SUBSIDIARIES				
VIOTROS S.A.	22	212	11	34
DIAKINISIS S.A.	354	2.499	119	366
MEDIHELM PHARM. WHOLESALE STORE S.A.	4	-	143	-
VITA PI S.A.	330	9	4.753	10
G.S.B.G. S.A.	238	-	675	-
Total	948	2.720	5.701	410
OTHER RELATED PARTIES	-	3	-	2
TOTAL OF SUBSIDIARIES AND OTHER RELATED PARTIES	948	2.723	5.701	412

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

	Sales / Income	Purchases/ Expenses	Receivables	Liabilities
SUBSIDIARIES				
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 S.A.	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

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

- 212 thousand euro for sales of goods

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

- 16 thousand euro for the provision of management and consulting services
- 5 thousand euro for sale of fixed assets
- 1 thousand euro for rentals

2. ELGEKA S.A. – VITA PI S.A.

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

- 9 thousand euro for sales of goods

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

- 152 thousand euro for the sale of goods
- 105 thousand euro for the provision of management and consulting services
- 70 thousand euro for rentals
- 3 thousand euro for sale of fixed assets

3. 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 following amounts:

- 1.660 thousand euro for distribution services
- 794 thousand euro for services related to warehousing
- 28 thousand euro for rentals
- 14 thousand euro for transport expenses
- 3 thousand euro for miscellaneous expenses (water and electricity expenses)

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

- 160 thousand euro for rentals
- 116 thousand euro for the provision of management and consulting services
- 76 thousand euro for miscellaneous expenses (water and electricity expenses)
- 2 thousand euro for compensation due to lack of supplies

4. ELGEKA S.A. – GLOBAL SYNERGY BUYING GROUP S.A.

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

- 209 thousand euro for the sale of goods
- 12 thousand euro for the sale of fixed assets
- 6 thousand euro for the provision of consulting services

- 9 thousand euro for interest in a loan
- 2 thousand euro for rentals

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

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

- 7 thousand euro for the provision of consulting services

“ELGEKA S.A.” received by “MEDIHELM PHARM. WHOLESALE STORE S.A.” the amount of 3 thousand euro as sales returns.

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 3 thousand euro (without VAT) related to fees for market research.

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 2012.

All aforementioned transactions were accomplished under the standard market rules.

Thessaloniki, 30 August 2012

President of the Board of Directors
Elli Drakopoulou