HELLENIC

FISHFARMING S.A.

Review & Annual Report for the Financial Year

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HELLENIC
FISHFARMING S.A.

Annual Review
2006

1 Message from the Chairman of the Board of Directors

2006 was a landmark year for Hellenic Fishfarming as the Group completed 20 years of successful activity in the fish-farming sector.

As a result of its successful course, Hellenic Fishfarming has emerged as one of the three largest business groups of the fish-farming sector in Greece, representing 11.7% of Greek fry production and 6.2% of Mediterranean production of euryhaline species. Additionally, the Group represents 9.6% of Greek and 4.8% of Mediterranean market fish production.

The financial results of the financial year that ended on 31 December 2006 rounded off an especially successful year, indicating to a great extent the Group's development of activities and, at the same time, practically confirming the Management's strategic decisions.

More specifically, the consolidated turnover marked an increase of 9.9% to EUR 50.1 million compared to EUR 45.6 million in 2005, mainly due to the boost in market fish sales.

The gross profits of the Group in 2006 amounted to EUR 11 million versus EUR 8.5 million in the previous year, showing an increase of 28.8%, while the gross profit margin amounted to 21.9%, increased by 3.2 percentage points. The above increase is attributed to the containment of sales cost and the relative stability in the feed prices, which comprise the primary element of the production cost.

Finally, EBITDA in 2006 showed an increase of 64.9% and amounted to EUR 6.6 million, while the consolidated profits, after taxes and minority rights, amounted to EUR 2.4 million versus EUR 1.2 million in 2005, an increase of 93.4%.

Furthermore, it is noted that the Group's exports showed outstanding development in the financial year 2006, as a result of entering into new markets, such as Italy, Spain, and France. Specifically, sales abroad increased in 2006 by 9% representing 44% of the consolidated turnover.

As far as financial year 2007 is concerned, the Management estimates that the Group's dynamic progress will continue, both due to the efforts made to improve operational effectiveness and due to a wider increase of demand for the sector's products.

The Group's main strategic goals, which are the focus for the current financial year, are: on a commercial level, the expansion and establishment in markets abroad, while on operational level, the vertical integration of production procedures through in-house production of feed. With this in sight, the Management of Hellenic Fishfarming continues in 2007 the implementation of its investment plans, remaining focused on the substantial growth of the Group's activities.

The Chairman of the Board of Directors
Ioannis Katsivelis

2 Summary financial highlights

Summary Financial Highlights of the HELLENIC FISHFARMING Group

Consolidated Financial Results of the HELLENIC FISHFARMING Group

MAJOR INCOME STATEMENT FIGURES (in 000€)	2004	2005	2006
Turnover	56.882	45.615	**50.144**
Gross Profit	9.594	8.520	**10.972**
EBITDA	4.887	4.020	**6.629**
EBIT	3.487	2.705	**4.861**
EBT	2.353	1.780	**3.004**
EAT & Minorities	1.533	1.218	**2.356**

PROFIT MARGINS (%)	2004	2005	2006
Gross Profit	16,9%	18,7%	**21,9%**
EBITDA	8,6%	8,8%	**13,2%**
EBIT	6,1%	5,9%	**9,7%**
EBT	4,1%	3,9%	**6,0%**
EAT & Minorities	2,7%	2,7%	**4,7%**

Y-O-Y CHANGE (%)	2005	2006
Turnover	-19,8%	**9,9%**
Gross Profit	-11,2%	**28,8%**
EBITDA	-17,7%	**64,9%**
EBIT	-22,4%	**79,7%**
EBT	-24,3%	**68,7%**

EAT & Minorities	-20,5%	**93,4%**

Consolidated Balance Sheet Highlights of the Group
HELLENIC FISHFARMING (in 000€)

	31/12/2004	31/12/2005	31/12/2006
ASSETS			
Fixed Assets	14.766	14.822	18.959
Inventories	21.049	27.418	34.729
Clients and Receivables	37.313	27.540	24.077
Other Assets	11.002	6.232	6.889
Total Assets	**84.130**	**76.012**	**84.654**
LIABILITIES			
Long term Liabilities	5.407	6.209	5.446
Short term Bank Liabilities	18.822,3	16.851	20.362
Other Short term Liabilities	26.620	24.511	28.257
Total Liabilities (a)	**50.850**	**47.570**	**54.065**
Shareholders Equity	29.972	28.441	30.509
Minority Rights	3.308,2	0,0	80,5
Total Equity (b)	**33.280**	**28.441**	**30.590**
Equity and Liabilities (a) + (b)	**84.130**	**76.012**	**84.654**

Percent of total (%)

	31/12/2004	31/12/2005	31/12/2006
ASSETS			
Fixed Assets	17,6%	19,5%	22,4%
Inventories	25,0%	36,1%	41,0%
Clients and Receivables	44,4%	36,2%	28,4%
Other Assets	13,1%	8,2%	8,1%
Total Assets	**100,0%**	**100,0%**	**100,0%**
LIABILITIES			
Long term Liabilities	6,4%	8,2%	6,4%
Short term Bank Liabilities	22,4%	22,2%	24,1%
Other Short term Liabilities	31,6%	32,2%	33,4%
Total Liabilities (a)	**60,4%**	**62,6%**	**63,9%**
Shareholders Equity	35,6%	37,4%	36,0%
Minority Rights	3,9%	0,0%	0,1%
Total Equity (b)	**39,6%**	**37,4%**	**36,1%**
Equity and Liabilities (a) + (b)	**100,0%**	**100,0%**	**100,0%**

Cash Flow Statement
of the Group HELLENIC FISHFARMING
(in 000€)

	2004	2005	2006
Cash flow from operating activities (a)	-1.188	5.299	4.375
Cash flow from investing activities (b)	1.271	-1.887	-4.637
Cash flow from financing activities (c)	-481	-3.908	1.522
Net increase (decrease) in cash & cash equivalents of the period (a)+(b)+(c)	**-398**	**-497**	**1.260**
Cash & cash equivalenta at the beginning of the period	1.259	861	364
Cash & cash equivalenta at the end of the period	861	364	1.624

Summary Financial Highlights of the HELLENIC FISHFARMING S.A.

Financial Results of the HELLENIC FISHFARMING S.A.

MAJOR INCOME STATEMENT FIGURES (in 000€)	2004	2005	2006
Turnover	62.107	45.301	**49.643**
Gross Profit	7.716	8.404	**11.008**
EBITDA	2.498	3.838	**6.479**
EBIT	2.041	2.629	**4.971**
EBT	427	2.402	**3.211**
EAT	119	1.870	**2.534**

PROFIT MARGINS (%)	2004	2005	2006
Gross Profit	12,4%	18,6%	**22,2%**
EBITDA	4,0%	8,5%	**13,1%**
EBIT	3,3%	5,8%	**10,0%**
EBT	0,7%	5,3%	**6,5%**
EAT	0,2%	4,1%	**5,1%**

Y-O-Y CHANGE (%)	2005	2006
Turnover	-27,1%	**9,6%**
Gross Profit	8,9%	**31,0%**
EBITDA	53,6%	**68,8%**
EBIT	28,8%	**89,1%**
EBT	462,5%	**33,7%**
EAT	1478,3%	**35,5%**

Balance Sheet Highlights of the HELLENIC FISHFARMING S.A. (in 000€)

ASSETS	31/12/2004	31/12/2005	31/12/2006
Fixed Assets	22.762	13.045	14.393
Inventories	8.658	27.418	30.011
Clients and Receivables	36.760	27.252	24.768
Other Assets	7.850	7.207	7.677
Total Assets	**76.029**	**74.922**	**76.848**
LIABILITIES			
Long term Liabilities	4.217	6.041	4.622
Short term Bank Liabilities	18.822,3	16.071	18.431
Other Short term Liabilities	21.535	23.754	22.470
Total Liabilities (a)	**44.574**	**45.865**	**45.523**
Shareholders Equity	31.455	29.057	31.326
Minority Rights	0,0	0,0	0,0
Total Equity (b)	**31.455**	**29.057**	**31.326**
Equity and Liabilities (a) + (b)	**76.029**	**74.922**	**76.848**

Percent of total (%)

ASSETS	31/12/2004	31/12/2005	31/12/2006
Fixed Assets	29,9%	17,4%	18,7%
Inventories	11,4%	36,6%	39,1%
Clients and Receivables	48,3%	36,4%	32,2%
Other Assets	10,3%	9,6%	10,0%
Total Assets	**100,0%**	**100,0%**	**100,0%**
LIABILITIES			
Long term Liabilities	5,5%	8,1%	6,0%
Short term Bank Liabilities	24,8%	21,4%	24,0%
Other Short term Liabilities	28,3%	31,7%	29,2%
Total Liabilities (a)	**58,6%**	**61,2%**	**59,2%**
Shareholders Equity	41,4%	38,8%	40,8%
Minority Rights	0,0%	0,0%	0,0%
Total Equity (b)	**41,4%**	**38,8%**	**40,8%**
Equity and Liabilities (a) + (b)	**100,0%**	**100,0%**	**100,0%**

Cash Flow Statement
of the HELLENIC FISHFARMING S.A.
(in 000€)

	2004	2005	2006
Cash flow from operating activities (a)	-1.978	5.465	5.183
Cash flow from investing activities (b)	1.993	-1.971	-4.888
Cash flow from financing activities (c)	-481	-3.867	452
Net increase (decrease) in cash & cash equivalents of the period (a)+(b)+(c)	**-466**	**-373**	**746**
Cash & cash equivalenta at the beginning of the period	1.202	735	362
Cash & cash equivalenta at the end of the period	735	362	1.108

3 Information about the Drafting of the Report and the Auditors of the Company

General Information

The present Annual Report contains all the information and financial data necessary for the correct evaluation of the property, the financial status, the results, and the prospects of 'HELLENIC FISHFARMING S.A.' (hereinafter the 'Company') by investors and consultants with regard to their investment.

Investors who are interested in further information may contact the following during normal business hours:

- The Company offices at 48 Pentelis Ave., Vrilissia, 15235 Attica. Tel: +30 210 6131666 (Investor Relations: Mr. Ioannis Katsivelis, Mr. Athanasios Prahalis and Mr. Konstantinos Politis)

- The company website (http:/www.helfish.gr)

The drafting and distribution of the Annual Report took place according to decision 5/204/14-11-2000 of the Capital Market Commission as amended by decision 7/372/15.2.2006 of the Board of Directors of the Capital Market Commission.

Authors

The following are responsible for the drafting of the Annual Report and the accuracy of the data:

- Mr. Ioannis Katsivelis, Managing Director of the Company, 48 Pentelis Ave., Vrilissia, 15235 Attica. Tel: +30 210 6131666

- Mr. Athanasios Prahalis, Financial Services Supervisor, 48 Pentelis Ave., Vrilissia, 15235 Attica. Tel: +30 210 6131666

- Mr. Konstantinos Politis, Share Registry & Investor Relations Manager, 48 Pentelis Ave., Vrilissia, 15235 Attica. Tel: +30 210 6131666

- Mr. Dimosthenis Angelakopoulos, Internal Auditor, 48 Pentelis Ave., Vrilissia, 15235 Attica. Tel: +30 210 6131666

The Company's Board of Directors states that all its members are aware of the content of the present Annual Report, and along with its authors, solemnly certify that:

- All the information and details contained in same are complete and true.

- There is no other data and no other events have taken place, the concealment or omission of which could render all or part of the information contained in this report as misleading.

- There are no pending judicial disputes or arbitrations regarding the Company, which could have severe consequences on its financial status.

Chartered Auditors

The audit of the Company's financial statements, as well as the consolidated financial statements for the financial years 2004, 2005, 2006 was conducted by Mr. Konstantinos Sakkis, Chartered Auditor Accountant of the auditing firm ORION S.A., with Institute of Chartered Accountants (SOEL) Registration No. 14601 (Work address: 29 Mavromateon Street, Athens. Tel: +30 210 8846374, SOEL Reg. No. 16541).

The Chartered Auditor's certificate of the Company's annual financial statements for the financial year 2006 is included in the present document.

The Chartered Auditor's certificate of the Company's and the Group's semi-annual interim financial statements are listed on the Company website at www.helfish.gr.

4 Information on the Company and the Group

4.1 General Information

HELLENIC FISHFARMING S.A. is a Greek societe anonyme and is subject to the Law concerning Societe Anonymes. It was incorporated in 1987 and operates under the trade name 'ELLINIKE ICHTHIOKALIERGIE A.V.E.E.' (Government Gazette 256/18.03.1987). For its international transactions it uses the trade name 'HELLENIC FISHFARMING S.A.'

The Company headquarters are in the Vrilissia Municipality, Attica and its offices are at 48 Pentelis Ave., 15235 Vrilissia Attica. Tel: (210) 61 31 666 and (210) 61 30 633. The Company is registered in the S.A. Companies Registry under number 14904/06/B/87/100.

The Company's objective according to article 2 of the Articles of Association is:

1. The **production/fattening** of fish fry and sea products in general, the establishment of related fish farming units, the marketing of fish and sea products in general, the industrial processing of the above, the production and marketing of fish feed, the conduction of research and carrying out studies concerning the above, and the training of scientific and labour personnel,

2. The **representation** of domestic and foreign companies that are active in one or more of the above objectives,

3. **Participation** in existing companies or the incorporation of new ones that are pursuing the same or related objectives.

The primary sector that HELLENIC FISHFARMING S.A. is actively involved in today is the sector of fish farming, production units, and hatchery stations. According to the Statistical Classification of Branches of Economic Activity (STAKOD) of the National Statistical Service of Greece, the HELLENIC FISHFARMING S.A.'s object of activity falls under branch K050.2 'Fish farming: production of fish fry,' branch K513.8 'Wholesale of other foods, including fish and sea-food (shellfish, molluscs),' and branch K514.1 'Wholesale of nets'.

4.2 History

1986

'HELLENIC FISHFARMING S.A.' was incorporated in 1986 by Haralambos Dendrinos, son of Konstantinos, and Vasilios Tsekouras, son of Nikolaos.

1987

In 1987 the Company began its activity with a fattening unit, in which 40,000 juvenile sea bream were placed, which were imported from Italy, and which, in 1988, produced approximately 12 tonnes of ready product.

During that time the designing and construction of the Company's hatchery station began near the Kanatadikon Community in Istiea by FISH FARM DESIGN & ENGINEERING Ltd, which undertook to provide the technology and know-how of sea bream and sea bass fry production.

1990 - 1996

The main section of the fish hatchery construction was completed in 1990 and the first production cycle began.

During the period 1990-1996, due to the large demand for fish fry, the Company systematically imported fry from Cyprus and other countries and distributed them in bulk to Greek fish farms. However, production later reached very significant levels, leading to the reduction of the above-mentioned imports and their substitution with in-house production.

The aforementioned construction company was responsible for the Management of the Company through 1995. From 1996 to 2000 the new Company Management made significant investments that aimed to qualitatively upgrade and effectively utilize its production means.

1998

From 1998 and onward, the Company proceeded with a strategy of vertical and horizontal completion, via buy-outs or incorporation of new companies. Specifically, during 1998 and 1999, the Company participated in the following companies:

- ICHTHYOTROFEIO AGIOU THOMA PREVEZAS S.A. (100%)
- KAVO DORO FISHFARMING LTD (100%)
- S.ATHANASIOU & CO. Partnership (now VOURLIA VIOTIAS FISHERIES S.A.) (98%)
- PAGASITIKOS FISHFARMING S.A. (44%)

2000

In 2000, (with shares of its own or through its subsidiary company ICHTHYOTROFEIO AGIOU THOMA PREVEZAS S.A.) it bought 100% of the shares of ANGELOS VAKRINOS FISHFARMING S.A., 90% of LARIMNAS FISH FARMING & COMMERCIAL COMPANY S.A., and founded NIKOLAOU FISHFARMING S.A. with capital participation of 95%.

The Company shares began trading in the Parallel Market of the Athens Stock Exchange in August 2000.

2001

The Company obtained:

- The remaining percentage of shares of LARIMNAS FISH FARMING & COMMERCIAL COMPANY S.A.,
- 50% of ASTERIAS S.A.,
- 50% of OKEANIS S.A. and,
- 5.174% of HELLINIC AGRICULTURAL EXPORTS S.A.

2002 The Company signed a preliminary buyout agreement with ANAGNOSTOU S.A. – ATTICA FISHFARMS and its subsidiaries. It also transferred its shares of PAGASITIKOS FISHFARMING S.A. (44%).

2003 In May 2003, the Company acquired 50% of the share capital of DELFINI S.A. and signed a preliminary buyout contract of 99% of share capital with IOANNIS ANDRITSOS & Co. Partnership. That same year it bought the remaining shares of VOURLIA VIOTIAS FISHERIES S.A.

2004 In August 2004 it granted its facilities in Evia as well as the subsidiary MILOKOPIS FISHFARMING S.A. to 'Nireus Chios Aquaculture S.A.'

2005 In March 2005 it absorbed the following companies, included in its 31 December 2004 restructuring balance sheet:

- SAINT THOMAS FISH FARMING OF PREVEZA S.A.
- AGGELOS VAKRINOS PISCICULTURES S.A.,
- LARIMNAS FISH FARMING & COMMERCIAL COMPANY S.A.,
- D. NIKOLAOU PISCICULTURES S.A.,
- KAVO D'ORO FISHFARMING LTD,
- VOURLIA VIOTIAS FISH FARMING S.A.

The acquisition of 100% of ANAGNOSTOU S.A. – ATTICA FISHFARMS was completed in May 2005.

In August 2005 the Company purchased the remaining 50% of the shares of OKEANIS S.A. and thus owns 100% of that company.

In September 2005 the Company absorbed ANAGNOSTOU S.A. – ATTICA FISHFARMS.

2006 In June 2006 the Company purchased the remaining 50% of the shares of ASTERIAS S.A. and thus owns 100% of that company, and was consolidated since then with the total consolidation method, whereas before the method used was that of net position.

In July 2006 the Company participated by 33% in the 'Thesprotia-Dolphin Joint Venture' of the same sector, which they sold in December 2006, and consequently it is no longer included in the Group consolidation.

In December 2006 the Company purchased 51% of ARGOLIDA FISH FARMS S.A. and PLATEIA S.A., which are in the same sector. Due to the absorption of PLATEIA S.A. by ARGOLIDA FISH FARMS S.A. on 28 December 2006, only the latter company remained and was consolidated for the first time.

4.3 Evolution of Share Capital

The evolution of HELLENIC FISHFARMING S.A. share capital from its incorporation through the present is as follows:

1987	The initial Company Share Capital was set at GRD 10,000,000 (approximately EUR 29,347.03) divided into 1,000 anonymous shares, of which 760 were ordinary unregistered and 240 were non-voting preferred, with a nominal value of GRD 10,000 each (approximately EUR 29.347) (Government Gazette 256/18-3-87 Issue for S.A. and Limited companies).
1996	Share Capital was increased by GRD 60,000,000 (approximately EUR 176,082.017) with the issuance of 1,000 new ordinary unregistered shares and 5,000 non-voting preferred shares with a nominal value of GRD 10,000 each (approximately EUR 29.347), pursuant to the decision by the Extraordinary General Shareholder Meeting on 26 October 1993. The increase occurred with GRD 50,000,000 (approximately EUR 146,735.14) in cash and GRD 10,000,000 (approximately EUR 29,347.03) through capitalization of profit reserves from previous financial years. The initial Company Share Capital was set at GRD 70,000,000 (approximately EUR 205,429.20), divided into 7,000 anonymous shares, of which 1,760 were ordinary unregistered and 5,240 were non-voting preferred, with a nominal value of GRD 10,000 each (approximately EUR 29.347) (Government Gazette 3552/19-6-96 Issue for S.A. and Limited companies).
1998	All shares were converted into voting ordinary shares, with their nominal value changing from GRD 10,000 (approximately EUR 29.347) to GRD 100 each (approximately EUR .2934), pursuant to the decision by the Extraordinary General Shareholder Meeting on 27 November 1997. In this way the share capital totalled GRD 70,000,000 (approximately EUR 205,429.20), divided into 700,000 ordinary unregistered shares with a nominal value of GRD 100 each (approximately EUR .2934) (Government Gazette 2609/20-5-98 Issue for S.A. and Limited companies).
1999	The decision of the Extraordinary General Shareholder Meeting on 31 July 1998 converted all the shares into ordinary registered shares. Also, the Extraordinary General Meeting decided to increase the Share Capital with cash totalling GRD 260,000,000 (approximately EUR 763,022.74), with the issuance of 2,600,000 new ordinary registered shares with a nominal value of GRD 100 each. In this way the share capital totalled GRD 330,000,000 (approximately EUR 968,451.94), divided into 3,300,000 ordinary registered shares with a nominal value of GRD 100 each (approximately EUR .2934) (Government Gazette 2072/20-4-99 Issue for S.A. and Limited companies). The Extraordinary General Shareholder Meeting on 30 October 1998 decided to increase the Share Capital with the capitalization of reserves in the amount of GRD 70,000,000 (approximately EUR 205,429.20), with the issuance of 700,000 new ordinary registered shares, with a nominal value of GRD 100 each (approximately EUR .2934). The increase by GDR 53,270,000 (approximately EUR 156,331.62) resulted from the capitalization of reserves derived from the readjustment of the asset value, by GDR 7,030,000 (approximately EUR 20,630.96) from the capitalization of 1991-1992 profits, and by GDR 9,700,000 (approximately EUR 28,466.62) from the capitalization of tax-exempt reserves that were created on 31 December 1996. In this way the share capital totalled GRD 400,000,000 (approximately EUR 1,173,881.14), divided into 4,000,000 ordinary registered shares with a nominal value of GRD 100 each (approximately

	EUR .2934) (Government Gazette 2072/20-4-99 Issue for S.A. and Limited companies).
2000	The Extraordinary General Shareholder Meeting held on 5 May 2000 (Government Gazette 7265/2-8-2000 Issue for S.A. and Limited companies) unanimously decided to increase the Share Capital by issuing 1,065,000 ordinary registered shares in the amount of GRD 106,500,000 (approximately EUR 312,545.85), with a nominal value of GRD 100 each (approximately EUR .2934), to retire the old Company shares from having preferred rights over the Share capital increase, as well as to introduce the Company shares into the Parallel Market of the Athens Stock Exchange. The difference resulting from the issuance of new shares above par was entered into the account called 'Special reserves from the issuance of shares above par.' The 1,014,500 new ordinary registered shares were made available to the general investing public through a Public Offering and 50,500 new ordinary registered shares were made available through a private offering. Finally, according to the Minutes from 29 June 2000 from the meeting of the Company Board of Directors, it was decided, after the recommendation of the Lead Underwriter, that the available price for new shares be GRD 7,700 each (approximately EUR 22.60). After the implementation of the above increase, the fully paid Company Share Capital totalled GRD 506,500,000 (approximately EUR 1,486,427.00), divided into 5,065,000 ordinary registered shares, with a nominal value of GRD 100 each (approximately EUR 0.29).
2002	The capitalisation of readjustment differences (Law 2065/92) and the conversion of the share capital to euro was decided at the Company's General Shareholder Meeting held on 29 June 2002 (Government Gazette 6973/10-7-2002). By implementing the above decision, the fully paid Share capital of HELLENIC FISHFARMING S.A. increased by EUR 83,723.00 and amounted to EUR 1,570,150.00, divided into 5,065,000 ordinary registered shares, with a nominal value of EUR 0.31 each.
2006	An increase of the Company's share capital was decided by the Extraordinary General Shareholder Meeting on 1 June 2006 (Government Gazette 4984/19-6-2006) in the amount of three million one hundred forty thousand euros (EUR 3,140,000), with a partial capitalization of reserves from the issue of shares above par. The increase will take place through the issuance of ten million one hundred thirty thousand new shares (10,130,000), with a nominal value of EUR 0.31 each, which will be available at no cost. Pending approval by the competent authorities, the Company's share capital will total four million seven hundred ten thousand four hundred and fifty euros (EUR 4,710,450), divided into fifteen million one hundred ninety five thousand registered shares (15,195,000), with a nominal value of EUR 0.31 each; every shareholder is entitled to receive two (2) new shares for each old one (1). An increase of the Company's share capital was decided by the Extraordinary General Shareholder Meeting on 8 December 2006 (Government Gazette 13393/12-12-2006) in the amount of four million seven hundred ten thousand four hundred and fifty euros (EUR 4,710,450), with a partial capitalization of reserves from the issue of shares above par. The increase will take place through the issuance of fifteen million one hundred ninety five thousand new shares (15,195,000), with a nominal value of EUR 0.31 each, which will be available at no cost. Pending approval by the competent authorities, the Company's share capital will total nine million four hundred twenty thousand nine hundred euros (EUR 9,420,900), divided into thirty million three hundred ninety thousand registered shares (30,390,000), with a nominal value of EUR 0.31 each; every shareholder is entitled to receive one (1) new share for each old one (1).

The evolution and funding methods of the Company share capital from its establishment through the present are displayed in the following table:

EVOLUTION OF SHARE CAPITAL TABLE

Date of General Meeting	Government Gazette Number	Cash Payment (GRD/EUR)	Capitalization of Reserves (GRD/EUR)	Share Capital after Increase (GRD/EUR)	Total Shares*	Nominal Share Value (GRD/EUR)
Initial Capital	256/18-3-87	10.000.000 (29.347,03 €)		10.000.000 (29.347,03 €)	1.000	10.000 (29,35 €)
26/10/93	3552/19-6-96	50.000.000 (146.735,14 €)	10.000.000 (29.347,03 €)	70.000.000 (205 429,20 €)	7.000	10.000 (29,35 €)
27/11/97	2609/20-5-98			70.000.000 (205.429,20 €)	700.000	100 (0,29 €)
31/7/98	2072/20-4-99	260.000.000 (763.022,74 €)		330.000.000 (968.451,94 €)	3.300.000	100 (0,29 €)
30/10/98	2072/20-4-99		70.000.000 (205.429,20 €)	400.000.000 (1.173.881,14€)	4.000.000	100 (0,29 €)
5/5/2000	7265/2-8-00	106.500.000 (312.545,85 €)		506.500.000 (1.486.427,00€)	5.065.000	100 (0,29 €)
29/6/2002	6973/10-7-02		€ 83.723**	€ 1.570.150	5.065.000	€ 0,31
01/06/2006	4984/19-6-06		€ 3.140.000	€ 4.710.450	15.195.000	€ 0,31
08/12/2006	13393/12-12-06		€ 4.710.450	€ 9.420.900	30.390.000	€ 0,31

** Ordinary registered, except: the initial capital (760 ordinary unregistered and 240 preferred unregistered) and the capital mentioned in the Government Gazette 3552/19-6-96 (1,760 ordinary unregistered and 5,240 preferred unregistered)*

*** Capitalisation of readjustment differences (Law 2065/92) and conversion of share capital into euro.*

4.4 Shareholders

The following Table presents the share composition of HELLENIC FISHFARMING S.A., according to the registry on 30 April 2007:

Full Name of Shareholder	Number of Shares	Percentage
Ioannis Katsivelis	8.466.644	27,860%
Nigel D. Lewis	7.639.740	25,139%
KALAMAS S.A.	1.470.000	4,837%
OTHERS	12.813.616	42,164%
Total	**30.390.000**	**100,00%**

It is noted that Mr. I. Katsivelis and Mr. N. Lewis have 1,500,000 and 1,000,000 shares, respectively, committed to ALPHA BANK as collateral for loans. The said committed shares of Mr. Katsivelis and Mr. Lewis have been granted voting rights.

4.5 Company and Group Personnel

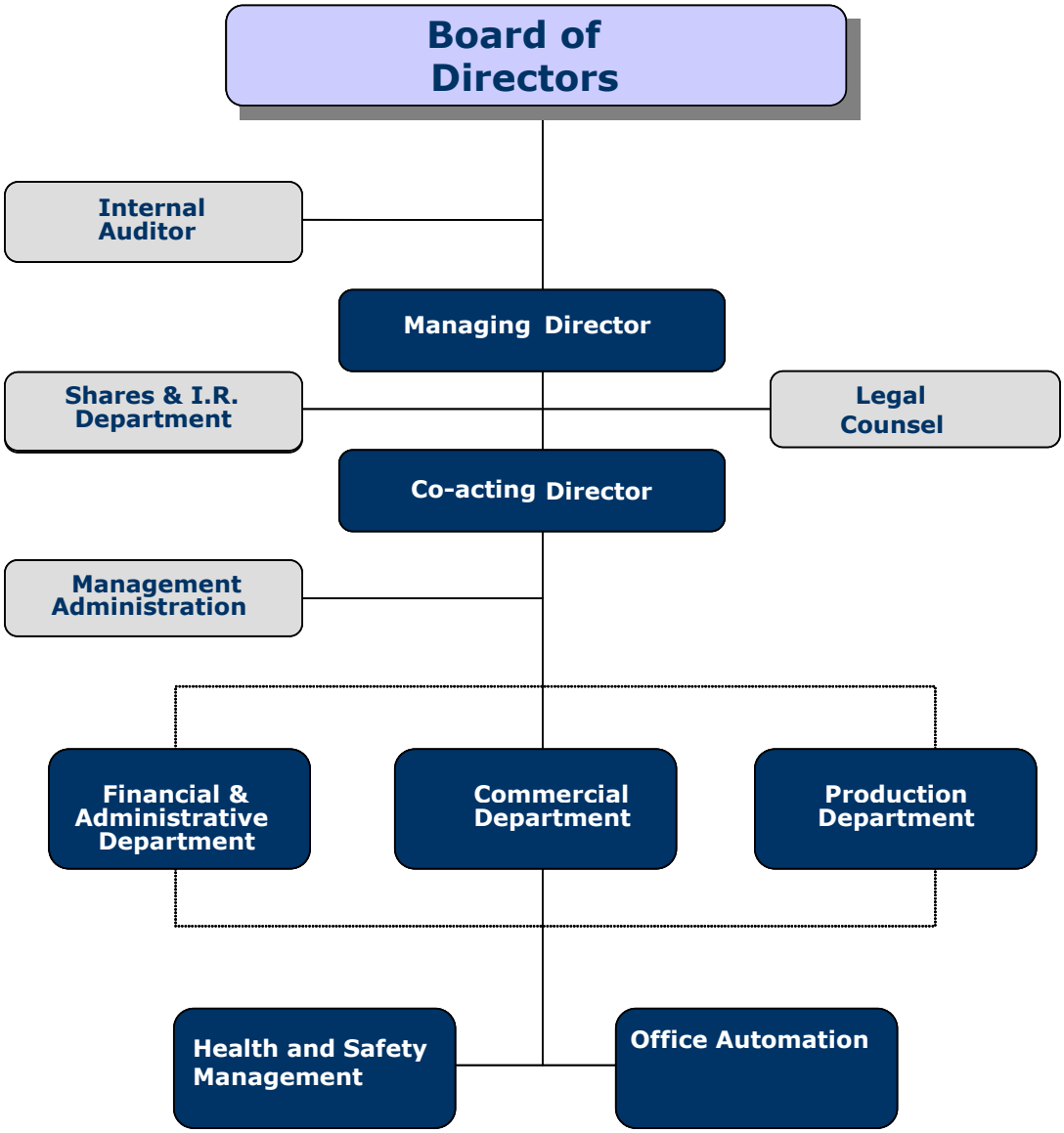
The Company incorporates personnel management in the work place into a procedure of strategic management, and aims in its effectiveness, so that both the employee and the business will benefit. It invests in creativity and in maintaining excellent working relations with its personnel, as it considers its human resources as one of its primary competitive resources.

The following table shows the number of employees working for the Company and the Group:

	31.12.2005	**31.12.2006**
Company	**213**	**247**
Group	**234**	**306**

4.6 General Company Organisational Chart

The organizational structure of HELLENIC FISHFARMING S.A. is shown in the following chart:



4.7 Management

Board of Directors

The Board of Directors was elected by the Ordinary General Meeting on 28 June 2005 and came together as a body during its meeting on the same date (28 June 2005). This was published in the Government Gazette no. 7168/8.7.2005.

The Board of Directors has a six-year term, ending on 27 June 2011.

- **Ioannis Katsivelis,** Chairman and Managing Director, Executive member.

  He was born in Piraeus in 1951. He is a graduate of the Economics and Business Administration Department of the National & Kapodistrian University of Athens (1973). He worked as deputy supervisor of accounting at ANKO SA (1978-1982). He worked as Financial Manager at Reychem Hellas Ltd (1982-1989) and Alfa Laval S.A. (1989-1990). He has been a Company executive since 1990. He is presently the Chairman and Managing Director of HELLENIC FISHFARMING S.A. as well as Chairman and Managing Director of most of the Group's companies.

- **Nigel Lewis,** Vice Chairman and Co-acting Director, Executive member

  He was born in Cambridge in 1955, and received his BSc. in Biology – Ichthyology from Lancaster University (1976). He worked at Fishfarm Development group from 1976 until 1988. He has vast experience in research and development issues of Mediterranean species, as well as in hatchery station design. He has been a Company executive since 1988, and is presently the Co-acting Director, Supervisor of Technical Administration and Research & Production Administration for the Group.

- **Athanasios Prahalis**, Executive Member

  He was born in Molaous, Laconia in 1969 and studied Accounting at the Patras Technological Educational Institute (TEI) (1992). He worked as an accountant at Fotomax S.A. (1992-1993) and at an accounting firm (1993-1995). He has been an executive at the Company since 1996, significantly contributing to the development and establishment of the Company and the Group, and is presently an active member of the Company BoD and the Group's Financial Services Supervisor.

- **Georgios Petrou**, Independent, non-executive member

  Georgios T. Petrou: born in Loutraki in 1949. He is a graduate of the Athens University of Economics and Business (1972) and of the University of Athens (1975) and has an M.A. in Economics from the University of York (1978). He held managing positions in the Dealing Room of the Bank of Greece, worked as an Executive Advisor for the National Mortgage Bank of Greece (1993-1999) and for the Agricultural Bank of Greece (1999-2000). He has held the position of Corporate Finance Manager for

Portfolio Solution Investment Services S.A., and since 2003 he has held the position of General Manager & shareholder of the Corporate Consulting firm Q.MAN LTD. He has been a member of the Company BoD since December 2002.

- **Georgios Hatzidakis**, Independent, non-executive member

  He was born in Hania, Crete in 1947. He studied Economics at the Graduate School of Industrial Studies, University of Piraeus (1976). He worked at the National Bank of Greece from 1965 until 2002 and was a branch manager for 15 years and a Regional Manager for two years. He has experience in financial issues and is presently a member of the Company BoD.

The total remuneration for the members of the current Board of Directors of HELLENIC FISHFARMING S.A. who had direct work relationships during financial year 2006 totalled EUR 149,380.20. The highest compensation that was paid during the same financial year totalled EUR 59,221.36, while the lowest totalled EUR 30,937.48.

Company Representation

The Company is generally represented in its relations and transactions by the Chairman of the BoD and Managing Director - Executive Mr. Ioannis Katsivelis, son of Aristidis, and the Vice-Chairman and Co-acting Director - Executive Mr. Nigel Lewis, son of Dyfet, who can act independently, and limitlessly bind the Company simply by their signature below the company's trade name, and without anyone's consent.

The above representatives may transfer specific and isolated responsibilities or authorities mentioned above to other member of the BoD or to third parties. The terms and agreements of all the above contracts or unilateral legal transactions are determined by the above company representatives acting in the manner stipulated above.

Management Executives

Besides the members of the Board of Directors of HELLENIC FISHFARMING S.A., the Company's main management executives are:

- **Dimitrios Dimopoulos:** Born in Piraeus in 1966. He studied Ichthyology at the Aquaculture and Fishing Department of the Messologi Technical Education Institute (TEI) (1990). He worked at Koronis S.A. (1991-1992), Kalloni S.A. (1992-1996), Greek Fish S.A. (1997-2003) and others (2004-2006). He has experience on issues concerning the production of fish hatchery stations and fattening and is presently the production Manager.

- **Konstantinos Politis:** Born in Apidea, Laconia in 1969. He is an Accounting graduate from the TEI of Accounting in Halkida (1996). He worked at an

accounting firm from 1994 to 1997. He began at the Company in 1998 and has been the Accounting Supervisor since June 2001.

- **Ioannis Tsoumis:** He was born in Thessalonica in 1966. He is a graduate of Ichthyology from the TEI of Messologi (1987-1990). He worked for Selonda S.A. hatcheries as a production supervisor (1991-1994), at Enalios Ltd (1994-1999) as the Commercial Manager and in 2001 he began working for the Company as the Logistics supervisor. He has held the position of Company Commercial Manager since 2004.

- **Dimosthenes Angelakopoulos:** He was born in Athens in 1977. He is a graduate of Business Organisation and Management Department, with an emphasis on logistics and funding management, at the Athens University of Economics and Business. He worked at a technical firm called BUILT IN S.A. (Jan. 2003 – Mar. 2005) as Accounting Supervisor. He has been at the Company since March 2005 in the position of Internal Auditor.

All the members of the BoD and the management executives of the Company have Greek citizenship, except for Nigel Lewis, who has British citizenship.

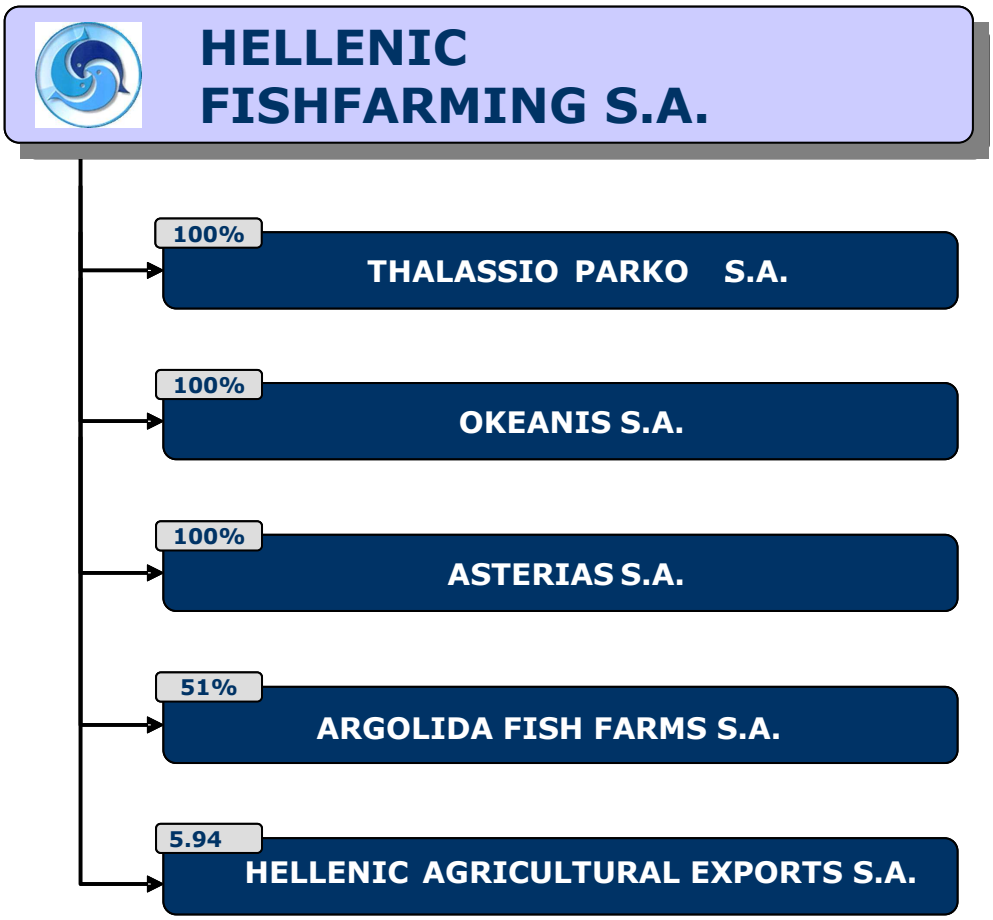
The members of the Company's Board of Directors and the management executives have not been convicted of any discrediting acts, or for financial crimes, nor are they involved in pending judicial decisions concerning bankruptcy, criminal acts, or prohibition to practice:

- business activities,
- stock exchange transactions,
- professions such as investment advisors, managing executive at a bank,
- insurance companies, issue underwriter, stock exchange firm executive, etc.

There are no family relationships between the members of the Company's BoD.

4.8 Group Structure

The Group structure as of 31 December 2006 is as follows:



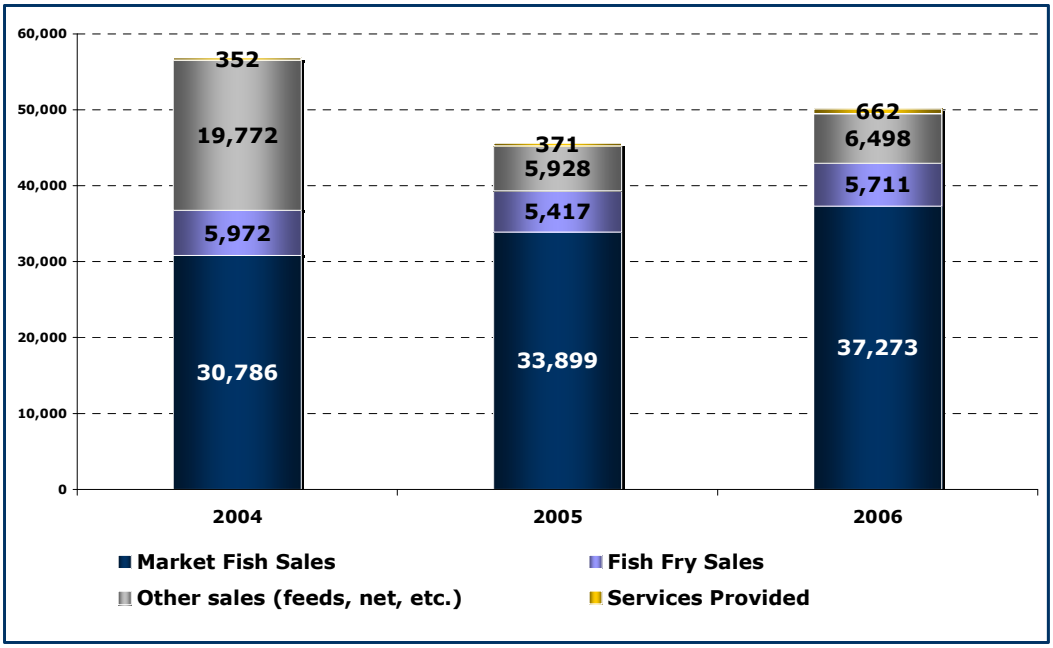
5 Company and Group Activities

5.1 Product Categories

The company is active in producing two categories of products:

Fry	This is a small fish weighing 1.5 to 2 g., which is necessary raw material for Fish producers who do not have hatchery stations. Fry has a 120-day production cycle and is immediately available.
Market Fish	This is a large fish weighing 300-500 g. Market fish has a production cycle of 14-18 months but it has a longer wait cycle at the fish farm until it is sold, given that the amounts produced are made available in stages within the six months after fattening is completed. The Company has a feeding unit with floating cages and nets in which juvenile fish weighing 1.5-2.0 g. are placed. These are then fed for a period of 14 – 18 months and are then commercially distributed.

The structure of the Company's turnover per business operation is as follows:

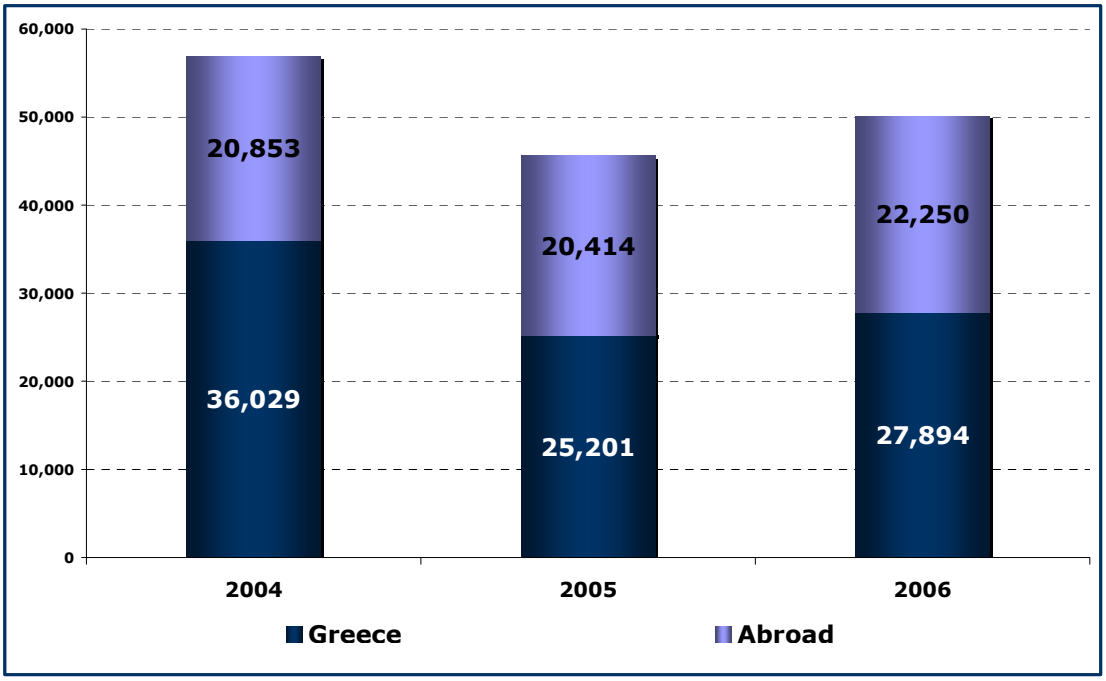


The Group is characterized by a modern, powerful, and vertically integrated form of business operations with:

Production centres for market fish	Preveza, Igoumenitsa, Andros, Astakos, Etoloakarnania, Vourlia, Viotia, Agios Andreas, Kinouria, Nafplio, Marathonas, Attica
Hatchery Stations	Larimna, Lokrida Atalanti, Fthiotida
Packing Units	Atalanti, Fthiotida Astakos, Etoloakarnania, Gialtra, Evia Nafplio, Argolida (under development)

It is further distinguished for its excellent quality fish fry, which it distributes exclusively in the Greek market, and for its excellent customer service, both before and after sales. Each year, sales begin with a significant percentage covered in advance, but at the same time, with a distribution type and disbursement, that the loss of one customer would not have repercussions on the Company's sales policy.

The company exports approximately 50-65% of its ready product (market fish) primarily to Italy, Spain, France, and to 18 countries in Central Europe, while the remainder is distributed to the domestic market. The geographic structure of the Group's turnover is as follows:



5.2 Suppliers

The main Company suppliers, from whom it gets its live feed for fry, and feed for development and fry, are the following:

- DIBAQ HELLAS FOREIGN BRANCH
- INVE HELLAS S.A.
- PROVIMI S.A.
- VIOMAR S.A.

The primary suppliers above have great infrastructure and guarantee the constant flow of raw material, and they comprise a powerful point of reference in the company's value chain.

Finally, it should be mentioned that the company systematically cooperates with at least two alternative suppliers in case a problem should arise with one of its primary suppliers.

5.3 Production Procedure

Description of the fish fry production procedure

The Group's hatchery stations are located at Atalanti and Larimna in Fthiotida. These are the 'factories', in which the production of the raw material of fish farming, the fish fry, is completed. Each hatchery station consists of production units within the same grounds, which operate independently from each other and are the following:

Breeder Section	This is the unit in which the breeders are fed and developed; these fish lay eggs that are hatched so that the fish fry is born. The breeders (approximately 1,000-2,000 fish) are in large tanks, some of which are in absolutely controlled light and temperature environments, so that the appropriate conditions are created which will produce fish fry throughout the year. The eggs are collected daily from the breeder tanks, and the ones suitable for hatching are selected and placed in special hatching tanks. The inspection of the breeders' health and the quality of the eggs are a principle concern and the first prerequisite for the eventual effectiveness of the production procedure.
Live Feed Section	The Company has three separate units in which the reserves of

	live feed are created and cultivated; 100% naturally originated Phytoplankton, Zooplankton, and Artemia, which are absolutely necessary, not only for the survival of the fish fry that are hatching, but also for its health and vigour as an organism. This chain of live feed given to the fish in the first 40-50 days after hatching is so powerful and needs such balance that if one of these stages does not function as well as the others it is possible that it could destroy the whole fish fry production cycle.
Hatching Section	It consists of tanks in which eggs are placed and hatched, the first stage in the fish fry production. The fish fry remains in these tanks until it is approximately 60 days old and is then moved to the weaning tanks.
Weaning Section	This consists of tanks in which the 60 day-old fish fry is placed when it stops feeding on live food and begins feeding on manufactured feed. This section is where multiple selections of fish begin in order that the fry, which is finally sent to market, to fish, farming units, will be selected for its cost-effective capability to survive and develop.
Pre-fattening and fattening Sections	These are sections that provide even larger tanks in which the juvenile fish develop until they reach the desired final weight of 1.5-2.0 g, and are then placed in net cages for further development. The final selection and quality control of the fish that will be sent for fattening will take place in these sections.

The hatchery has special **laboratories used for analyses** and micro-measurements, which are necessary for the systematic daily observation and measurement of the development and growth of both the live feed and the fry.

There is an organized **technical support department** for production machinery (for water, feed, and oxygen) such as mechanical filters, decontamination filters, water-heating boilers, and water temperature exchangers for saving energy, oxygen generators, etc.

It is basic to note that the above basic procedures of the production operations are differentiated between the two species of production (sea bream and sea bass), given that the behaviour of each species differs from the other, each having different sensitivity to handling, and for this reason different cultivation conditions exist, with the sea bass showing that it is more vulnerable and sensitive than the sea bream.

In all of the above stages and procedures, strict decontamination procedures are imposed and interjected concerning the used means, tanks, trucks, etc.

It is noted that the operation of the enterprise is not seasonal, as the fry is sold from January through October, and its production takes place throughout the year, while the market fish is continuously produced and sold.

Description of the market fish production procedure

The development procedure with systematic feeding begins when the fish fry, weighing 1.5-2.0 g, is placed in the net cages. The fish feed used is selected according to the size of the fish, the species, and the season. Specially trained personnel, do the feeding with automated feeding machines or by hand, according to each unit's capabilities.

The handling of the fish differs according to its age and size, in order to achieve the excellent desired final product for sale in the best manner possible. The handling methods may differ at times, according to the species of fish being fed, and these are listed below:

SELECTIONS – MEASUREMENTS – DISTRIBUTION:
In order for us to achieve the best possible population growth and at the same time ensure excellent quality and financial benefits, we separate the fish by selecting two or three sizes (according to their weight) and placing the correct densities in the net cages. This procedure takes place when it is deemed necessary by the experienced ichthyologist that has been assigned to each unit. The fish are counted during selection so that we may know at any given moment the exact capacity, which is necessary for the smooth continuation of the production procedure.

CHANGE - INSPECTION OF NETS USING DIVERS:
Every fattening unit has nets of different dimensions (according to the population it is hosting), which must be kept clean and in excellent condition. For this reason there are continuous net changes and underwater inspections of the fish cages by specially trained divers.

HARVESTING:
Harvesting is one of the most important activities of the fattening unit because mistakes made in this stage are difficult to correct, and may have a negative impact on the company's image toward the customers. The general rule is that fish are considered ready for harvesting when they reach an average weight above 350g. Despite this it is possible, as an exception, to harvest smaller sizes if the market requires.

Finally, in order to better manage the fish population, it is necessary to systematically monitor and record the physico-chemical properties of the water's oxygen and temperature. It is obvious that an intervention to alter the environmental parameters is unavoidable. In spite of all this, in crisis situations there are specific indirect corrective actions that have to be directly implemented, so that any possible losses may be decreased.

The Company operates in conformity to environmental standards, just like all the other fish farming units. There are approved environmental standards for hatchery stations that provide for the way water is used and for the disposal manner of liquid waste. The Company has an approved study, which classifies it as acceptable, for its disposal of processed waste, and an approval for sound liquid waste disposal. Furthermore, it has a license to treat and dispose liquid waste and has the necessary facilities for this purpose. The fattening units have approved environmental studies, which provide for

the terms of fattening, the depth of the water, the approved surfaces of the nets, the feeding densities, etc.

It is worth mentioning that in 2005 the HACCP quality certificate regarding the packing facilities of ASTERIAS S.A. at Astakos was renewed for 3 years, whereas the same three-year quality certificate was issued for the company's packing facilities in Atalanti.

6 Evolution of Share Price and Volume

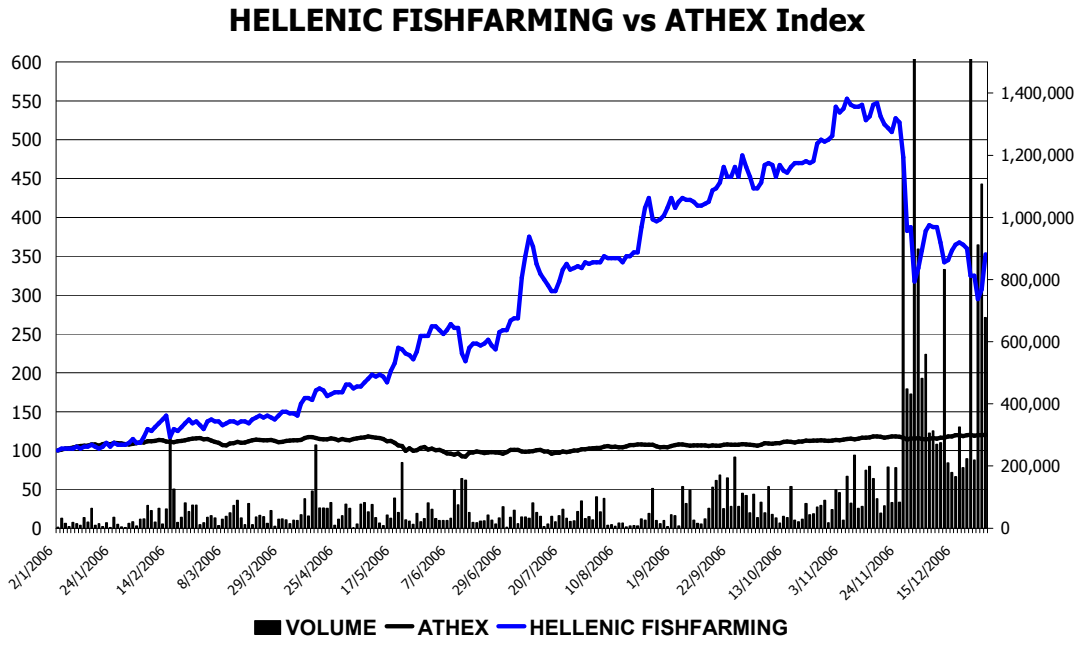
6.1 Table of share price and volume evolution

In the following table statistical data are presented, for the closing price of the Company's share and the monthly volume of transactions for the period 1/1/2006 – 31/12/2006:

Date	Share Price (€)	Monthly Volume
31/1/2006	0,46	347.052
28/2/2006	0,55	1.173.864
31/3/2006	0,59	781.686
28/4/2006	0,74	1.105.302
31/5/2006	1,04	1.087.722
30/6/2006	1,07	995.064
31/7/2006	1,36	804.280
31/8/2006	1,70	698.014
29/9/2006	1,81	1.840.874
31/10/2006	2,02	1.253.396
30/11/2006	1,27	6.082.472
29/12/2006	1,41	10.016.258

6.2 Diagram of share price and volume evolution

Presented in the following diagram are the evolution of share price, Company's volume and the ATHEX Index share price, for the period Jan. 2006 – Dec. 2006.



7 The Fish Farming Sector

7.1 Sector Overview

Organised fish farming enterprises essentially began in the 1980's. Until then the demand for fresh fish was covered mainly by the coastal and Mediterranean fishing, as well as the cultivation of certain species in lagoons and vivaria. Despite the relatively recent activity of this intense form of cultivating euryhaline fish in Greece, the sector shows dynamic growth in recent years.

The inability to cover the continuously growing demand for fresh fish led to the primarily long term development of fish farms as an organized business activity based on new know-how. Developments in Greece proceeded more intensely, consequently making it the top producing country in the European Union and the Mediterranean, which is a significant fact considering that there are very few sectors of economic activity in which domestic businesses have the lead at the E.U. level. The favourable climatological conditions and the morphology of the Greek coasts also helped, as well as the provided incentives for the development of this specific activity (e.g. grants, subsidies, and funding).

The species cultivated on a commercial level in Greece and other Mediterranean countries are mainly **sea bream** (sparus aurata) and **sea bass** (disentrachus labrax), which are euryhaline fish, meaning that they can develop in a wide range of water salinity. Besides the mentioned species, in recent years dentex, sharp-snout sea bream, sargus, grey mullet, and red porgy are also being produced.

The fish-farming sector comprises the fastest growing food industry on a global level with annual growth rates of approximately 8%. According to estimations, the future of the sector (through 2030) will provide 50% of the fishing products consumed, due to the continuous decrease of quantity and quality of the fish stocks in the sea. Especially in the Mediterranean, in the specific sector, Greece is the top producing country in the last decade, with an ever-increasing course. By the end of 2010, the production of fry and market fish will be developing at an annual growth rate of between 10% and 15%.

The traditional markets that have 'supported' the development of the sector to this day are the Mediterranean countries (Spain, France, Italy, etc.).

The increasingly exporting course of the sector will continue at a more intense pace in the next five years, due to the penetration into the markets of the countries newly introduced into the Eurozone, which will increase the demand for Mediterranean goods.

Our estimation is that the stability of the product's price throughout Europe – a characteristic of 2006 – will continue in 2007.

7.2 The Group's Position in the Sector

In 2006, HELLENIC FISHFARMING S.A. completed 20 years of business activity in the fish-farming sector (production of fish fry and market fish).

Our Group is presently one of the three large business groups in Greece holding 11.7% of the Greek production of fish fry and 6.2% of the respective Mediterranean production of euryhaline fish. It has 9.6% of the Greek and 4.8% of the Mediterranean production of market fish. We anticipate strengthening our production base regarding tonnage by 18-20% for 2007 (including the companies with which there is a long-term cooperation agreement) and fish fry by 10-12%.

Our primary goal for the next five years is to remain as one of the three mentioned business groups, which will inevitably lead developments and determine the course of the sector throughout Europe.

Fish Farming Sector
Consolidated Financial Data of Listed Companies in 2006

€ (in thousands)	Sales	EBITDA	EATAM	Equity
NEREUS S.A.	161.482	28.026	9.044	122.191
SELONDA S.A. HATCHERIES	67.454	13.672	6.711	76.959
HELLENIC FISHFARMING S.A.	**50.144**	**6.629**	**2.356**	**30.590**
DIAS AQUACULTURE S.A.	35.637	8.784	4.177	17.577
INTERFISH S.A.	21.709	2.618	536	6.295
GALAXIDI FISH FARMING S.A.	21.296	3.218	1.873	12.594

HELLENIC
FISHFARMING S.A.

Annual Report
2006

According to the provisions of the current legislation and specifically of the P. D. 348/1985, of the decisions No. 5/204/14-11-2000 and 7/372/15-02-2006 of the Board of Directors of the Hellenic Capital Market Commission .

1 Board of Directors Report on the consolidated and company annual financial statements

HELLENIC FISHFARMING S.A.

Managerial Report of the Board of Directors
for the period
from January 1 till December 31 2006

I hereby confirm that this Report was approved by the Board of Directors of the HELLENIC FISHFARMING S.A. on January 19, 2007 and has been posted on the company's website address www.helfish.gr .

Katsivelis Ioannis
President of the Board of Directors
HELLENIC FISHFARMING S.A.

Vrillisia 19/1/2007

Dear shareholders,

In 2006, our company completed 20 years in the fish farming sector.
Placing its own personal touch in the course of the whole sector's development, our company, truly one of the most significant representatives of its sector, constitutes a paradigm of economic, social and developmental management covering the demands of today's modern, international economic societies.

The management, with diligence, direction and commitment, seeks through the continuous quality development of its co-operations, its infrastructure and its corporate contribution, the international recognition which will constitute the next step of a new entrepreneurship.

The continuous application of combinative strategies in local-international challenges and conditions accordingly, the proper management of both financial and non-financial means with respect towards human values and the environment, our presence in 18 countries and our policy concerning consistent relations with our customers and suppliers, have led the company to high levels of efficiency and profits for the benefit of our shareholders and all other third-parties involved.

Despite the difficult conditions of the inconsistent international economic society, we proceed with stability and faith in our values, leadership skills and entrepreneurial plans to achieve our vision of our Group becoming itself a classic value for all interested.

We provide you hereafter with the FY 2006 management report.

The Board of Directors

FY 2006 MANAGEMENT REPORT OF BOARD OF DIRECTORS

The Sector we Operate

The company's organized activity with fish-farms essentially began in the 1980's. Until that time, the demand for fresh fish was covered mainly by inshore and Mediterranean fishery as well as farming of certain fish in lagoons and fish-farms. Despite the relatively recent activities of intense fish farming in Greece, this sector is dynamically increasing over the past few years.

The continuously increasing demand for fresh fish could not be covered effectively in the long run and this led to the development of fish-farming as an organized business activity based on the latest know-how. The developments happened with greater intensity in Greece and this resulted in Greece being the main producing country in the European Union and the Mediterranean. This constitutes a significant factor since sectors of economic activity in local industries, which are market leaders at a European Union level, are very few.

Furthermore, the ideal climatic conditions and the morphology of the Greek coastlines, as well as the offered incentives for the development of the specific activity (e.g. grants, subsidies and sponsorships) helped in this achievement. The types of fish which are farmed on a commercial scale in Greece and in other Mediterranean countries are mainly gilthead sea bream (*sparus aurata*) and sea bass (*disentrachus labrax*), which are euryhaline species of fish, meaning they can tolerate a wide range of water salinities. Apart from the aforementioned species, in recent years other types of fish such as common dentex (*dentex dentex*), white sea bream (diplodus sargus), grey mullet (*mugil cephalus*), common sea bream (*pagrus pagrus*) and sea bream (*sargus*) are being farmed.

Today the fish-farming sector constitutes the most rapid advancing food industry in the world with an annual increase rate of approximately 8%. According to recent evaluations, the sector in the future (up to 2030) will provide 50% of the total fish products supply due to a continuous decrease of both quantitative and qualitative fish reserves in the sea. Especially in the Mediterranean, Greece constitutes the leading producer in the specific sector in the last decade, with a continuous upturn rate. Up and until 2010, the production of fry and ready adult fish will continue to increase at an annual rate of 10% to 15%.

The traditional markets which, until today, have supported the development of the sector are those of the Mediterranean European countries (Spain, France, Italy etc).

The increasing export progress of the sector will continue at an even more intense rate in the next five years, due to an infiltration into the new markets of the European Union's newly acquired member-states in which there will be an increase in demand of Mediterranean products.

We estimate that the stability in product prices Europe-wide, which existed in 2006, will continue throughout 2007.

Our Company

This year the company Hellenic Fishfarming S.A. completed 20 years of entrepreneurial activity in the fish-farming sector (production of fry and large fish).

The company, as has been mentioned, is active in the production of two categories of fish:

a) Fry, this is small fish weighing between 1.5 gr. to 2 gr., which is necessary as a primary material for the fish-farmers who do not own a fish-producing station. The fry has a 120-day production-cycle and has immediate availability.

b) Ready Fish, this is large fish weighing between 300 gr. to 500 gr. The large fish has a 14-18 month production-cycle, but until its sale it has a larger stay-cycle at the fish-farm, due to the fact that the quantities being produced are being gradually deployed within six months after the fattening-process. The company has a farming unit with floating cages and nets where small fry 1.5 gr. to 2 gr. are placed and farmed for a period of 14 to 18 months and thereafter offered on the market.

The Group is defined by a powerful, modern and vertical integration system with large fish production-centers in Preveza, Igoumenitsa, Andros, Astakos Aitoloakarnanias, Vourlia Viotias, Ag. Andreas Kinourias, Nafplio, Methana and Marathonas Attiki, two fry-producing units in Larymna Lochridas and Atalanti Pthiotidas, as well as three fish-packing units in Atalanti Pthiotidas, Astakos Aitoloakarnanias and Yaltra Evias and one under construction plans in Nafplio Argolidas.

Furthermore the Group is distinguished for the excellent quality of fry which it distributes exclusively on the Greek market and the exceptional pre-sales and after-sales service it offers its customers. It has an excellently equipped fry transport and distribution unit so that the fry can be transported healthy and without casualties or injuries even to the most distant places, where fish-farming units exist, with great accuracy as far as the delivery time is concerned.

As a result, the Group has made a powerful name for itself and a significant marketing relations development, which results in the maintenance of a steady clientele for the company. It is noted that the company's fry is demanded for and distributed throughout all of Greece. Sales start every year with a significant amount already pre-covered but at the same time with such a large and dynamic distribution and dispersion network, that even the loss of one client has no repercussions on the company's sales policy.

The company exports 50% to 65% of the ready product (large fish) mainly to Italy, Spain and France and in Central Europe to a total of 18 countries, while the remaining percentage is distributed on the internal market.

The buyers are large distributors and Super Markets chains in the abovementioned European countries. The final consumers purchase the product from fish retail stores and super markets, which are the third level of the distribution network.

Today, our Group is one of the three largest business ventures in Greece, holding an 11.7% share in Greek fry production and 6.2% share in Mediterranean fry production of euryhaline fish, respectively. In large fish it holds a 9.6% share of Greek production and a 4.8% share of Mediterranean production. We anticipate that our production base, as far as tonnage is concerned, will strengthen by 18% to 20% in 2007 for the large fish (including the companies with which there is a long-term co-operation deal) and by 10% to 12% for the fry.

The main aim for the next five years consists in maintaining our place within the three largest business ventures in Greece, which of necessity lead the developments and determine the sector's course Europe-wide.

Company macro-economic environment

The demand for fish-farm products is influenced by various characteristics and issues such as:

- **Socioeconomic**

Sales prices, consumer wages, nutritional and consuming habits, geographical particularities etc.

The most important factor is undoubtedly the sale price which influences and contributes towards an increase in demand when it fluctuates on low levels and vice-versa. The drop in prices which has been observed in the last few years has favored the demand for fish from fish-farms, giving them a significant advantage over other substitute products.

This anti-inflationist price tendency of the products Europe-wide, created and still creates, an immediate need for a way to reduce the cost through better management, reduction of work force, reduction of feedstock prices and an investment in high-technology production methods.

The modern way of life has decreased in industrially developed countries the time it takes to prepare food at home from 2.5 hours in 1930 to 15 minutes in 2000. As a result this has increased the demand for frozen fish products, while it has negatively influenced the demand for fresh fish. However, despite these facts, the tendency which exists for a healthier way of living, favors the consummation of fish from fish-farms.

Furthermore, due to the geographic origin of the products (Mediterranean) the largest markets (Spain, France, Italy) will continue to consume since they are knowledgeable in the Mediterranean way of healthy diet due to their traditional consummation of fresh fish for a long time.

- **Political and Legal**

Through public subsidies and the Corporate Program for Fishing 2000-2006 (CPF), as well as previous programs before that, our company achieved, as did Greece, within a decade to develop its production to a high degree and to be at the present moment at the top ranking position over all other Mediterranean countries. Of course many organizational and institutional problems were faced in the process; however the positive index marks prevail.

The aim of the current Corporate Program for Fishing (CPF) is the advantageous institutional support and protection of the country's significant role in this sector in Europe. The proper observance of the principles, roles and actions – from the country and the European Union (through the Common Agricultural Policy), as well as the Association of Hellenic Fish-farmers (A.H.F) – to achieve the aims which the new CPF has set, it is an important, objective and sufficient step towards further strengthening and stabilizing the sector. We, the producers, have to support CPF vigorously.

- **International economic relations**

The absence of foreign exchange differences which stem from the European unification process, certainly comprise the most important factor in the attempt to maintain the existing EU countries market share, as well as the attempt to enter into new countries, mainly northern, and both newly-accepted Balkan and non-EU countries.

- **Technological**

The production of products has acquired a highly-intensive industrial production character, with a significant development both in technology and know-how of food-production generally.

Production methods are constantly being improved while at the same time reducing cost. The workforce is being gradually replaced at a larger level by machines. Food quality is improved which in effect reduces dieting time and food developing time. Control systems are being updated and the installation techniques (fish cages, anchor places, anchor buoys, buoys etc) contribute to a better and more efficient management and storage of the products. The use of computers throughout the whole company process contributes to proper and quick information which results in the control and action of immediate corrective movements.

Furthermore the development of communication methods (Internet, newspapers, magazines etc), contribute to the promotion of the product on the market, its development and the improvement of its 'image' towards the consumer.

- **Environmental factors**

The role of maintaining clean, Greek seas and a decrease in free fishing due to a case of hyper-fishing, which leads to a continuous and fast decrease of fish population, is very important.

Company micro-economic environment

Production Factors Supply

- **Supply and cost of feedstock and energy**

The great competition from internal and external food suppliers maintained a relevant stability in the prices of feedstock due to the concentration of the fish-farming sector and the characteristics of the food suppliers market which is free. There exists a great adequacy in their distribution due to the number of suppliers.
The production of ARTEMIA food (basic nourishment for fry) which could create a problem in its production from its natural/biological decrease is adequate for the next five years according to estimations of its suppliers, with its prices slightly increased.
The company has a very great negotiating power due to the large volume of food it needs.
The production of fry during the whole of 2006 was at very good levels both in volume as well as in quality. Estimations for 2007 amount to equivalent figures.
Concerning energy, price levels remained normal during Q3 and Q4 with a reduction of prices to counter the hyper-increase of the previous year. For the next two years the estimate is of a stable level equal to December 2006 levels.

- **Supply and cost of capital**

There are adequate bank loan limits due to the company's high economic profile.

Capability for negotiating relatively small percentage rates on loans, due to the company's cash supply, despite multiple percentage rate increases, issued by the European Central Bank, which the member-states adopted.

A bond loan of € 12.000.000 was approved in December 2006 by the Agricultural Bank of Greece, aiding the transfer to cheaper and more controlled loans.

- **Supply and Employment Cost**

The offer of specialized work is at a very satisfying level due to the number of ichthyologists.

Furthermore the offer of non-specialized work is also at a very satisfying level due to the entrerpreneurship mainly in rural non-urban areas with an increased unemployment problem, as well as due to a number of foreigners which work in this sector for many years.

The cost for the company was stable but high due to the work specialization of ichthyologists and taxation. The institutionalization which was achieved in 2004 by the law 3232/2004 for the insurance and pension-benefits of fishery workers helped lower the production costs.

- **Suppliers Negotiating Power**

Basically the main category is the food suppliers. Due to the nature of the free market they don't have the possibility to control the market, but due also to the concentration of the fish-farming sector especially in the large ventures which are listed on the Athens Stock Exchange and have great trading capacity.
The money-lending power and trustworthiness in the fish-farming sector continues to decrease for many companies, thus the large Groups in the sector, like us, have an extra powerful negotiating argument.
Furthermore many of the fish-farming companies' inabilities forward integration are due to a downturn in the fish-farming sector, a permanent filling of fish-farming licenses and investment specialization. All these account for a further handicap.

- **Buyers Negotiating Power**

Fry Production Section
The sector's shrinkage gives an advantage to the ones remaining for the configuration of price levels. The company, due to the procedures which it has made for the production of fry, through the multiple selections in the first stages, the pre-fattening and its after-sales, has created a strong Marketing bond with many worthy customers with which it has been co-operating for a long time.

There is a large offer of products from the two large antagonist companies (SELONDA and NIREAS) and the increase in the large fish production creates a continuous placement need.

A new market is being created in Turkey, which lacks itself opportunity due to a lack of know-how in fry production, after the recent investments of the companies in this sector.

Large Fish Production Section
There is a large supply from all Mediterranean countries which results in the non-capable setting of prices from the buyer-merchants which present at times a large fluctuation. However this has become normal for the sector and the company and they implement a relevant policy to counter this phenomenon. The short holding time of the fished product is also a further disadvantage during negotiations. The inability of the buyers' backward integration due to the demanded investment capital and all other things mentioned above, are included in the advantages.

- **Supply of Substitute Products**

A decrease in prices in the last few years constitutes the same products as substitutes for others, especially free fishing. Although the consuming of free fishing products is constantly declining, despite being preferred as a healthy dietary choice, the share of the fish-farming sector is constantly increasing. Furthermore the development of mass produced fish-farming of other types of fish which aim to 'steal' a share of the market from the well known euryhaline fish has not flourished despite all attempts made.

- **Competition in the Sector**

Entry of Major New Competitors
The impossibility of fish-farming the two major types Gilthead Sea Bream and Bass due to a cancellation in the issuing of new fish-farming licenses. The impossibility up to now of mass producing new types acts as a deterrent for these types due to their insecure financial result.
In the last five years the dominant companies in the sector remain the same of which our company is steadily among them.

Exit of Major Competitors
The large and different specialization of the investments according to the produced type of fish renders it difficult, almost impossible without a large financial damage. The public and E.U. subsidies, commit due to time limits obligation of property and corporate confinement. Finally the feeling of pioneer - innovative in the sector constitutes a powerful factor in the sector.

Competition amongst the Existing Companies in the Sector
The sector is under "purification", following the excessive, anarchist, economically damaging and deficiently coordinating period of 2000-2002. It is also a two-speed sector which consists of three large vertically integrated companies and all the remaining having significant infrastructural deficiencies (technology, distribution networks etc). The state of the market is competitive oligopoly, despite the occasional large product supply phenomenon. The trend for further concentration of supply will continue, in majority by the four large companies, aiming at a better control of production, an increase in supply prices and the minimization of the illegal competition phenomenon.

Furthermore the local commercial companies also act competitively by trying many times through non-economic gains to support their share in markets both in Greece and abroad.

Finally the purchase of market shares in new markets apart from the ones of the traditional Mediterranean products consists of a comparative advantage for all who invest both in the present but primarily in the near future.

Analysis of the Company's Internal Environment

- **Organizational Structure**

Characteristic are the very good interpersonal relations between middle and upper management employees as well as the whole workforce.
The assumption of responsibility of the utilization of the corporate strategy is conducted by a four-man team that consists of the General Manager, the Financial Manager, the Production Manager and the Commercial Manager. All of them have a long-standing cooperative relation within the company which results in the immediate application of the normative framework of achieving company goals. Furthermore there is a sound separation of responsibilities and initiatives and an application of work

allocation to the different departments, resulting in good relations and a satisfying mutual covering and helping between the various departments.

A further application of a supervision-control role is promoted between the Supplies department and the financial department and the Internal Auditor.

- **Executive-Managerial Staff**

It is characterized by the active role of the Board of Directors in the management of the company and the occupation of the managers with the position from the beginning of the development of the sector. Furthermore the application of a Democratic model of command by all the executives and the relatively small average age of them constitute an important immaterial resource.

The harmonization of the culture and application of the means of communication is being promoted through the operation of operating centers, due to the distance and spread-out of them, owed in relevance to these as such.

- **Operating Staff**

The vast majority of the officers in charge of the departments have been with the company for years having, as do all the other workers, a good level of knowledge concerning their role and position. They are receptive during training and adaptation to every changing circumstance and satisfied with the remunerations system. The dedication and trust in the supervisor, the participation in the decision-making process of the department and the opportunity of career advancement (of which there are many examples) create ideal conditions-motivations.

As a drawback we report the cultural differences due to a large number of foreign workers in the production process, which however have many years with the company, as well as the large geographical distance of the production centers one from another.

- **Financial Operations**

The most important factor, on which our development was based, is undoubtedly the extraction of capital from the Stock Exchange which truly gave powerful dynamism to the company's strategic plans and the possibility of materializing and utilizing business initiative.

Furthermore, through public subsidies and the Corporate Program for Fishing 2000-2006 (EPAL), as well as previous programs before that, our company achieved, as did Greece, within a decade to develop its production to a high degree and to be at the present moment at the top ranking position over all other Mediterranean countries. Of course many organizational and institutional problems were faced in the process; however the positive index marks prevail.

During the last four years the relation that has been formed with the financial system for the cover of liquidity needs and extraordinary losses that emerged from the daily

operation of the Group is also significant. Undoubtedly the position and the result of the co-operation with these institutions prove the corporate efficiency and importance that characterise our company. A sound example is the decision to receive a bond loan from the Agricultural Bank of Greece.

Furthermore there is a large collateral ability towards its creditors, suppliers and banks and a satisfactory financial rates performance in comparison with the sector and its major competitors. Finally we announce the satisfactory analytical and control system of the financial trends with an immediate reception of corrective actions.

As a setback we announce, as do all companies, the lack of reliable long-term programming due to the dependence of turnovers of the world economic trend.

Finally, further setbacks are the inherent permanent sector problems (leaderless hyper-supply, low prices etc) which result in a burden on the production, management and distribution cost.

- **Competitive Product place – range**

The Product is homogeneous with the competitions', however an attempt is being made to differentiate it with better quality due to a choice in better organisms for fattening during the fry stage (selections).

In the production of Gilthead Sea Bream fry, Bass fry and large fish fry, the company holds the first place in Greece and is in the top ranks in the E.U. and in the Mediterranean respectively. The company's quality knowledge and production and competition know-how, the horizontal and vertical product integration, as well as the acquisition of the ISO and HACCP quality assurance certifications, all account for its qualitative differentiation. The differentiation that we want to achieve is focused on the possibility of the production of a larger average weight fish of 400gr-550gr, as well as the supply of processed fish (fillet, degutted).

As a drawback we announce the sector's chronic problems due to the non-absorption of the offered quantity and a decrease in price of large fish during long periods of time, especially in the second 6M of every year.

- **Production Facilities – Mechanical Equipment**

The continuous investments in high technology, due to capital income from the company's list on the ATHEX and bank loans, the production facilities in seaside areas with good temperatures and clear waters for the development of a qualitative product and the mechanical, transport and buildings equipment which are in good order and are continuously upgraded and renewed, form a modern framework for business.

- **Marketing**

Marketing relations with customers were brought about by the very good reputation of the quality of our fry, the excellent after-sales service, the product packing which was

made according to modern techniques in fully organized fish packing facilities with quality assurance certifications, the continuous connections with the distribution networks in Italy, Spain and France as well as the exact timekeeping of product delivery.
Furthermore, the company participates at international expositions for the promotion of its name and its products and its presence in new markets outside of the traditional Mediterranean ones. The existence of a framework of combined entities and the State will aid significantly this attempt to penetrate new markets that will give the company a boost.

- **Product Distribution System**

There are modern transportation means, continuously upgraded, and able and experienced personnel that manage and operate the network throughout Greece.

Transportation abroad is processed with great safety and precise delivery times by an international transport company with which the company has a long history of co-operation.
As a setback we announce the undeveloped network in new markets, especially during the decade 1991-2000, which today could have given new business opportunities, as mentioned earlier.

Furthermore, of great importance is the immediate dependence of expenses in relation to oil, which as a consequence has a high supply cost and limited withdrawal opportunity.

- **Research and Development**

There is a continuous attempt to develop new species, especially Dover Sole. Furthermore, the management continuously makes investments and funding in laboratories and equipment for the research of new production methods and species.
To conclude, knowledge in combination with continuous information of the workforce of scientific researches, upgrades their perception and observation skills of their field of work, thus minimizing and avoiding mistakes.

As a setback we report the high research cost (until today) in comparison with the realized low-result rates.

Company Aims and Objectives

The company has defined its aims and objectives, in the framework of its operation, which consist of qualitative and classic values and make the company a constant value in the long-term. The company's organization consists of its infrastructure, policy and philosophy which together work harmoniously towards the succession of its aims.

It is worth noting that for every strategic activity sector its mission has been set in the wider framework of the company's mission, a factor which we consider to be an integral part of the excellent and productive corporate coordination that was mentioned earlier.

Specifically the corporate aims are as follows:

- **Financial efficiency (profit)**
- **Customer Recognition and Satisfaction**
- **Stake Holders Recognition and Satisfaction**
- **Corporate Responsibility**

Being objective, specific, hierarchically ordered and consistent they comprise the bedrock of managerial exertion in accordance with the aforementioned aims.

- **Financial Efficiency (profit)**

Its achievement demands:

Strategic management of cost – low cost – improvement of profit margins

The anti-inflationist trend, during the last six years, of the price of products Europe-wide has created and continues to create an immediate need for ways of lowering cost through a better management of mainly food products, a decrease in workforce, a decrease or stabilization of feedstock prices and the investment in high technology production methods.

For the foods, the great dependency on fish-flours from the fish-farmers plays a definitive role on the configuration of the company's results since it consists of the main cost factor of the product. The increase in energy prices in 2005 created the need for the food producers and distributors to increase the food prices respectively. Taking into consideration the long-term harmonious cooperation, the large volumes of required food as well as the possibility of non-binding contracts, the company was marginally affected by the cost of the increased energy prices. Taking into account the stability of energy prices we believe that prices in feedstock will remain at the same levels. The production volume is a very large negotiating competitive advantange, especially in feedstock.

The own production of fry for 2005 and 2006 amounted to very high levels and thus this will cover by far all fry needs, in contrast with 2002-2004 where the markets were burdened with the cost. For 2007 it is expected cover all market needs in fry.
Every productive activity sector constituted an area of focus, study and final restructuring on a manager-employee level on the basis of productivity accomplishment. The investments of previous years as well as the current one in modern equipment (cages, nets, boats, cars and trucks, building expansions etc) will continue in 2007.

At the already existing fattening centers, a radical restructuring of the production method is conducted, through the method of selection and numbering of all fish categories every six months, by focusing on the sections of large fish under

development and their production time. The detection of development problems and the continuous parallel development of organisms achieve uniformity at a high level which aids the whole cycle and especially the important process of selection-packaging. We believe that all abovementioned strategies and tactical operations will bring significant financial gains in the immediate future.

The next alteration stage consists of the placement of fry for fattening to 10gr instead of 2gr and the further application of processes to improve the quality of the genitors through gene selection.

The Group's policy of promoting managers from the ranks of its workforce for higher executive and operation positions has decreased remuneration costs. Generally, the managerial operating expenses for the Group have remained at the same levels after the development of the supplies department, while selling expenses increased slightly despite the increase in fuel prices which consists of the main burden lever due mainly to transports nationwide and abroad. Furthermore the expenses are fully controlled by the supplies department for the whole of the Group, based on a preprogrammed expenses plan per activity sector and the immediate location of deviations. Food consuming is controlled on a daily basis by the production management and if an increased amount is consumed it is immediately detectable.

To conclude, the satisfying acquisition of the mean fish-mass changeability rate (FCR) close to 2 – best benchmark the smallest one of which is equal to 2 – for 2006 and aiming the same for 2007 after the standard meeting, evaluation and restructuring (between the production manager and the unit managers) procedure, as well as the application of the fattening selection process every six months.

The decision of merger through absorption by the parent company of seven companies in 2005 and the take-over in 2005-2006 of 100% of the companies "ASTERIAS S.A." and "OCEANIS S.A." is also integrated in the framework of reducing cost and achieving economies of scale.

Geographic Restructuring

In the framework of its strategic de-investment in 2004, through the transfer of the fish-genitor and fattening units facilities in Evia, due to a turnover in financial pores, inefficacy in the achievement of able, production aims and the high fish mortality rates, the company applied a strategic geographical restructuring and business plan in areas with a high average water temperature rate.

More specifically, during the last three years 2002-2005, in the large fish fattening sector, the company is characterized by its qualitative and stable development through its selective geographical business plan and its improvement of production methods in all its levels, aiming at reducing the operating cost, through economies of scale, and increasing its qualitative development.

In order to achieve the abovementioned aims, the company relies on its special characteristics, such as its good reputation, the dynamic development of its subsidiaries and its developing strategy as far as it concern the strengthening of the existing and new activities, through special synergies, at new large fish production

centers in northern Greece which have performed better in the fattening process with excellent results.

Business activity in northern Greece foresees the reduction of the production cycle, through the already increasing annual temperature level in contrast with the remaining areas of Greece, and thus smaller operating expenses. This strategy incorporates the take-over of 51% of the company "ARGOLIDOS FISH-FARMS S.A." and furthermore the company is looking for 3-4 additional production units in the region for take-over or merges.

We estimate that in the future this contribution to the production and financial results of this regional strategic development of large fish, will offer a unique comparative advantage over the competitors in the development of this sector.

Concerning the fry, with the new fish-genitor unit in Atalanti and after the continuous development of the years 1997-2001 and the unforeseen decreased production for the years 2002-2004, the years 2005 and 2006 are characterized by the qualitative and stable development of the initial years thus adding new expectations for the very good result, also for 2007.

Within 2005, after the modernization of its fish-genitor units, the Group aimed at and maintained the tradition of the qualitatively upgraded fry, which for years was offered to the Group's customers and was the basic developmental axis for the Group's path to the ATHEX in 2000.
We consider definite, after recent signs, that 2005 was the start of a new, productive and qualitative business efficacy in the aforementioned sector.

Market Development Strategy

The prediction for an increased exports path of the sector, with more intense rates in the next five years, due also to a penetration in the markets of newly-entered E.U. countries which will increase the demand in Mediterranean products, is confirmed every year through the sales in non-traditional Mediterranean markets.

As has been already mentioned, the production of fry and ready large fish until 2010, is estimated to increase at an annual rate of 10% to 15%.

The company's choice and attempt to penetrate and expand the market in northern countries (Germany, Great Britain, Holland etc) as well as in the newly-entered E.U. countries (Bulgaria, Slovenia etc) in these specific type of fish is constantly being confirmed. Growth exceeds 30% in the period from 2004 to 2005; a very high percentage if one takes into account that four years ago it barely reached 5% annually.

The immediate aim for 2007 is the participation in or take-over of a company in Central Europe and especially in the Czech Republic where the company is aiming at.

To conclude, the company aims intensively at the production of organic products in the area of Andros Island; a project of high added value, for which it submits in 2007 its project report, expecting a certification from the European Union.

Cooperation Strategy with Feedstock Producing Companies

Following the successful cooperation results from the fish fattening sectors, the company aims to cooperate strategically in the immediate future with feedstock producing companies so as to co-produce feedstock. We are at the beginning of new, world financial events which will have an immediate effect on the sector, which it seems is reacting in a positive and productive way recently. We assume that our synergies with food companies constitute the next development step for the company since they will bring about a 6%-7% reduction in product cost thus improving the cash outflow. Furthermore, the existence of an improved quality control of the food that is fed to the fish will lead to better productive results (decrease in production time, fish quality etc).

The company also has in its immediate plans the construction of a feedstock production factory which will belong wholly to the Group.

New Products Development Strategy

At the same time, through the production of two well-known species, the company has completed the 2nd successful Common Sole (solea solea) production cycle; this product was offered in 2006 on the market and will continue to be offered for 2007. We believe that this product will be developed quickly within the next years and our attempt in the last four years to cover a market demand will have excellent results. Furthermore we firmly believe that we must continue with the same intensive pace in the development of this fish, since its supply on the markets is still at low levels while its price is very high.

Product Differentiation Strategy

After 20 years in this sector, the company, through its experience and know-how, aims at product differentiation through an increase in product weight of the per unit producing product, from 400gr to 550gr, which is mostly demanded on the European market. This possibility is offered to the company from its units in northern Greece, which have a reduced development time; thus the company aims to expand its product differentiation throughout the whole Group. The difference in price and subsequently in sales will be very large since the price difference from 400 to 550 grams of fish can vary from € 0.30 to € 2 depending on the sales period.

- **Customer Recognition and Satisfaction**

The business is not just a goods-producing process but a customer satisfaction process as well.

This phrase characterizes the philosophy that is pervasive throughout the company and its employees during all these years of its grand development.

The buyers-customers purchase from businesses which according to their point of view offer the greatest offered value to their customers.

Considering as standard the homogeneity of the product, the company gave emphasis and weight to two basic keynotes for the achievement of its aims.

These are **firstly** the **coordination of the units** which are included in the "value chain" of the company and **secondly** the **application of marketing relations** with the customers.
Concerning the **first**, we refer to the internal environment of the company, the excellent relation and covering which is observed between the departments, due to an increased number of executives and employees with experience in the sector and long-term cooperation in relation with the company. All of the executive management – the CEO, the Financial Services Manager, the Production Manager and the Commercial Manager – have moved up through the company ranks, just as have many employees from the basic sectors of management of the respective departments. This contributes to the proper, prompt and effective cooperation between the executives and managers and the various departments, for the total satisfaction of a customer's needs throughout the whole business phase. Mainly due to the quality control and quality assurance application procedures which the company has acquired for the truly integral procedure of product quality assurance.

At its packaging units, the company has applied and received accredited quality certifications in accordance with the high quality standards (HACCP), which the company recertifies at various periods. Furthermore, from 2006 the company implements a Barcode scanning system on all packaging for a total recording of the whole distribution process from the company to the consumer.

Further, the company has placed great weight on the after-sale service procedure which we consider to be equally important in our "value chain". At any problem detected at our customers, the quality manager and relevant fry or large fish department manager, in cooperation with the company's management, conduct an on-the-spot visit for the ascertainment of the problem and the conduction of relevant correction policies to restore the damage caused to the customer.

Concerning the **second**, the application of operational policies of special exchange relations which transform customers into associates is very significant. The company and the customers cooperate closely and actively together on a level of fry and food purchase from the latter ones, and following the sale to the company of their ready product – only large fish – for further distribution of her own distribution network. In this way the company gains from the sale of its products and foods, however the customer gains as well by not having to invest or having his funds held for the expansion of distribution networks for the allocation of the company's products.

This cooperation has been successfully developed by the company during the last four years and it is continuing to be harmonious and profitable for both parties. Furthermore, it is worth noting the differentiation of the weight per unit of produced product from 400gr to 550gr, which is demanded for mainly by the European market and has been pursued by the company through its immediate contact with its customers around the world.

- **Stake Holders Recognition and Satisfaction**

The basic groups are the employees and the shareholders, followed by the rest (suppliers, customers, funding and financial institutions, the State etc).

Respecting the capital investment of its **shareholders**, the company has established a satisfying dividend and interim-dividend policy, where there is a case of high profitability, maintaining this group as the top priority in the preference and satisfaction of the interested parties. For FY 2006 the Board of Directors will propose to the Ordinary General Shareholders Meeting a dividend of € 0.02 per share. The shareholders and financial departments are structured and operate towards the accurate, trustworthy and complete update of our shareholders as well as other investors who need access to further in-depth information, apart from the ones readily available to them such as internet, press releases, media publications etc.

As far as our **employees**, the propelling force of our company, are concerned, we have developed an incentive policy that works as a vaulting board for the achievement of the maximum performance possible. The policy of employee promotion from within the company has been implanted into their conscience and the possibility and aspiration to advance within a modern business, works as a powerful incentive of personal development and group involvement towards each common goal. A concrete example of this system is the team of Managerial Team, which exists for three years now and consists of persons who have ascended from within the company over a period of time and after a high level of productivity and effectiveness. The continuous update in products, additional bonuses in combination with productivity, life insurance benefits and workplace hygiene and safety standards are the basic incentives for their development.

For the **remainder interest groups**, the company exercises a policy of close cooperation and relation, without excesses, in respect of its level, the maintenance of agreements, the accurate and immediate information at every level and type of cooperation, the announcements and publications of timelines for the realization of the works, the common application of logistics policies etc.

The company has a sense of responsibility and consistency, which we believe constitutes a distinctive unit and classic entity of satisfying the needs of all groups in combination with its operation and development in the framework of today's modern, competitive, global environment.

- **Corporate Responsibility**

Corporate Responsibility consists of an upgrade and distribution of the processes which aim at environmental protection for the production and distribution of products, of guaranteed quality and hygiene with high nutritional value, to the customer.
Foods utilized by our company for the feeding of the farmed fish, during their whole development process until their fishing, consist of fish flours, fish oils, vegetable seed products (Soya, sunflower), pulses (bean, peas), glutens (wheat, corn), cereals, vitamins and minerals. They do not contain genetically modified products and the dioxin levels of the feedstock and foods are below the set levels.

The food supplying companies are fully in accordance with the Hellenic and European legislation and their factories, whether in Greece or abroad, have all necessary certifications which prove the contents of the feedstock and the ratios of the feedstock they use.

Our production units are the perfect example of the viewpoint that a fish-farming activity can contribute to the upgrade and improvement of the area in which it is active. Placed in non-tourist developed areas and free of any emission–producing activities that are harmful to the environment, they combine the benefits of business activities in the clean waters of the Greek sea.

Almost all areas where fish-farming takes place are characterized by the cleanliness of the waters due to their continuous movement and renewal by the presiding winds and currents, as well as due to the large depth in the areas where the final fattening cages of large fish are installed. This factor, combined with the warm temperatures and the high levels of oxygen that exist throughout the whole year, constitute ideal farming conditions for the production of excellent grade-A final products. These are units where all necessary environmental conditions are met so as to attempt and produce certified quality fish for the consumer.

We contribute, as does the whole sector, to the upgrade of local areas and communities that depend from aquaculture, by implementing a policy of principles of responsible aquaculture for the proper exploitation of the natural and financial means in the framework of profitability.

With respect to the environment through controlled expansion and methods of employee responsibility development in every area, in total accord with the rules and standards that have been set from local authorities, the State and the E.U., we continue to expand in dependence and total harmony with the upgraded frameworks of corporate responsibility and consistency of the modern corporate model.

Results and Prospects

As far as the financial and non-financial performance count is concerned, the management utilizes scientifically documented ratios and numerical ratios in connection with internal analysis which render these an efficient tool for measuring performance (Table 3).

- **Sales**

The increase in sales (Group and company) is due mainly to an increase in the sales of large fish and partly to an increase in the sales of feedstock and nets (secondary activity).
Furthermore, sales in the Euro zone increased as well due to the distribution of the product in these new markets. In the local market, the trend is also continuously on the increase as can be seen from 2006 and it will continue in 2007 as well.
The sales prospect for 2007 is approximately € 56,000,000. Fry sales were also satisfying for 2006, while for 2007 we expect a smaller increase due to our need for own-production of fry.

- **Sales costs – Gross Profits**

As a percentage over sales it has slightly decreased in comparison with 2005 (approximately 78% in 2005 for the Group and company) while in contrast the gross earnings have increased in relevance (approximately 22% in 2006 for the Group and company).

For 2007 we predict an increase to 26%.

- **Managerial Expenses**

As a percentage over sales it has partly increased to 3.2% for the Group and to 3.1% for the company; however it remains among the lowest percentages in the sector.
For 2007 we predict a small percentage decrease and stability in total volume.

- **Selling Expenses**

As a percentage over sales it partially decreased and amounted to 9.3% for the Group and company.
The rational management and development of the logistics department seemed to have rendered satisfying low volumes and we expect equally satisfying relevant levels for 2007.

- **Financial Expenses**

As a percentage over sales the financial expenses increased by one percentage unit and amounted to approximately 3.7% for the Group and 3.5% for the company.

The decrease in short-term lending will further aid the small increase for 2007, percentage-wise as well as in total volume.

- **Earnings before taxes**

As a percentage over sales, the earnings before taxes for the Group increased to 6% from 3.9% and for the company to 6% from 5.3%. In total volume it increased to € 3 million from € 1.78 million in 2005 for the company and to € 3.2 million from € 2.4 million in 2005 for the company.
The estimates for 2007 amount to profits of € 5.7 million for the Group and € 5.8 for the company.

- **Return On Equity (ROE) –Comparison 2006 - 2005**

For the Group they amounted to 9.82% from 6.26% and for the company they amounted to 10.25% from 8.27%. This constitutes a significant result in relation with the sector and which is expected to continue in 2007.

- **Return on Employed Capital (ROCE) –Comparison 2006 - 2005**

For the Group they amounted to 5.74% from 3.97% and for the company they amounted to 6.47% from 4.83%. These results are satisfying and we expect them to improve in 2007.

- **Assets Turnover – Comparison 2006 - 2005**

For the Group they amounted to 59.23% from 60.01% and for the company they amounted to 64.6% from 60.46%. Although the turnover decreased for the Group, the increase over 60% for the company proves the correct and financially efficient management of the disposable funds.

- **Debt to Equity – Comparison 2006 - 2005**

For the Group they amounted to 1.77 from 1.67 and for the company they amounted to 1.45 from 1.58. For 2007 we predict the ratios to slightly decrease in favour of the company. In connection with the current ratio this does not influence in the least our future business plans.

- **Current Ratio – Comparison 2006 - 2005**

For the Group they amounted to 1.35 from 1.48 and for the company they amounted to 1.53 from 1.54. Steady over 1.3 comprises of an ideal volume which will remain for 2007 as well.

To conclude, as far as financial efficiency is concerned, there has been a continuous increase in investments over the past few years for a modern and technologically applied business activity, a high reserves maintenance policy for sale during high-level price periods and a decrease in lending and in short-term liabilities, which constitute significant reference points for 2006 and will have a more positive activity for 2007.

It is important to note that each interested investor that belongs to whichever interested investors group, especially investors that want to invest in our company, are obliged to know that future standards of financial statements and of this report, are based on our provisions and estimations.

More specifically, the composition of financial statements in accordance with IFRS and management report, demand the application and usage of estimations, provisions and recognitions from the company's and Group's management, which influence additively or subtractive the sum totals of the Assets and Liabilities, the necessary disclosures for possible receivables and liabilities during the date of composition of the statements, as well as the incomes and expenses sums that were recognised during the accounting period.

Thus, with a high sense of responsibility, we acknowledge that the estimations were based on the information and knowledge (with a parallel application of objective judgment) acquired until now, as well as the previously mentioned ongoing concern principle of the continued operation and financial performance of the Group.

Sector Problems – Possible Future Risks

We believe that quality assurance is the most significant problem in the sector, since it is necessary for the sector to counter the intense competition it is facing by developing quality assurance and management systems for the products.

Due to the sector's exporting-nature the usage of a national quality seal is imperative. The application of marketing and product forwarding methods on a local as well as national level is necessary, in order to inform the consumer on the quality added value characteristics of our products and have him choose our products from other similar ones.

The continuous product expansion that has taken place in the last few years, especially during the decade of the 90's, has created an oversupply which in turn has caused a drop in prices. This seasonal low-price phenomenon, (especially during the second 6M) from 2000 onwards continues to create a liquidity gap, although we consider this to be fact and able to be countered by our company and the sector. If the companies don't turn to the infiltration of new markets then the elimination of this phenomenon will prove very difficult.

The fish-farmers great dependence on fish-flours plays a determinant role in the configuration of the company's results since it consists of the main product cost. The trend is to stabilize their prices in 2007 thus providing a good potential for high profitability.

To conclude, the increase in fuel prices has a direct influence on the supply cost due to the transportation cost and all the production elements involved. The recent increase of fuel prices in 2005-2006 has marginally influenced the cost, however any further increase will create a problem since due to the product's form, the increase is immediately and easily transferred to the consumer, as can be seen in recent years.

Sector Prospects

As has been already mentioned, the sector prospect is to further strengthen its exports through an infiltration into new, mainly European markets (Russia, Poland, Czech Republic, Hungary etc). For the biennium 2007-2008, a significant increase in the change of the production base is expected, while the per-capita consumption shows continuous increase, a fact which influences positively the demand in the exports sector.

From the production's point of view, the increased concentration of large companies absorbing and controlling smaller producers has created a climate of unified pricing policy and the elimination of the phenomenon of selling below cost levels.

According to the sector's predictions, during the biennium 2007-2008 the sector concentration and control expansion which the large companies have is expected to continue, while at the same time the demand is expected to remain at high levels due to an expected improvement of distribution networks.

Even through an increase in Turkish production, which is already considered the fiercest competitor due to its low product cost, the sector in our country can overcome, focusing on product quality assurance in the already advanced commercial distribution networks, as well as in the production of specific high-demand products which have the largest demand from foreign markets.

Mainly though the increase in demand will come from the uplift and improvement of information concerning the high dietary value of aquaculture products.

Table 1

Company External Factors

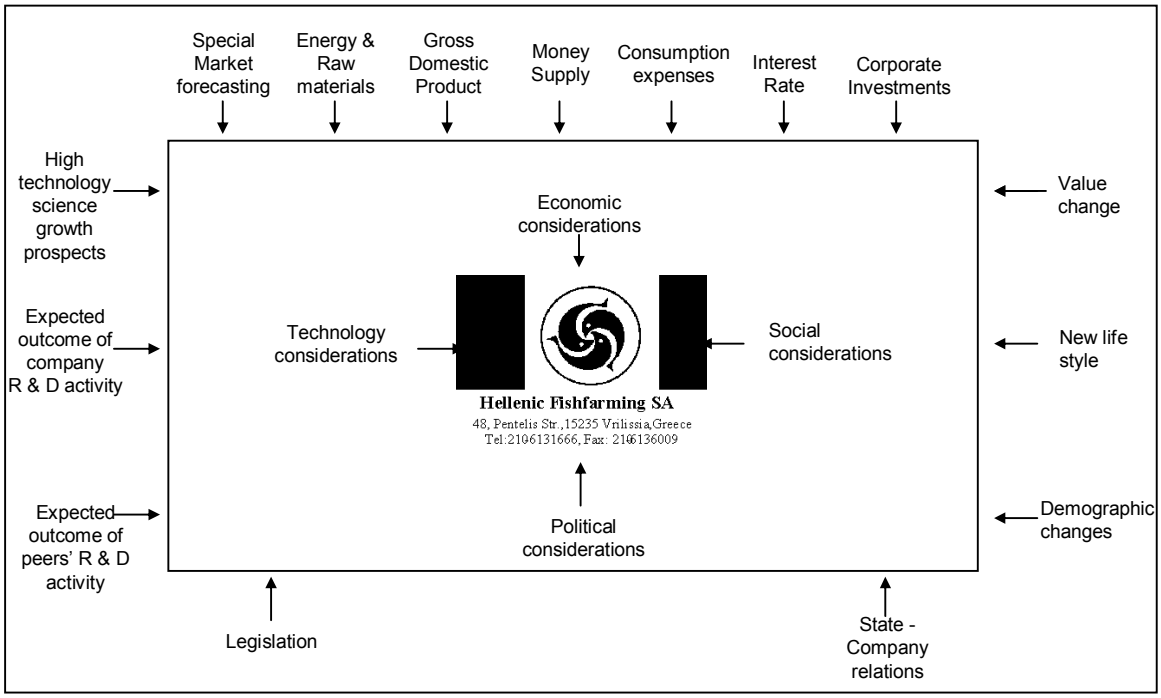


Table 2

Company External Environment – Analysis and Diagnostics

Company Macroeconomic and Microeconomic Factors

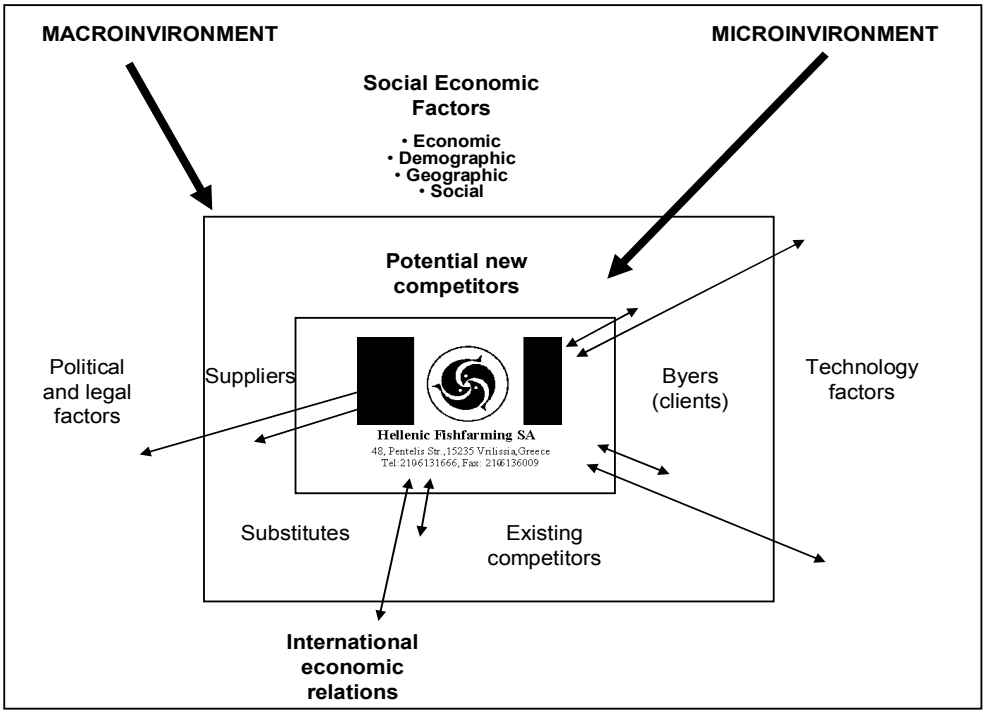


Table 3
Financial Ratios

BALANCE SHEET 31.12.2006 (COMPANY AND GROUP)

BASIC FIGURES	GROUP				COMPANY			
ASSETS	**31/12/2006**	**%**	**31/12/2005**	**%**	**31/12/2006**	**%**	**31/12/2005**	**%**
Fixed assets	18,959,332.94	22.4	14,821,920.38	19.5	14,392,869.87	18.7	13,045,292.18	17.4
Inventories	34,728,765.33	41.0	27,418,232.06	36.1	30,010,493.03	39.1	27,418,232.06	36.6
Clients	24,077,249.49	28.4	27,539,814.38	36.2	24,768,310.63	32.2	27,251,601.37	36.4
Other assets	5,265,160.87	6.2	5,868,146.74	7.7	6,568,542.61	8.5	6,844,468.44	9.1
Cash and cash equivalents	1,623,699.86	1.9	363,749.41	0.5	1,108,087.24	1.4	362,189.57	0.5
Total Assets	**84,654,208.49**	**100.0**	**76,011,862.97**	**100.0**	**76,848,303.38**	**100.0**	**74,921,783.62**	**100.0**
EQUITY AND LIABILITIES								
Shareholders Equity	30,589,667.43	36.1	28,441,410.65	37.4	31,325,797.75	40.8	29,056,672.66	38.8
Long term Liabilities	5,446,033.86	6.4	6,208,461.87	8.2	4,621,900.70	6.0	6,040,483.62	8.1
Short term Bank Liabilities	20,362,003.49	24.1	16,850,548.44	22.2	18,431,072.87	24.0	16,070,548.44	21.4
Other Short term Liabilities	28,256,503.71	33.4	24,511,442.01	32.2	22,469,532.06	29.2	23,754,078.90	31.7
Equity and Liabilities	**84,654,208.49**	**100.0**	**76,011,862.97**	**100.0**	**76,848,303.38**	**100.0**	**74,921,783.62**	**100.0**

INCOME STATEMENTS (COMPANY AND GROUP) (PER ACTIVITY)

BASIC FIGURES	GROUP				COMPANY			
	01/01/2006-31/12/2006	**%**	**01/01/2005-31/12/2005**	**%**	**01/01/2006-31/12/2006**	**%**	**01/01/2005-31/12/2005**	**%**
Turnover	50,143,871.06	100.0	45,614,897.90	100.0	49,643,011.81	100.0	45,300,714.45	100.0
Cost of goods sold	39,172,077.46	78.1	37,094,465.94	81.3	38,634,881.59	77.8	36,896,759.94	81.4
Gross margin	**10,971,793.60**	21.9	**8,520,431.96**	18.7	**11,008,130.22**	22.2	**8,403,954.51**	18.6
Administrative Expenses	1,597,978.42	3.2	1,284,240.20	2.8	1,522,681.43	3.1	1,260,233.70	2.8
Selling Expenses	4,658,603.37	9.3	4,699,367.94	10.3	4,639,962.51	9.3	4,699,367.94	10.4
Other Income / (Expenses) - Net	145,272.89	0.3	484,605.23	1.1	125,077.64	0.3	1,175,966.38	2.6
Financial results	-1,856,112.92	-3.7	-1,241,058.02	-2.7	-1,759,783.84	-3.5	-1,218,570.37	-2.7
Profits/(Loss) before taxes, financing & investment results	4,860,484.70	9.7	2,704,524.52	5.9	4,970,563.92	10.0	2,629,099.89	5.8
Profits /(Loss) before taxes, financing, investment results & depreciation	6,628,620.71	13.2	4,019,665.54	8.8	6,478,686.11	13.1	3,837,826.67	8.5
Total Profit/(Loss) before Tax	**3,004,371.78**	6.0	**1,780,371.03**	3.9	**3,210,780.08**	6.5	**2,401,748.88**	5.3
Tax Expense	674,795.60	1.3	562,366.90	1.2	676,793.15	1.4	531,446.08	1.2
Profit after Tax	**2,329,576.18**	4.6	**1,218,004.13**	2.7	**2,533,986.93**	5.1	**1,870,302.80**	4.1
(Net) profit after minority interest	2,356,048.10	4.7	1,218,004.13	2.7	2,533,986.93	5.1	1,870,302.80	4.1
Profits after taxes per share	**0.08**		**0.04**		**0.08**		**0.06**	

RATIOS

	GROUP		COMPANY	
	2006	**2005**	**2006**	**2005**
ROE (EBT/Equity)	*9.82%*	*6.26%*	*10.25%*	*8.27%*
ROCE (EBT/Total assets)	*5.74%*	*3.97%*	*6.47%*	*4.83%*
Asset turnover ratio (Sales/assets)	*59.23%*	*60.01%*	*64.60%*	*60.46%*
Debt-to-Equity ratio	*1.77*	*1.67*	*1.45*	*1.58*
Current ratio (Current assets/ Short term liabilities)	*1.35*	*1.48*	*1.53*	*1.55*
Quick ratio (Cash/Short term liabilities)	*0.03*	*0.01*	*0.03*	*0.01*
Inventory turnover (Inventory/Cost of sales*365)	*324*	*270*	*284*	*271*
Turnover trends	*9.93%*	*-19.81%*	*9.59%*	*-27.06%*
Net profit trends	*68.75%*	*-24.33%*	*33.69%*	*462.14%*
Gross profit margin	*21.88%*	*18.68%*	*22.17%*	*18.55%*
Net profit margin	*5.99%*	*3.90%*	*6.47%*	*5.30%*

Vrilissia, 19 January 2007

The President of the Board of Directors and CEO	The vice-President of the Board of Directors and CEO	The Financial Services Chief Manager
Ioannis Katsivelis	**Lewis Nigel**	**Athanasios Prahalis**
ID No. Φ 355271	**Passport No. 7027486671**	**ID No. AB 052731**

I hereby confirm that this report of the Board of Directors which consists of 29 pages, is the one I refer to in the audit report which I issued on 20 January 2007

Athens 20 January 2007

The Audit Accountant

Konstantinos Sakkis
SOEL Reg. No. 14601

2 Explanatory Report of the Board of Directors (Article 11a, Law 3371/2005)

The present explanatory report of the Board of Directors to the Ordinary General Shareholder Meeting contains analytical information regarding the issues of paragraph 1, article 11a, of Law 3371/2005.

1. Share Capital Structure

The Company's share capital amounts to nine million four hundred twenty thousand nine hundred euros (EUR 9,420,900), divided into thirty million three hundred ninety thousand shares (30,390,000), with a nominal value of thirty-one cents each (EUR 0.31). All shares are listed for trading on the Athens Stock Exchange, in the Medium to Small Cap Category.
The Company's shares are ordinary, registered, and with a right to vote.

2. Limitations in Transferring Company Shares

The transfer of Company shares is carried out according to the Law, and the Articles of Association do not stipulate any restrictions as to their transfer.

3. Significant Direct or Indirect Participations pursuant to the provisions of Presidential Decree 51/1992.

The company's shareholders who own a percentage greater than 5% of the share capital are the following:

1) Ioannis Katsivelis, who participates in the company with a share of 27.86% of the total share capital.
2) Nigel Lewis, who participates in the company with a share of 25.139% of the total share capital

No other actual or legal entity owns a percentage greater than 5% of the share capital.

4. Owners of any type of shares that provide special control rights.

There are no Company shares granting their owners special control rights.

5. Voting Right Limitations
There are no provisions in the Company's Articles of Association limiting voting rights.

6. Agreements between Company Shareholders

The Company is not aware of any agreements whatsoever between its shareholders that imply limitations to the transfer of Company shares or the exercise of voting rights derived from these shares.

7. Regulations concerning the appointment or substitution of members of the Board of Directors and amendments to the Articles of Association.

The rules provided by the Company's Articles of Association regarding the appointment and replacement of members of the Board of Directors and the amendment of provisions of its Articles of Association are no different than those stipulated in Codified Law 2190/1920.

8. Responsibility of the Board of Directors or certain of its members to issue new shares or to purchase same shares.

According to the provisions of paragraph 5 to 13 of Article 16 of Codified Law 2190/1920, the companies listed on the Athens Stock Exchange may, following a decision by their General Shareholders Meeting, own up to 10% of their total shares via the Athens Stock Exchange for the purpose of supporting their stock market value, and based on the special particular terms and procedures that are provided in the above paragraphs of article 16 of Codified Law 2190/1920.

There is no conflicting provision in the Company's Articles of Association regarding the issue of new shares or purchase of same.

9. A significant agreement that the Company has signed and which goes into effect, is amended, or expires, in case the control of the Company changes, after a takeover bid and the results of this agreement.

Such an agreement does not exist.

10. Every agreement that the Company has signed with members of the Board of Directors or with its employees, which provides for compensation in case of resignation or termination without cause or expiration of a term or employment due to a takeover bid.

There are no agreements between the Company and members of the Board of Directors or its employees, which provide for the payment of compensation, especially in the event of resignation or termination of employment without reasonable grounds or termination of term or employment due to a takeover bid.

Vrilissia, 25 April 2007

Chairman of the BoD & Managing Director	Vice-Chairman of the BoD & Co-managing Director	Supervisor of Financial Services

3 Annual consolidated and company financial statements

HELLAS FISHFARMING S.A.

Annual Financial Statements

from January 1 till December 31 2006

according to

Interim Financial Reporting Standards (IFRS)

It is verified that the attached Annual Financial Statements are those approved by the Board of Directors of HELLENIC FISHFARMING S.A. as of January 19, 2007 and have been posted on the website at the web address www.helfish.gr .

Katsivelis Ioannis
President of the Board of Directors
EHELLENIC FISHFARMING S.A.

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1. BALANCE SHEET (PARENT & CONSOLIDATED)

	CONSOLIDATED		PARENT	
	31/12/2006	31/12/2005	31/12/2006	31/12/2005
ASSET				
Long term Asset:				
Property,Plant & equipment	18,959,332.94	14,821,920.38	14,392,869.87	13,045,292.18
Intagible asset & Syrplus value	1,097,076.47	26,872.39	23,546.40	26,872.39
Participaring interest	0.00	483,723.64	2,756,686.98	446,686.98
Deferred Taxes	0.00	0.00	0.00	0.00
Others assets	86,106.30	83,637.39	49,328.32	53,700.26
Total Long Term Asset	**20,142,515.71**	**15,416,153.80**	**17,222,431.57**	**13,572,551.81**
Current Asset				
Inventories	34,728,765.33	27,418,232.06	30,010,493.03	27,418,232.06
Customers & other trade receivables	24,077,249.49	27,539,814.38	24,768,310.63	27,251,601.37
Other receivables	3,971,047.31	5,200,743.98	3,637,135.37	6,251,961.00
Other current asset	110,930.79	73,169.34	101,845.54	65,247.81
Cash & Banks accounts	1,623,699.86	363,749.41	1,108,087.24	362,189.57
Total Current Asset	**64,511,692.78**	**60,595,709.17**	**59,625,871.81**	**61,349,231.81**
TOTAL ASSET	**84,654,208.49**	**76,011,862.97**	**76,848,303.38**	**74,921,783.62**
SHAREHOLDERS EQUITY & LIABILITIES				
Share Capital	9,420,900.00	1,570,150.00	9,420,900.00	1,570,150.00
Share Premium	15,902,734.96	23,753,484.96	15,902,734.96	23,753,484.96
Reserves	4,445,817.84	4,352,302.70	4,445,817.84	4,352,302.70
Retained earnings	739,749.57	-1,234,527.01	1,556,344.95	-619,265.00
Minority Interests	80,465.06	0.00	0.00	0.00
Total Shareholders Equity	**30,589,667.43**	**28,441,410.65**	**31,325,797.75**	**29,056,672.66**
LONG TERM LIABILITIES				
Long terms Loans	4,026,258.53	5,576,597.04	4,003,272.40	5,576,597.04
Retirement Benefit Obligations	146,240.59	113,106.75	122,223.00	105,626.00
Deferred Taxes	953,278.10	438,758.08	176,148.66	278,260.58
Other Long term liabilities	320,256.64	80,000.00	320,256.64	80,000.00
Total Long term Liabilities	**5,446,033.86**	**6,208,461.87**	**4,621,900.70**	**6,040,483.62**
CURRENT LIABILITIES				
Accounts Payable & Notes Payable	24,896,184.26	22,122,360.05	19,913,410.61	21,616,495.76
Current Loans	20,362,003.49	16,850,548.44	18,431,072.87	16,070,548.44
Taxes Payable	890,034.39	387,538.70	773,108.14	384,627.76
Non accrual income (Public alloance)	2,219,377.62	1,771,352.78	1,560,263.93	1,524,164.90
Other current liabilities	250,907.44	230,190.48	222,749.38	228,790.48
Total Current Liabilities	**48,618,507.20**	**41,361,990.45**	**40,900,604.93**	**39,824,627.34**
Total Liabilities	**54,064,541.06**	**47,570,452.32**	**45,522,505.63**	**45,865,110.96**
TOTAL SHAREHOLDERS EQUITY & LIABILITIES	**84,654,208.49**	**76,011,862.97**	**76,848,303.38**	**74,921,783.62**

The attached notes are an integral part of the Financial Statements

2.1. INCOME STATEMENT (PARENT AND CONSOLIDATED) (By Operation)

	CONSOLIDATED		PARENT	
	1/1 -- 31/12/2006	1/1 -- 31/12/2005	1/1 -- 31/12/2006	1/1 -- 31/12/2005
Sales	50,143,871.06	45,614,897.90	49,643,011.81	45,300,714.45
Cost of Sales	-39,172,077.46	-37,094,465.94	-38,634,881.59	-36,896,759.94
Gross Profit	**10,971,793.60**	**8,520,431.96**	**11,008,130.22**	**8,403,954.51**
Administrative Expenses	-1,597,978.42	-1,284,240.20	-1,522,681.43	-1,260,233.70
Selling Expenses	-4,658,603.37	-4,699,367.94	-4,639,962.51	-4,699,367.94
	4,715,211.81	**2,536,823.82**	**4,845,486.28**	**2,444,352.87**
Other revenues - expenses	146,225.72	168,414.71	126,030.47	185,461.03
Consolidation results -- Differences mergers N.2166/93 -- Impairment of participations	0.00	316,190.52	0.00	990,505.35
Financial revenues - expenses	-1,857,065.75	-1,241,058.02	-1,760,736.67	-1,218,570.37
Earnings before tax	**3,004,371.78**	**1,780,371.03**	**3,210,780.08**	**2,401,748.88**
Income tax	-674,795.60	-562,366.90	-676,793.15	-531,446.08
Net earnings (after tax)	**2,329,576.18**	**1,218,004.13**	**2,533,986.93**	**1,870,302.80**
Minority rights	-26,471.92	0.00	0.00	0.00
Earnings (after tax) Attributed to the Group	**2,356,048.10**	**1,218,004.13**	**2,533,986.93**	**1,870,302.80**
Earnings after tax per share - basic (in €)	**0.08**	**0.04**	**0.08**	**0.06**

	CONSOLIDATED		PARENT	
	1/9 -- 31/12/2006	1/9 -- 31/12/2005	1/9 -- 31/12/2006	1/9 -- 31/12/2005
Sales	11,634,854.29	9,701,309.32	10,744,358.91	8,461,102.55
Cost of Sales	-8,773,345.70	-7,903,491.48	-7,763,038.22	-6,793,772.49
Gross Profit	**2,861,508.59**	**1,797,817.84**	**2,981,320.69**	**1,667,330.06**
Administrative Expenses	-405,419.17	-145,493.79	-389,156.74	-177,834.89
Selling Expenses	-1,147,219.96	-683,065.29	-1,139,655.71	-715,114.94
	1,308,869.46	**969,258.76**	**1,452,508.24**	**774,380.23**
Other revenues - expenses	11,327.86	95,527.76	89,833.06	168,812.33
Consolidation results -- Differences mergers N.2166/93 -- Impairment of participations	0.00	-62,919.64	0.00	990,505.35
Financial revenues - expenses	-568,835.47	-21,879.41	-532,726.29	-6,007.96
Earnings before tax	**751,361.85**	**979,987.47**	**1,009,615.01**	**1,927,689.95**
Income tax	-193,614.74	-288,861.09	-217,700.89	-311,842.78
Net earnings (after tax)	**557,747.11**	**691,126.38**	**791,914.12**	**1,615,847.17**
Minority rights	-26,471.92	0.00	0.00	0.00
Earnings (after tax) Attributed to the Group	**584,219.02**	**691,126.38**	**791,914.12**	**1,615,847.17**
Earnings after tax per share - basic (in €)	**0.02**	**0.02**	**0.03**	**0.05**

The attached notes are an integral part of the Financial Statements

2.2. INCOME STATEMENT (PARENT AND CONSOLIDATED) (per expense category. IAS 41)

	CONSOLIDATED			
	1/1 - 31/12/06	**1/1 - 31/12/05**	**1/9 - 31/12/06**	**1/9 - 31/12/05**
Group's Biological Assets' Fair Value 1.1.2006	**26,575,522.97**	**20,147,907.40**	**32,009,525.06**	**20,485,409.65**
Plus : Fair value of ASTERIAS S.A. assets with a 1st Consolidation Balance Sheet 30.6.2006	5,878,581.71	0.00	4,299,310.46	0.00
Group's Biological Assets' Fair Value 1.1.2006	**32,454,104.68**	**20,147,907.40**	**36,308,835.52**	**20,485,409.65**
Purchases during the period	3,027,737.52	7,596,054.03	0.00	5,195,834.59
Sales during the period	25,381,436.14	17,909,645.57	5,783,473.53	3,881,600.18
Biological Assets' Fair Value	**34,122,493.47**	**26,575,522.97**	**2,112,968.41**	**26,575,522.97**
Profit or Loss from changes in Fair value of Biological Assets	**24,022,087.41**	**16,754,577.03**	**6,317,170.69**	**4,775,878.91**
Sales of Merchandises - Other Inventories - Services	24,762,434.92	27,705,252.33	5,851,380.76	5,819,709.14
Consumables	31,503,925.77	31,450,736.41	7,415,506.55	6,809,580.83
Employee remunerations and expenses	5,660,464.46	3,629,466.05	1,577,996.14	467,067.71
Remunerations and services to third parties	2,570,220.42	3,616,264.42	687,254.69	1,639,551.32
Other expenses	2,566,563.85	1,924,767.76	697,361.75	407,166.39
Financial expenses	1,884,420.64	1,578,366.99	590,399.95	359,188.38
Depreciation	1,768,136.02	1,315,141.03	481,562.86	309,112.11
Other incomes	435,695.81	2,189,106.76	130,930.31	1,524,373.94
Other expenses	262,115.20	1,353,822.43	98,037.97	1,148,307.78
Profits or Losses before tax	**3,004,371.78**	**1,780,371.03**	**751,361.85**	**979,987.47**
Income tax and tax audit differences	674,795.60	562,366.90	193,614.74	288,861.09
Net results (Profits) after tax	**2,329,576.18**	**1,218,004.13**	**557,747.11**	**691,126.38**
Minority rights	-26,471.92	0.00	**-26,471.92**	0.00
Net results after minority rights	**2,356,048.10**	**1,218,004.13**	**584,219.03**	**691,126.38**
Earnings per share (€ per share)	**0.08**	**0.04**	**0.02**	**0.02**

	COMPANY			
	1/1 - 31/12/06	**1/1 - 31/12/05**	**1/9 - 31/12/06**	**1/9 - 31/12/05**
Parent's Biological Assets' Fair Value 1.1.2006	**26,575,522.97**	**8,388,599.69**	**26,994,430.98**	**18,706,106.25**
Plus : Assets' fair value as of 31.12.2004 of subsidiaries absorbed as of 31.3.05		10,214,291.00		
Plus : Assets' fair value as of 30.06.2005 of a subsidiary company absorbed as of 21123.2005	0	1,531,646.79	0.00	1,531,646.79
Parent's Biological Assets' Fair Value 1.1.2006	**26,575,522.97**	**20,134,537.48**	**26,994,430.98**	**20,237,753.04**
Purchases during the period	3,027,737.52	7,596,054.03	0.00	4,717,258.63
Sales during the period	24,137,046.83	17,909,645.57	4,465,802.98	3,625,697.28
Biological Assets' Fair Value	**29,478,780.44**	**26,575,522.97**	**29,478,780.44**	**26,575,522.97**
Profit or Loss from changes in Fair value of Biological Assets	**24,012,566.78**	**16,754,577.03**	**6,950,152.44**	**5,246,208.58**
Sales of Merchandises and Other Inventories	25,505,964.98	27,391,068.88	6,278,555.93	4,835,405.27
Consumables	32,862,961.43	31,431,432.74	8,517,993.38	6,664,689.29
Employee remunerations and expenses	5,035,948.37	3,546,931.29	1,351,800.15	1,374,244.00
Remunerations and services to third parties	2,767,240.27	3,598,711.24	842,268.33	322,953.64
Other expenses	2,498,773.22	1,915,490.98	671,749.55	485,488.41
Financial expenses	1,788,087.63	1,555,878.85	554,286.84	343,316.44
Depreciation	1,508,122.19	1,208,726.78	392,388.72	459,858.27
Other incomes	401,103.69	2,192,408.49	195,275.40	1,986,413.27
Other expenses	247,722.26	679,133.63	83,881.79	489,787.11
Minus - Plus own production cost	0.00	0.00	0.00	0.00
Profits or Losses before tax	**3,210,780.08**	**2,401,748.89**	**1,009,615.01**	**1,927,689.96**
Income tax and tax audit differences	676,793.15	531,446.08	217,700.89	311,842.78
Net results (Profits) after tax	**2,533,986.93**	**1,870,302.81**	**791,914.12**	**1,615,847.18**
Minority rights	0.00	0.00	0.00	0.00
Net results after minority rights	**2,533,986.93**	**1,870,302.81**	**791,914.12**	**1,615,847.18**
Earnings per share (€ per share)	**0.08**	**0.06**	**0.03**	**0.05**

2.3. GROSS PROFIT BRAKEDOWN 31.12.2006

		CONSOLIDATED			PARENT		
A. PRODUCTION ACTIVITY-FISHFARMING							
Profits from changes in fair value			24,022,087.41			24,012,566.78	
Minus:	Consumables						
	A & B Materilas -- Packaging materials						
	Consumable materials etc.	9,535,462.19	-9,535,462.19		9,571,545.64	-9,571,545.64	
Minus:	Production expenses						
	Employee remunerations	3,098,387.77			2,937,425.33		
	Third parties' remunerations and services	1,200,750.23			1,157,503.93		
	Other production expenses	259,837.37			252,470.73		
	Depreciation	1,409,434.90	-5,968,410.27	8,518,214.95	1,338,133.38	-5,685,533.37	8,755,487.77
B COMMERCIAL ACTIVITY				2,256,418.90			2,252,642.44
Γ. SERVICES				197,159.15			0.00
GROSS RESULTS				**10,971,793.00**			**11,008,130.21**

2.4 Agreement of Biological Assets at the beginning and the end of the period 31/12/2006

	CONSOLIDATED			PARENT
	Fry	**Fattening Process**	**Total**	**Total**
Balance as of 1/1/2006	7,194,040.00	20,960,754.22	28,154,794.22	26,575,522.97
Plus : Assets' fair value				
ASTERIAS S.A. with 1st Consolidation Balance Sheet as of 30.	0.00	4,299,310.46	4,299,310.46	0.00
Balance as of 1/1/2006	**7,194,040.00**	**25,260,064.68**	**32,454,104.68**	**26,575,522.97**
Plus : Purchases	294,962.53	2,732,775.40	3,027,737.93	3,027,737.52
	7,489,002.53	27,992,840.08	35,481,842.61	29,603,260.49
Minus : Sales	-5,711,330.41	-19,670,105.63	-25,381,436.04	-24,137,046.83
Plus : Profits from changes in fair value				
-- natural increase	3,553,617.75	21,982,428.04	25,536,045.78	24,907,902.58
-- changes in prices	-233,889.87	-1,280,068.87	-1,513,958.74	-895,335.80
Balance at the end of the period	**5,097,400.00**	**29,025,093.62**	**34,122,493.62**	**29,478,780.44**

3. STATEMENT OF CHANGES IN EQUITY

	CONSOLIDATED						PARENT				
	Share Capital	Share Premium	Reserves	Results Carried Forward	Minority Rights	Total	Share Capital	Share Premium	Reserves	Results Carried Forward	Total
Balance as of 01/01/2005	**1,570,150.00**	**23,753,484.96**	**4,750,137.31**	**-102,076.35**	**3,308,165.69**	**33,279,861.60**	**1,570,150.00**	**23,753,484.96**	**3,863,329.74**	**2,268,527.91**	**31,455,492.61**
						0.00					**0.00**
Share capital increase						**0.00**					**0.00**
Period's profits				1,218,004.13		**1,218,004.13**				1,870,302.80	**1,870,302.80**
100% absorption of subsidiaries					-3,308,165.69	**-3,308,165.69**					**0.00**
Subsidiaries absorption with a transformation Balance Sheet as of			-886,807.57	886,807.57		**0.00**				-1,520,833.52	**-1,520,833.52**
Profits distribution											
-- Dividends from current period				-861,050.00		**-861,050.00**				-861,050.00	**-861,050.00**
-- Dividends from previous period				-1,772,750.00		**-1,772,750.00**				-1,772,750.00	**-1,772,750.00**
-- To personnel				-120,000.00		**-120,000.00**				-120,000.00	**-120,000.00**
-- Reserves			488,972.96	-488,972.96		**0.00**			488,972.96	-488,972.96	**0.00**
Profits from consolidation with the equity method						**0.00**					**0.00**
Adjustment of deferred taxes				5,510.63		**5,510.63**				5,510.63	**5,510.63**
Adjustments				-0.02		**-0.02**				0.14	**0.14**
	0.00	0.00	-397,834.61	-1,132,450.65	-3,308,165.69	**-4,838,450.95**	0.00	0.00	488,972.96	-2,887,792.91	**-2,398,819.95**
Balance as of 31/12/2005	**1,570,150.00**	**23,753,484.96**	**4,352,302.70**	**-1,234,527.00**	**0.00**	**28,441,410.65**	**1,570,150.00**	**23,753,484.96**	**4,352,302.70**	**-619,265.00**	**29,056,672.66**
Balance as of 31/12/2005	**1,570,150.00**	**23,753,484.96**	**4,352,302.70**	**-1,234,527.00**	**0.00**	**28,441,410.65**	**1,570,150.00**	**23,753,484.96**	**4,352,302.70**	**-619,265.00**	**29,056,672.66**
Share capital increase	7,850,750.00	-7,850,750.00				**0.00**	7,850,750.00	-7,850,750.00			**0.00**
Period's profits				2,356,048.10	-26,471.92	**2,329,576.18**				2,533,986.93	**2,533,986.93**
Profits distribution											
-- Dividends from 2005 period				-303,900.00		**-303,900.00**				-303,900.00	**-303,900.00**
-- Dividends from previous period						**0.00**				0.00	**0.00**
-- To personnel						**0.00**				0.00	**0.00**
-- Reserves			93,515.14	-93,515.14		**0.00**			93,515.14	-93,515.14	**0.00**
Adjustment of deferred taxes				52,680.11		**52,680.11**				39,038.16	**39,038.16**
Adjustment from acquisition					106,936.98	**106,936.98**					**0.00**
consolidated with the equity method				-37,036.66		**-37,036.66**					**0.00**
Adjustments				0.17		**0.17**					**0.00**
	7,850,750.00	-7,850,750.00	93,515.14	1,974,276.58	80,465.06	**2,148,256.78**	7,850,750.00	-7,850,750.00	93,515.14	2,175,609.95	**2,269,125.09**
Balance as of 31/12/2006	**9,420,900.00**	**15,902,734.96**	**4,445,817.84**	**739,749.58**	**80,465.06**	**30,589,667.43**	**9,420,900.00**	**15,902,734.96**	**4,445,817.84**	**1,556,344.95**	**31,325,797.75**

The attached notes are an integral part of the Statements of Changes in Equity

4. CASH FLOW STATEMENT

	Consolidated		Parent	
	1.01-31.12.2006	1.01-31.12.2005	1.01-31.12.2006	1.01-31.12.2005
Operating activities				
Profits before tax	3,004,371.78	1,780,371.03	3,210,780.08	2,401,748.88
Plus / minus adjustments for:				
Depreciation	1,768,136.01	1,315,141.02	1,508,122.19	1,208,726.78
Provisions	265,015.77	212,450.50	262,360.05	212,450.50
Assets' subsidies attributed to depreciation	-192,520.86	-154,830.98	-168,824.50	-150,879.59
Results (income, expenses, profits and losses) from investing activities	-73,060.21	-572,187.02	-73,060.21	-1,246,501.85
Interest and other expenses	1,881,968.64	1,578,366.99	1,785,635.63	1,555,878.85
Plus / minus adjustments for changes in working capital accounts related to operating activities:				
Decrease / (increase) in inventories	-7,310,533.27	-6,369,020.18	-2,592,260.97	-6,703,128.23
Decrease / (increase) in receivables	4,253,721.56	13,538,081.68	4,890,028.77	11,833,929.33
(**Decrease) / increase in liabilities** (exept banks)	3,087,457.59	-3,204,481.98	-1,434,278.92	-934,617.02
Minus:				
Interest and other expenses paid	-1,879,516.64	-1,576,036.99	-1,783,183.63	-1,553,548.85
Tax paid	-430,290.30	-1,248,998.95	-422,779.83	-1,159,065.64
Total inflow / outflow from operating activities **(a)**	4,374,750.07	5,298,855.12	5,182,538.66	5,464,993.16
Investing activities				
Acquisition of Subsidiaries, affiliated, joint ventures and other investments	-1,800,870.07	-1,951.38	-2,313,937.52	-194,266.36
Purchase of tangible and intangible assets	-3,292,995.21	-2,131,855.40	-3,031,388.30	-2,023,300.60
Proceeds from companies & sale of tangible and intangible assets	456,998.08	246,355.00	456,998.08	246,355.00
Acquisition differences	0.00	0.00	0.00	0.00
Total inflow / outflow from investing activities **(b)**	-4,636,867.20	-1,887,451.78	-4,888,327.74	-1,971,211.96
Financing activities				
Proceeds from share capital increase	0.00	0.00	0.00	0.00
Proceeds from issued / granted loans	2,093,370.75	0.00	787,199.79	0.00
Repaid loans	-151,917.39	-1,252,932.17	0.00	-1,252,932.17
Repayments of liabilities from leasing	-83,747.74	-29,916.22	0.00	0.00
Dividends paid	-335,638.04	-2,625,481.42	-335,513.04	-2,613,859.78
Total inflow / outflow from financing activities **(c)**	1,522,067.58	-3,908,329.81	451,686.75	-3,866,791.95
Net increase (decrease) in cash and cash equivalents for the period (a)+(b)+(c)	**1,259,950.45**	**-496,926.47**	**745,897.67**	**-373,010.75**
Cash and cash equivalent at the beginning of the period	**363,749.41**	**860,675.88**	**362,189.57**	**735,200.32**
Cash and cash equivalent at the end of the period	**1,623,699.86**	**363,749.41**	**1,108,087.24**	**362,189.57**

5.1. Goodwill and Intangible assets breakdown 31.12.2006

		CONSOLIDATED			PARENT		
		Goodwill	Intangible assets software programmes	Total	Goodwill	Intangible assets software programmes	Total
Acquisition cost	31.12.2005	0.00	90,595.27	90,595.27	0.00	90,595.27	90,595.27
Additions							
Q1	2006	0.00	572.00	572.00	0.00	572.00	572.00
Q2	2006	0.00	268.00	268.00	0.00	268.00	268.00
Consolidation of ASTERIAS S.A.		434,729.26	6,034.98	440,764.24	0.00	0.00	0.00
Q3	2006	0.00	4,152.88	4,152.88	0.00	4,152.88	4,152.88
Q4	2006	0.00	9,070.00	9,070.00	0.00	9,070.00	9,070.00
Consolidation of ARGOLIDA S.A.		638,698.25	0.00	638,698.25	0.00	0.00	0.00
Deletions							
Q1	2006	0.00	0.00	0.00	0.00	0.00	0.00
Q2	2006	0.00	0.00	0.00	0.00	0.00	0.00
Q3	2006	0.00	0.00	0.00	0.00	0.00	0.00
Q4	2006	0.00	0.00	0.00	0.00	0.00	0.00
Acquisition cost	31.12.2006	1,073,427.51	110,693.13	1,184,120.64	0.00	104,658.15	104,658.15
Less:							
Depreciation	31.12.2005	0.00	63,722.88	63,722.88	0.00	63,722.88	63,722.88
Depreciation - Impairments							
Q1	2006	0.00	3,230.50	3,230.50	0.00	3,230.50	3,230.50
Q2	2006	0.00	3,342.19	3,342.19	0.00	3,342.19	3,342.19
Consolidation of ASTERIAS S.A.		0.00	5,809.42	5,809.42	0.00	0.00	0.00
Q3	2006	0.00	4,127.99	4,127.99	0.00	4,066.49	4,066.49
Q4	2006	0.00	6,811.18	6,811.18	0.00	6,749.68	6,749.68
Consolidation of ARGOLIDA S.A.		0.00		0.00			0.00
Deletions							
Q1	2006	0.00	0.00	0.00	0.00	0.00	0.00
Q2	2006	0.00	0.00	0.00	0.00	0.00	0.00
Q3	2006	0.00	0.00	0.00	0.00	0.00	0.00
Q4	2006	0.00	0.00	0.00	0.00	0.00	0.00
Total Depreciation	31.12.2006	0.00	87,044.16	87,044.16	0.00	81,111.74	81,111.74
Undepreciated Balance :	**31.12.2006**	**1,073,427.51**	**23,648.97**	**1,097,076.48**	**0.00**	**23,546.41**	**23,546.41**

Additional information in relation to the resulted company's goodwill

On 30 June 2006 the company acquired 100% of affiliated company ASTERIAS S.A. for EUR 1,560,000.00. ASTERIAS S.A. was consolidated in the Balance Sheet of 30 June 2006. From the said purchase, no liability was created considering that the remaining balance from the total purchase amount and the net position, which amounted to EUR 434,729.26, was recorded as goodwill, which will be monitored for any future impairment. The factors that contributed in recording a larger goodwill amount is that the above company is located in Western Greece and has a packing facility, which is used by other fish farming units of Western Greece, as well as the fact that it has fish farming licenses for a total quantity of 230 tons of sea bream and sea bass and also a sea area of 20,000 sq. m. The financial results of ASTERIAS S.A. for the period from 1 January 2006 to 30 June 2006, showed pre-tax profits of EUR 236,617.92 and after-tax profits of EUR 181,890.13; and for the period between 1 July 2006 to 31 December 2006 that was incorporated in the consolidated financial statements, the results after the writing-off of the intra-company transactions in the turnover and after-tax results, amounted to EUR 1,287,298.34 and losses of EUR 192,439.09 respectively.

On 6 December 2006, the company purchased 51% of "FISHFARMING ARGOLIDAS S.A." and "PLATEIA S.A." at an exchange rate of 1:1, which were merged by absorption of the second company into the first, included in its 31 December 2005 restructuring balance sheet (Argolida Prefecture Approval No. 3956/29.12.2006). Following the above merger, the company owns 51% of the absorbed company "FISHFARMING ARGOLIDAS S.A.", whereas the total acquisition cost amounted to EUR 750,000. From the said purchase, no liability was created considering that the remaining balance from the total amount and the net position of EUR 640,880.64 was recorded as goodwill, which will be monitored for any future impairment. The factors that contributed in recording a larger goodwill amount is that the above company has fish farming licenses for a total quantity of 150 tons of sea bream and sea bass, 310 tons of new species, and sea areas of 10,000 and 30,000 sq. m. respectively, in ideal farming conditions (the area has one of the highest annual average temperatures in Greece). The consolidated financial statements on 31 December 2006 included the transactions of the absorbed company "FISHFARMING ARGOLIDAS S.A.," from 6 December 2006 onwards. For the period between 6 December 2006 to 31 December 2006 in which "FISHFARMING ARGOLIDAS S.A." was incorporated in the consolidated financial statements, the results, after the writing off of the intra-company transactions after subtracting the 49% minority rights in the turnover, and the after tax results and losses, amounted to EUR 0,00 and EUR 27,552.40 respectively. The losses are primarily due to the valuation method used according to IAS 41 (negative change of the reserve fair value in December 2006).

5.2. Fixed Assets Breakdown

GROUP

	Buildings and lots	Land and buildings	Mechanical equipment	Motor vehicles	Furniture & other equipment	Constraction in Progress (CIP)	Total
31/12/2005							
Acquisition Cost	396,176.88	6,029,682.85	13,717,538.93	1,877,605.36	1,002,928.07	295,602.60	23,319,534.69
Accumulated depreciation	0.00	-455,985.29	-6,216,462.89	-1,055,242.30	-769,923.85	0.00	-8,497,614.33
Undepreciated value as of 31.12.2005	**396,176.88**	**5,573,697.56**	**7,501,076.04**	**822,363.06**	**233,004.22**	**295,602.60**	**14,821,920.36**
31/3/2006							
Undepreciated value as of 01.01.2006	396,176.88	5,573,697.56	7,501,076.04	822,363.06	233,004.22	295,602.60	14,821,920.36
Additions	26,412.00	143,735.83	927,841.92	317,225.39	11,480.45	58,610.55	1,485,306.14
Acquisition cost deletions of goods sold	0.00	0.00	-88,657.95	0.00	0.00	0.00	-88,657.95
Acquisition cost deletions	0.00	0.00	0.00	-136,959.42	0.00	0.00	-136,959.42
Transfers	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Depreciation deletions of goods sold	0.00	0.00	57,177.22	0.00	0.00	0.00	57,177.22
Depreciation of written down assets	0.00	0.00	0.00	134,674.57	0.00	0.00	134,674.57
Period depreciation	0.00	-58,977.98	-272,633.24	-41,565.20	-14,420.83	0.00	-387,597.25
Undepreciated value as of 31.03.2006	**422,588.88**	**5,658,455.41**	**8,124,803.99**	**1,095,738.40**	**230,063.84**	**354,213.15**	**15,885,863.67**
30/6/2006							
Undepreciated value as of 31.03.2006	422,588.88	5,658,455.41	8,124,803.99	1,095,738.40	230,063.84	354,213.15	15,885,863.67
Additions	0.00	0.00	228,933.92	52,559.46	27,141.18	125,996.37	434,630.93
Acquisition cost deletions of goods sold	-115,991.92	0.00	0.00	-35,550.34	0.00	0.00	-151,542.26
Consolidation of subsidiary							
Acquisition Cost	0.00	1,437,526.76	1,788,685.74	287,655.14	57,598.66	14,441.21	3,585,907.51
Accumulated depreciation	0.00	-71,049.42	-887,865.63	-173,115.48	-52,481.48	0.00	-1,184,512.01
Transfers	0.00	0.00	0.00	0.00	0.00	-145,965.75	-145,965.75
Depreciation deletions of goods sold	0.00	0.00	0.00	17,974.97	0.00	0.00	17,974.97
Period depreciation	0.00	-60,253.48	-280,125.63	-41,908.59	-25,968.92	0.00	-408,256.62
Undepreciated value as of 30.06.2006	**306,596.96**	**6,964,679.27**	**8,974,432.39**	**1,203,353.56**	**236,353.28**	**348,684.98**	**18,034,100.44**
30/9/2006							
Undepreciated value as of 30.06.2006	306,596.96	6,964,679.27	8,974,432.39	1,203,353.56	236,353.28	348,684.98	18,034,100.44
Additions	0.00	18,754.94	199,346.64	170,571.16	20,208.45	434,788.31	843,669.50
Acquisition cost deletions of goods sold	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Transfers	0.00	0.00	0.00	0.00	0.00	-147,263.66	-147,263.66
Depreciation deletions of goods sold	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Period depreciation	0.00	-72,501.51	-318,058.48	-49,211.90	-33,661.23	0.00	-473,433.12
Undepreciated value as of 30.09.2006	**306,596.96**	**6,910,932.70**	**8,855,720.55**	**1,324,712.82**	**222,900.50**	**636,209.63**	**18,257,073.16**
31/12/2006							
Undepreciated value as of 30.09.2006	306,596.96	6,910,932.70	8,855,720.55	1,324,712.82	222,900.50	636,209.63	18,257,073.16
Additions	0.00	360,412.77	857,286.25	52,021.89	32,389.76	535,969.19	1,838,079.86
Consolidation of subsidiary							
Acquisition Cost	0.00	0.00	386,082.67	5,533.08	2,633.80	45,799.91	440,049.46
Accumulated depreciation	0.00	0.00	-49,869.49	-981.25	-2,477.54	0.00	-53,328.28
Acquisition cost deletions of goods sold	0.00	0.00	-18,429.94	-52,977.08	0.00	0.00	-71,407.02
Transfers	0.00	0.00	0.00	0.00	0.00	-1,029,521.74	-1,029,521.74
Depreciation deletions of goods sold	0.00	0.00	10,201.35	50,132.20	0.00	0.00	60,333.55
Period depreciation	0.00	-73,342.68	-323,024.73	-52,767.50	-32,811.14	0.00	-481,946.05
Undepreciated value as of 31.12.2006	**306,596.96**	**7,198,002.79**	**9,717,966.66**	**1,325,674.16**	**222,635.38**	**188,456.99**	**18,959,332.94**
31/12/2006							
Acquisition Cost	306,596.96	7,990,113.15	17,998,628.18	2,537,684.64	1,154,380.37	188,456.99	30,175,860.29
Accumulated depreciation	0.00	-792,110.36	-8,280,661.52	-1,212,010.48	-931,744.99	0.00	-11,216,527.35
	306,596.96	**7,198,002.79**	**9,717,966.66**	**1,325,674.16**	**222,635.38**	**188,456.99**	**18,959,332.94**

5.2. Fixed Assets Breakdown

PARENT

	Buildings and lots	Land and buildings	Mechanical equipment	Motor vehicles	Furniture & other equipment	Constraction in Progress (CIP)	Total
31/12/2005							
Acquisition Cost	331,702.22	4,994,898.93	12,309,802.58	1,831,798.08	970,033.72	295,602.60	20,733,838.13
Accumulated depreciation	0.00	-390,721.68	-5,546,183.39	-1,011,983.25	-739,657.63	0.00	-7,688,545.96
Undepreciated value as of 31.12.2005	**331,702.22**	**4,604,177.25**	**6,763,619.19**	**819,814.83**	**230,376.09**	**295,602.60**	**13,045,292.17**
31/3/2006							
Undepreciated value as of 01.01.2006	331,702.22	4,604,177.25	6,763,619.19	819,814.83	230,376.09	295,602.60	13,045,292.17
Additions	26,412.00	143,735.83	927,841.92	317,225.39	11,480.45	56,260.24	1,482,955.83
Acquisition cost deletions of goods sold	0.00	0.00	-88,657.95	0.00	0.00	0.00	-88,657.95
Acquisition cost deletions	0.00	0.00	0.00	-136,959.42	0.00	0.00	-136,959.42
Transfers	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Depreciation deletions of goods sold	0.00	0.00	57,177.22	0.00	0.00	0.00	57,177.22
Depreciation of written down assets	0.00	0.00	0.00	134,674.57	0.00	0.00	134,674.57
Period depreciation	0.00	-50,213.94	-246,015.62	-40,994.60	-14,417.00	0.00	-351,641.16
Undepreciated value as of 31.03.2006	**358,114.22**	**4,697,699.14**	**7,413,964.76**	**1,093,760.77**	**227,439.54**	**351,862.84**	**14,142,841.26**
30/6/2006							
Undepreciated value as of 31.03.2006	358,114.22	4,697,699.14	7,413,964.76	1,093,760.77	227,439.54	351,862.84	14,142,841.26
Additions	0.00	0.00	228,933.92	52,559.46	27,141.18	114,708.44	423,343.00
Acquisition cost deletions of goods sold	-115,991.92	0.00	0.00	-35,550.34	0.00	0.00	-151,542.26
Transfers	0.00	0.00	0.00	0.00	0.00	-145,965.75	-145,965.75
Depreciation deletions of goods sold	0.00	0.00	0.00	17,974.97	0.00	0.00	17,974.97
Period depreciation	0.00	-51,489.43	-253,803.65	-41,341.15	-25,965.08	0.00	-372,599.31
Undepreciated value as of 30.06.2006	**242,122.30**	**4,646,209.71**	**7,389,095.02**	**1,087,403.71**	**228,615.64**	**320,605.53**	**13,914,051.91**
30/9/2006							
Undepreciated value as of 30.06.2006	242,122.30	4,646,209.71	7,389,095.02	1,087,403.71	228,615.64	320,605.53	13,914,051.91
Additions	0.00	3,357.00	190,400.69	170,571.16	18,182.21	431,129.14	813,640.20
Acquisition cost deletions of goods sold	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Transfers	0.00	0.00	0.00	0.00	0.00	-131,865.72	-131,865.72
Depreciation deletions of goods sold	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Period depreciation	0.00	-51,489.43	-257,824.76	-40,793.13	-30,746.49	0.00	-380,853.81
Undepreciated value as of 30.09.2006	**242,122.30**	**4,598,077.28**	**7,321,670.95**	**1,217,181.74**	**216,051.36**	**619,868.95**	**14,214,972.58**
31/12/2006							
Undepreciated value as of 30.09.2006	242,122.30	4,598,077.28	7,321,670.95	1,217,181.74	216,051.36	619,868.95	14,214,972.58
Additions	0.00	222,007.68	700,366.21	52,021.89	32,234.24	399,874.65	1,406,504.67
Acquisition cost deletions of goods sold	0.00	0.00	-18,429.94	-41,482.90	0.00	0.00	-59,912.84
Transfers	0.00	0.00	0.00	0.00	0.00	-831,286.61	-831,286.61
Depreciation deletions of goods sold	0.00	0.00	10,201.35	38,638.14	0.00	0.00	48,839.49
Period depreciation	0.00	-52,275.18	-258,006.39	-44,872.12	-31,093.73	0.00	-386,247.42
Undepreciated value as of 31.12.2006	**242,122.30**	**4,767,809.78**	**7,755,802.18**	**1,221,486.75**	**217,191.87**	**188,456.99**	**14,392,869.87**
31/12/2006							
Acquisition Cost	242,122.30	5,363,999.44	14,250,257.43	2,210,183.32	1,059,071.80	188,456.99	23,314,091.28
Accumulated depreciation	0.00	-596,189.66	-6,494,455.25	-988,696.57	-841,879.93	0.00	-8,921,221.41
	242,122.30	**4,767,809.78**	**7,755,802.18**	**1,221,486.75**	**217,191.87**	**188,456.99**	**14,392,869.87**

6. General information on the Company and the Group

6.1. Historical Information

"HELLENIC FISHFARMING S.A." is a Greek Societe Anonyme, governed by the Law regarding SA companies. The company was founded in 1987 and operates under the trade name "ELLINIKE ICHTHIOKALLIERGIE A.V.E.E." (Government Gazette 256/18.03.1987), and the trade name "HELLENIC FISHFARMING S.A." for its international transactions.

The company's registered offices are located in the Municipality of Vrilissia, Attica, at 48 Pentelis Avenue, 15235 Vrilissia, Attica, tel.: (210) 61 31 666 and (210) 61 30 633. The Company is registered in the S.A. Companies Registry of the Ministry of Development under S.A. registration number 14904/06/B/87/100.

In accordance with the article 2 of the Company's Articles of Association, its objectives are the following:

1) the production/fattening of fish fry and sea products in general, the establishment of related fish-farming units, the marketing of fish and sea products in general, the industrial processing of the above, the production and marketing of fish feed, the conduction of research and studies regarding the above, and the training of scientific personnel and workers,
2) the representation of domestic and foreign companies that pursue one or more of the above objectives,
3) the participation in existing companies, or the establishment of new companies that pursue those, or similar, objectives.

The primary sector that HELLENIC FISHFARMING S.A. is currently involved is the sector of fish farming, production units, and hatchery stations. According to the Statistical Classification of Branches of Economic Activity (STAKOD, 2003) of the National Statistical Service of Greece (E.S.Y.E), the object of activity of HELLENIC FISHFARMING S.A. falls under branch K050.2 "Fish farming, production of fish fry," branch K513.8 "Wholesale of other foods, including fish and sea-food (shellfish, molluscs)," and branch K514.1 "Wholesale of nets".

The Company's shares began trading in the Derivative Stock Market of the Athens Stock Exchange in August 2000.

In March 2005 the Company, in compliance with the provisions of Law 2166/93, merged with the following companies, which were at the time its subsidiaries, by 100%: Saint Thomas Fish Farming of Preveza, Kavo D'oro Fishfarming Ltd, Angelos Vakrinos Fishfarming S.A., Nikolaou Fishfarming S.A., Vourlia Viotias Fishfarms S.A., Larimnas Fish Farming & Commercial Company S.A., with the restructured Balance Sheet dated 31 December 2004.

The above companies were included as autonomous companies until the consolidation of 31 December 2004.

In May 2005 the company proceeded to the purchase of the companies "I. Anagnostou – Attica Fishfarms S.A." and "Thalassio Parko S.A.".

In August 2005 the company purchased the remaining 50% of Okeanis S.A., and therefore, it now owns 100% of that company.

In September 2005 the company also merged with "I. Anagnostou – Attica Fishfarms S.A."

In June 2006 HELLENIC FISHFARMING S.A. purchased the remaining 50% of "Asterias S.A.", and therefore now owns 100% of that company, and it was consolidated since then with the total consolidation method, whereas before, the method used was that of net position.

In July 2006 the Company participated by 33% in the "Thesprotia-Dolphin Joint Venture" of the same sector, which they sold in December 2006, and consequently it is no longer included in the Group consolidation.

As of December 2006, the Company acquired 51% of "Argolida Fish Farms S.A." and "Plateia S.A.", which are in the same sector. Due to the absorption of Plateia S.A. by Argolida Fish Farms S.A. on 28 December 2006, only the latter company remained and was consolidated for the first time.

The companies included in the consolidation of 31 December 2005 are:

- Thalassio Parko S.A. (100% Participation)
- Asterias S.A. (100% Participation)
- Okeanis S.A. (100% Participation)
- Argolida Fish Farms S.A. (100% Participation)

6.2. Presentation Basis of Financial Statements

The interim financial statements have been drafted according to the International Financial Reporting Standards (IFRS).

6.3. Basic Accounting Principles

The attached plain and consolidated Financial Statements (hereafter "Financial Statements") have been drafted according to the historical cost principle, except for the land plots, the buildings, and the unfinished-ready reserves that were estimated based on fair market value; the first two from the date of transfer to the IFRS (1 January 2004), while the reserves from the fair market value they had on the closing date of the Financial statements. Furthermore, they have been drafted based on the going concern principle and are in accordance to the International Financial Reporting Standards (IFRS), as published by the International Financial Reporting Interpretations Committee (IFRIC) and adopted by the European Union.

Finally, the accounting principles adopted are in accordance with those followed for the drafting of Financial Statements for the financial year ending on 31 December 2005.

Furthermore, the attached Financial Statements have been drafted for the first time, according to IFRS, with the application of IFRS 1 "First-time Adoption of the International Financial Reporting Standards," with the transition date of 1 January 2004.

The parent company, as well as its subsidiaries, keeps their books based on the current tax and statutory legislation, and they draft their financial statements according to Commercial Law 2190/20. For the drafting of the company's consolidated balance sheet the companies' financial statements are adapted to non-accounting adjustments in order to conform with and agree with the IFRS.

The drafting of the financial statements according to IFRS requires the formation and use of evaluations, provisions and acknowledgements by the company's and the Group's management that positively or negatively affect the Assets and Liabilities account balances, the required notifications of expected claims and on the statements' draft date, as well as the amounts of income and expenses that were recorded during the accounting period.
The estimates were based on information and best knowledge to date, while at the same time applying objective judgment, as well as basing all of them on the Group's going concern principle.

6.4 Consolidation Basis of the Financial Statements

The said statements consist of the financial statements of the parent company and its following subsidiaries and affiliates.

At this point, we note that the subsidiaries Okeanis SA, Thalassio Parko SA, Asterias SA, and Fishfarming Argolidas SA are obligated to apply the IFRS for drafting their financial statements, as they jointly exceed the designated consolidated assets of 5% under the law.

These companies drafted their financial statements according to IFRS.

Name	Percentage participation	Central Offices	Consolidation Method
Thalassio Parko SA	100%	Athens	Total
Asterias SA	100%	Astakos, Etoloakarnania	Total
Okeanis SA	100%	Athens	Total
Fishfarming Argolidas SA	51%	Nafplio	Total

The consolidated Financial Statements include the accounts of the parent company and all subsidiary companies it controls. Control exists when the parent company has the power to make decisions that concern the financial and operational management principles of the subsidiaries, with the purpose of benefiting from them. The subsidiaries' Financial statements are drafted on the same date and using the same accounting principles as the parent company's financial statements.

Where needed, the necessary revision entries are made in order to ensure the consistency of the applied accounting principles.

All the intra-company balances and transactions, as well as intra-company profits or losses are removed from the consolidated financial statements. The subsidiaries are consolidated from the date control is acquired and cease to be consolidated from the date that control is transferred outside the group.
The acquisition of subsidiaries is accounted using the purchase method. The individual assets, liabilities and contingent liabilities acquired in a business purchase are accounted for during the buy-out at their fair values irrespective of the percentage of participation. The acquisition cost above the fair market value of the individual assets of each acquired company is entered as goodwill while if it below that it is entered immediately in the results.

Participations in non-consolidated companies in which substantial influence is demonstrated are accounted for with the net position method. According to this method, participation is shown at its acquisition cost, increased or decreased by the investor's participation percentage in the profits and the losses of the participation, after the acquisition date, as well as all the corresponding increases and decreases in the net position of the participation. Furthermore, the participation value is readjusted by the cumulative impairment of its value.

Dividends received from these participations decrease the participation value in the investor's books.

In the individual financial statements of the parent company, the participations in subsidiary and affiliate companies are measured at their acquisition cost, minus any given impairment of the participation's value.

6.5. Principles of Presenting the Financial Statements' Interim Amounts

6.5.1. Tangible Assets (Fixed Assets)

Fixed assets are shown at their historical acquisition cost minus the accumulated amortizations. For the land plots and the buildings the company assigned an independent appraisal company to conduct appraisals for the current value of the land plots and buildings as of 1 January 2004. The appraisals are based on appropriate-accepted methods and appraisals according to the nature and use of the evaluated assets. Specifically, the company, by using technical experts, evaluated the land plots and buildings at their fair market value on the transition date and used these as the presumed cost according to IFRS 16 until 31 December 2006, considering that the value change during this period is not significant.

The evaluation method used above was that of acquisition value.
The machinery and technical facilities are shown at historical cost minus the amortizations that occur from the application of coefficients based on their average useful life span that was determined by the company's appraisal committee.

According to current Greek legislation, any asset readjustments that have been made are written-off.

New assets are added to the existing ones at their cost. Repairs and maintenance are expensed at the time they are performed.

Acquisition cost and accumulated amortizations of assets that are sold or withdrawn are transferred to corresponding accounts at the time of sale or withdrawal, and whatever profit or loss occurs is included in the Results statements.

The accounting values of tangible assets are examined for impairment when there are indications that these values are not recoverable and for the time being management estimates that there is no issue with impairment of the Group's assets.

6.5.2. Amortizations

The amortisation of fixed assets is accounted for using the straight-line depreciation, based on factors that are close to the average useful life of assets, which is re-evaluated every year. The amortisation factors used are the following:

Amortisation Factors

Buildings	3-10%
Machinery and Mechanical Equipment	5-20%
Furniture and other Equipment	20-100%
Vehicles	15-20%
Software	30%

6.5.3. Intangible Assets

Intangible assets include goodwill from buy-outs, concessions and rights of industrial ownership, such as license to operate fish farms and software programs.

6.5.4. Reserves

The merchandise inventory is accounted for using the weighted average method.
The reserves of ready or incomplete (under production) are accounted at their fair market value according to International Accounting Standards (IAS) 41. Fair market value consists of the average selling price the first week after the closing date of the period's Balance Sheet. Profits and losses that occur from the said accounting are recorded in the results that ensue.

The reserves of raw and secondary Materials and packaging materials are accounted for using the weighted average method that includes acquisition costs and shipping costs to the location at which they are located.

Consumable material is accounted for using the FIFO method.

6.5.5. Customers and Other Commercial Receivables

Customers and other receivables are shown as decreased by the losses occurring from the possible bad debt when there is objective proof that the said amounts will not be collected.

On the transition date to IFRS, cumulative amortizations for bad debts were conducted against the consolidated equity for 2003 and the financial year results for 2004 and 2005. The provisions were based on current management estimations for the sum of its receivables

6.5.6. Cash Reserves and Equivalents

The reserves and their equivalents include cash and available cash equivalents, such as demand deposits and time deposits.

6.5.7. Equity

This includes share capital, premium amounts, the ordinary reserve and the tax-free reserves of various development laws that have been created in the past by the company and those consolidated with it.

Especially the tax-free reserves that have been created as mentioned based on various development laws are excluded from income tax under the prerequisite that it will not be distributed to the shareholders. The company is not willing to distribute the said reserves and for this reason it has not calculated the deferred income tax that is necessary in the event of a distribution.

6.5.8. Long Term Loans

They are entered at their fair market value and later are accounted for at the non-amortised cost based on the actual interest rate. These are with regard to bank liabilities that are payable after one year from the expiration of the financial statements.

Management estimates that interest rates that are paid are comparable to the current actual market rates and are almost equal and for this reason it did not proceed to adjusting their value.

6.5.9. Provisions for Employee Benefits

The Group is obligated to pay for future benefits for its current employees, according to each employee's time of service. This liability is measured and shown based on the anticipated payable right of each person during the date of the Balance sheet; it is taken at its current value in relation to the time it is estimated that it will be paid. The benefit is calculated annually by an independent actuary using the projected credit unit method. The prepayment rate that is used is 5% for 2003 and 4.5% for 2004 (closest to the one year State Bonds). An independent actuary calculated the benefit for 2004 and a relative appraisal was carried out for 2005-2006.

The independent actuary will make another calculation in the financial year 2007.

6.5.10. Income Tax

The encumbrance of the financial year with income tax consists of current taxes and deferred taxes, in other words the taxes (or tax benefits) that are related to the profits (or losses) shown in the current financial year, but will be accounted for in future financial years. Income tax is entered in Results, except for the tax from transactions that were entered directly into equity. In this case it is directly entered into equity accordingly.

Current income taxes are payable taxes placed on the financial year's taxable income, based on established tax coefficients on the date of the balance sheet.

Deferred income taxes concern situations of temporary differences between tax recognition of assets and liabilities, and recognising them for purposes of drafting the financial statements; these are calculated using the tax applicable coefficients during

the end of the financial year. At the start of each following financial year, the deferred taxes (claims-liabilities) are adjusted according to the applicable tax coefficients. Deferred tax claims are recognised for all deductible temporary differences and the unused tax losses during the period that there will possibly be adequate taxable income to cover the temporary differences. The value of the deferred tax liabilities is monitored at every balance sheet date and decreased during the period that adequate taxable income is anticipated, which would have covered the deferred tax claim.
Management, by using an investment programme that it draws up and implements every year, is decreasing the tax base via the creation of tax-free reserves in the parent company as well as its subsidiaries. Offsetting of deferred tax claims and liabilities takes place per company and as long as the relative right exists (same taxation authority).

6.5.11. Short-term Borrowing

This concerns liabilities to Greek Banks, open or with certain guarantees (mostly customer cheques), which are less than a year old and are used for working capital. The loans are renewed as soon as they expire.
Management estimates that interest rates that are paid are comparable to the current actual market rates and are almost equal, and for this reason it did not proceed to adjusting their value.

6.5.12. Subsidies

The Group records the state subsidies, which satisfy the following criteria cumulatively: a) there is a presumed certainty that the company has complied or will comply with the terms of the subsidy and b) it is likely that the amount of the subsidy will be collected. Those are recorded at fair value and accounted in a systematic way in the income, based on the principle of correlation of the subsidies with the respective costs (amortisation of fixed assets they concern) that they subsidise.

Subsidies that involve assets are included in the long-term liabilities as income of future financial years and are recorded systematically and reasonably in the income item throughout the useful life of the fixed asset.

6.5.13. Provisions for Future Risks

Provisions are recorded when the Group has current lawful or presumed liabilities as a result of past events, and their settlement is likely to take place through the outflow of resources; also the estimation of the exact amount of the liability may be effected in a reliable way. The provisions are reviewed on the date of drafting of each balance sheet and adjusted in order to reflect the current value of the expenditure expected to be required for the settlement of the liability. Contingent liabilities are not recorded in the financial statements but they are notified, unless the likelihood of a resource outflow, which incorporates economic benefits, is minimal. Contingent receivables are not recorded in the financial statements but they are notified when the inflow of economic benefits is likely.

6.5.14. Income

This includes the value of goods sold and services rendered without recurring taxes, discounts, or returns. The intra-company income, as mentioned, is entirely written-off. Their recording occurs as follows:

- **Sale of goods:** They are recorded when delivered to the customers, the latter receive them, and the collection of the claim is reasonably ensured.

- **Services rendered:** Accounted for based on the completion stage of the service in relation to its estimated total cost.

- **Income from Interest:** Income from interest is recorded when the interest is considered payable (based on the actual interest rate method).

- **Income from Dividends:** Income from dividends is recorded when on the date of the approval of their distribution.

6.5.15. Expenses

They are recorded in results when they become payable. Expenses from interest are recorded when they become payable.

6.5.16. Profit per Share

Basic and impaired profits are estimated per share by dividing the net profits with the weighted average number of share in each financial year, excluding the average ordinary shares acquired by the group as own shares.

6.5.17. Risk Management

The Group is exposed to several financial risks such as market risk (changes in currency exchange rates, market prices), credit risk, liquidity risk, cash flow risk, and fair value risk from interest rate fluctuations.

Management determines, evaluates, and counteracts the financial risks and thus before certain transactions take place approval is granted from the authorised executives who have the right to bind the company after gathering the necessary information from the world market, and primarily from the Banks.

Also, due to the activity on a global level, there is exposure to currency exchange risk currently derived from the British Pound. This risk mainly arises from future commercial transactions, claims, and liabilities.

The Group is also exposed to changes in the value of shares that are owned either for trade or as financial assets available for sale. It is also exposed to the changes in value of raw material (feed, packaging material, consumables, and other expenses) mainly due to the oil price fluctuations.

The Group does not have significant concentrations of credit risk. Sales are directed primarily to domestic and foreign customers with an approved credit history, most of which are insured by a credit insurance company.

Risk of liquidity is maintained at low levels through the maintenance of adequate cash-in-hand, highly liquid securities, and bank limits

The Group's operating income and cash flows are essentially independent from interest rate fluctuations. The Group does not have any significant interest bearing items, and the Group's policy is to maintain its borrowing at approximately the EURIBOR interest rate, which is the case at the expiration of the management period.

7. FINANCIAL ANALYSIS OF PER ITEM OF THE FINANCIAL STATEMENTS

7.1. Property, plant and equipment

The property, plant and equipment is analysed as follows:

	CONSOLIDATED		PARENT	
	31/12/2006	31/12/2005	31/12/2006	31/12/2005
Fixed assets				
Buildings and lots	307	396	242	332
Land and buildings	7,198	5,574	4,768	4,604
Mechanical equipment	9,718	7,501	7,756	6,764
Motor vehicles	1,326	822	1,221	820
Furniture & other equipment	223	233	217	230
Constraction in progress	188	296	188	296
	18,960	**14,822**	**14,393**	**13,046**

7.2. Intangible assets

The intangible assets are analysed as follows:

	CONSOLIDATED		PARENT	
	31/12/2006	31/12/2005	31/12/2006	31/12/2005
Intangible assets				
Goodwill	1,073.43	0.00	0.00	0.00
Software programmes	23.65	26.87	23.55	26.87
	1,097.08	**26.87**	**23.55**	**26.87**

7.3. Inventories

The inventories are analysed as follows:

	CONSOLIDATED		PARENT	
	31/12/2006	31/12/2005	31/12/2006	31/12/2005
Inventories				
Finished and semi-finished products	34,122	26,576	29,479	26,576
Commodities	29	45	29	45
Direct and indirect raw material - packing & packing supplies	578	797	503	797
	34,729	**27,418**	**30,011**	**27,418**

7.4. Clients and other receivables

The Clients and other receivables are analysed as follows:

	CONSOLIDATED		PARENT	
	31/12/2006	31/12/2005	31/12/2006	31/12/2005
Clients and other receivables				
Clients	11,678	14,858	11,621	14,532
Minus: Provisions of doubtful debts	-4,197	-3,795	-3,699	-3,451
Checks receivable		0		
-- to portofolio (Macro-current receivables)	283	5,147	689	5,147
-- to banks	16,314	11,330	16,158	11,024
	24,078	**27,540**	**24,769**	**27,252**

7.5. Other receivables

The other receivables are analysed as follows:

	CONSOLIDATED		PARENT	
	31/12/2006	31/12/2005	31/12/2006	31/12/2005
Other receivables				
Deposits for purchases of inventories	519	2,256	1,193	3,415
notes receivable	0	0	0	0
Checks in delay	205	205	205	205
Short-term receivables - related parties	0	0	0	0
Other debtors	3,166	2,665	2,199	2,558
Prepayments & Credit accounts	81	74	40	74
	3,971	**5,200**	**3,637**	**6,252**

7.6. Equity

The equity is analysed as follows:

	CONSOLIDATED		PARENT	
	31/12/2006	31/12/2005	31/12/2006	31/12/2005
Equity				
Share capital	9,421	1,570	9,421	1,570
Reserves	20,349	28,106	20,349	28,106
Retained Losses / Earnings	740	-1,235	1,556	-619
Minority interests	80	0	0	0
	30,590	**28,441**	**31,326**	**29,057**

7.7. Long term liabilities

The long term liabilities are analysed as follows:

	CONSOLIDATED		PARENT	
	31/12/2006	31/12/2005	31/12/2006	31/12/2005
Long-term liabilities				
Long Term Borrowings	4,026	5,577	4,003	5,577
Provisions	146	113	122	106
Checks payable	320	80	320	80
Deffered tax liabilities	953	439	176	278
	5,445	**6,209**	**4,621**	**6,041**

The long-term loan refers to a loan from ATE BANK that will be paid off on 30/9/2009 with two half-yearly amortization instalments.

7.8. Short term liabilities

The short term liabilities are analysed as follows:

	CONSOLIDATED		PARENT	
	31/12/2006	31/12/2005	31/12/2006	31/12/2005
Short-term liabilities				
Suppliers	4,242	1,515	3,486	1,323
Checks payable	13,650	16,527	9,506	16,206
Banks - short-term liabilities accounts	18,767	15,349	16,858	14,569
Clients' prepayments	3,293	1,986	3,379	2,046
Taxes & duties	890	388	773	385
Social security	368	448	314	414
Long-term liabilities paid within the next fiscal year	1,595	1,501	1,573	1,501
Dividents payable	54	79	47	79
Accrued expenses	251	230	223	229
Assets' grants Επιχορηγήσεις Παγίων	2,219	1,771	1,560	1,524
Other creditors	3,290	1,568	3,181	1,549
	48,619	**41,362**	**40,900**	**39,825**

The assets' grants are state grants that have given to the parent and the group for investments in the sector. The grants are recognized as income at the same time with the depreciation of assets granted.

7.9. Share capital

The company's share capital amounts to €9,420,900 divided into 30,390,000 common registered shares, par value of 0.31 each. Within this period, the share capital increased by €7,850,750 with capitalization of share premium reserves.

7.10. Earnings per share

Analysis of earnings per share as follows:

Earnings per share	CONSOLIDATED		PARENT	
	1/1 -- 31/12/2006	1/1 -- 31/12/2005	1/1 -- 31/12/2006	1/1 -- 31/12/2005
Net income after taxes and minority interests	2,356,048.10	1,218,004.13	2,533,986.93	1,870,302.80
Number of shares	30,390,000	30,390,000	30,390,000	30,390,000
Earnings per share	0.08	0.04	0.08	0.06

7.11. Income tax

The income tax is analysed as follows:

Income Tax Expense current and deffered of the Group and of the Company for the year 2006 is analysed as follows:

	GROUP	COMPANY
Current Tax tax on proposed dividends	248,498.80	248,498.80
Current Tax	16,618.96	0.00
Prior years' tax-audit differences	19,506.32	19,506.32
Deffered tax for the period	208,143.11	259,859.00
Profit from prior years' tax losses that has not been recorded in	0.00	
deffered taxation in the previous years	0.00	0.00
Tax loss for the year	0.00	0.00
Income tax provision for an-audited years	182,028.41	148,929.03
Total	**674,795.60**	**676,793.15**

Analysis of Income Tax Expense		
Profit before tax	3,004,371.78	3,210,780.08
Tax rate	29%	29%
Estimated tax charge	871,267.82	931,126.22
Adjustments		
Tax rate charge adjustment from 32% to 29%	25,455.82	22,204.85
Tax free reserves	-2,121.19	0.00
Tax on dividends for the year 2005 modified statement	-71,273.83	-71,273.83
Tax on proposed dividends for the year 2006	248,498.80	248,498.80
Tax for accounts not imposed in taxation-non deductible expenses	-583,396.68	-622,198.22
Prior years' tax-audit differences	19,506.32	19,506.32
Tax loss for the year	0.00	0.00
Profit from prior years' tax losses that has not been recorded in	0.00	
deffered taxation in the previous years	-28,975.85	0.00
Income tax provision for an-audited years	196,125.22	148,929.03
Other differences-adjustments	-290.82	-0.02
	674,795.60	676,793.15

Explanations regarding the calculations of income tax:
-- All the deferred tax income and expenses were recorded in the "income tax" account in the Financial Year Results Statement.
-- All the deferred tax claims and liabilities were recorded in the "Deferred Taxes" account of the Balance Sheet.
-- Parent Company: The Company has been tax audited for the financial year 2004 and for the financial year 2005 the audit is still in progress. A relevant provision for the financial year 2005 has been included in the financial year 2005. For financial year 2006, the tax provision that was recorded in the profits of financial year 2006 amounted to EUR 148,929.03 (net turnover 49,643,011. 81 * 0.03%).
-- Subsidiaries – Consolidation: For subsidiaries "OKEANIS S.A." and "THALASSIO PARKO S.A.," for which the un-audited financial years are 2003 to 2005, no provision was made for income tax considering that it is estimated that the accrued tax losses will fully cover any accounting differences. For the said accrued tax losses the deferred tax claim was not calculated. For "FISHFARMING ARGOLIDAS S.A.," which has not been audited for the financial years 2003, 2004 and 2006 (for the financial year 2005 the company carried out a self audit pursuant to Law 3296/04) a provision for income tax was made only for financial year 2006, amounting to EUR 2,600.00, considering that no activities were recorded for financial years 2003 and 2004. A provision amounting to EUR 30,499.38 (net turnover EUR 10,166,460.81 * 0.3%) was made for "ASTERIAS S.A." for which the financial years 2005 and 2006 have not been audited.

7.12. Deffered taxation

The deffered taxation is analysed as follows:

	CONSOLIDATED											
	Fixed Assets		Other Fixed-Assets		Participations Other Securities Inventories		Loss from securities assets' grants		Provisions -- Severance Payment -- Doubtful debts -- Unaudited Years 2002-04 -- Loss of year 2005 -- Other		Total	
	Receivable	Liability	Receivable	Liability	Receivable	Liability	Receivable	Liability	Receivable	Liability	Receivable	Liability
-- Balance as of 31.12.2005	0.00	2,242,983.21	204,115.18	0.00	257,835.97	0.00	232,359.37	0.00	14,961.34	0.00	709,271.86	2,242,983.21
			0.00	63,839.67	21,129.86	0.00	328,421.19	0.00	962,675.33	0.00	1,312,226.38	63,839.67
					0.00	309,266.47			0.00	543,135.63	0.00	852,402.10
									735,828.44	36,859.75	735,828.44	36,859.75
	0.00	2,242,983.21	204,115.18	63,839.67	278,965.83	309,266.47	560,780.56	0.00	1,713,465.11	579,995.38	2,757,326.68	3,196,084.73
											0.00	0.00
-- Deffered taxation due to 1st consolidation											0.00	0.00
-- "ASTERIAS S.A."	0.00	476,284.71	1,700.00	0.00	0.00	100,281.81	0.00	101,208.53	46,989.31	53,986.00	48,689.31	731,761.05
-- "ARGOLIDA S.A."		26,124.03	745.64		8,131.37	2,557.83					8,877.01	28,681.86
	0.00	502,408.74	2,445.64	0.00	8,131.37	102,839.64	0.00	101,208.53	46,989.31	53,986.00	57,566.32	760,442.91
-- Deffered taxation for the year 2005											0.00	0.00
Income -- Expense tax	18,656.37	122,426.63	51,400.94	98,210.21	0.00	0.00	0.00	0.00	4,813.13	0.00	74,870.44	220,636.84
					0.00	0.00	29,885.11	0.00	0.00	0.00	29,885.11	0.00
					612,670.04	1,243,278.84			543,135.63	148,929.03	1,155,805.67	1,392,207.87
									437,500.00	0.00	437,500.00	0.00
		9,759.86	851.95		100,281.81	32,111.96	751.13		1,160.00		103,044.89	41,871.82
		2,068.08	1,305.00	436.74					53,896.00	30,499.38	55,201.00	33,004.20
	17,031.28	12,398.85	1,812.50	1,158.00	4,411.49	0.00	0.00	24,286.84	770.00	0.00	24,025.27	37,843.69
		2,805.07		34.30	6,768.41				545.52	2,600.00	7,313.93	5,439.37
	3,257.26										3,257.26	0.00
	38,944.91	149,458.49	55,370.39	99,839.25	724,131.75	1,275,390.80	30,636.24	24,286.84	1,041,820.28	182,028.41	1,890,903.57	1,731,003.79
-- Adjustment of tax rates												
-- Equity	161,961.26	0.00	0.00	29,062.71		18,473.14	0.00	31,953.54	6,516.28	49,950.00	168,477.54	129,439.39
	667.88			202.63							667.88	202.63
	28,972.64			185.85		3,280.89		1,614.92		10,714.10	28,972.64	15,795.76
	191,601.78	0.00	0.00	29,451.19	0.00	21,754.03	0.00	33,568.46	6,516.28	60,664.10	198,118.06	145,437.78
											0.00	0.00
-- Results	34,252.89	5,937.92	10,266.74		28,993.76	7,679.16	5,397.52	0.00	11,547.66	98,983.92	90,458.57	112,601.00
	516.82		94.50								611.32	0.00
		1,594.67		45.87		304.14		897.51	224.43	44.70	224.43	2,886.89
	34,769.71	7,532.59	10,361.24	45.87	28,993.76	7,983.30	5,397.52	897.51	11,772.09	99,028.62	91,294.32	115,487.89
										0.00	0.00	0.00
-- Adjustments		29.95							0.00		0.00	29.95
	265,316.40	2,902,412.98	272,292.45	193,175.98	1,040,222.71	1,717,234.24	596,814.32	159,961.34	2,820,563.07	975,702.51	4,995,208.95	5,948,487.05
Clearing Balance as of 31.12.2006	0.00	2,637,096.58	79,116.47	0.00	0.00	677,011.53	436,852.98	0.00	1,844,860.56	0.00	0.00	953,278.10

	PARENT											
	Fixed Assets		Other Fixed-Assets Fixed assets Leasing		Participations Other Securities Inventories		Loss from securities' sale assets' grants		Provisions -- Severance Payment -- Doubtful debts -- Unaudited Years -- Loss of year 2005 -- Formation of non-taxable reserves		Total	
	Receivable	Liability	Receivable	Liability	Receivable	Liability	Receivable	Liability	Receivable	Liability	Receivable	Liability
-- Balance as of 31.12.2005	0.00	2,028,953.05	200,490.07	0.00	257,835.97	0.00	232,359.37	0.00	12,567.50	0.00	703,252.91	2,028,953.05
			0.00	0.00	21,129.86	0.00	290,180.86	0.00	852,702.50	0.00	1,164,013.22	0.00
					0.00	309,266.47			0.00	543,135.63	0.00	852,402.10
									735,828.44	0.00	735,828.44	0.00
	0.00	2,028,953.05	200,490.07	0.00	278,965.83	309,266.47	522,540.23	0.00	1,601,098.44	543,135.63	2,603,094.57	2,881,355.15
											0.00	0.00
-- Deffered taxation for the year 2005												
Income -- Expense tax	18,656.37	122,426.63	51,400.94	98,210.21	0.00	0.00	0.00	0.00	4,813.13	0.00	74,870.44	220,636.84
					0.00	0.00	29,885.11	0.00	0.00	0.00	29,885.11	0.00
					612,670.04	1,243,278.84			543,135.63	148,929.03	1,155,805.67	1,392,207.87
									437,500.00	0.00	437,500.00	0.00
											0.00	0.00
-- Adjustment of tax rates												
-- Equity	161,961.26	0.00	0.00	29,062.71		18,473.14	0.00	31,953.54	6,516.28	49,950.00	168,477.54	129,439.39
-- Results	34,252.89	5,937.92	10,266.74		28,993.76	7,679.16	5,397.52	0.00	11,547.66	98,983.92	90,458.57	112,601.00
	214,870.52	2,157,317.60	262,157.75	127,272.92	920,629.63	1,578,697.61	557,822.86	31,953.54	2,604,611.14	840,998.58	4,560,091.90	4,736,240.25
Clearing Balance as of 31.12.2006	0.00	1,942,447.08	134,884.83	0.00	0.00	658,067.98	525,869.32	0.00	1,763,612.56	0.00	0.00	176,148.35

8. SEGMENT REPORTING

8.1. Business sectors

First Segment Reporting - Business sectors

The Group is separated to the following business sections:

1). Fry production
2). Large Fish production
3). Commerce of foodstuffs, large fish and other related kinds
4). Fish fatting services
5). Packaging services

Group per segment results for 2006 are presented in the following tables

CONSOLIDATED

	FISH FRY PRODUCTION	SOLE PRODUCTION	MARKET FISH PRODUCTION	OTHER FISH PRODUCTION	FISH FATTING SERVICES	PACKAGING SERVICES	NON ALLOCATED IN OPERATING FUCTIONS	GRAND TOTAL	INTERCOMPANY TRANSACTIONS	TOTAL CONSOLIDATION
Fair value Biological assets at 1/1/2006	**7,194,040.00**	**0.00**	**19,381,482.97**					**26,575,522.97**		**26,575,522.97**
Plus:Fair value assets of subsidiaries ASTERIAS S.A. and ARGOLIDA S.A.								**0.00**		**0.00**
with 1st consolidation Balance Sheet 30.6.2006 and 6.12.2006 respectively	**0.00**	**0.00**	**5,878,581.71**					**5,878,581.71**		**5,878,581.71**
Fair value Biological assets of the group at 1.1.2006	**7,194,040.00**	**0.00**	**25,260,064.68**					**32,454,104.68**		**32,454,104.68**
Purchases in the period	331,542.12		2,732,774.99					**3,064,317.11**	**-36,579.59**	**3,027,737.52**
Sales in the period	5,747,910.00	47,492.29	21,057,302.64					**26,852,704.93**	**-1,471,268.79**	**25,381,436.14**
Fair value Biological assets	**5,097,400.00**	**7,853.03**	**29,017,240.44**					**34,122,493.47**		**34,122,493.47**
Profit or Loss from changes in the fair value of Biological assets	**3,319,727.88**	**55,345.32**	**22,081,703.41**					**25,456,776.61**	**-1,434,689.20**	**0.00** **24,022,087.41**
Sales of services-commodities and other inventories	0.00	0.00		25,536,851.39	247,394.15	752,710.84		**26,536,956.38**	**-1,774,521.46**	**24,762,434.92**
Disposals	2,109,711.17	25,539.76	8,834,900.46	23,280,432.49		88,678.65	38,093.25	**34,377,355.78**	**-2,873,430.01**	**31,503,925.77**
Personnel fees and expenses	995,116.95	13,346.53	2,089,924.29		106,255.94	343,751.17	2,112,069.58	**5,660,464.46**		**5,660,464.46**
Third parties fees and utilities	223,933.92	320.77	976,495.54		14,021.92	52,564.52	1,658,293.40	**2,925,630.07**	**-355,409.65**	**2,570,220.42**
Other operating expenses	50,392.33	-130.21	209,575.25		176.60	29,387.95	2,277,161.93	**2,566,563.85**		**2,566,563.85**
Finance costs	0.00	0.00	0.00			0.00	1,884,420.64	**1,884,420.64**		**1,884,420.64**
Depreciation	454,875.82	7,217.56	947,341.52		44,572.47	123,536.62	190,592.03	**1,768,136.02**		**1,768,136.02**
Other operating -non operating income	0.00	0.00	0.00				455,324.81	**455,324.81**	**-19,629.00**	**435,695.81**
Other operating -non operating expenses	0.00	0.00	0.00				262,115.20	**262,115.20**		**262,115.20**
<Plus-Minus own production cost	-3,136,671.78	0.00	3,136,671.78				0.00	**0.00**		**0.00**
Profit or loss before taxes	**2,622,369.47**	**9,050.91**	**5,886,794.57**	**2,256,418.90**	**82,367.22**	**114,791.93**	**-7,967,421.22**	**3,004,371.78**	**0.00**	**3,004,371.78**
Less: Income tax								**655,289.28**		**655,289.28**
Less: Tax audit differences								**19,506.32**		**19,506.32**
Net income (Profit) after taxes								**2,329,576.18**		**2,329,576.18**
Less: Minority interest										**26,471.92**
Net income after Minority interest										**2,356,048.10**

PARENT

	FISH FRY PRODUCTION	SOLE PRODUCTION	MARKET FISH PRODUCTION	FISH - OTHER TRADE	NON ALLOCATED IN OPERATING FUCTIONS	TOTAL
Fair value Biological assets at 1/1/2006	**7,194,040.00**	**0.00**	**19,381,482.97**			**26,575,522.97**
Purchases in the period	331,542.12	0.00	2,696,195.40			**3,027,737.52**
Sales in the period	5,747,910.00	47,492.29	18,341,644.54			**24,137,046.83**
Fair value Biological assets	**5,097,400.00**	**7,853.03**	**24,373,527.41**			**29,478,780.44**
Gain or Loss due to changes in fair value of biological assets	**3,319,727.88**	**55,345.32**	**20,637,493.58**	**0.00**	**0.00**	**24,012,566.78**
Sales of services-commodities and any other inventories	0.00	0.00		25,505,964.98		**25,505,964.98**
Disposals	2,109,711.17	25,539.76	7,436,294.71	23,253,322.54	38,093.25	**32,862,961.43**
Personnel fees and expenses	995,116.95	13,346.53	1,928,961.85		2,098,523.04	**5,035,948.37**
Third parties fees and utilities	223,933.92	320.77	933,249.24		1,609,736.34	**2,767,240.27**
Other operating expenses	50,392.33	-130.21	202,208.61		2,246,302.49	**2,498,773.22**
Finance (costs) / Income					1,788,087.63	**1,788,087.63**
Depreciation	454,875.82	7,217.56	876,040.00		169,988.81	**1,508,122.19**
Other income					401,103.69	**401,103.69**
Other operating-not operating expenses					247,722.26	**247,722.26**
<Plus-Minus own production cost	-3,136,671.78		3,136,671.78			**0.00**
Results for the period before taxes	**2,622,369.47**	**9,050.91**	**6,124,067.39**	**2,252,642.44**	**-7,797,350.13**	**3,210,780.08**
Less: Income tax						657,286.83
Less:Prior years' tax audit differences						19,506.32
Net income after taxes						**2,533,986.93**

8.2. Geographical sectors

Secondary Segment Reporting – geographical sectors

The Group and the Company are separated to the following geographical sectors:

31/12/2006	CONSOLIDATED				PARENT			
	GREECE	EURO ZONE	OTHER COUNTRIES	Total	GREECE	EURO ZONE	OTHER COUNTRIES	Total
Sales of market fish	15,162.11	21,899.39	211.88	37,273.38	13,882.11	21,899.39	211.88	35,993.38
Sales of Juveniles	5,573.04	0.00	138.30	5,573.04	5,609.61	0.00	138.30	5,747.91
Rendering of services	661.58	0.00	0.00	661.58	0.00	0.00	0.00	0.00
Other sales	6,497.57	0.00	0.00	6,497.57	7,901.71	0.00	0.00	7,901.71
	27,894.30	**21,899.39**	**350.18**	**50,143.87**	**27,393.43**	**21,899.39**	**350.18**	**49,643.00**

31/12/2005	CONSOLIDATED				PARENT			
	GREECE	EURO ZONE	OTHER COUNTRIES	Total	GREECE	EURO ZONE	OTHER COUNTRIES	Total
Sales of market fish	13,485.30	20,413.88	0.00	33,899.17	13,485.30	20,413.88	0.00	33,899.17
Sales of Juveniles	5,416.50	0.00	0.00	5,416.50	5,416.50	0.00	0.00	5,416.50
Rendering of services	370.95	0.00	0.00	370.95	56.76	0.00	0.00	56.76
Other sales	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(foods, netting e.t.c.)	5,928.28	0.00	0.00	5,928.28	5,928.28	0.00	0.00	5,928.28
	25,201.02	**20,413.88**	**0.00**	**45,614.90**	**24,886.84**	**20,413.88**	**0.00**	**45,300.71**

9. OTHER INFORMATION

9.1. Transactions with Company-associated Parties

The company's transactions with the associated companies are in goods, market fish, fry, fish feed, packing materials, packing services provision and provision of fish fattening services. The transactions and balances created from the company's transactions with associated parties, pursuant to the definition of IAS 24, for the period from 1 January 2006 to 31 December 2006, are as follows:

	The Company	The Group
Purchases of goods and services	1,797,762.82	0,00
Sales of goods and services	1,467,656.43	0,00
Claims	2,270,946.29	0,00
Liabilities	152,992.02	4,757.00
Transactions and remuneration of management executives and members of the administration	299,443.56	0,00
Receivables from management executives and members of the administration	4,110.63	0,00
Liabilities to management executives and members of the administration	381,273.70	0,00

Other than the above there are no other transactions between the above.

9.2. Tax Un-audited Financial Years

The Company has not been audited by the Tax Authorities for financial years 2005 - 2006, and the merged subsidiary for financial years: "LARIMNAS FISH FARMING & COMMERCIAL COMPANY S.A." (2003 - 2004).

The un-audited financial years of the companies, which are included in the consolidated financial statements dated 31 December 2006, are as follows:

- "THALASSIO PARKO S.A.": 2003, 2004 and 2006. Note that for financial year 2005 the company carried out a self audit pursuant to Law 3296/04
- "OKEANIS S.A.": 2003, 2004, 2005 and 2006
- "ASTERIAS S.A.": 2005 and 2006
- "Fishfarming Argolidas S.A." Nafplio: 2003, 2004 and 2006. Note that for the financial year 2005 the company carried out a self audit pursuant to Law 3296/04

9.3. Existing Encumbrances

Mortgages amounting to EUR 7,900,000.00 have been taken out on the parent company's real estate in order to guarantee Bank loans.

Movable assets of "Okeanis S.A." have been placed as collateral, in the amount of EUR 1,150,400.00, in order to guarantee Bank Loans.

9.4. Disputes in Court or in Arbitration

There are no disputes in court or in arbitration, nor are there any decisions by judicial or arbitration bodies that may have a significant impact on the company or Group's companies financial situation or operation.

9.5. Number of Staff Employed

The number of staff employed on 31 December 2006 by the Company was 247 and by the Group was 306, whereas on 31 December 2005 the figures were 213 and 234 respectively.

9.6. Events After the Date of Drafting the Financial Statements

Apart from the events already mentioned, there are no events concerning either the Group or the Company that took place after the financial statements date, which require mentioning according to the International Financial Accounting Standards.

Vrilissia, 19 January 2007

Chairman of the BoD & Managing Director	Vice-Chairman of the BoD & Co-managing Director	Supervisor of Financial Services
Ioannis Katsivelis ID No. Φ.355271	Lewis Nigel Passport No 7027486671	Athanasios Praxalis ID No AB 052731

AUDITOR'S REPORT
To the Shareholders of the Societe Anonyme
"HELLENIC FISHFARMING SA"

We have audited the accompanying financial statements of the Parent company as well as the consolidated financial statements of HELLENIC FISHFARMING SA as of and for the year ended 31 December 2006. The drawing-up of these financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with the Greek Auditing Standards, which are based on the International Standards on Auditing. Those Statements require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. The audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. The audit also includes assessing the accounting principles used and significant estimates made by management, evaluating the overall financial statement presentation as well as assessing the consistency of the Board of Directors' reports with the aforementioned financial statements. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the aforementioned financial statements give a true and fair view of the financial position of the Company and that of the Group as of 31 December 2006, and of the results of its operations and those of the Group and their cash flows and the changes in shareholders' equity for the year then ended in accordance with the International Financial Reporting Standards and the Board of Directors' Report is consistent with the aforementioned financial statements.

Athens 20 Janouary 2007
The Certified Auditor Accountant

Konstantinos Sakkis
SOEL Reg. No 1460
ORION S.A.

4 Synoptic consolidated and company annul data and information

HELLENIC FISHFARMING S.A

Company's Number in the Register of Societes Anonymes 14904/06/B/87/100
Registered address: 48 Pentelis Avenue, Vrilissia, Postal code 15235

FIGURES AND INFORMATION FOR THE PERIOD
1 JANUARY 2006 through 31 DECEMBER 2006

(In terms of Decision 2/396/31.8.2006 of BoD of the Hellinic Capital Market Commission)

The following information aims to provide a board overview of the financial position and results of HELLENIC FISHFARMING S.A and its subsidiaries. We advise, before entering into any investment or other transaction with the company, to visit the company site (WWW.HELFISH.GR) where the financial statements and notes for the year, prepared in accordance with IFRS, together with the auditor's report can be found.

COMPANY DETAILS

Full name:	HELLENIC FISHFARMING S.A
Registered address :	48 Pentelis Avenue, Vrilissia, Postal code 15235
Supervising Authority :	Ministry of Development Deparment, Administration S.A. & Credit
Company's Number in the Register of Societes Anonymes:	14904/06/B/87/100
Date of establishment:	17 March 1987
Duration :	99 years
Main activity:	Fish farming
End of the current financial year:	31 December 2006
Duration of the financial year:	12 months
Type of financial statements (From which the summary data were drawn):	Annual 2006

Date of Approval of the Financial Statements:	19 January 2007
Auditing Company:	ORION A.E.O.E.Λ.
Certified Auditors- Accountants:	Konstatinos Sakkis
Type of Supervisory Report:	Qualified Opinion
URL where the Financial Statements are published :	WWW.HELFISH.GR.

Board of Directors Composition

President- Managing Director - Executive Member	Ioannis Katsavelis
Vice-President- Executive Member	Lewis Nigel
-Executive Member	Athanasios Prachalis
Independent -Non-Executive Member	Georgios Chatzidakis
Independent -Non-Executive Member	Georgios Petrou

BALANCE SHEET STATEMENT FIGURES (CONSOLIDATED AND NOT CONSOLIDATED)

Amounts in EURO	GROUP		COMPANY	
	31.12.2006	31.12.2005	31.12.2006	31.12.2005
ASSETS				
Fixed Assets	18.959.332,94	14.821.920,38	14.392.869,87	13.045.292,18
Inventories	34.728.765,33	27.418.232,06	30.010.493,03	27.418.232,06
Clients and Receivables	24.077.249,49	27.539.814,38	24.768.310,63	27.251.601,37
Other Assets	6.888.860,73	6.231.896,15	7.676.629,85	7.206.658,01
Total Assets	**84.654.208,49**	**76.011.862,97**	**76.848.303,38**	**74.921.783,62**
LIABILITIES				
Long term Liabilities	5.446.033,86	6.208.461,87	4.621.900,70	6.040.483,62
Short term Bank Liabilities	20.362.003,49	16.850.548,44	18.431.072,87	16.070.548,44
Other Short term Liabilities	28.256.503,71	24.511.442,01	22.469.532,06	23.754.078,90
Total Liabilities (a)	54.064.541,06	47.570.452,32	45.522.505,63	45.865.110,96
Shareholders Equity (b)	30.509.202,37	28.441.410,65	31.325.797,75	29.056.672,66
Minority Rights (c)	80.465,06	0,00	0,00	0,00
Total Equity (d)=(b)+(c)	30.589.667,43	28.441.410,65	31.325.797,75	29.056.672,66
Equity and Liabilities (e)=(a)+(d)	**84.654.208,49**	**76.011.862,97**	**76.848.303,38**	**74.921.783,62**

INCOME STATEMENT FIGURES – GROUP

Amounts in EURO	1.1.-31.12.2006	1.1.-31.12.2005	1.9.-31.12.2006	1.9.-31.12.2005
Turnover	50.143.871,06	45.614.897,90	11.634.854,29	9.701.309,32
Gross margin	10.971.793,60	8.520.431,96	2.861.508,59	1.797.817,84
Earnings before taxes, financial results, depreciation and amortization (EBITDA)	6.628.620,71	4.019.665,54	1.807.960,16	1.378.272,63
Earnings before taxes and financial results (EBIT)	4.860.484,70	2.704.524,52	1.320.197,32	1.069.160,53
Earnings before tax	3.004.371,78	1.780.371,03	751.361,85	979.987,47
Less tax for the period	674.795,60	562.366,90	193.614,74	288.861,09
Earnings after tax for the period from continued activities (a)	2.329.576,18	1.218.004,13	557.747,11	691.126,38
Earnings after tax for the period from discontinued activities (b)	0,00	0,00	0,00	0,00
Earnings after tax for the period from continued and discontinued activities (a+b)	2.329.576,18	1.218.004,13	557.747,11	691.126,38
Distributed as follows:				
Company shareholders	2.356.048,10	1.218.004,13	584.219,02	691.126,38
Minority interest	-26.471,92	0,00	-26.471,92	0,00
Earnings per share (expressed in €)	**0,08**	**0,04**	**0,02**	**0,02**

INCOME STATEMENT FIGURES – PARENT

Amounts in EURO	1.1.-31.12.2006	1.1.-31.12.2005	1.9.-31.12.2006	1.9.-31.12.2005
Turnover	49.643.011,81	45.300.714,45	10.744.358,91	8.461.102,55
Gross margin	11.008.130,22	8.403.954,51	2.981.320,69	1.667.330,06
Earnings before taxes, financial results, depreciation and amortization (EBITDA)	6.478.686,11	3.837.826,67	1.934.730,02	1.405.115,42
Earnings before taxes and financial results (EBIT)	4.970.563,92	2.629.099,89	1.542.341,30	945.257,15
Earnings before tax	3.210.780,08	2.401.748,88	1.009.615,01	1.927.689,95
Less tax for the period	-676.793,15	-531.446,08	-217.700,89	-311.842,78
Earnings after tax for the period from continued activities (a)	2.533.986,93	1.870.302,80	791.914,12	1.615.847,17
Earnings after tax for the period from discontinued activities (b)	0,00	0,00	0,00	0,00
Earnings after tax for the period from continued and discontinued activities (a+b)	2.533.986,93	1.870.302,80	791.914,12	1.615.847,17
Distributed as follows:				
Company shareholders	2.533.986,93	1.870.302,80	791.914,12	1.615.847,17
Minority interest	0,00	0,00	0,00	0,00
Earnings after tax per share (expressed in €)	**0,08**	**0,06**	**0,03**	**0,05**

On the Company's website WWW.HELFISH.GR the Income statement prepared according to IAS 41 (biological assets) is stated

STATEMENT OF CHANGES IN EQUITY

All amounts in Euro	GROUP		COMPANY	
	31.12.2006	31.12.2005	31.12.2006	31.12.2005
Net equity opening balance (01.01.2006 and 01.01.2005)	**28.441.410,65**	**33.279.861,60**	**29.056.672,66**	**31.455.492,62**
Earnings after taxes	2.329.576,18	1.218.004,13	2.533.986,93	1.870.302,80
Dividends distributed	-303.900,00	-2.753.800,00	-303.900,00	-2.753.800,00
Other changes (mergers of subsidiary, minority interest)	69.900,32	-3.308.165,69	0,00	-1.520.833,52
Adjustments of differed taxation	52.680,28	5.510,61	39.038,16	5.510,76
Net equity closing balance (31.12.2006 and 31.12.2005)	**30.589.667,43**	**28.441.410,65**	**31.325.797,75**	**29.056.672,66**

CASH FLOW STATEMENT FIGURES

Amounts in EURO	GROUP		COMPANY	
	1.1-31.12.2006	1.1-31.12.2005	1.1-31.12.2006	1.1-31.12.2005
Cash flows from operating activities				
Earnings before tax	3.004.371,78	1.780.371,03	3.210.780,08	2.401.748,88
Plus / less adjustments for:				
Depreciation and amortisation	1.768.136,01	1.315.141,02	1.508.122,19	1.208.726,78
Provisions	265.015,77	212.450,50	262.360,05	212.450,50
Assets' grants proportional to depreciation	-192.520,86	-154.830,98	-168.824,50	-150.879,59
Results (income, expenses, gains, loses from investing activities	-73.060,21	-572.187,02	-73.060,21	-1.246.501,85
Interest payable and related expenses	1.881.968,64	1.578.366,99	1.785.635,63	1.555.878,85
Plus / less adjustments for changes in working capital accounts or accounts related to the operating activities:				
Decrease / (Increase) in inventories	-7.310.533,27	-6.369.020,18	-2.592.260,97	-6.703.128,23
Decrease / (Increase) in receivables	4.253.721,56	13.538.081,68	4.890.028,77	11.833.929,33
Increase / (Decrease) in payables (excluding banks)	3.087.457,59	-3.204.481,98	-1.434.278,92	-934.617,02
Less:				
Interest expenses and other related expenses paid	-1.879.516,64	-1.576.036,99	-1.783.183,63	-1.553.548,85
Tax paid	-430.290,30	-1.248.998,95	-422.779,83	-1.159.065,64
Total Cash Inflows / (Outflows) from Operating Activities (a)	**4.374.750,07**	**5.298.855,12**	**5.182.538,66**	**5.464.993,16**
Cash Flows from Investing Activities				
Acquisition of subsidiaries, related companies, joint ventures and other investments	-1.800.870,07	-1.951,38	-2.313.937,52	-194.266,36
Purchase of tangible and intangible assets	-3.292.995,21	-2.131.855,40	-3.031.388,30	-2.023.300,60
Proceeds from grants - sale of tangible and intangible assets	456.998,08	246.355,00	456.998,08	246.355,00
Difference from acquisition	0,00	0,00	0,00	0,00
Interest received	0,00	0,00	0,00	0,00
Dividends received	0,00	0,00	0,00	0,00
Total Cash Inflows / (Outflows) from Investing Activities (b)	**-4.636.867,20**	**-1.887.451,78**	**-4.888.327,74**	**-1.971.211,96**
Cash Flows from Financing Activities				
Proceeds from share capital increase	0,00	0,00	0,00	0,00
Proceeds from loans issued	2.093.370,75	0,00	787.199,79	0,00
Repayments of loans	-151.917,39	-1.252.932,17	0,00	-1.252.932,17
Repayments of finance lease liabilities	-83.747,74	-29.916,22	0,00	0,00
Dividends paid	-335.638,04	-2.625.481,42	-335.513,04	-2.613.859,78
Total Cash Inflows / (Outflows) from Financing Activities (c)	**1.522.067,58**	**-3.908.329,81**	**451.686,75**	**-3.866.791,95**
Net increase/(decrease) in Cash and Cash Equivalents (a) + (b) + (c)	**1.259.950,45**	**-496.926,47**	**745.897,67**	**-373.010,75**
Cash and Cash Equivalents at the Beginning of the Period	**363.749,41**	**860.675,88**	**362.189,57**	**735.200,32**
Cash and Cash Equivalents at the End of the Period	**1.623.699,86**	**363.749,41**	**1.108.087,24**	**362.189,57**

ADDITIONAL DATA AND INFORMATION:

1. There are no disputes of judicial or arbitration bodies in court or in arbitration, which could have a significant impact on the Group's companies' financial status or operation.

2. Only the parent company has had mortgages registered, amounting to EUR 7,900,000.00, to secure Bank loans on property. Movable equipment of subsidiary company "OKEANIS S.A." was set as collateral in favour of the Agricultural Bank of Greece, in order to secure a loan, amounting to EUR 1,150,400.

3. The number of staff at the end of the current period was 247 for the Company and 306 for the Group, while during the respective period of the previous year the figures were 213 and 234 respectively.

4. The Company has not been audited by the Tax Authorities for the financial years 2005 and 2006, and from the subsidiary companies, which merged with the Company during financial year 2005, 'Larimnas Fish Farming & Commercial Company S.A.' has not been audited for 2003 and 2004.

5. On 30 June 2006 HELLENIC FISHFARMING S.A. purchased the remaining 50% of affiliated company Asterias S.A., and therefore, it now owns 100% of it. On 6 December 2006 the company acquired 51% of "ARGOLIDA FISH FARMS S.A."

6. From 5 July 2006 to 22 December 2006, the parent company participated in the joint venture "Thesprotia-Dolphin Joint Venture".

7. Additional data and information on the companies that have been consolidated in the above consolidated financial statements:

The consolidation includes the following companies:

Company	HEADQUARTERS	PARTICIPATION %	CONSOLIDATION METHOD	AN-AUDITED YEARS
1. "THALASSIO PARKO S.A."	VRILISSIA	100%	Full	2003, 2004 and 2006
2. "OKEANIS S.A."	VRILISSIA	100%	Full	2003, 2004, 2005 and 2006
3. "ASTERIAS S.A."	ASTAKOS AIT/NIAS	100%	Full	2005 and 2006
4. "ARGOLIDA FISH FARMS S.A."	NAUPLIO ARGOLIDAS	51%	Full	2003, 2004 and 2006

For the financial year 2005 tax audit according to L.3296/04 for the companies "THALASSIO PARKO SA" and "ARGOLIDA FISHFARMING SA" took place.

Transactions (1.1.2006 -- 31.12.2006) and balances (31.12.2006) that resulted from transactions of Company with the connected companies according to IAS 24.

	Parent	Group
Sales of goods and services	1.467.656,43	0,00
Purchases of goods and services	1.797.762,82	0,00
Receivables	2.270.946,29	0,00
Payables	152.992,02	14.757,47
Transactions and compensations of Key management and BoD members	299.443,56	0,00
Receivables from key management and BoD members	4.110,63	0,00
Payable to key management and BoD members	381.273,70	0,00

Vrilissia January 19, 2007

Chairman of the BoD & Managing Director	Vice-Chairman of the BoD & Co-managing Director	Supervisor of Financial Services
Ioannis Katsivelis ID No. Φ.355271	Lewis Nigel Passport No 7027486671	Athanasios Praxalis ID No AB 052731

5 Report on the Company's Transactions with its Associated Businesses

ANNUAL REPORT ON TRANSACTIONS WITH ASSOCIATED BUSINESSES
(According to Article 42e of Law 2190/1920)

The intragroup transactions of 2006 and the intragroup balances of claims and liabilities between the Company and associated companies (which are included in the consolidation), as well as between companies affiliated to one another, are presented in the following tables:

INTERCOMPANY TRANSACTIONS FOR PERIOD 2006

HELLINIC FISHFARMING

	SALES TO ASSOSIATED COMPANIES							PURCHASES FROM ASSOSIATED COMPANIES						
COMPANY/TRANSACTION	FEEDS	OTHER PACK UNITS	FISH FRY	MARKET FISH	SERVICES PROVIDED	RENTALS	TOTAL	FEEDS	OTHER PACK UNITS	FISH FRY	MARKET FISH	SERVICES PROVIDED	RENTALS	TOTAL
ASTERIAS (FROM 1.7-31.12.06)	1,211,327.75	118,276.10	36,579.59	0.00	3,600.00	0.00	**1,369,783.44**	1,787.00	25,505.97	0.00	1,434,689.20	335,780.65	0.00	**1,797,762.82**
THALAS. PARKO	0.00	0.00	0.00	0.00	3,600.00	1,404.00	**5,004.00**	0.00	0.00	0.00	0.00	0.00	0.00	**0.00**
FIS. ARGOLIDOS (FROM 1.12-31.12.06)	81,000.00	843.99	0.00	0.00	7,200.00	0.00	**89,043.99**	0.00	0.00	0.00	0.00	0.00	0.00	**0.00**
OCEANIS	0.00	0.00	0.00	0.00	3,600.00	225.00	**3,825.00**	0.00	0.00	0.00	0.00	0.00	0.00	**0.00**
TOTAL	**1,292,327.75**	**119,120.09**	**36,579.59**	**0.00**	**18,000.00**	**1,629.00**	**1,467,656.43**	**1,787.00**	**25,505.97**	**0.00**	**1,434,689.20**	**335,780.65**	**0.00**	**1,797,762.82**

ASTERIAS

	SALES TO ASSOSIATED COMPANIES							PURCHASES FROM ASSOSIATED COMPANIES						
COMPANY/TRANSACTION	FEEDS	OTHER PACK UNITS	FISH FRY	MARKET FISH	SERVICES PROVIDED	RENTALS	TOTAL	FEEDS	OTHER PACK UNITS	FISH FRY	MARKET FISH	SERVICES PROVIDED	RENTALS	TOTAL
HELFISH (FROM 1.7-31.12.06)	1,787.00	25,505.97	0.00	1,434,689.20	335,780.65	0.00	**1,797,762.82**	1,211,327.75	118,276.10	36,579.59	0.00	3,600.00	0.00	**1,369,783.44**
THALAS. PARKO	0.00	0.00	0.00	0.00	0.00	0.00	**0.00**	0.00	0.00	0.00	0.00	0.00	0.00	**0.00**
FISH ARGOLIDOS (FROM 1.12-31.12.06)	0.00	0.00	0.00	0.00	0.00	0.00	**0.00**	0.00	0.00	0.00	0.00	0.00	0.00	**0.00**
OCEANIS	0.00	0.00	0.00	0.00	0.00	0.00	**0.00**	0.00	0.00	0.00	0.00	0.00	0.00	**0.00**
TOTAL	**1,787.00**	**25,505.97**	**0.00**	**1,434,689.20**	**335,780.65**	**0.00**	**1,797,762.82**	**1,211,327.75**	**118,276.10**	**36,579.59**	**0.00**	**3,600.00**	**0.00**	**1,369,783.44**

FIS. ARGOLIDOS

	SALES TO ASSOSIATED COMPANIES							PURCHASES FROM ASSOSIATED COMPANIES						
COMPANY/TRANSACTION	FEEDS	OTHER PACK UNITS	FISH FRY	MARKET FISH	SERVICES PROVIDED	RENTALS	TOTAL	FEEDS	OTHER PACK UNITS	FISH FRY	MARKET FISH	SERVICES PROVIDED	RENTALS	TOTAL
HELFISH (Από 1.7-31.12.06)	0.00	0.00	0.00	0.00	0.00	0.00	**0.00**	81,000.00	843.99	0.00	0.00	7,200.00	0.00	**89,043.99**
THALAS. PARKO	0.00	0.00	0.00	0.00	0.00	0.00	**0.00**	0.00	0.00	0.00	0.00	0.00	0.00	**0.00**
ASTERIAS (FROM 1.12-31.12.06)	0.00	0.00	0.00	0.00	0.00	0.00	**0.00**	0.00	0.00	0.00	0.00	0.00	0.00	**0.00**
OCEANIS	0.00	0.00	0.00	0.00	0.00	0.00	**0.00**	0.00	0.00	0.00	0.00	0.00	0.00	**0.00**
TOTAL	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**81,000.00**	**843.99**	**0.00**	**0.00**	**7,200.00**	**0.00**	**89,043.99**

OCEANIS

	SALES TO ASSOSIATED COMPANIES							PURCHASES FROM ASSOSIATED COMPANIES						
COMPANY/TRANSACTION	FEEDS	OTHER PACK UNITS	FISH FRY	MARKET FISH	SERVICES PROVIDED	RENTALS	TOTAL	FEEDS	OTHER PACK UNITS	FISH FRY	MARKET FISH	SERVICES PROVIDED	RENTALS	TOTAL
HELFISH (Από 1.7-31.12.06)	0.00	0.00	0.00	0.00	0.00	0.00	**0.00**	0.00	0.00	0.00	0.00	3,600.00	225.00	**3,825.00**
THALAS. PARKO	0.00	0.00	0.00	0.00	0.00	0.00	**0.00**	0.00	0.00	0.00	0.00	0.00	0.00	**0.00**
ASTERIAS	0.00	0.00	0.00	0.00	0.00	0.00	**0.00**	0.00	0.00	0.00	0.00	0.00	0.00	**0.00**
FISH ARGOLIDOS (FROM 1.12-31.12.06)	0.00	0.00	0.00	0.00	0.00	0.00	**0.00**	0.00	0.00	0.00	0.00	0.00	0.00	**0.00**
TOTAL	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**3,600.00**	**225.00**	**3,825.00**

THAL. PARKO

	SALES TO ASSOSIATED COMPANIES							PURCHASES FROM ASSOSIATED COMPANIES						
COMPANY/TRANSACTION	FEEDS	OTHER PACK UNITS	FISH FRY	MARKET FISH	SERVICES PROVIDED	RENTALS	TOTAL	FEEDS	OTHER PACK UNITS	FISH FRY	MARKET FISH	SERVICES PROVIDED	RENTALS	TOTAL
HELFISH (Από 1.7-31.12.06)	0.00	0.00	0.00	0.00	0.00	0.00	**0.00**	0.00	0.00	0.00	0.00	3,600.00	1,404.00	**5,004.00**
THALAS. PARKO	0.00	0.00	0.00	0.00	0.00	0.00	**0.00**	0.00	0.00	0.00	0.00	0.00	0.00	**0.00**
ASTERIAS	0.00	0.00	0.00	0.00	0.00	0.00	**0.00**	0.00	0.00	0.00	0.00	0.00	0.00	**0.00**
FISH ARGOLIDOS (FROM 1.12-31.12.06)	0.00	0.00	0.00	0.00	0.00	0.00	**0.00**	0.00	0.00	0.00	0.00	0.00	0.00	**0.00**
TOTAL	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**3,600.00**	**1,404.00**	**5,004.00**

ASSOCIATED COMPANIES BALANCE ON 31.12.2006

	RECEIVABLES						LIABILITIES					
HELLINIC FISHFARMING	ASTERIAS	OCEANIS	THAL. PARKO	FISH. ARGOLIDAS		TOTAL	ASTERIAS	OCEANIS	THAL. PARKO	FISH. ARGOLIDAS		TOTAL
BALANCE ON 31.12.2006	0.00	654,059.17	52,794.29	1,564,092.83	0.00	**2,270,946.29**	152,992.02	0.00	0.00	0.00	0.00	**152,992.02**
		50.05	30.00 29.745,69	30.00			30.05					
			50.05 23.048,60									
TOTAL	**0.00**	**654,059.17**	**52,794.29**	**1,564,092.83**	**0.00**	**2,270,946.29**	**152,992.02**	**0.00**	**0.00**	**0.00**	**0.00**	**152,992.02**

	RECEIVABLES						LIABILITIES					
ASTERIAS	HELFISH	OCEANIS	THAL. PARKO	FISH. ARGOLIDAS		TOTAL	HELFISH	OCEANIS	THAL. PARKO	FISH. ARGOLIDAS		TOTAL
BALANCE ON 31.12.2006	152,992.02	14,757.47	0.00	0.00	0.00	**167,749.49**	0.00	0.00	0.00	0.00	0.00	**0.00**
	50.05	30.00										
TOTAL	**152,992.02**	**14,757.47**	**0.00**	**0.00**	**0.00**	**167,749.49**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**

	RECEIVABLES						LIABILITIES					
OCEANIS	HELFISH	ASTERIAS	THAL. PARKO	FISH. ARGOLIDAS		TOTAL	HELFISH	ASTERIAS	THAL. PARKO	FISH. ARGOLIDAS		TOTAL
BALANCE ON 31.12.2006	0.00	0.00	0.00	0.00	0.00	**0.00**	654,059.17	14,757.47	0.00	0.00	0.00	**668,816.64**
							30.05	50.00				
TOTAL	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**654,059.17**	**14,757.47**	**0.00**	**0.00**	**0.00**	**668,816.64**

	RECEIVABLES						LIABILITIES					
THALASSIO PARKO	HELFISH	ASTERIAS	OCEANIS	FISH. ARGOLIDAS		TOTAL	HELFISH	ASTERIAS	OCEANIS	FISH. ARGOLIDAS		TOTAL
BALANCE ON 31.12.2006	0.00	0.00	0.00	0.00	0.00	**0.00**	52,794.29	0.00	0.00	0.00	0.00	**52,794.29**
							50.00 29.745,69					
							30.05 23.048,60					
TOTAL	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**52,794.29**	**0.00**	**0.00**	**0.00**	**0.00**	**52,794.29**

	RECEIVABLES						LIABILITIES					
FISHFARMING ARGOLIDAS	HELFISH	ASTERIAS	OCEANIS	THAL. PARKO		TOTAL	HELFISH	ASTERIAS	OCEANIS	THAL. PARKO		TOTAL
BALANCE ON 31.12.2006	0.00	0.00	0.00	0.00	0.00	**0.00**	1,564,092.86	0.00	0.00	0.00	0.00	**1,564,092.86**
							50.00					
TOTAL	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**1,564,092.86**	**0.00**	**0.00**	**0.00**	**0.00**	**1,564,092.86**

Besides the above cross-company transactions and balances, which are described in the tables above, there were no other transactions during financial year 2006 between HELLENIC FISHFARMING S.A. and the above associated (during that time) companies, or between any of the associated companies.

Therefore, the Chairman invited the members to approve the report in accordance with the stock market legislation (article 4 of Decision No. 5/204/2000 of the Capital Market Commission), as amended and in force, as well as article 2, paragraph 4, of Law 3016/2002 regarding "Corporate Governance."

The Board of Directors unanimously approved the above Annual Report on Transactions with Associated Businesses (namely "OKEANIS S.A.", "THALASSIO PARKO AIGAIOU S.A.", "ARGOLIDA FISHFARMS S.A.", and "ASTERIAS S.A."), and decided to submit it to the Company's Ordinary General Shareholder Meeting for the shareholders' information, and to notify the Supervisory Authorities in compliance with the Law.

6 Information Pursuant to Article 10 of Law 3401/2005

The company, during 2006, has placed the following information at the disposal of the investment community, which are posted at its website at www.helfish.gr:

Date	Announcement Content
13/02/2006	Agreement signed with ATLANTIS LTD and HYDROFARM LTD for the purchase of fish farming equipment
13/2/2006	Mrs. Maria Tsirikou is the Company's new corporate announcements supervisor
9/3/2006	Mrs. Ifigenia Orfanou was appointed new corporate announcements supervisor
13/4/2006	Completion of ordinary tax audit for HELLENIC FISHFARMING S.A. for the financial years 2003-2005
2/6/2006	Decisions of the Extraordinary General Meeting of 1 June 2006
15/6/2006	Release of Annual Report for Financial Year 2005
26/6/2006	Publication of Article 4 of Law 3401/2005 for the increase, as of 1 June 2006, of the company's share capital and the release of shares at no cost
30/6/2006	Announcement of Increase of company Share Capital and release of shares at no cost
30/6/2006	Agreement of HELLENIC FISHFARMING S.A. for the full buyout of 100% of subsidiary company ASTERIAS S.A.
3/7/2006	Decisions of the Ordinary General Meeting of 30 June 2006

3/7/2006	Announcement of dividend distribution for financial year 2005
31/7/2006	Joint venture works begin under the trade name Thesprotia – Dolphin Joint Venture
1/8/2006	Mrs. Vasiliki Apostolopoulou is the new corporate announcements supervisor
9/8/2006	Dividend for financial year 2005 totals EUR 0.02 per share
19/9/2006	Notification of Transaction
21/9/2006	Notification of Transaction
9/11/2006	Notification of Transaction
30/11/2006	Addendums and corrections of data and information of period from 1 Jan 2006 to 30 September 2006
1/12/2006	Results of first 9 months of 2006
7/12/2006	Purchase of 51% of ARGOLIDA FISH FARMS S.A. and PLATEIA S.A.
8/12/2006	Extraordinary General Meeting Decisions 8 December 2006
14/12/2006	Publication of Article 4 of Law 3401/2005 for the 8 December 2006 increase of the company's share capital and the release of shares at no cost
15/12/2006	Extraordinary General Meeting Decisions 15 December 2006
20/12/2006	Notification of Tax Audit Results of subsidiary companies that were absorbed by the Company
22/12/2006	Notification of transfer of voting rights
22/12/2006	Increase of share capital
29/12/2006	Notification of transfer of voting rights

7 ANNUAL FINANCIAL STATEMENTS, AUDITORS REPORTS, BoD REPORTS OF THE COMPANIES INCLUDED IN THE CONSOLIDATED FINANCIAL STATEMENTS OF THE COMPANY

The Annual Financial Statements, BoD reports and audit reports of the subsidiaries included in the consolidated financial statements of "HELLENIC FISHFARMING S.A." are available on the Company's website http://www.helfish.gr .