

The figures and information given below aim to offer summary information about the financial position of "SOCRATES D. CONSTANTINOU & SON S.A." and the Group of SOCRATES D. CONSTANTINOU & SON S.A.. We therefore advise the reader, before making any investment decision or other transaction with the company, to visit the company's website ([www.yalco.gr](http://www.yalco.gr)) in which the corresponding financial statements, according to the International Accounting Standards, are posted together with the audit report of the certified auditor-accountant, whenever the latter is required.

Certified Auditor Accountant: Antonios D. Markou

Audit Firm: Deloitte Hadjipavlou, Sofianos & Cabanis S.A.

Type of Certified Auditors Report: In agreement with - emphasizing issue

**BALANCE SHEET**  
Amounts in €

	CONSOLIDATED ACCOUNTS		COMPANY ACCOUNTS	
	30/6/2006	31/12/2005	30/6/2006	31/12/2005
<b>ASSETS</b>				
Tangible Fixed Assets	13.909.920,22	14.248.115,65	16.481.263,87	16.797.166,73
Inventories	13.882.466,90	13.193.844,30	9.932.288,49	10.334.884,48
Trade Receivables	27.498.987,32	25.308.243,97	25.012.808,30	24.254.167,62
Other Assets	2.288.124,68	1.829.819,14	1.244.052,88	1.197.933,30
<b>TOTAL ASSETS</b>	<b>57.579.499,12</b>	<b>54.580.023,06</b>	<b>52.670.413,54</b>	<b>52.584.152,13</b>
<b>LIABILITIES AND OWNER'S EQUITY</b>				
Long-term Liabilities	6.992.094,35	9.969.596,31	6.257.791,30	10.322.240,60
Short-term Bank Liabilities	21.490.920,07	19.569.340,59	15.222.944,30	12.747.745,69
Other Short-term Liabilities	12.602.887,62	8.017.501,29	8.207.070,74	6.478.741,22
<b>Total Liabilities ( a )</b>	<b>41.085.902,04</b>	<b>37.556.438,19</b>	<b>29.687.806,34</b>	<b>29.548.727,51</b>
Shareholders' Equity	8.178.804,40	8.178.804,40	8.178.804,40	8.178.804,40
Minority Interest	8.259.006,09	8.789.452,37	14.803.802,80	14.856.620,22
<b>Total Equity ( b )</b>	<b>16.437.810,49</b>	<b>16.968.256,77</b>	<b>22.982.607,20</b>	<b>23.035.424,62</b>
Minority Rights ( c )	55.786,59	55.328,10	--	--
<b>Total Shareholders' Equity (d)</b>	<b>16.493.597,08</b>	<b>17.023.584,87</b>	<b>22.982.607,20</b>	<b>23.035.424,62</b>
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY ( a ) + ( d )</b>	<b>57.579.499,12</b>	<b>54.580.023,06</b>	<b>52.670.413,54</b>	<b>52.584.152,13</b>

**STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY**  
Amounts in €

	CONSOLIDATED ACCOUNTS		COMPANY ACCOUNTS	
	01.01-30.06.2006	01.01-30.06.2005	01.01-30.06.2006	01.01-30.06.2005
Equity Balance at Period's Beginning (01.01.2006 and 01.01.2005 respectively)	17.023.584,87	17.328.536,25	23.035.424,62	22.631.543,92
Income Charged Directly to Equity	44.050,36	7.237,24	--	--
Profits/(losses) after Taxes for the period	(79.118,93)	141.289,10	442.101,80	645.117,24
Distributed Dividends	(494.919,22)	(520.967,60)	(494.919,22)	(520.967,60)
Purchase / (Sales) of Own Shares	--	(37.941,10)	--	(37.941,10)
<b>Equity Balance at Period's End (30.06.2006 and 30.06.2005 respectively)</b>	<b>16.493.597,08</b>	<b>16.918.153,89</b>	<b>22.982.607,20</b>	<b>22.717.752,46</b>

**ADDITIONAL DATA AND INFORMATION :**

- The interim Financial Statements of first quarter of 2006 (1/1-30-6-2006) have not been audited from Certified auditor Accountant and have been composed according to the International Financial Reporting Standards (IFRS) and specifically according to the International Accounting Standards 34 for interim financial statements.
- The Board of Directors will approve the aforementioned financial statements on 03.08.2006
- The emphasis issue of the audit report is constituted at unaudited fiscal periods:
- The Group's companies that are included in the consolidated financial statements are:

	Headquarters/ Country	Participation %	Participation
1.Socrates D.Constantinou & Son S.A. "Yalco"	Greece	Parent	
2.Excel S.A.	Greece	89.57%	direct
3.Rota Logistics Center S.A.	Greece	92.70%	direct
4.Omnishop S.A.	Greece	80.00%	direct
5.Kormos Distribution S.A.	Greece	99.60%	direct
6.Yalco Hungary KFT	Hungary	76.00%	direct

The consolidated Accounts of all Group's companies were composed in accordance to the full consolidation method

- The Financial statements of 1/1-30/6/2005 include Velkon Service Ltd. under the method of full consolidation, in which the company participated with 99,50%.Due to the liquidation of the company on 21/12/2005 are not included in the financial statements of 30/6/2006.
- The process of liquidation of Kormos Distribution S.A. and its absorption by the parent company (according to the Decision of the General Meeting of the Shareholders as of 30/06/2006)
- The Group's companies have not been audited by the Tax Authorities up:
  - The parent company until the fiscal year 2001
  - Excel S.A. until the fiscal year 2005
  - Rota Center Logistics S.A. since its establishment (2000 fiscal year)
  - Omnishop S.A. until the fiscal year 2003
  - Kormos Distribution S.A. until the fiscal year 2003
  - Yalco Hungary KFT has not been audited since its establishment (2004 fiscal year)
- The same basic accounting principles have also been followed during the fiscal year of 2005
- There are no pledges on the company's fixed assets.
- There are no cases contested in courts or under arbitration which may significantly affect the financial position or the operations of the company or the Group.
- At the end of the examined period, the company's personnel was: for the Group 280 and for the company 210 people.
- Company's transactions with the affiliated companies, accumulatively from the beginning of the fiscal year, amount to: sales € 714.649,89 and purchases € 219.972,93.
- The balance of the receivables and payables of the Company with the affiliated companies, at the end of the current period, amounts to € 5.239.271,7 and € 244.642,47 respectively.

**INCOME STATEMENT**  
Amounts in €

	CONSOLIDATED ACCOUNTS			
	01.01-30.06.2006	01.01-30.06.2005	01.04-30.06.2006	01.04-30.06.2005
Turnover	26.709.345,34	22.848.070,71	15.550.000,04	12.527.977,91
Gross Profit	8.963.279,85	8.246.708,21	5.078.852,80	4.566.654,90
EBITDA	778.276,33	979.277,59	834.734,79	652.477,95
EBIT	1.362.240,13	1.563.768,11	1.118.778,40	949.353,37
Earnings before taxes	134.202,64	488.115,43	468.615,89	399.369,74
Less: Taxes	213.321,57	346.826,33	238.265,71	191.742,30
<b>Earnings after taxes</b>	<b>(79.118,93)</b>	<b>141.289,10</b>	<b>230.350,18</b>	<b>207.627,44</b>
<b>Attributable to :</b>				
Shareholders of parent company	(79.577,42)	173.202,70	230.260,77	212.538,17
Minority Interest	458,49	(31.913,60)	89,41	(4.910,73)
Earnings per share-basic (in Euro)	(0,006)	0,013	0,018	0,016

Amounts in €

	PARENT ACCOUNTS			
	01.01-30.06.2006	01.01-30.06.2005	01.04-30.06.2006	01.04-30.06.2005
Turnover	21.140.267,23	19.069.936,23	11.757.688,39	10.084.606,02
Gross Profit	7.010.255,04	6.811.714,20	3.872.699,73	3.642.543,14
EBITDA	1.118.468,79	1.311.592,30	880.740,83	739.477,71
EBIT	1.601.233,66	1.796.046,07	1.113.314,75	983.102,05
Earnings before taxes	707.031,33	987.804,23	662.982,03	576.568,28
Less: Taxes	264.929,53	342.686,99	254.809,32	188.594,41
<b>Earnings after taxes</b>	<b>442.101,80</b>	<b>645.117,24</b>	<b>408.172,71</b>	<b>387.973,87</b>
Earnings per share-basic (in Euro)	0,034	0,050	0,031	0,030

Amounts in €

	CONSOLIDATED ACCOUNTS		COMPANY ACCOUNTS	
	01.01-30.06.2006	01.01-30.06.2005	01.01-30.06.2006	01.01-30.06.2005
<b>Operating Activities</b>				
Profits before Taxes	134.202,65	488.115,43	707.031,33	987.804,23
Plus/minus adjustments for:				
Depreciation	583.963,80	584.490,52	482.764,87	484.453,77
Provisions	1.891.609,44	1.449.434,70	1.425.906,31	1.302.930,96
Exchange Differences	179.396,86	(5.796,43)	(28.457,18)	(5.796,43)
Investment Income	(50.413,74)	2.266,20	(5.546,55)	3.512,58
Interest and Related Expenses	652.018,25	390.761,58	417.100,10	237.573,91
Changes in Working Capital:				
Decrease / (Increase) in Inventories	(780.638,97)	(435.149,92)	402.595,99	927.960,23
Decrease / (Increase) in Receivables	(3.235.050,90)	(5.480.298,55)	(1.936.552,43)	(3.610.245,71)
(Decrease) / Increase in Payables (except for banks)	2.745.519,28	3.684.574,48	645.235,85	226.315,58
Less:				
Interest and Related Expenses Paid	518.606,25	390.761,58	325.719,10	237.573,91
Taxes Paid	91.823,50	198.414,17	90.919,00	198.414,17
<b>Net Cash from Operating Activities ( a )</b>	<b>1.510.176,92</b>	<b>89.222,26</b>	<b>1.693.440,19</b>	<b>118.521,04</b>
<b>Investing Activities</b>				
Purchase of Tangible and Intangible Assets	(182.234,68)	(484.853,92)	(161.142,91)	(339.972,88)
Proceeds from the Sale of Property, Plant and Equipment	83.011,19	11.297,95	--	10.195,45
Interest Received	7.828,47	9.657,20	5.546,55	8.763,62
<b>Net Cash from Investing Activities ( b )</b>	<b>(91.395,02)</b>	<b>(463.898,77)</b>	<b>(155.596,36)</b>	<b>(321.013,81)</b>
<b>Financing Activities</b>				
Payments on Loans	(1.214.220,86)	(808.772,72)	(1.576.463,91)	(741.569,37)
Dividends Paid	(358,02)	(426,72)	(358,02)	(426,72)
Sale/(Purchase) of own shares	--	(37.941,10)	--	(37.941,10)
<b>Net Cash from Financing Activities ( c )</b>	<b>(1.214.578,88)</b>	<b>(847.140,54)</b>	<b>(1.576.821,93)</b>	<b>(779.937,19)</b>
<b>Net Increase / (Decrease) in Cash and Cash Equivalents ( a ) + ( b ) + ( c )</b>	<b>204.203,02</b>	<b>(1.221.817,05)</b>	<b>(38.978,10)</b>	<b>(982.429,96)</b>
<b>Cash and Cash Equivalents at Period's Beginning</b>	<b>686.359,96</b>	<b>1.918.034,57</b>	<b>265.170,53</b>	<b>1.290.336,85</b>
Exchange differences adjustments	(13.917,76)	--	--	--
<b>Cash and Cash Equivalents at Period's End</b>	<b>876.645,22</b>	<b>696.217,52</b>	<b>226.192,43</b>	<b>307.906,89</b>

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VICE PRESIDENT

FINANCIAL MANAGER

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