



SELONDA AQUACULTURES A.E.G.E.

Interim Financial Statements

For the period from

1 January till 30 September 2007

In accordance with International Financial Reporting Standards (IFRS)

It is certified that the attached Financial Statements for the period 01.01.2007 – 30.09.2007 are those approved by the Board of Directors of «SELONDA AQUACULTURES AEGE» on November, 28 2007 and are posted in the internet at the web address www.selonda.com . It is noted that the published in press financial statements aim to offer some basic information to the reader and do not provide a complete picture about the financial position and results of the Company and the Group in accordance with the International Accounting Standards. Also, for simplicity, in the published in press summary financial statements some abridgments and reclassifications are made.

Vasileios Stefanis
President of the Board of Directors
SELONDA AQUACULTURES AEGE

CONTENTS

Income statement	4
Statement of changes in equity	6
Cash flow statement	8
1. Information on the Group	9
1.1 General Information	9
1.2 Nature of Activities	10
2. Framework for the compilation of the financial statements	14
3. Main accounting principles	15
3.1 New accounting standards and interpretations of the IFRSIC	15
3.2 Segment reporting	15
3.3 Consolidation	15
3.4 Biological assets and agricultural activity	17
3.5 Foreign Currency Conversion	18
3.6 Tangible Fixed Assets	18
3.7 Investment Property	19
3.8 Intangible fixed assets	19
3.9 Impairment of Assets	20
3.10 Financial instruments	20
3.11 Inventories	21
3.13 Cash and cash equivalents	22
3.14 Non-current assets classified as held for sale	22
3.15 Share capital	23
3.16 Income tax and deferred tax	23
3.17 Employee benefits	23
3.18 Grants	25
3.19 Provisions	25
3.20 Recognition of revenue and expenses	25
3.21 Leases	25
3.22 Distribution of dividends	26
3.23 Discontinued Operations	26
3.24 Related Parties	26
4. Risk management	26
5. Segment reporting	27
6. Notes to the Financial Statements	29
6.1 Tangible fixed assets	29
6.2 Intangible assets	30
6.3 Investments in subsidiaries	30
6.4 Investments in associates	30
6.5 Investments available for sale	31
6.6 Other receivables	31
6.7 Deferred tax	31
6.8 Biological assets	31
6.9 Inventories	32
6.10 Trade receivables	32

6.11 Other receivables.....	33
6.12 Prepayments.....	33
6.13 Investments held for commercial purposes.....	33
6.14 Cash and cash equivalents.....	33
6.15 Share capital-Share premium account.....	34
6.16-17 Equity.....	34
6.18 Loan liabilities.....	34
6.20 Employee benefits.....	35
6.21 Deferred income.....	35
6.23 Suppliers and other liabilities.....	35
6.24 Current tax liabilities.....	36
6.25 Other short-term liabilities.....	36
6.26 Leasing.....	36
6.27 Income Tax.....	36
6.28 Earnings per share.....	37
6.29 Cash flow from operating activities.....	37
7. Contingent assets-liabilities.....	38
8. Transactions with related parties.....	39
9. Important events and developments of the Group for the period 01.01.2007 – 30.09.2007.....	39
9.1 New activities.....	39
9.2 Other important events.....	41
10. Post balance sheet date events.....	41
6. LOWEST NUMBER OF SHARES THAT MUST BE ACCEPTED.....	42
7. OFFERED EXCHANGE.....	42
11. Outlook.....	43

Income statement

of 30 September 2007 and 2006

(Amounts in euro)	GROUP			
	01/01-30/09/2007	01/01-30/09/2006	01/07-30/09/07	01/07-30/09/06
Fair Value of Biological Assets 31.12.2005	-80,063,099.34	-48,770,677.96	0.00	18,349,870.53
Stock acquired from subsidiary companies	0.00	0.00	0.00	-45,245.03
Mortalities/Reproduction	0.00	-20,367,618.65	0.00	-19,205,562.16
Purchases during the year	-9,604,534.84	-1,553,212.35	-7,291,242.22	-686,835.26
Sales during the year	47,839,518.68	41,227,270.22	14,407,930.51	16,635,257.16
Fair Value of Biological Assets 31.12.2006	94,749,448.58	72,788,054.47	14,025,244.91	3,493,451.43
Profit/losses from the change in fair value of biological assets at 31/12/2006	52,921,333.08	43,323,815.73	21,141,933.20	18,540,936.67
Sales of Merchandise and other Material	17,694,775.51	5,587,246.75	12,070,738.17	2,458,435.39
Cost of goods sold	-16,495,766.38	-3,775,309.24	-11,301,488.07	-907,224.14
Sales of services	1,544,290.59	697,967.00	594,974.23	350,428.27
Consumption	-21,473,657.00	-17,632,435.58	-11,009,535.52	-10,666,029.98
Staff salaries and expenses	-9,952,317.18	-8,489,599.36	-3,428,464.64	-3,197,125.22
Payments and benefits to third parties	-6,106,596.21	-5,105,688.60	-2,472,784.86	-2,145,778.71
Other Expenses	-5,232,685.58	-4,451,978.96	-1,991,933.70	-1,498,988.96
Financial Expenses	-2,706,339.49	-2,445,969.55	-910,054.57	-1,017,360.33
Profit/(Loss) from associated companies	0.00	0.00	0.00	-58,966.77
Profit/(Loss) from fair valuation of Financial Assets	63,645.99	-18,775.32	63,645.99	54,603.79
Depreciations	-2,941,087.45	-2,716,282.39	-1,123,567.80	-987,588.62
Other income	739,893.00	555,447.44	44,855.01	146,878.23
Financian Income	229,543.36	289,033.50	8,193.14	148,175.17
Investment Activity result	226,187.19	962,502.51	-155,953.06	-53,185.21
Earnings before tax	8,511,219.43	6,779,973.93	1,530,557.52	1,167,209.58
Income tax	-819,657.22	-1,234,371.19	-67,897.51	-569,544.92
Deferred Income Tax	-1,277,032.95	-493,401.28	-477,001.86	-17,183.27
Net Earnings	6,414,529.26	5,052,201.46	985,658.15	580,481.39
Distributed to:				
Shareholders of the Parent	6,112,498.23	5,014,892.17	998,915.40	835,954.32
Minority Interest	302,031.03	37,309.29	-13,257.25	-255,472.93
Earnings after tax per share- basic (in €)	0.21	0.17	0.03	0.03

(Amounts in euro)	COMPANY			
	01/01-30/09/2007	01/01-30/09/2006	01/07-30/09/07	01/07-30/09/06
Fair Value of Biological Assets 31.12.2005	-52,128,999.29	-48,156,585.30	0.00	45,245.53
Stock acquired from subsidiary companies	0.00	0.00	0.00	-45,245.03
Mortalities/Reproduction	0.00	0.00	0.00	0.00
Purchases during the year	-1,417,765.92	-386,368.60	-502,151.96	-386,368.60
Sales during the year	33,422,348.44	29,441,140.29	9,906,667.11	10,863,067.52
Fair Value of Biological Assets 31.12.2006	55,654,853.57	49,643,401.02	4,036,634.33	2,277,244.44
Profit/losses from the change in fair value of biological assets at 31/12/2006	35,530,436.80	30,541,587.41	13,441,149.48	12,753,943.86
Sales of Merchandise and other Material	14,993,735.68	10,214,180.17	6,999,750.99	3,403,942.73
Cost of goods sold	-13,614,310.46	-9,479,022.07	-6,351,543.63	-3,235,589.94
Sales of services	63,686.36	195,836.20	36,886.36	125,423.00
Consumption	-12,760,364.14	-10,765,586.72	-6,272,557.31	-5,740,620.69
Staff salaries and expenses	-7,019,404.27	-5,897,694.02	-2,525,123.76	-2,127,748.57
Payments and benefits to third parties	-4,321,668.37	-3,672,337.90	-1,524,306.37	-1,417,101.03
Other Expenses	-3,762,400.04	-2,905,949.05	-1,445,812.52	-995,471.91
Financial Expenses	-1,533,299.70	-1,394,512.02	-557,033.43	-626,268.69
Profit/(Loss) from associated companies	0.00	0.00	0.00	-58,935.27
Profit/(Loss) from fair valuation of Financial Assets	59,445.99	0.00	59,445.99	10,457.93
Depreciations	-1,475,479.13	-1,421,079.18	-494,800.59	-480,802.24
Other income	458,085.65	319,376.09	47,632.77	127,512.99
Financian Income	91,597.13	114,998.87	-28,785.25	86,064.99
Investment Activity result	0.00	0.00	0.00	-39,896.88
Earnings before tax	6,710,061.50	5,849,797.78	1,384,902.73	1,784,910.28
Income tax	-819,657.22	-1,091,958.55	-67,897.51	-540,816.46
Deferred Income Tax	-854,232.48	-457,356.82	-418,845.93	97,752.85
Net Earnings	5,036,171.80	4,300,482.41	898,159.29	1,341,846.67
Distributed to:				
Shareholders of the Parent	5,036,171.80	4,300,482.41	898,159.29	1,341,846.67
Minority Interest				
Earnings after tax per share- basic (in €)	0.17	0.15	0.03	0.05

SELONDA
BALANCE SHEET OF THE PERIOD 01/01/2007 - 30/09/2007

ASSETS	GROUP		COMPANY	
	30/9/2007	31/12/2006	30/9/2007	31/12/2006
ASSETS				
Tangible Assets	63,299,268.24	55,059,498.54	16,487,637.59	15,903,364.32
Intangible Assets	478,284.93	768,164.38	193,078.48	205,400.00
Investments in Subsidiaries	0.00	0.00	24,407,164.28	23,616,776.22
Investments in Associates	18,486,481.65	4,984,661.99	14,707,110.92	2,663,133.82
Investments available for sale	580,977.00	515,850.36	39,471.23	39,471.23
Other Receivables	180,884.31	196,913.93	124,359.99	120,986.29
Deferred Tax Assets	292,840.33	409,125.49	105,688.30	216,925.48
Biological Assets	18,314,144.76	25,113,345.68	10,476,207.47	17,268,017.64
	101,632,881.22	87,047,560.37	66,540,718.26	60,034,075.00
Current Assets				
Biological Assets	76,412,072.96	54,956,594.91	45,178,646.10	34,860,981.65
Inventory	1,792,464.49	1,451,084.07	1,209,279.46	871,043.55
Trade Receivables	39,441,028.03	22,178,398.71	29,659,569.64	18,477,401.60
Other Receivables	12,200,070.21	10,692,319.78	6,192,664.09	7,886,566.08
Prepayments	3,861,779.60	2,531,192.78	1,594,670.69	966,335.92
Investments held for Trading Purposes	894,380.65	821,661.85	555,410.80	490,796.00
Cash and Cash Equivalents	5,989,154.63	13,693,327.42	1,775,379.21	5,216,257.71
	140,590,950.57	106,324,579.52	86,165,619.99	68,769,382.51
TOTAL ASSETS	242,223,831.79	193,372,139.89	152,706,338.25	128,803,457.51
EQUITY AND LIABILITIES				
Equity				
Share Capital	29,281,594.00	29,281,594.00	29,281,594.00	29,281,594.00
Share premium Account	17,674,827.79	17,173,614.00	17,674,827.79	17,674,827.79
Restatement Differences	0.00	0.00	0.00	0.00
Reserves	11,523,637.03	11,412,472.36	11,523,637.03	11,412,472.36
Foreign Exchange Differences	0.00	0.00	0.00	0.00
Profits carried forward	11,252,478.14	7,729,712.62	10,612,067.76	7,374,790.33
Equity attributable to the shareholders of the Parent	69,732,536.96	65,597,392.98	69,092,126.58	65,743,684.48
Minority Interest	12,562,480.99	11,361,852.31	0.00	0.00
Total Equity	82,295,017.95	76,959,245.29	69,092,126.58	65,743,684.48
Non Current Liabilities				
Bank Loans	1,999,440.00	22,991,784.18	1,031,250.00	15,685,538.70
Other long-term liabilities	1,434,124.48	1,329,534.01	44,993.52	78,766.32
Deferred tax Liability	10,273,756.80	8,988,124.08	5,982,254.83	5,239,259.65
Employee Indemnities	461,376.67	460,676.64	319,790.61	319,090.58
Deferred income	10,144,423.60	7,602,350.42	839,918.95	714,147.73
Provisions		0.00	0.00	0.00
	24,313,121.55	41,372,469.33	8,218,207.91	22,036,802.98
Current Liabilities				
Trade and other Creditors	50,772,614.78	34,417,862.25	22,989,669.64	20,677,236.27
Loans	79,622,097.82	34,938,933.43	49,095,696.91	16,638,913.67
Current Tax Liabilities	1,709,457.44	1,201,826.35	1,504,936.94	633,034.77
Other Current Liabilities	3,010,962.25	2,638,053.24	1,336,950.27	1,230,035.34
Long-term Liabilities payable in the next financial year	500,560.00	1,843,750.00	468,750.00	1,843,750.00
	135,615,692.29	75,040,425.27	75,396,003.76	41,022,970.05
TOTAL EQUITY AND LIABILITIES	242,223,831.79	193,372,139.89	152,706,338.25	128,803,457.51

Statement of changes in equity

III. STATEMENT OF CHANGES IN EQUITY FOR THE GROUP

(Amounts in euro)	ATTRIBUTABLE TO THE SHAREHOLDERS OF THE PARENT					MINORITY		
	Share Capital	Share Premium Account	Other Reserves	Foreign Exchange Differences	Profits Carried Forward	Total	Minority interest	Total Equity
Balance 01.01.2007 Group	29.281.594,00	17.173.614,00	11.240.680,00	76.486,99	3.231.769,00	61.004.143,99	7.479.654,00	68.483.797,99
Change in equity 01.01 - 31.12.2006								
Loss recognised in equity	0,00	0,00	0,00	-76.486,99	-91.063,49	-167.550,48	346.833,36	179.282,88
Dividends and BoD remuneration	0,00	0,00	0,00	0,00	-685.631,88	-685.631,88	0,00	-685.631,88
Reserves	0,00	0,00	128.830,74	0,00	-128.830,74	0,00	0,00	0,00
Profits distributed to employees	0,00	0,00	0,00	0,00	-250.000,00	-250.000,00	0,00	-250.000,00
Loss and reserves from absorbed companies	0,00	0,00	42.961,62	0,00	-1.057.442,77	-1.014.481,15	0,00	-1.014.481,15
Results for the period	0,00	0,00	0,00	0,00	6.710.912,50	6.710.912,50	335.837,67	7.046.750,17
Total profit (loss) for the period	0,00	0,00	171.792,36	-76.486,99	4.497.943,62	4.593.248,99	682.671,03	5.275.920,02
Acquisition of subsidiaries	0,00	0,00	0,00	0,00	0,00	0,00	3.199.527,28	3.199.527,28
Equity balance 31.12.2006	29.281.594,00	17.173.614,00	11.412.472,36	0,00	7.729.712,62	65.597.392,98	11.361.852,31	76.959.245,29
Balance 01.01.2007 Group	29.281.594,00	17.173.614,00	11.412.472,36	0,00	7.729.712,62	65.597.392,98	11.361.852,31	76.959.245,29
Change in equity 01.01 - 30.09.2007								
Loss recognised in equity	0,00	0,00	0,00	0,00	-298.906,43	-298.906,43	261.084,59	-37.821,84
Correction of an account	0,00	501.213,79	0,00	0,00	-501.213,79	0,00	0,00	0,00
Dividends and BoD remuneration	0,00	0,00	0,00	0,00	-1.178.447,82	-1.178.447,82	0,00	-1.178.447,82
Reserves	0,00	0,00	111.164,67	0,00	-111.164,67	0,00	0,00	0,00
Profits distributed to employees	0,00	0,00	0,00	0,00	-500.000,00	-500.000,00	0,00	-500.000,00
Foreign exchange differences	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Results for the period	0,00	0,00	0,00	0,00	6.112.498,23	6.112.498,23	302.031,03	6.414.529,26
Total profit (loss) for the period	0,00	501.213,79	111.164,67	0,00	3.522.765,52	4.135.143,98	563.115,62	4.698.259,60
Acquisition of subsidiaries	0,00	0,00	0,00	0,00	0,00	0,00	637.513,06	637.513,06
Equity balance 30.09.2007	29.281.594,00	17.674.827,79	11.523.637,03	0,00	11.252.478,14	69.732.536,96	12.562.480,99	82.295.017,95

III. STATEMENT OF CHANGES IN EQUITY FOR THE COMPANY

	COMPANY				
	Share capital	Share premium account	Other reserves	Profits carried forward	Total equity
Balance 01.01.2006 Company	29.281.594,00	17.674.827,79	11.238.529,24	4.169.032,98	62.363.984,01
Change in equity 01.01 - 31.12.2006					
Net profit (loss) recognised in equity	0,00	0,00	0,00	-125.604,67	-125.604,67
Results for the period	0,00	0,00	0,00	4.916.141,20	4.916.141,20
Dividends and BoD remuneration	0,00	0,00	0,00	-685.631,88	-685.631,88
Reserves	0,00	0,00	128.830,74	-128.830,74	0,00
Loss and reserves from absorbed companies	0,00	0,00	45.112,38	-520.316,56	-475.204,18
Profits distributed to employees	0,00	0,00	0,00	-250.000,00	-250.000,00
Share capital increase	0,00	0,00	0,00		0,00
Total profit (loss) for the period	0,00	0,00	173.943,12	3.205.757,35	3.379.700,47
Equity balance 31.12.2006	29.281.594,00	17.674.827,79	11.412.472,36	7.374.790,33	65.743.684,48
Balance 01.01.2007 Company	29.281.594,00	17.674.827,79	11.412.472,36	7.374.790,33	65.743.684,48
Change in equity 01.01 - 30.09.2007					
Net profit (loss) recognised in equity	0,00	0,00	0,00	0,00	0,00
Results for the period	0,00	0,00	0,00	5.036.171,80	5.036.171,80
Dividends and BoD remuneration	0,00	0,00	0,00	-1.178.447,70	-1.178.447,70
Reserves	0,00	0,00	111.164,67	-111.164,67	0,00
Profits distributed to employees	0,00	0,00	0,00	-500.000,00	-500.000,00
Share capital increase	0,00	0,00	0,00	-9.282,00	-9.282,00
Total profit (loss) for the period	0,00	0,00	111.164,67	3.237.277,43	3.348.442,10
Equity balance 30.09.2007	29.281.594,00	17.674.827,79	11.523.637,03	10.612.067,76	69.092.126,58

Cash flow statement

SELONDA

Cash flow 30/9/2007

	GROUP		COMPANY	
	1/1 - 30/09/2007	1/1-30/09/2006	1/1 - 30/09/2007	1/1-30/09/2006
CASH FLOW STATEMENT				
Cash flow from Operating activities				
Profits for the period	6,414,992.77	5,014,892.17	5,036,171.80	4,300,482.41
Adjusted for:				
Tax	2,096,690.17	1,234,371.19	1,673,889.70	1,549,315.37
Depreciation	3,056,879.38	3,057,492.70	1,475,479.13	1,421,079.20
Impairment	317,877.84	0.00	0.00	0.00
Provisions	0.00	294,287.92	0.00	191,024.16
Results (income, expenses, profit and loss) of investing activity	-190,684.50	-305,972.27	-114,765.82	-73,455.71
Interest Expenses	2,706,339.49	2,445,969.55	1,533,299.70	1,394,512.02
Amortisation of grants-Royalties	0.00	2,479,117.49	0.00	-59,288.76
Changes in biological assets	-14,656,277.13	-18,605,864.13	-3,525,854.28	-1,441,570.19
Adjustments for Working Capital changes related to operating activities				
Increase/(decrease) of inventory	-341,380.42	-452,097.97	-338,235.91	-179,645.03
Increase/(Decrease) of receivables	-18,638,064.97	-11,700,644.30	-9,506,173.80	-2,144,571.58
Increase/(decrease) of other current assets	-1,330,586.82	1,586,331.73	-627,634.74	1,487,813.20
Increase/(decrease) of Liabilities	18,324,230.99	20,904,150.18	2,318,135.74	3,677,900.38
Net Cash Flows from Operating Activities	-2,239,983.20	5,952,034.26	-2,075,688.48	10,123,595.47
Interest Paid	-2,706,339.49	-2,445,969.55	-1,274,523.58	-998,387.24
Income Tax Paid	-637,667.20	-435,114.82	-636,135.50	-435,114.82
Total	-5,583,989.89	3,070,949.89	-3,986,347.56	8,690,093.41
Investing activities				
Purchases of tangible and other assets	-11,443,760.17	-17,583,048.91	-2,047,430.88	-1,757,643.01
Fixed assets from acquired companies	0.00	0.00	0.00	0.00
Sales of fixed assets	0.00	22,137.13	0.00	14,227.28
Dividends received	0.00	3,533.20	0.00	3,533.20
Purchase of financial assets available for sale	-200,183.35	-2,842,693.02	-135,056.71	-1,029,774.61
Acquisition of subsidiaries&associates	-13,501,819.66	-866,342.85	-12,834,365.16	-6,300,563.57
(Purchases) / Sales of participation percentages in joint ventures	0.00	380,740.00	0.00	-621,365.00
Profits recognised in equity	0.00	169,123.78	0.00	169,123.78
Sale of financial assets available for sale	140,067.38	995,086.88	140,067.38	995,086.88
Interest received	229,543.36	289,033.50	27,442.62	58,526.72
Deferred income	2,542,073.18	0.00	125,771.22	0.00
Net cash flows from investing activities	-22,234,079.26	-19,432,430.29	-14,723,571.53	-8,468,848.33
Financing activities				
Issue of new shares	0.00	0.00	0.00	0.00
Dividends paid to the shareholders of the parent	-878,447.82	-585,631.88	-878,447.70	-585,631.88
Loans	41,984,688.36	21,938,828.23	32,456,783.24	4,713,380.88
Loans repayment	-20,992,344.18	-2,447,218.92	-16,309,294.95	-2,109,841.23
Net cash flows from financing activities	20,113,896.36	18,905,977.43	15,269,040.59	2,017,907.77
Net (decrease)/increase in cash and cash equivalents	-7,704,172.79	2,544,497.03	-3,440,878.50	2,239,152.85
Cash and cash equivalents at the beginning of the period	13,693,327.42	12,301,899.28	5,216,257.71	3,625,566.88
Cash and cash equivalents at the end of the period 30/9/2007	5,989,154.63	14,846,396.31	1,775,379.21	5,864,719.73

1. Information on the Group

1.1 General Information

The company was founded in 1990 with the legal form of a public limited company (societe anonyme), under the name "SELONDA AQUACULTURES SOCIETE ANONYME OF AGRICULTURAL OPERATIONS (Gov. Gazette 4511/31.12.90). It resulted from the merger of SELONDA Aquacultures Ltd" and "SELONDA Aqua cultural Ltd" and the simultaneous conversion of both to public limited companies.

The Company is based in the Municipality of Athens, at 30 Navarchou Nikodimou Street, and its duration has initially been set to 50 years. The management facilities of the company are located at the Athens offices in Plaka, 30 Navarchou Nikodimou Street.

The hatching facilities of the Company are located at Selonda bay in Sofiko, Corinth, which is 118km. away from Athens and 35 km. from Corinth, at the Managouli area in the prefecture of Fokida (formerly RIOPECA AEBE), 520 km. away from Athens, at the Lorida Sagiadas area in the prefecture of Thesprotia (formerly TRITON A.E.I.) and at Psachna in the prefecture of Evia.

The sea fish-farming facilities are located at Selonda bay, Petros island, Ovrios Island (prefecture of Corinth), Vourlias bay (prefecture of Argolis), Ortholithi, Fouski and Kalamaki sites (prefecture of Arcadia), Kouramos and Paganias bays (prefecture of Thesprotia) and at Astakos in Etoloakarnania. Because of common farming with other producers it has set-up farming facilities at Astakos in Etoloakarnania, at the island of Platia in the prefecture of Argolis, in Kalimnos and in Evia. The infrastructure includes packaging and standardisation unit at Selonda-Korinth bay, Kranidi Argolidis, Sagiada Thesprotias. Also, the distribution in Greece and Abroad is made through the logistics centre in Aspropyrgos.

The financial statements for the period ended on the 30th of September 2007 (including comparatives as of 30th of September 2006) were approved by the BoD on November, 28 2007.

Mr. Vasilios Stefanis is the Chairman of the BoD and Mr. Ioannis Stefanis is the Managing Director.

1.2 Nature of Activities

"SELONDA AQUACULTURES AEGE" (the company) is active in the production of fry in its breeding facilities and in the farming of open-sea Mediterranean fish, particularly sea-bream, sea-bass, sharp-snout sea and new species such as sargo, pagrus, striped grey mullet, pandora, in standardisation and distribution of fish and in provision of management for the development of fish-farming units in Greece and abroad.

It is noted that industrial activity relates to own production goods (fry, finished product) while trading activity relates to third-party products.

"SELONDA AQUACULTURES AEGE" has a participating interest in the following companies:

- **AQUAVEST INVESTMENTS AQUACULTURES AND PROPERTY MANAGEMENT PUBLIC LIMITED COMPANY.**

AQUAVEST was founded in 1989 as a holding company. It is based in the Municipality of Athens. Its duration is 50 years. The purpose of the company, according to article 3 of its statute is:

- To breed fish in own or third-party owned facilities and to trade these fish in Greece and abroad, to participate in companies of the same or similar sort, to produce and sell fish fry and to engage in any other activity related to aquacultures.
- To purchase, manage and develop real estate property.
- To participate in activities related to the management of development, tourism and recreation projects.
- To provide consulting services to any physical or legal person regarding the organization and management of businesses in the areas of activity of the company.

Its main activity is the provision of financial services and the undertaking of investments in aquaculture companies.

- **SELONDA INTERNATIONAL LTD**

SELONDA INTERNATIONAL LTD was founded in 1996 as a limited company according to the Companies Act and is based in the island of Jersey in the Channel Islands of the United Kingdom. "SELONDA AQUACULTURES AEGE" is the sole shareholder of the company and owns 100% of its shares.

The objective of the company is to undertake any business activity anywhere in the world.

- **AQUANET S.A.**

The company was founded on the 16th of February, 1999 and was originally based in the Municipality of Nea Smyrni, 231 Syggrou Ave. while currently it is based in the Municipality of Athens. Its duration is 50 years. Its purpose is:

- To produce, process and trade industrial, agricultural and animal-breeding products as well as aquaculture products.
- To purchase, sell, import and export industrial, agricultural and animal-breeding products as well as aquaculture products.
- To conduct research and develop new technologies and means in the industrial applications, agricultural, animal breeding and aquaculture sectors.
- To provide consulting services and management services to companies with the same or similar purpose with that of the company.

e) To undertake any work related to the aforementioned purposes that facilitate the progress and broadening of the operations of the company.

f) To participate and collaborate with any person or other business or company of any legal form that already exists or will be created in Greece or abroad and that has the same or similar purpose to that of the company.

The activity of the company today is its participation in other companies of the sector or the establishment of joint-ventures and the studies for the development of research in aquaculture. Aquanet SA participates with 99.9% as a joint-venture company with Kaiki Ltd in KALYMNOS JOINT VENTURE.

- **SELONDA UK LTD**

The company was founded on 7/2/2001 and it is based in East Riding of Yorkshire, Wales. Selonda UK is a general trading company and its existing activity is the activation of fish production and trading licenses and the participation in other companies. Its current activities include the activation of production licenses for fishes in Wales, in infrastructure in land for the breed of 1,000 tons of sea bass. This infrastructure, of 10,000,000 British pounds, is subsidized by EU and the government of Wales is under development and is expected to be completed in 2007 so that that the production activity to begin. In share capital of the company, from the end of 2005 the company Jazan Development Company participates (Gazadco).

- **BLUE WATER FLAT FISH LTD (B.F.F.)**

The company was founded in 1999 North Lincolnshire, Wales. BFF is a production oriented company, breeding fish of the «turbot-Kalkani» species. This species is amongst the most traded fish in Northern Europe. It is bred in overland facilities using the best water recirculation technology. The existing activity of the company includes the production and trading of fish.

- **POLEMARCHA EPIDAVROS S.A.**

The company was founded and in based in the Municipality of Athens. Its objective is to manage real estate and tourist real estate. It owns a property of 511,859 sq. meters in the Polemarcha area of the Prefecture of Argolis. A plan is in progress to build a hotel complex on this land, in partnership with an international company (Aman Resorts).

- **STEPHANOU AQUACULTURES S.A.**

The company was founded on 12/03/2003. Its objective is to breed and fatten fish. It holds a license to breed fish at the sea area of Platias island in Argolida. The Municipality of Athens has been designated as its base.

- **FISH FILLET S.A.**

The company was founded in November 2001. Its objective is to pack, process and trade. The Municipality of Athens has been designated as its base. The company owns a land in Nea Epidavros-Municipality of Argolis in which it plans to start and complete a modern packaging and fish-processing infrastructure. This unit will cover the needs for packaging, stripping and other issues that will add value to the Group and to other producers in the area.

- **KORONIS AQUACULTURES S.A.**

The company was founded in September 1989. Its objective is to breed, fatten and trade in fish. It holds a license to breed fish at the sea areas of Vourlias and Trikeri of Municipality of Argolis. Also, Selonda has a 99% subsidiary in Turkey in ELEKTROSAN LTD, a company producing fish in the areas of Smyrna. The base of the company is at the municipality of Koilada, in Argolida.

- **INTERFISH AQUACULTURE S.A.**

The Company «INTERFISH AQUACULTURES SOCIETE ANONYME» (the «Company»), with Reg. No. 31836/06/B/94/27 and discrete name «INTERFISH» was founded on 1994 (Gov.Gaz. 5596/03.10.1994) aiming to operate an aquaculture unit for the breed and distribution of Mediterranean types of fishes (mainly sea-bream and sea bass) as well as the production of fry.

The base of the Company is at the municipality of Athens. The duration of the life of the company is set at nineteen years (19). The aim of the Company according the second article of its letter of association is:

The production, breed of fry and generally seafood products, the establishment of relevant aquaculture units, the trade of fish and generally seafood products, the industrial processing of the aforementioned, the production of food for the fishes, the working out of research and the training of scientific and working personnel.

The representation of foreign companies that deal with any of the aforementioned aims.

The participation in existing companies or the establishment of new ones having similar aims or anything that the Board of Directors decide and is relevant to the aim of the company.

The company is listed in ASE since 2003 and its share is traded in the sector of Agriculture & Fishing

- **DIVING PARK S.A.**

The company DIVING PARC SA was founded on 2005, with Reg. No. 58120/01/B/05/68 and scope the tourist exploitation of diving parks in Greece. The base of the company is at 30 Navarchou Nikodimou, Athens.

- **PERDICA PARK S.A.**

The PERDICA PARC SA is established with the decision 2479/13-10-2005 following its change from the Limited Liability Company «AQUACULTURE PERDICA PARC Ltd», with Reg. No. 59589/01/B/05/531 and published in Gov. Gaz. 12650/13-12-2005. The duration of the life of the Company is set to fifty (50) years and its aim is the establishment and operation of a company for the breed and trade of fishes on leased sea areas and other commercial activity as analyzed in its letter of association.

The base of the company is at 30 Navarchou Nikodimou, Athens. The Company holds a license for the establishment and operation of an aquaculture unit in a sea area covering 75 sq.m. in North East of the island Ovrios in Saronic Bay at the municipality of Solygia.

- **VILLA PRESIE SA**

The company VILLA PRESIE SA is established with the decision 2782/14-03-1990 under the name «VILLA PRESIE SOCIETE ANONYME TOURISM HOTEL SA», with reg. No. 21425/01/B/90/533/00 published in Gov.Goz. 679/22-03-1990. The duration of the life of the company was set to ninety (90) years and its aim is the establishment and exploitation in Greece and abroad of Hotels, Motels, Bungalows, Camping, Rooms to let and Villas on self-owned or not buildings as described in its letter of association.

The base of the company is 30 Navarchou Nikodimou, Athens. The Company owns a field of 461 sq.m. and a neoclassical building of 1,258.50 sq.m. at 11 Thoukididou and Navarchou Nikodimou, Placa.

- **INTERNATIONAL AQUA TECH LTD**

International Aqua Tech LTD is a company that undertakes the design, construction – operation and management of water systems, which was founded on April 10th, 1992 and is based in North Lincolnshire, of Great Britain. International Aqua Tech LTD is active, with great success, in the production of water recirculation systems and the design of aquariums.

- **BLUE FIN TUNA HELLAS SA**

The Company was founded in 2003 further to and in place of the Mediterranean Tuna Joint Venture that Selonda SA had formed jointly with Nirefs SA, with a 50% participating interest. The company is based in the Municipality of Ilioupoli, 409 Vouliagmenis Ave. and its duration is 30 years. The purpose of the company, according to article 3 of its statute is:

- a) To procure, import and catch live tuna fish in Greece.
- b) To operate tuna breeding facilities in Greece.
- c) To trade in live tuna fish and to process, pack, standardize and trade fresh, frozen or processed tuna meat and its products in Greece and abroad.
- d) The company may participate under any relationship in any company with which it does business.
- e) The company may provide access to third parties or companies with a participating interest in the company, or have access provided to it, for a direct or indirect remuneration in the context of business collaboration to the use of its fixed assets and operation licenses and to the use of its personnel.

- **JOINT VENTURE OF SOUTH EVIA I**

The Joint venture was established in 2005 in Athens, 30 Navarchou Nikodimou, aiming at the exploitation an management of fish breeding in Porto Mpoufalo area of Evia. The joint-ventures are Selonda SA with 95% and Zoonomi SA with 5%.

- **JOINT VENTURE OF KALYMNOS**

The Joint venture was established in 2004 in Athens, 30 Navarchou Nikodimou, aiming at the exploitation an management of fish breeding in Porto Mpoufalo area of Evia. The joint-ventures are AQUANET with 99.9% and KAIKI LTD with 5%.

Finally, Selonda SA participates directly and indirectly in the companies: SEABORN LTD, EDUCATION LTD, MONAQUA TECH LTD, companies only with participations in other companies with the outlook of participating in new projects mainly abroad.

2. Framework for the compilation of the financial statements

The consolidated financial statements of SELONDA AEGE as of the 30th of September 2007 (The 1st of January 2004 is the transition date) that cover the period up to the 30th of September 2007, have been compiled according to the historic cost principle, as this is amended by the adjustment of certain assets and liabilities to current values, the going concern principle and are in accordance with the International Financial Reporting Standards (IFRS) as these have been issued by the International Accounting Standards Board (IASB) as well as their interpretations, as these have been issued by the Standards Interpretation Committee (IFRSIC) of the IASB.

The IASB has issued a series of standards which are referred to as the "IFRS Stable Platform 2005". The Group from the 1st of January 2005 applies the IFRS Stable Platform 2005, which includes the following standards:

IAS 1	Presentation of Financial Statements,
IAS 2	Inventories,
IAS 7	Cash Flow Statements
IAS 8	Accounting Policies, Changes in Accounting Estimates, and Errors,
IAS 10	Events After the Balance Sheet Date,
IAS 11	Construction contracts
IAS 12	Income Taxes
IAS 14	Segment Reporting
IAS 16	Property, Plant and Equipment,
IAS 17	Leases,
IAS 18	Revenue
IAS 19	Employee Benefits
IAS 20	Accounting for Government Grants and Disclosure of Government Assistance
IAS 21	The Effects of Changes in Foreign Exchange Rates,
IAS 23	Borrowing Costs
IAS 24	Related Party Disclosures
IAS 26	Accounting and Reporting by Retirement Benefit Plans
IAS 27	Consolidated and Separate Financial Statements,
IAS 28	Investments in Associates,
IAS 29	Financial Reporting in Hyperinflationary Economies
IAS 30	Disclosures in Financial Statements of Banks and Similar Financial Institutions
IAS 31	Interests in Joint Ventures
IAS 32	Financial Instruments: Disclosure and Presentation,
IAS 33	Earnings Per Share,
IAS 34	Interim Financial Reporting
IAS 36	Impairment of Assets
IAS 37	Provisions, Contingent Liabilities and Contingent Assets
IAS 38	Intangible Assets
IAS 39	Financial Instruments: Recognition and Measurement,
IAS 40	Investment Property
IAS 41	Agriculture
IFRS 1	First-Time adoption of International Financial Reporting Standards

IFRS 2	Share-Based Payment
IFRS 3	Business Combinations
IFRS 4	Insurance Contracts
IFRS 5	Non-current Assets Held for Sale and Discontinued Operations

The financial statements fall under the provisions of IFRS 1 "First time adoption of IFRS" since they are the first financial statements to be compiled and published on this basis.

The policies referred to below have been applied consistently, throughout the periods presented.

The compilation of financial statements according to the IFRS requires the use of estimates or judgment during the application of the accounting principles of the Company. Important assumptions made by the Management for the application of the accounting methods of the Company have been pointed out whenever deemed necessary.

3. Main accounting principles

The accounting principles on the basis of which the attached financial statements are compiled and which are consistently applied by the Group are as follows.

3.1 New accounting standards and interpretations of the IFRSIC

The International Accounting Standards Boards as well as the Interpretations Committee have already issued a series of new accounting standards and interpretations which are not part of the "IFRS Stable Platform 2005", and at the same time some existing standards have been revised. These IFRS and IFRSIC are mandatory for accounting periods starting from January 1st 2006 or January 1st 2007. The application of the new standards and interpretations is not expect to have a material effect on the financial statements.

3.2 Segment reporting

A business segment is defined as a group of assets and activities that provide products and services, which is subject to different risks and returns to other business segments.

A geographical segment is defined as a geographical area in which products and services are provided, which is subject to different risks and returns to other geographical segments.

The primary segment of activity of the Group is the production of Fry and the development and sale of finished fish merchandise.

3.3 Consolidation

Subsidiaries: These are all the companies that are managed and controlled, directly or indirectly, by another company (parent), either through the holding of the majority of the shares of the company in which an investment has been made, either through its dependence on the technical know-how provided by the Group. Subsidiaries are, hence, the companies over which the parent exercises control. Selonda AEGE acquires and exercises control through voting rights. The existence of any potential voting rights that are exercisable at the time of compilation of the financial statements, is taken into consideration in order to determine whether the parent

exercises control over the subsidiaries. Subsidiaries are consolidated entirely (full consolidation) using the purchase method from the date that control over them is acquired and cease to be consolidated from the date that control no longer exists.

The acquisition of a subsidiary by the Group is accounted for using the purchase method. The cost of acquisition of a subsidiary is the fair value of the assets given as consideration, the shares issued and the liabilities undertaken on the date of the acquisition plus any costs directly associated with the transaction. The individual assets, liabilities and contingent liabilities that are acquired during a business combination are valued during the acquisition at their fair values regardless of the participation percentage. The acquisition cost over and above the fair value of the individual assets acquired is booked as goodwill. If the total cost of the acquisition is lower than the fair value of the individual assets acquired, the difference is immediately booked to the profit or loss account.

Specifically as regards business combinations that took place prior to the Group's transition date to the IFRS (January 1st 2004) the IFRS 1 exception was used and the purchase method was not applied retroactively. In the context of this exception the Company did not recalculate the acquisition cost of the subsidiaries acquired prior to the IFRS transition date, nor the fair value of acquired assets and liabilities at the date of acquisition, nor has it recognized any goodwill on its financial statements according to the IFRS.

Inter-company transactions, balances and unrealized profits from transactions between Group companies are eliminated. Unrealized losses are also eliminated except if the transaction provides indication of impairment of the transferred asset. The accounting principles of the subsidiaries have been amended so as to conform to the ones adopted by the Group.

Associates: These are the companies over which the Group can exercise significant influence, but which do not meet the conditions to be classified as subsidiaries or participations in joint ventures. The assumptions used by the group imply that a participating interest ranging between 20% and 50% of the voting rights of a company suggests significant influence over it. Investments in associates are initially recognized at cost and subsequently are considered to use the equity method. At the end of each financial year, the cost is increased by the share of the investing company in the changes in equity of the investment and is reduced by the dividends received from the associate.

As regards goodwill, this reduces the value of the participating interest through a reduction in the profit for the period, when its value is reduced. The Group, in accordance with IFRS 3, does not calculate depreciation, hence goodwill appears at unamortized cost as at 31/12/2003, less any impairment.

The Group's share in the profits or losses of associated companies after the acquisition is recognized in the income statement, while the share of changes in reserves after the acquisition is recognized in the reserves. The cumulated changes affect the book value of the investments in associated companies. When the Group's share in the losses of an associate is equal or exceeds the value of the investment in the associate, including any other doubtful receivables, the Group does not recognize any further losses, except if payments have been made or further commitments have been assumed on behalf of the associate and in general those that stem from the role of the shareholder.

Unrealized profits from transactions between the Group and its associates are eliminated according to the percentage of the Group's holding in the associates. Unrealized losses are eliminated, except if the transaction provides indications of impairment of the transferred asset. The accounting principles of the associates have been amended so as to be uniform to the ones adopted by the Group.

The companies that are part of the consolidated financial statements are presented in the following table:

COMPANY	HEADQUARTERS	UNAUDITED TAX YEARS	PARTICIPATION PERCENTAGE	CONSOLIDATION METHOD
SELONDA AQUACULTURE S.A.	30, Navarchou Nikodimou	2003-2006	Parent	Full Consolidation
INTERFISH AQUACULTURES S.A.	6, Apollonos str, Athens	2005-2006	47.13%	Full Consolidation
AQUAVEST S.A.	30, Navarchou Nikodimou	2003-2006	100.00%	Full Consolidation
AQUANET S.A.	30, Navarchou Nikodimou	2003-2006	83.65%	Full Consolidation
POLEMARCHA EPIDAVROS S.A.	3, Vrasida, municipality of	2003-2006	69.30%	Full Consolidation
KORONIS AQUACULTURE S.A.	Koilada - Argolida	2005-2006	75.00%	Full Consolidation
STEFANOY AQUACULTURE S.A.	30, Navarchou Nikodimou	2005-2006	86.75%	Full Consolidation
FISH FILLET S.A.	Kritika – Corinth	2002-2006	71.76%	Full Consolidation
PERDIKA PARK S.A.	30, Navarchou Nikodimou	2005-2006	100.00%	Full Consolidation
VILLA PRESIE S.A.	30, Navarchou Nikodimou	2003-2006	100.00%	Full Consolidation
DIVING PARK SA	30, Navarchou Nikodimou	2006	68.30%	Full Consolidation
SELONDA INTERNATIONAL LTD	Channel Islands, UK	-	100.00%	Full Consolidation
SELONDA UK LTD	East Riding OF Yorkshire,	-	50.00%	Full Consolidation
BLUEWATER FLATFISH LTD	North Lincolnshire, WALE	-	72.40%	Full Consolidation
JOINT VENTURE OF SOUTH EVIA I	30, Navarchou Nikodimou	2006	95.00%	Equity
JOINT VENTURE OF KALYMNOS	30, Navarchou Nikodimou	2005-2006	99.90%	Equity
INTERNATIONAL AQUA TECH LTD	North Lincolnshire, WALE	-	34.00%	Equity
BLUEFIN TUNA HELLAS S.A.	409, Vouliagmenis av. , I	2004-2005	25.00%	Equity

3.4 Biological assets and agricultural activity

Agricultural activity is defined as the management and administration by an enterprise of the biological transformation of biological assets for sale, into agricultural produce or additional biological assets. Biological assets are defined as animals and plants under the management of an enterprise, while agricultural produce is the harvested product from biological assets of the firm, which is intended for sale, processing or consumption. The right to manage biological assets may stem from ownership of these assets or from another type of legal act.

Under the term "**Agricultural Activity**", we define a relatively wide range of activities, which share some common features, such as:

- the ability to transform i.e. living organisms (living animals and plants), which have the ability to transform biologically
- the administration and management of the transformation, by creating, enhancing or at least stabilizing the necessary conditions so that the living organisms may develop.
- the ability to value the transformation i.e. the difference that the biological transformation has brought upon the quality (maturity, fat content) as well as the quantity (weight, fruit) of the biological assets of the enterprise.

An enterprise should recognize a biological asset or agriculture produce only when:

- The enterprise controls the asset as a result of part events.
- It is probable that future economic benefits that are related to the asset will flow to the enterprise.
- The cost of the asset can be measured reliably.

Biological assets should be measured on initial recognition and at subsequent reporting dates at fair value less estimated point-of-sale costs, unless fair value cannot be reliably measured.

If an active market for a biological asset or agricultural produce exists, the prevailing prices in this market are the appropriate basis for determining the fair value of that asset. If an enterprise has access to multiple active markets, it should use the most relevant one. If an enterprise has access to two active markets, it should use the price in the market that is expected to be used.

There is the presumption that fair value can be reliably measured for a biological asset. However, that presumption can be rebutted only at the time of initial recognition of a biological asset for which prices or market determined values are not available and for which alternative estimations of the fair value are clearly unreliable. In such a case, this biological asset should be measured at cost less accumulated depreciation and accumulated impairment losses. If the fair value of such a biological asset becomes reliably measurable, an enterprise would value it at fair value less estimated point-of-sale costs.

The company after the initial recognition of its biological assets, values them at each subsequent balance sheet date at fair value less estimated costs until sale.

The gain or loss that may result from the initial recognition of a biological asset and its subsequent valuation (less the expected sales costs in both cases), are included in net profit or loss for the period in which it arises. A gain may also arise during the initial recognition of a biological asset, for example through the birth of a living organism.

Biological assets are classified into sub-categories depending on the maturity stage they are in so as to enable financial statement users to inform themselves regarding the timing of future cash flows that the company expects to have from the exploitation of the biological resources.

3.5 Foreign Currency Conversion

The consolidated financial statements are presented in euros, which is the operating currency and the reporting currency of the parent Company and all its subsidiaries. "Operating" currency is the currency of the primary economic environment in which the Group operates and on the basis of which the items in the financial statements of the companies of the Group are measured.

Transactions in foreign currencies are converted into the operating currency using the rates in effect at the date of the transactions.

Profits and losses from foreign exchange differences that result from the settlement of such transactions during the period and from the conversion of monetary items denominated in foreign currency using the rate in effect at the balance sheet date are posted to the profit or loss account. Exchange differences from non-monetary items that are valued at fair value are considered as part of the fair value and are thus treated similarly to fair value differences.

3.6 Tangible Fixed Assets

Fixed assets are reported in the financial statements at acquisition cost or imputed cost as determined by the fair values at the transition dates, less cumulated depreciation and any impairment suffered by the assets. Cost includes all the directly attributable expenses for the acquisition of the assets.

Subsequent expenditure is recorded as an addition to the carrying value of the tangible fixed assets or is booked as a separate fixed asset only to the extent that this expenditure increases the future economic benefits that are expected to flow from the use of the fixed assets and that their cost can be accurately measured. Maintenance and repairs costs are recorded in the profit or loss as they are incurred.

Depreciation of fixed assets (other than land which is not depreciated) is calculated using the straight line method over their useful lives, which is as follows:

Buildings	20 - 40 years
Plant and machinery	5- 12 years
Vehicles	3 – 5 years
Other equipment	3 - 5 years

The residual values and useful economic lives of fixed assets are subject to reassessment at each balance sheet date. When the carrying value of fixed assets exceeds their recoverable amount, the difference (impairment) is immediately booked as an expense in the profit or loss account.

Upon sale of the fixed assets, any difference between the proceeds and the carrying value is booked as profit or loss to the profit or loss account. Expenditure on repairs and maintenance is booked as an expense in the period it relates to.

Self-constructed fixed assets constitute an addition to the cost of fixed assets at a value that includes the direct cost of salaries for the employees participating in the construction (including the relevant employer's contributions), the cost of materials used and other general costs.

3.7 Investment Property

Investment property is investment that relates to property (including land, buildings or parts of buildings or both) that is held by its owner (or by the lessee in the case of a finance lease) either in order to collect rent by renting it out or in order to augment its value (capital augmentation) or both.

Investment property is initially recognized at acquisition cost, which is augmented by all the expenses that are related to the transaction to acquire them (e.g. notary expenses, realtor expenses, transfer tax).

After initial recognition, investments in property are valued at their fair value, i.e. the value at which the property may be traded between knowing and willing parties during a normal business transaction. The fair value of investment property is determined annually by an independent, recognized surveyor.

Any change in the fair value of investment property is reflected in the income statement of the year during which it occurs.

3.8 Intangible fixed assets

Intangible fixed assets comprise fish-farm use and exploitation rights and Software. The Group initially recognizes these assets at their acquisition cost or nominal value. After initial recognition the Group follows the Accounting representation principle of the cost model and carries its intangible assets at cost less any cumulated depreciation and any cumulated impairment loss.

In some cases, an intangible asset may be acquired for free or for an imputed consideration, through a government grant. This can occur when the government transfers or provides to an entity intangible assets such as airport landing rights, radio or television station operation licenses, import licenses or quotas or rights to access other limited resources.

The Group is in possession of aquaculture licenses, which it has chosen to record according to IAS 20 Accounting for Government Grants and Disclosure of Government Assistance and to not initially recognize these assets at fair value. The Group initially recognizes the asset at an imputed value plus any expense that is directly attributable to the preparation of the asset for the use it is intended for. If the Group valued its Aquaculture licenses at fair value, a surplus of approximately € 3,500,000 would result, which would be recorded according to IAS 20 to a liability account (deferred income).

3.9 Impairment of Assets

Assets with an indefinite useful life are not depreciated and are subject to an impairment review annually and when some events suggest that the carrying value may not be recoverable. Assets that are depreciated are subject to an impairment review when there is evidence that their value will not be recoverable. The recoverable value is the greater of the net sales value and the value in use. An impairment loss is recognized by the company when the carrying value of these assets (or cash flow generating unit) is greater than its recoverable amount.

Net sales value is the amount received from the sale of an asset at an arm's length transaction in which participating parties have full knowledge and participate voluntarily, after deducting any additional direct cost for the sale of the asset, while value in use is the present value of estimated future cash flows that are expected to flow into the company from the use of the asset and from its disposal at the end of its estimated useful life.

3.10 Financial instruments

Financial instrument is any contract that creates a financial asset to one enterprise and a financial liability or equity instrument to another.

The financial instruments of the Group are classified in the following categories according to the substance of the contract and the purpose for which they were purchased.

i) Financial instruments valued at fair value through the income statement

These comprise assets that satisfy any of the following conditions:

- Financial assets that are held for trading purposes (including derivatives, except those that are designated and effective hedging instruments, those that are acquired or created for the purpose of sale or repurchase and, finally, those that are part of a portfolio of designated financial instruments).
- Upon initial recognition it is designated by the company as an instrument valued at fair value, with any changes recognized through the Income Statement.

ii) Loans and Receivables

They include non-derivative financial assets with fixed or predefined payments that are not traded in active markets. The following are not included in this category (loans and receivables):

- (a) receivables relating to tax transactions, which have been legislatively imposed by the state,
- (b) any receivable not covered by a contract which gives the company the right to receive cash or other financial fixed assets.

Loans and receivables are included in current assets, except those with a maturity date that is further than 12 months away from the balance sheet date. The latter are included in the non-current assets.

iii) Investments held to maturity

These include non-derivative financial assets with fixed or defined payments and specific maturity and which the Group is willing and able to hold until their maturity.

The Group did not hold investments of this category.

iv) Financial assets available for sale

These include non-derivative financial assets that are either designated as such or cannot be included in any of the previous categories.

Subsequently available for sale financial assets are valued at their fair value and the relevant gains or losses are recorded in an equity reserve until these assets are sold or become impaired.

Upon sale or recognition of impairment, profits or losses are transferred to the profit or loss. Impairment losses that have recognized in the profit or loss are not reversed through the profit or loss.

Purchases or sales of investments are recognized at the transaction date which is the date when the Group commits itself to buying or selling the asset. Investments are initially recognized at their fair value plus the directly attributable transaction costs, with the exception of the directly attributable transaction costs for those assets that are valued at fair value through the profit or loss. Investments are written-off when the right to the cash flows from the investments expires or is transferred and the Group has transferred essentially all risks and rewards resulting from ownership.

Loans and receivables are recognized at the unamortized value based on the effective rate method.

Realized and unrealized gains or losses that result from the changes in the fair value of financial assets at fair value through the profit or loss are recognized in the profit or loss during the period in which they arise.

The fair values of financial assets that are traded in active markets are determined by current asking prices. For non-traded assets, fair values are determined with the use of valuation techniques such as the analysis of recent transactions, comparable assets that are traded and discounted cash flows. Participation securities not traded in active markets that have been classified as financial assets available for sale and whose fair value cannot accurately be determined are valued at their acquisition cost.

At each balance sheet date the Group assesses whether there is objective evidence to suggest that the financial assets have suffered impairment. For equity securities that have been classified as financial assets available for sale, the significant or prolonged reduction of the fair value compared to the acquisition cost constitutes such evidence. If impairment is proven, the loss resulting from the difference between the acquisition cost and the fair value that has been accumulated in equity, is transferred to the profit or loss.

3.11 Inventories

At the balance sheet date, inventories are valued at the lower of cost and net realizable value. Net realizable value is the estimated sales price during the normal course of business of the company less any relevant sales expenses. The cost of inventories does not include financial expenses.

The cost of inventories must include all costs for the purchase and conversion of the stock as well as all expenditure incurred in order to bring the goods to their present location and condition.

Purchase cost includes the purchase price, the import duties and other taxes (other than those that the entity may reclaim from the tax authorities) as well as transport and delivery costs and directly attributable costs. Trade discounts, price reductions and other similar items are deducted during the determination of the purchase cost.

The conversion cost of inventories includes expenses directly related to production facilities, such as labor costs. It also includes a systematic apportionment of fixed and variable general production costs that are incurred during the conversion of materials to finished products. Fixed general production costs are the indirect production expenses that remain relatively constant, irrespective of the volume of production, such as the depreciation and maintenance of industrial buildings and machinery as well as the cost of management and administration of the site. Variable general production expenses are the indirect production expenses that vary directly or almost directly with the volume of production, such as indirect materials or indirect labor. The apportionment of the fixed general production expenses is based on the normal capacity of the production facilities. Normal capacity is the production expected to be achieved on average during a number of periods or seasons under normal conditions, taking into consideration the capacity lost due to scheduled maintenance. Actual production levels may be used if they approach normal capacity.

Other expenses are included in the cost of inventories only to the extent that they are incurred in order to bring the goods to their present location and condition. For example, inventory costs may include non-production general expenses or costs related to the design of products for specific customers.

3.12 Trade receivables

Trade receivables are initially booked at their fair value and are subsequently valued at their unamortized cost using the method of the effective interest rate, less the provision for impairment. In the event that the unamortized value or the cost of a financial asset exceeds the present value, then this asset is valued at its recoverable amount, i.e. at the present value of the future cash flows of the asset, which is calculated using the initial effective interest rate. The relevant loss is immediately transferred to the profit or loss account. The impairment losses, i.e. when there is objective evidence that the Group is unable to collect all the amounts owed based on the contractual terms, are recognized in the income statement.

3.13 Cash and cash equivalents

Cash and cash equivalents include cash in the bank and in hand as well as short term highly liquid investments such as money market products and bank deposits. Money market products are financial assets which are valued at fair value through the income statement.

3.14 Non-current assets classified as held for sale

Assets that are held in order to be sold include other assets (including goodwill) and tangible fixed assets that the Group intends to sell within one year after the assets have been classified as "held for sale".

Assets classified as "held for sale" are valued at the lower of their book value immediately prior to their classification as held for sale and their fair value less the selling cost. Assets classified as "held for sale" are not subject to depreciation. Profits or losses resulting from the sale and revaluation of "held for sale" assets are included in "other income" and "other expenses", respectively, in the income statement.

The Group has not classified any non-current assets as "held for sale".

3.15 Share capital

Expenses incurred for the issuance of stock reduce, after deducting the relevant income tax, the proceeds from the issue. Expenses related to the issuance of stock for the purchase of companies are included in the acquisition cost of the company acquired.

During the acquisition of own shares, the consideration paid, including relevant expenses, is deducted from equity (share premium reserve).

3.16 Income tax and deferred tax

The period charge for income tax comprises current tax and deferred tax, i.e. the tax charges or tax credits that are associated with economic benefits accruing in the period but that have been assessed by the tax authorities in different periods. Income tax is recognized in the income statement of the period, except for the tax relating to transactions that have been booked directly to equity, in which case it is, accordingly, booked directly to equity.

Current income taxes include the short-term liabilities or receivables from the fiscal authorities that relate to taxes payable on the tax income of the period and any additional income taxes from previous periods.

Current taxes are measured according to the tax rates and tax laws in effect during the financial years to which they relate, based on the taxable profit for the year. All changes to the short-term tax assets or liabilities are recognized as part of the tax expense in the income statement.

Deferred income tax is determined according to the liability method which results from the temporary differences between the book value and the tax base of assets or liabilities. Deferred tax is not booked if it results from the initial recognition of an asset or liability in a transaction, except for a business combination, which when it occurred did not affect neither the accounting nor the tax profit or loss. Deferred tax assets and liabilities are valued based on the tax rates that are expected to be in effect during the period in which the asset or liability will be settled, taking into consideration the tax rates (and tax laws) that have been put into effect or are essentially in effect up until the balance sheet date. In the event where it is impossible to identify the timing of the reversal of the temporary differences, the tax rate in effect on the day after the balance sheet date is used.

Deferred tax assets are recognized to the extent that there will be a future tax profit to be set against the temporary difference that creates the deferred tax asset.

Deferred income tax is recognized for the temporary differences that result from investments in subsidiaries and associates, except for the case where the reversal of the temporary differences is controlled by the Group and it is possible that the temporary differences will not be reversed in the foreseeable future.

Most changes in the deferred tax assets or liabilities are recognized as part of the tax expense in the income statement. Only changes in assets or liabilities that affect the temporary differences that are recognized directly in the equity of the Group, such as the revaluation of real estate property, have as a result the relevant change in the deferred tax assets or liabilities to be charged to the relevant account in equity.

3.17 Employee benefits

Short-term benefits: Short-term employee benefits (except post-employment benefits) monetary and in kind are recognized as an expense when they accrue. Any unpaid amount is booked as a liability, while in the case where the amount paid exceeds the amount of services rendered, the company recognizes the excess amount as an asset (prepaid expense) only to the extent that the prepayment will lead to a reduction of future payments or to reimbursement.

Post-employment benefits: Post-employment benefits comprise pensions or other benefits (life insurance schemes and medical coverage) provided by the enterprise after the end of employment, in return for employee services. Hence they comprise both defined contribution schemes as well as defined benefits schemes. The accrued cost of defined contribution schemes is booked as an expense during the period it relates to.

- **Defined contributions scheme**

According to the defined contributions scheme, the (legal or construed) obligation of the company is limited to the amount that it has been agreed that it will contribute to the entity (e.g. pension fund) that manages the contributions and provides the benefits. As a result the amount of the benefits that the employee will receive is determined by the amount paid by the enterprise (and/or the employee) and the yield of the investments made with these contributions.

The contribution payable by the enterprise to a defined contribution scheme is recognized either as a liability after deducting the contribution paid or as an expense.

- **Defined benefits scheme**

The liability that is reported in the balance sheet with respect to defined benefits schemes is the present value of the commitment for the defined benefit less the fair value of the assets of the scheme (if any) and the changes resulting from any actuarial gain or loss and the service cost. The commitment for the defined benefit is calculated annually by an independent actuary using the projected unit credit method. The interest rate on the long-term bonds issued by the Greek State is used for discounting.

Actuarial gains and losses are elements of the benefit liability of the company as well as the expense that will be recognized in the profit or loss. The gains or losses that result from the adjustments according to historical data and are more or less than the margin of 10% of the cumulated liability, are recorded in the profit or loss during the expected average insurance time of the participants in the scheme. The service cost is booked directly to the income statement except in the case where the changes in the plan depend on the remaining service time of the employees. In this case the service cost is recognized in the income statement on a straight-line basis over the maturity period.

Employment termination benefits: Benefits due to the termination of employment are paid when employees depart prior to the date of retirement. The Group records these benefits when it commits itself either by terminating the employment of existing employees according to a detailed plan for which there is no probability of withdrawal, or by offering these benefits as motivation of voluntary departure. When these benefits become payable in periods more than 12 months after the balance sheet date, they must be discounted using the yields on high quality corporate bonds or government bonds.

In the case of an offer made so as to encourage voluntary departure, the valuation of the employment termination benefits must be based on the number of employees expected to accept the offer.

In the case of termination of employment where it is not possible to determine the employees that will take advantage of this benefit, no liability is recognized but it is disclosed as a contingent liability.

3.18 Grants

The Group recognizes government grants that cumulatively satisfy the following criteria: (a) There is reasonable certainty that the company has complied or will comply with the conditions of the grant and (b) it is probable that the amount of the grant will be received. They are booked at fair value and are systematically recognized as revenue according to the principle of matching the grants with the corresponding costs that they are subsidizing.

Grants that relate to assets are included in long-term liabilities as deferred income and are recognized systematically and rationally as revenue over the useful life of the fixed asset.

3.19 Provisions

Provisions are recognized when the Group has present legal or construed obligations as a result of past events, their settlement through an outflow of resources is probable and the exact amount of the obligation can be reliably estimated. Provisions are reviewed at the date when each balance sheet is compiled so that they may reflect the present value of the outflow that is expected to be required for the settlement of the obligation. Contingent liabilities are not recognized in the financial statements but are disclosed, except if the probability that there will be an outflow of resources that embody economic benefits is very small. Contingent assets are not recognized in the financial statements but are disclosed provided that the inflow of economic benefits is probable.

3.20 Recognition of revenue and expenses

Revenue: Revenue comprises the fair value of fish and other biological assets sold, the sale of goods and provision of services, net of Value Added Tax, discounts and returns. Intercompany revenue within the Group is eliminated completely. The recognition of revenue is done as follows:

- **Fair Value of Fish Produced:** It is recognized upon sale (of the fish) after harvest. The products are delivered to the customers, they are accepted by them and the collection of the receivable is reasonable assured.
- **Sale of goods:** Sales of goods are recognized when the Group transfers goods to customers, the goods are accepted by them and the collection of the resulting claim is reasonably assured.
- **Gains/Losses from changes in the Fair Value of Biological Assets:** They are recognized during the course of the year/period and result from changes in the price as well as the quantity of the Biological assets.
- **Provision of services:** Revenue from the provision of services is accounted for in the period during which the services are rendered, based on the stage of completion of the service rendered in relation to the total services to be rendered.
- **Revenue from interest:** Interest revenue is recognized on a time proportion basis using the effective interest rate. When there is impairment of assets, their book value is reduced to their recoverable amount which is the present value of the expected future cash flows discounted using the initial effective interest rate. Interest is then booked using the same interest rate calculated on the impaired (new book) value.
- **Dividends:** Dividends are accounted for as revenue when the right to receive payment is established.
- **Expenses:** Expenses are recognized in the profit or loss account on an accruals basis. Payments made with respect to operating leases are taken to the profit or loss as expenses during the time of use of the leased item. Interest expenses are recognized on an accruals basis.

3.21 Leases

Leases of fixed assets with which all the risks and benefits related with ownership of an asset are transferred to the Group, regardless of whether the title of ownership of the asset is eventually transferred or not, are finance leases. These leases are capitalized at the inception of the lease at the lower of the fair value of the asset and the present value of the minimum lease payments. Each lease payment is apportioned between the reduction of the liability and the finance charge so that a fixed interest rate on the remaining financial liability is achieved. The relevant liabilities from leases, net of finance charges, are reported as liabilities. The part of the finance charge that relates to finance leases is recognized in the income statement during the term of the lease. Fixed assets acquired through finance leases are depreciated over the shorter of their useful lives and the lease term.

Lease agreements where the lessor transfers the right of use of an asset for an agreed period of time, without transferring, however, the risks and rewards of ownership of the fixed asset are classified as operating leases. Payments made with respect to operating leases (net of any incentives offered by the lessor) are recognized in the income statement proportionately throughout the term of the lease.

Sale and leaseback agreements for tangible fixed assets are recorded according to IAS 17 "Leases". As a result, any positive difference of the proceeds from the sale of the asset over its book value, is not recognized immediately as revenue by the seller – lessee. On the contrary, it appears on the financial statements of the seller – lessee as deferred income and is amortized throughout the lease.

3.22 Distribution of dividends

The distribution of dividends to the shareholders of the parent company is recognized as a liability in the financial statements at the date on which the distribution is authorized by the General Meeting of the shareholders.

3.23 Discontinued Operations

A discontinued operation is an integral part of an entity that has either been sold or classified as held for sale and represents a separate large part of business activities or a geographical area of operations, is part of a unified, coordinated program for the sale of a large part of activities or of a geographical area of operation or is a subsidiary that was acquired for the sole purpose of being resold. The group discloses in accordance with IFRS 5 "Non-current Assets Held for Sale and Discontinued Operations" all the necessary information required by the standard.

3.24 Related Parties

The transactions and intercompany balances between parties related to the Group are disclosed in accordance with IAS 24 "Related Party Disclosures". These transactions relate to transactions between the management, the main shareholders and the subsidiaries of a group with the parent company and the other subsidiaries in the Group.

4. Risk management

Financial risk factors

The Group is not exposed to financial risks such as market risk (changes in exchange rates, interest rates, market prices), credit risk, liquidity risk, cash flow risk and fair value risk due to the change of interest rates. The management of the aforementioned situations

by the management and the departments of the Group aims to minimize their possible negative impact on the financial performance of the Group.

Risk management is carried out by the finance division in cooperation with the other directly involved departments of the Group.

Market risk

Exchange rate risk

The Group operates mainly in the European Union with transactions in euros and as a result is not subject to exchange rate risk.

Market price risk

The Group is exposed to changes in the value of shares that are held either for trading or as financial assets available for sale. There is no risk from changes in the sales prices of biological assets, which have a constant through time and foreseeable small variance. As a result the Group has not entered into derivatives or other contracts to manage the risk from the change in the price of fish. The Group assesses on a regular basis the risk that the price of biological assets will change and examines the need to take active measures to mitigate financial risk.

Credit risk

The Group does not face considerable credit risk. Wholesale sales are mainly made to customers with an assessed credit history.

Liquidity risk

Liquidity risk is maintained at low levels by keeping ample cash balances and liquid securities and money market products.

Cash flow risk and risk of changes in fair value due to changes in interest rates.

The operating revenue and cash flows of the Group are materially independent from the changes in interest rates. The Group does not hold in its assets considerable interest bearing items and the policy of the Group is to maintain almost the entire amount of its borrowings in flexible interest rate products with guaranteed return.

At the end of the period the entire amount of the borrowings related to flexible interest rate loans. The interest rate change risk mainly stems from long-term loans. The Policy of the Group is to keep almost all its loans at variable interest rates.

5. Segment reporting

Primary reporting sector – business sectors

The Group is mainly active in the production and trading of fish and fry.

The results of the Group by sector are analyzed as follows:

	GROUP			
	FRY	FISH	OTHER	TOTAL
Fair value of Biological Assets 1.1.2007	-80,063,099			-80,063,099
Own production/Mortalities				0
Acquired reserves from subsidiaries				0
Purchases during the year	-9,604,535			-9,604,535
Sales during the year	47,839,519	16,903,994	2,335,072	67,078,585
Fair value of Biological assets 31/12/2006	94,749,449			94,749,449
Profit/Loss from changes in the Fair Value of Biological Assets 30/09/2007	52,921,333			52,921,333
Cost	-44,968,901	-15,033,812	-2,199,397	-62,202,110
Earnings before financial results	7,952,432	1,870,182	135,676	9,958,289
Financial results				-1,447,070
Profit after tax				8,511,219
Tax				-2,096,690
Net profit				6,414,529

	COMPANY			
	FRY	FISH	OTHER	TOTAL
Fair value of Biological Assets 1.1.2007	-52,128,999			-52,128,999
Own production/Mortalities				0
Acquired reserves from subsidiaries				0
Purchases during the year	-1,417,766			-1,417,766
Sales during the year	33,422,348	11,618,627	3,438,795	48,479,770
Fair value of Biological assets 31/12/2006	55,654,854			55,654,854
Profit/Loss from changes in the Fair Value of Biological Assets 30/09/2007	35,530,437			35,530,437
Cost	-28,545,636	-10,626,150	-3,156,845	-42,328,631
Earnings before financial results	6,984,801	992,477	281,950	8,259,228
Financial results				-1,549,166
Profit after tax				6,710,061
Tax				-1,673,890
Net profit				5,036,172

In the income statement for the period, turnover for the company is increased by 22%, while for the group by 41% compared to the same period of last year, while earnings after tax increased by 17% for the Company and 26% for the Group. Interfish SA in 2006 was consolidated after 06/2/2006 and therefore for a small period of 34 days a whole six months period is not included. The differentiation of these days is reported in the results below.

For the group the turnover increase by 41% is attributed by 92% to real increase from the expansion of customer base (US, Europe), to the expansion in new markets (Eastern Europe) and to the increase by 12% due to the inclusion of INTERFISH SA with turnover of 1.479 million euro. The EBITDA increased by 27%, mainly due to the improvement in production and distribution efficiency, with Interfish participating by 7% to this increase, with an amount of 165 thous. euro. Earnings after tax and minority interest are increased by 22% as a result of the real increase in Group's performance with Interfish having a small impact from its partial consolidation in 2006.

Secondary reporting sector – geographical sectors

The Group is based in Greece, which is also the country where most of its activities take place. It is also active abroad.

The sales of the Group by geographical sector are analyzed as follows:

	GROUP			
	FRY	FISH	OTHER	TOTAL
EURO AREA	792,453	3,244,275	283,864	4,320,592
GREECE	9,288,954	8,372,645	2,019,849	19,681,448
OTHER COUNTRIES	882,641	42,162,544	31,360	43,076,545
TOTAL	10,964,048	53,779,464	2,335,072	67,078,585

	COMPANY			
	FRY	FISH	OTHER	TOTAL
EURO AREA	792,453	3,244,275	0	4,036,728
GREECE	10,254,369	9,060,897	3,439,955	22,755,221
OTHER COUNTRIES	0	21,687,821	0	21,687,821
TOTAL	11,046,822	33,992,993	3,439,955	48,479,770

6. Notes to the Financial Statements

6.1 Tangible fixed assets

Land and buildings were valued at the date of transition to the IFRS (01/01/2004) at deemed cost, according to the provisions of IFRS 1. The fair value of the tangible fixed assets at the date of transition to the IFRS, which was determined by independent surveyors, was used as deemed cost. The difference that results was transferred to profits carried forward.

	GROUP				
	Land & Buildings	Vehicles & machinery	Fixtures and fittings	Fixed Assets under construction	Total
Book value 31/12/2006	32,011,866	20,483,411	1,068,754	1,495,467	55,059,499
Foreign exchange differences	-55,468	-53,309	-7,811	0	-116,588
Additions	887,328	6,987,454	222,633	3,312,481	11,409,897
Sales reductions	0	0	0	0	0
Deletion of assets	0	0	0	0	0
Depreciation	-450,676	-2,200,257	-388,025	0	-3,038,958
Depreciation of disposals-write-offs	0	0	0	0	0
Transfer to coming years expenses	0	0	0	-14,580	-14,580
Book value 30/09/2007	32,393,050	25,217,299	895,551	4,793,369	63,299,268

	COMPANY				
	Land & Buildings	Vehicles & machinery	Fixtures and fittings	Fixed Assets under construction	Total
Book value 31/12/2006	7,478,212	6,379,041	820,589	1,225,522	15,903,364
Foreign exchange differences					0
Additions	13,050	930,924	68,622	1,034,279	2,046,874
Sales reductions				0	0
Deletion of assets					0
Depreciation	-228,820	-1,035,492	-198,289	0	-1,462,601
Depreciation of disposals-write-offs				0	0
Transfer to coming years expenses					0
Book value 30/09/2007	7,262,442	6,274,473	690,922	2,259,801	16,487,638

There is an increase of tangible assets by 14% for the Group and by 4% for the Company. The increase in the Group results is due to the investments made by the companies in the Group in order to increase the productivity.

6.2 Intangible assets

	GROUP		
	Know-how methods	Royalties-licences	Total
Balance 31/12/2006	44,887	723,278	768,164
Foreign exchange differences	-2,424	0	-2,424
Additions 09/2007	46	48,297	48,344
Deletion	0	-317,878	-317,878
Depreciations 09/2007	-3,460	-14,461	-17,921
Balance 30/09/2007	39,048	439,237	478,285

	COMPANY		
	Know-how methods	Royalties-licences	Total
Balance 31/12/2006	0	205,400	205,400
Additions 09/2007		557	557
Depreciations 09/2007		-12,879	-12,879
Balance 30/09/2007	0	193,078	193,078

6.3 Investments in subsidiaries

	GROUP		COMPANY	
	30/09/2007	31/12/2006	30/09/2007	31/12/2006
Beginning of period	0	0	23,616,776	18,181,038
Sales/ deletions				
Additions			1,290,388	5,367,259
Transfers from available for sale			-500,000	68,480
Adjustment to fair value				
Balance at the end of the period	0	0	24,407,164	23,616,776

6.4 Investments in associates

	GROUP		COMPANY	
	30/09/2007	31/12/2006	30/09/2007	31/12/2006
Beginning of period	2,143,549	854,643	824,126	820,865
Share of profit/loss (after tax and minority interest)		1,319,668		
Additions	13,501,820	3,262	12,043,977	3,261
Transfers from subsidiaries				
Sales/deletions		-34,024		
Balance at the end of the period	15,645,369	2,143,549	12,868,103	824,126

Investments in joint ventures	GROUP		COMPANY	
	30/09/2007	31/12/2006	30/09/2007	31/12/2006
Beginning of period	2,841,113	1,491,787	1,839,008	489,682
Sales/ deletions				
Additions		1,349,326		1,349,326
Changes in equity				
Balance at the end of the period	2,841,113	2,841,113	1,839,008	1,839,008
Total	18,486,482	4,984,662	14,707,111	2,663,134

6.5 Investments available for sale

	GROUP		COMPANY	
	30/09/2007	31/12/2006	30/09/2007	31/12/2006
Beginning of period	515,850	587,593	39,471	107,953
Sales/ deletions		-71,743	0	
Additions	65,127		0	
Transfer to subsidiaries			0	-68,481
Adjustment to fair value			0	
Balance at the end of the period	580,977	515,850	39,471	39,471

6.6 Other receivables

Other long-term receivables of the Group and the Company relate to guarantees given.

	GROUP		COMPANY	
	30/09/2007	31/12/2006	30/09/2007	31/12/2006
Beginning of period	196,914	139,927	120,986	
Given guarantees	-16,030	56,987	3,374	120,986
Total other long-term receivables	180,884	196,914	124,360	120,986

6.7 Deferred tax

	Deferred tax asset	Deferred tax liability	Deferred tax asset	Deferred tax liability	Deferred tax asset	Deferred tax liability	Deferred tax asset
Non-current assets							
Expenses of multi-year depreciation that is not recognised as Intangible Asset	54,983	62,538	163,430	165,921	38,877	0	67,347
Joint venture loan	0	0	69,822	0	0	0	69,822
Tangible assets	183,439	5,114,140	323,745	5,889,931	0	1,550,215	0
Current assets							
Inventories	1,466	5,550,763	1,466	3,674,471	0	4,039,256	0
Receivables	0	115,751	625,475	243,351	0	114,701	0
Cash	455,979	0	0	0	0	0	0
Long-term liabilities							
Provisions for staff indemnities	33,909	0	0	0	0	0	0
Provisions for doubtful debts	42,811	0	92,577	2,912	42,811	0	79,756
Other long-term liabilities	468,919	379,230	542,069	420,995	0	278,083	0
Total	772,586	11,222,422	1,818,583	10,397,582	105,688	5,982,255	216,925

The deferred tax assets / liabilities resulting from the temporary tax differences are as follows:

The income tax rate applicable to the Group for 2007 is 25%, the same as the deferred tax rate.

Netting of deferred tax assets and liabilities may take place when, from the perspective of the company, there is an applicable legal right and the deferred tax relates to the same tax authority.

6.8 Biological assets

The biological assets of the Group are valued at fair value in accordance with IAS 41. The fair value is based on the sale price of the inventories.

The biological assets are the inventories of fry, fish, progenitors, that exist in the infrastructure at the end of the period.

The table following table presents the fair value of the biological assets for 30/9/2007 and the comparative one for 30/09/2006.

	GROUP		COMPANY	
	01/01-30/09/07	01/01-30/09/2006	01/01-30/09/07	01/01-30/09/2006
Fair value of biological assets 31.12.2006	-80,063,099.34	-48,770,677.96	-52,128,999.29	-48,156,585.30
Inventories acquired from subsidiaries	0.00	0.00	0.00	0.00
Mortalities/Reproduction	0.00	-20,367,618.65	0.00	0.00
Purchases during the year	-9,604,534.84	-1,553,212.35	-1,417,765.92	-386,368.60
Sales during the year	47,839,518.68	41,227,270.22	33,422,348.44	29,441,140.29
Fair value of biological assets 30.6.2007	52,921,333.08	43,323,815.73	35,530,436.80	30,541,587.41
Profit/losses from the change in fair value of biological assets at 30/09/2007	94,749,448.58	72,788,054.47	55,654,853.57	49,643,401.02

The group for the first nine months of 2007 reported an increase in biological assets by 18% for the Group and by 7% for the Company.

The distinction of the biological assets at the Balance Sheet is done based on the average weight of the fish inventory and are classified the below 200 gr biological assets and the above of 200 gr and the fry in biological current assets.

	GROUP		COMPANY	
	30/09/2007	31/12/2006	30/09/2007	31/12/2006
Biological fixed assets	18,314,145	25,113,346	10,476,207	17,268,018
Biological current assets	76,412,073	54,956,595	45,178,646	34,860,982
Total biological assets	94,726,218	80,069,941	55,654,854	52,128,999

6.9 Inventories

The inventories of the Group and the Company are analyzed as follows:

	GROUP		COMPANY	
	30/09/2007	31/12/2006	30/09/2007	31/12/2006
Raw material	1,681,413	1,404,593	1,160,478	834,828
Merchandise	99,809	10,719	37,559	8,502
Other	11,243	35,772	11,243	27,713
Total	1,792,464	1,451,084	1,209,279	871,044
Less: Provisions for useless, delayed and destroyed inventories	0	0	0	0
Total net liquidation value	1,792,464	1,451,084	1,209,279	871,044

The inventories of the Group and the Company refer to food and other consumables required for the production. Due to the increased consumption during Summer we have increased inventories of raw and auxiliary materials.

6.10 Trade receivables

Customers and other trade receivables of the Group and the Company are analyzed as follows:

	GROUP		COMPANY	
	30/09/2007	31/12/2006	30/09/2007	31/12/2006
Trade receivables	15,321,175	7,177,587	12,742,134	5,594,432
Trade receivables in litigation	2,402,570	1,917,101	1,206,827	721,358
Notes receivable	0	13,236	0	13,236
Overdue cheques/notes	1,422,301	1,423,739	525,636	500,328
Cheques receivable	24,630,353	14,426,966	16,391,800	11,352,625
Less: Provision for impairment	-3,128,544	-2,833,121	0	295,423
Net trade receivables	40,647,855	22,125,507	30,866,396	18,477,402
Other receivables	0	52,892	0	0
Total	40,647,855	22,178,399	30,866,396	18,477,402

The deviation in both the Group and the Company is due to sale increase as well as to the change the receivables are monitors and collected and also due to the small increase of days receivables for the fishes from 60-70 to 80-90 days.

6.11 Other receivables

Other receivables of the Group and the Company are analyzed as follows:

	GROUP		COMPANY	
	30/09/2007	31/12/2006	30/09/2007	31/12/2006
Receivables from the Greek state	5,035,783	4,905,656	2,784,227	3,793,299
Withholding tax	1,136,962	441,214	582,824	441,214
Sundry debtors	3,370,858	2,034,369	1,310,185	888,069
Prepayments and employee loans	31,908	1,669	31,908	0
Other prepayments	86,674	970	58,505	0
Prepaid expenses and accrued income	0	254,626	0	44,705
Other receivables	1,864,923	3,053,816	218,189	2,719,279
Total	11,527,108	10,692,320	4,985,838	7,886,566

The deviation of other receivables is due to increase of receivables from the State (VAT), mainly for the subsidiaries.

6.12 Prepayments

The prepayments of the Group and the Company are analyzed as follows:

	GROUP		COMPANY	
	30/09/2007	31/12/2006	30/09/2007	31/12/2006
Deferred expenses	1,958,002	118,037	0	118,037
Prepayments for the purchase of inventories	1,823,797	2,339,533	1,594,671	834,323
Prepayments and credit accounts	79,981	73,623	0	13,976
TOTAL	3,861,780	2,531,193	1,594,671	966,336

In the Groups' prepayments are included the amounts given for the execution of contracts for investment projects.

6.13 Investments held for commercial purposes

	GROUP		COMPANY	
	30/09/2007	31/12/2006	30/09/2007	31/12/2006
Shares of listed companies	884,109	811,361	555,411	490,796
Shares of non-listed companies and other shares	10,272	10,301		
Total	894,381	821,662	555,411	490,796

6.14 Cash and cash equivalents

	GROUP		COMPANY	
	30/09/2007	31/12/2006	30/09/2007	31/12/2006
Cash in hand	86,602	71,822	57,008	38,935
Short-term bank deposits	4,047,553	7,565,196	1,348,371	3,162,322
Time-deposits	1,855,000	6,056,309	370,000	2,015,000
Total	5,989,155	13,693,327	1,775,379	5,216,258

The weighted average interest rate on the bank deposits of the Group in 2007 stood at 3.0%. The decrease in cash for the Group and the Company is due to the management of purchases, inventories and production that are increased due to the increase of the production base as well as the new investments needed to support the aforementioned increase.

6.15 Share capital-Share premium account

	Number of Shares	Share Capital	Share premium account	Total
Balance 31/12/2006	29,281,594	29,281,594	17,674,828	46,956,422
New shares issued	0	0	0	0
Acquisition of parent company shares (own shares)	0	0	0	0
Disposal of parent company shares (own shares)	0	0	0	0
Balance 30/09/2007	29,281,594	29,281,594	17,674,828	46,956,422

Shares are registered having a nominal value of 1 euro each.

The shares of the Company were floated on the Athens Exchange in September 1994. The stock of SELONDA AEGE has been classified in the "Aquacultures" sector of the Daily Price Bulletin of the A.S.E.

The share premium account of the Group resulted from the issuance of shares for cash at a price higher than the nominal value of the shares.

6.16-17 Equity

Equity of the Company and the Group at 30.09.2007 is analyzed in the following table:

	GROUP		COMPANY	
	30/09/2007	31/12/2006	30/09/2007	31/12/2006
Share capital	29,281,594	29,281,594	29,281,594	29,281,594
Share premium	17,674,828	17,173,614	17,674,828	17,674,828
Other reserves	11,523,637	11,412,472	11,523,637	11,412,472
Foreign exchange differences	0	0	0	0
Profits carried forward	11,252,478	7,729,713	10,612,068	7,374,790
Equity attributable to the shareholders of the parent	69,732,537	65,597,393	69,092,127	65,743,684
Minority interest	12,562,481	11,361,852	0	0
Total equity	82,295,018	76,959,245	69,092,127	65,743,684

6.18 Loan liabilities

	GROUP		COMPANY	
	30/09/2007	31/12/2006	30/09/2007	31/12/2006
Long-term loans				
Bank loans	1,999,440	22,991,784	1,031,250	15,685,539
Total long-term loans	1,999,440	22,991,784	1,031,250	15,685,539
Short-term loans				
Bank overdrafts	79,622,098	34,938,933	49,095,697	16,638,914
Part of long-term loans payable in the next period	500,560	1,843,750	468,750	1,843,750
Total short-term loans	80,122,658	36,782,683	49,564,447	18,482,664
Total loans	82,122,098	59,774,468	50,595,697	34,168,202

The deviation of loan obligations for the company is due to small increase in working capital needs for the subsidiaries in order to meet the increased production needs and the increased capital for the materialization of investments plans as well as the loan increase of the parent for the materialization of acquisitions that took place for the development of the Group in Greece and abroad. The companies

of the Group have changed the long-term loans to short-term ones temporarily for the completion of agreements for the creation of two new long-term loans, one of the Parent Selonda and one of the Interfish Group, for the amount of approximately 65 mil. euro. The completion of the change of short-term loans to long-term ones would take place till the end of 2007.

6.20 Employee benefits

	GROUP		COMPANY	
	30/09/2007	31/12/2006	30/09/2007	31/12/2006
Balance sheet liabilities for				
Pension liabilities	461,377	460,677	319,791	319,091
Total	461,377	460,677	319,791	319,091

The main actuarial assumptions used are as follows:

Assumption used in the actuarial study			
Inflation	2%		
Discount rate	4.43%		
GDP annual growth	3%		
Payroll annual growth	Inflation + 1/3*GDP=3%		
Return of investments	4.43%		
Percentage of retirement	Up to 30 years old	31-40 years old	over 41 years old
Willingly retirement	20%	10%	1%
Dismissal	8%	4%	1%

Number of employees

The number of employees for the Company at 30/09/2007 was 426, divided to 165 with regular salaries (scientific and administrative employees) and 261 on daily wages (workers, technical employees) while for the Group the number of employees was 708 divided to 303 with regular salaries (scientific and administrative employees) and 405 on daily wages (workers, technical employees). For 2006 the number of employees was 389 for the Company and 613 for the Group.

At the Group, 24 people are working abroad and 684 people in Greece.

6.21 Deferred income

	GROUP		COMPANY	
	30/09/2007	31/12/2006	30/09/2007	31/12/2006
Balance at the beginning of the year	7,602,350	3,371,870	714,147	360,847
Additions from mergers/consolidations		1,423,903		414,920
Additions	2,901,276	3,289,001	359,190	144,464
Transfers to income statement	-359,203	-482,424	-233,418	-206,084
Balance at the end of the year	10,144,424	7,602,350	839,919	714,147

The account deferred income mainly refers to grants received by the state and the European Union. The increase is mainly attributed to the grants received by Selonda UK Ltd which concludes its investment plan for the creation of a hatching facility in Wales.

6.23 Suppliers and other liabilities

The balances of suppliers and other liabilities of the Group is as follows:

	GROUP		COMPANY	
	30/09/2007	31/12/2006	30/09/2007	31/12/2006
Suppliers	16,261,470	5,458,124	7,405,990	4,758,282
Customer prepayments	335,104	120,740	274,113	96,786
Cheques payable	34,176,041	28,838,998	15,309,567	15,822,169
Other liabilities	0	0	0	0
Total	50,772,615	34,417,862	22,989,670	20,677,236

The deviation in suppliers and other liabilities of the Group by 48% and of the Company by 11% is attributed to the increase of the purchases for raw materials due to increased production during Summer period in which large purchases of raw materials are taking place, as well as due to the development of new investments in Greece (Fish Fillet, Interfish) and abroad (Selonda UK Ltd).

6.24 Current tax liabilities

An analysis of current tax liabilities follows:

	GROUP		COMPANY	
	30/09/2007	31/12/2006	30/09/2007	31/12/2006
Tax expense attributed to the current period	819,657	928,104	819,657	890,699
Deferred income tax		497,903		250,920
Tax liability	889,800	-224,180	685,280	-508,584
Balance at the end of the period	1,709,457	1,201,826	1,504,937	633,035

The deviation for the company and the group is attributed to the inclusion of tax liabilities of the first nine months of 2007.

6.25 Other short-term liabilities

An analysis of other short-term liabilities follows:

	GROUP		COMPANY	
	30/09/2007	31/12/2006	30/09/2007	31/12/2006
Sundry creditors	2,341,754	1,463,174	920,460	380,433
Dividends	153,709	142,201	153,709	142,201
Accrued expenses	2,504	380,822	0	315,593
Liabilities to pension funds	512,995	651,857	262,781	391,809
Total	3,010,962	2,638,053	1,336,950	1,230,035

6.26 Leasing

The leasing liabilities are analyzed as follows:

	GROUP		COMPANY	
	30/09/2007	31/12/2006	30/09/2007	31/12/2006
Up to 1 year	47,881.68	30,995.28	47,881.68	30,995.28
From 1 to 5 years	44,993.52	78,766.32	44,993.52	78,766.32
Total	92,875.20	109,761.60	92,875.20	109,761.60

6.27 Income Tax

	GROUP		COMPANY	
	30/09/2007	30/09/2006	30/09/2007	30/09/2006
Income tax for the year	819,657.22	1,234,371.19	819,657.22	1,091,958.55
Deferred tax	1,277,032.95	493,401.28	854,232.48	457,356.82
Total	2,096,690.17	1,727,772.47	1,673,889.70	1,549,315.37

*Interim Financial Statements for the period
from 1st January till 30th September 2007*

6.28 Earnings per share

	GROUP		COMPANY	
	30/09/2007	30/09/2006	30/09/2007	30/09/2006
Attributed to the shareholders of the company	6,112,498.23	5,014,892.17	5,036,171.80	4,300,482.41
Weighted average number of shares	29,281,594.00	29,281,594.00	29,281,594.00	29,281,594.00
Basic earnings per share	0.21	0.17	0.17	0.15

6.29 Cash flow from operating activities

	GROUP	GROUP	COMPANY	COMPANY
	30/09/2007	30/09/2006	30/09/2007	30/09/2006
Cash flow from Operating activities				
Profits for the period	6,414,992.77	5,014,892.17	5,036,171.80	4,300,482.41
Adjusted for:				
Tax	2,096,690.17	1,234,371.19	1,673,889.70	1,549,315.37
Depreciation	3,056,879.38	3,057,492.70	1,475,479.13	1,421,079.20
Impairment	317,877.84	0.00	0.00	0.00
Provisions	0.00	294,287.92	0.00	191,024.16
Results (income, expenses, profit and loss) of investing activity	-190,684.50	-305,972.27	-114,765.82	-73,455.71
Interest Expenses	2,706,339.49	2,445,969.55	1,533,299.70	1,394,512.02
Amortisation of grants-Royalties	0.00	2,479,117.49	0.00	-59,288.76
Changes in biological assets	-14,656,277.13	-18,605,864.13	-3,525,854.28	-1,441,570.19
Adjustments for Working Capital changes related to operating activities				
Increase/(decrease) of inventory	-341,380.42	-452,097.97	-338,235.91	-179,645.03
Increase/(Decrease) of receivables	-18,638,064.97	-11,700,644.30	-9,506,173.80	-2,144,571.58
Increase/(decrease) of other current assets	-1,330,586.82	1,586,331.73	-627,634.74	1,487,813.20
Increase/(decrease) of Liabilities	18,324,230.99	20,904,150.18	2,318,135.74	3,677,900.38
Net Cash Flows from Operating Activities	-2,239,983.20	5,952,034.26	-2,075,688.48	10,123,595.47
Interest Paid	-2,706,339.49	-2,445,969.55	-1,274,523.58	-998,387.24
Income Tax Paid	-637,667.20	-435,114.82	-636,135.50	-435,114.82
Total	-5,583,989.89	3,070,949.89	-3,986,347.56	8,690,093.41

The negative cash flows from operating activities are due to the significant increase of production capacity and therefore the increase of working capital needs for the production period from 18 till 24 months. This increase was mainly made to the new companies of the Group (Interfish, Koronis) which after their inclusion in the Group it was decided the activation of licenses they held for exploitation and increase of production units.

– Recognition of accrued employee retirement benefits

According to the new accounting principles the Group recognizes as a liability the present value of the legal obligation it has assumed to pay a lump-sum indemnity to employees leaving employment due to retirement. According to the previous accounting principles, the indemnity due to retirement expense was recognized on a cash basis. The relevant liability as at the date of transition amounted to € 341,516 for the Group and € 319,091 for the Company, amounts calculated based on an actuarial study.

More specifically, the relevant study related to the examination and calculation of the actuarial methods required by the standards set International Accounting Standards (IAS 19) and is required to be recorded in the Balance Sheet and the income statement of every enterprise. The main date used as actuarial valuation date of the various figures was 31/12/2003 (or equivalently 01/01/2004). For the calculation for the respective liability as of 01/01/2007 the corresponding actuarial assumptions were used.

– Deferral of the recognition of dividends payable to the time of their approval by the G.M.

Contrary to the accounting principles previously in effect, dividends payable are recognized as a liability at the date that the distribution proposed by the BoD is approved by the General Meeting of the shareholders. For the dividend for the year 2006 there is a proposal to the BoD for 0.03 €/share which would be distributed following the approval by the General Shareholders Meeting on September 2007.

– Provisions for doubtful debts

At the transition date provisions were cumulatively booked for doubtful debts and obsolete stock, which reduced the consolidated equity. The provisions were based on the audit certificates of the Auditors for the financial statements (as they were published under the previous accounting principles).

7. Contingent assets-liabilities

7.1 Information regarding contingent liabilities

There are no pending cases in litigation or arbitration with judicial or arbitration authorities that may have a significant impact on the financial position or operation of the Group. The tax unaudited fiscal years of the companies in the Group are as follows:

The companies have recognized provisions by charging their respective profit or loss accounts for contingent tax liabilities that may arise from the tax audit. The Company completed in October 2007 its tax audit up to year 2006.

COMPANY	HEADQUARTERS	UNAUDITED TAX YEARS
SELONDA AQUACULTURE S.A.		Parent
INTERFISH AQUACULTURES S.A.	2005-2006	47.13%
AQUAVEST S.A.	2003-2006	100.00%
AQUANET S.A.	2003-2006	83.65%
POLEMARCHA EPIDAVROS S.A.	2003-2006	69.30%
KORONIS AQUACULTURE S.A.	2005-2006	75.00%
STEFANOU AQUACULTURE S.A.	2005-2006	86.75%
FISH FILLET S.A.	2002-2006	71.76%
PERDIKA PARK S.A.	2005-2006	100.00%
VILLA PRESIE S.A.	2003-2006	100.00%
DIVING PARK SA	2006	86.22%
SELONDA INTERNATIONAL LTD	-	100.00%
SELONDA UK LTD	-	50.00%
BLUEWATER FLATFISH LTD	-	72.40%
JOINT VENTURE OF SOUTH EVIA I	2006	95.00%
JOINT VENTURE OF KALYMNOS	2005-2006	99.90%
INTERNATIONAL AQUA TECH LTD	-	34.00%
BLUEFIN TUNA HELLAS S.A.	2004-2005	25.00%

The tax audit for the years 2003 – 2006 of the company SELONDA SA completed for any tax liabilities. From the tax audit emerged taxes of 706,376.86 euros. The results for 2007 will be charged with the amount of 308,376.86 euros, while for the remaining amount of 398,000 euros a relevant provision was made and charged the results of the periods 2003 till 2006. From the aforementioned amount of 308 thous. Euro, 300 thous. Euro is estimated for the results of 2007 amounting to 11,1 million euros (earnings after tax and minority interest) as we recently informed the investment community.

7.2 Current charges on assets.

There are no charges on assets of the parent Company.

From the companies of the Group, there are mortgages of 6,650,000 euro on Koronis S.A and 4,555,668 euro on Interfish SA. Both companies on 30.09.2007 have repaid the loans linked to the above mortgages and therefore these mortgages do not exist on 30.09.2007.

8. Transactions with related parties

The amounts relating to purchases and sales of the company to and from its related parties as defined in IAS 24, cumulatively from the start of the current period 1/1-30/09/2007 as well as the balances of the assets and liabilities of these companies as of 30/09/2007 are as follows:

The analysis per category is:

Transactions of 30/09/2007	GROUP	COMPANY
Sales of goods and services	1,658,816.77	8,587,029.44
Purchases of goods and services	4,072,440.49	7,563,997.61
Receivables	1,388,930.40	5,475,408.49
Liabilities	492,598.86	1,244,545.78
Transactions and remuneration of BoD Members and executives	586,169.35	424,633.00
Receivables by executives and management members	8,143.43	8,143.43
Liabilities to executives and management members	0.00	0.00

The transactions and balances presented above have been eliminated from the consolidated financial statements of the Group.

9. Important events and developments of the Group for the period 01.01.2007 – 30.09.2007

9.1 New activities

- During the first quarter of 2007, the company INTERFISH SA as well as the companies LESVOS AQUACULTURES SA, KORONIS AQUACULTURES SA, STEFANOY AQUACULTURE SA, with the decisions made by their Board of Directors on 28/03/2007 initiated the merger procedure through absorption of the second, third and fourth by INTERFISH SA.

The merger will take place with a transformation balance sheet of 31/03/2007, based on the provisions of L.2166/93 and L. 2190/20 as well as the relevant provisions of Athens Exchange regulation.

As a result of the merger, the share capital of listed in Athens Exchange INTERFISH SA would be increased following the estimation and approval of share exchange by the relevant authorities.

INTERFISH SA would inform the investment community regarding the merger. This merger is under the approval by the authorities based on the laws and the regulatory authorities.

- The participation of SELONDA SA in the share capital of «ASTRAIA AEBE» as a strategic and major shareholder with a percentage of 35% on the new share capital of the company was completed. The company «ASTRAIA A.E.B.E.» is active in

the sector of aquaculture and the trade of fish products and was established by 25 shareholders-entrepreneurs in the sector of Greek aquaculture which have a production ability that exceeds 14,000 tons of fish annually. With the stable focus of the management and executives in the application of total quality control for its products and services, the company during its first period of operation (30/3/2005 till 31/12/2006), achieved a total turnover of 37.46 mil euro and profits of 748 thous euro, while for the current year its turnover are expected to exceed 40.0 million euro. The direct positive effect of the aforementioned deal are linked to the strategic and dynamic activity of Selonda in fish breeding, the materialization of ASTRAIA investment plan of 8.2 mil. euro for the construction of infrastructure of high quality production, certified products for fish breeding and the common development of pioneered methods for the production of highly qualitative certified seafood that meets the expectations of the consumers, as well as the potential synergies that will emerge by the co-operation of all the shareholders-fish farmers in the productive and trade level.

- The Company completed via a share capital increase and acquisition of a percentage, its entrance in the share capital of **Fjord Marin Deniz Ürünleri Sanayi Ticaret A.S** (Fjord Marin Turkey) by acquiring a percentage of 46%, with the 54% owned by the Norwegian company Fjord Marin A.S. The entrance of Selonda was accompanied by a share capital increase of € 8.5 mil. following the capitalization of loans and cash deposits. The total expense of Selonda that includes its participation in the share capital increase as well as the acquisition of the Norwegian state controlled Norfund amount to € 7.8 mil. Fjord Marin Turkey holds licenses for the production of 14,000 tons covering the 30% of total production ability of Turkey. Today, it produces 6,000 tons and 15 mil. fry estimating to achieve a total turnover of € 30 mil at the end of 2007 and profits before tax of € 1.6 mil. Selonda group and Norwegian Fjord Marin A.S. will utilize from this year the total available storage space of Fjord Marin Turkey so that Selonda would be in a position to produce, directly and indirectly, 31,000 tons in 2007 and 40,000 tons in 2008 and 2009. This move materializes the methodical and effective strategy of Selonda to enter the Turkish market, the second ranking producer after Greece, through a company that is recognized a leader in Turkey.
- The acquisition through Athens Exchange of the 41.38% of PERSEYS ABEE was completed. The company PERSEYS is the largest producer of fish breeding products in Greece operating a factory of 9,000 sq.m. in Zevgolio of Korinth in a private land of 22,000 sq.m. In 2006 it produced 53,000 tons of food having a turnover of 44 million euro, while in 2007 the annual production would be 57,300 tons. The production capacity of the factory is 70,000 tons. At the same time the company maintains three production facilities for fishes having a capacity of 1,500 tons and a fish breeding station having a capacity of 8,000,000 fishes, which administration is undertaken by SELONDA AEGE. The development of SELONDA Group and its positioning, through the recent acquisitions in Greece and Turkey, in the first position regarding the production capacity of Mediterranean species (sea-bream and sea-bass), forces its direct involvement in companies producing fish breeding material as part of the vertical structure of the group. These products form the 50% of total cost production and the Group following this strategic move would manage to achieve a cost reduction by approximately 2,000,000 €, an improvement and direct control of the quality and productive results as well as the final profitability of the Group. The breeding is the main parameter behind the quality of the products as well as their production cost. The strategic choice of SELONDA to participate in PERSEYS ABEE is a leading move that allows the Group to materialize with no problems its aim of reaching the 50% of production capacity of Mediterranean in the coming five years period and the 30%-35% of Greek capacity in the coming two years and also to create alliances with shareholders who share its vision in aquaculture.

9.2 Other important events

- The investment and construction of a new packaging and processing centre in Fish Fillet that is about to be completed and became operational on December 2007,
- We initiated the materialization of the investment plan of JAZAN DEVELOPMENT COMPANY in Saudi Arabia in the area of aquaculture amounting to approximately 100 mil dollars, with the executives of the Group having already undertaking the management of this project in Saudi Arabia.

10. Post balance sheet date events

- The tax audit for the years 2003 – 2006 of the company SELONDA SA completed for any tax liabilities. From the tax audit emerged taxes of 706,376.86 euros. The results for 2007 will be charged with the amount of 308,376.86 euros, while for the remaining amount of 398,000 euros a relevant provision was made and charged the results of the periods 2003 till 2006. From the aforementioned amount of 308 thous. Euro, 300 thous. Euro is estimated for the results of 2007 amounting to 11,1 million euros (earnings after tax and minority interest) as we recently informed the investment community.
- Following the acquisition of PERSEYS, and together with the company Wise Management and based on L. 3461/2006 we submitted to Hellenic Capital Market Commission on 11/10/2007 a request for mandatory public proposition to the shareholders of 'PERSEYS SPECIAL NUTRITION PRODUCTS ABEE' for the acquisition of the voting shares that we do not currently own. The relevant announcement follows:

JOINTLY THE COMPANIES

"SELONDA AQUACULTURES SOCIETE ANONYME OF AGRICULTURAL OPERATIONS"

("SELONDA SA")

AND

"WISE MANAGEMENT S.A."

("WISE MANAGEMENT")

SUBMIT

COMPULSORY PUBLIC OFFER

TO THE SHAREHOLDERS OF THE COMPANY

"PERSEYS SPECIAL NUTRITION PRODUCTS SOCIETE ANONYME COMMERCIAL PRODUCTS"

("PERSEYS SPECIAL NUTRITION PRODUCTS ABEE")

FOR THE ACQUISITION OF COMMON, VOTING SHARES OF THE COMPANY

"PERSEYS SPECIAL NUTRITION PRODUCTS ABEE"

AT THE PRICE OF € 1.99 PER SHARE

(in accordance with the provisions of Law 3461/2006)

Following the acquisition of shares of the company "PERSEYS SPECIAL NUTRITION PRODUCTS SOCIETE ANONYME COMMERCIAL COMPANY", having the discrete title "PERSEYS SPECIAL NUTRITION PRODUCTS ABEE", on 21 September 2007 and in accordance with the provisions of article 7 of Law 3461/2006, the companies "SELONDA AQUACULTURES SOCIETE ANONYME OF AGRICULTURAL OPERATIONS" and "WISE MANAGEMENT S.A." (making the proposal) submitted together on 11 October 2007, to the Hellenic Capital Market Commission (the HCMC) and to the Board of Directors of the Company a prospectus regarding the compulsory public proposition (the 'Public Proposition') for the acquisition of the company's shares.

1. ENTITY MAKING THE PROPOSAL

Jointly the companies:

a)"SELONDA AQUACULTURES SOCIETE ANONYME OF AGRICULTURAL OPERATIONS" established and operating according to Greek laws, based in Athens at 30 Navarchou Nikodimou Str., legally represented for the purposes of the public proposition by Mr. Evaggelo Pipa, son of Nikolaos and,

b)"WISE MANAGEMENT S.A." established and operating according to the laws of Liveria, based in Monrovia, at 80 Broad Str. Legally represented for the purposes of the public proposition by Mr. George Xanthopoulos, son of Dimitrios.

2. COMPANY, THE SHARES OF WHICH ARE THE SUBJECT OF THE PUBLIC OFFER

The societe anonyme company under the title "PERSEYS SPECIAL NUTRITION PRODUCTS SOCIETE ANONYME COMMERCIAL PRODUCTS" and the discrete title ("PERSEYS SPECIAL NUTRITION PRODUCTS ABEE") that is based in Athens, 39 Panepistimiou Str.

3. THE CONSULTANT OF THE ENTITY MAKING THE PROPOSAL

The credit institution "BANK OF PIRAEUS SA.", based in Athens, at 4 Amerikis Str. acts, in accordance with the provisions of article 12, Law 3461/2006, as the consultant to the proposer regarding the public proposition.

4. SHARES THAT ARE SUBJECT OF THE PUBLIC PROPOSITION

The total number of common, registered, voting shares of the societe anonyme company "PERSEYS SPECIAL NUTRITION PRODUCTS ABEE", having a nominal value of € 0.37, which are listed and traded in Athens Exchange, and which the proposer directly or indirectly (together with Mr. George Antypa, son of Vasileios, President of the Company who acts in line with the proposer), does not own at the time of the public proposition and will not acquire during the same period the proposition will take place.

5. HIGHEST NUMBER OF SHARES THE ENTITY MAKING THE PROPOSAL IS OBLIGED TO ACQUIRE

Under the reservation of the note that is mentioned at the end of the present text, the proposer is obliged to acquire the total of common, registered, voting shares of "PERSEYS SPECIAL NUTRITION PRODUCTS ABEE" which would be legally offered in accordance with the terms and requirements of the public proposition as these are described in the prospectus that would be approved by the HCMC. That is to say, the proposer is obliged to acquire at maximum 2,266,334 shares that represent the 13.15% of the total capital and voting rights of the Company.

It is noted that the proposer does not wish, after the publication of the present and till the end of the acceptance period for the public proposition, to acquire common registered voting shares of "PERSEYS SPECIAL NUTRITION PRODUCTS ABEE" through Athens Exchange or by other means.

6. LOWEST NUMBER OF SHARES THAT MUST BE ACCEPTED

In accordance with the provisions of L. 3461/2006 and given that the Public Proposition is mandatory, there is not a minimum number of shares that the proposer must acquire in order for the proposition to be valid.

7. OFFERED EXCHANGE

The proposer will pay, for each share, of which the Public Proposition would be approved, the amount of € 1.99 in cash.

8. NUMBER OF SHARES OWNED BY THE ENTITY MAKING THE PROPOSAL

