SELONDA AQUACULTURES S.A.

Annual Financial Statements

For the period from

1 January till 31 December 2006

In accordance with International Financial Reporting Standards (IFRS)

It is certified that the attached Financial Statements for the period 01.01.2006 – 31.12.2006 are those approved by the Board of Directors of «SELONDA AQUACULTURES SA» on March, 14 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 SA

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INDEPENDENT CHARTERED AUDITOR ACCOUNTANT'S AUDIT REPORT

To the Shareholders of Societe Anonyme

SELONDA AQUACULTURE S.A.

Audit report on the Financial Statements.

We have audited the attached Financial Statements as well as the Consolidated Financial Statements of the Public Limited Company "SELONDA AQUACULTURES SA" for the financial year that ended on the 31st of December 2006, as well as the Income Statement, the Statement of changes in Shareholder's equity and the cash flow statements for the Company and the Group for the year, as well as the summary of the most important accounting policies and notes on the financial statements.

Management's responsibility for the Financial Statements

The responsibility for the compilation of the financial statements lies with the management of the company in accordance with the International Financial Reporting Standards as these are adopted by the European Union. This responsibility includes planning, application and maintenance of an internal audit control system regarding the compilation and fair presentation of the financial statements that are free from inaccuracies that may result from error or fraud. The responsibility also includes the choice and application of appropriate accounting policies and accounting estimations that are logical for the situation.

Auditor's responsibility

Our responsibility is limited to forming and expressing an opinion on the financial statements, based on the audit conducted. Our audited was performed according to the Greek Auditing Standards, which are in line with the International Auditing Standards. These Standards require that the audit work is planned and carried out in such a way as to ensure with reasonable assurance that the financial statements are free from material errors or omissions. To estimate this risk, the auditor takes into account the internal auditor's system regarding the compilation and fair presentation of the financial statements that aim to the design of audit procedures for the situation and not an opinion on the effectiveness of the internal control system, as well as an evaluation of the overall presentation of the financial statements.

We believe that the audit conducted provides sufficient basis for the forming of our opinion.

Opinion

In our opinion, the attached financial statements present in a true and fair manner the financial position of the company and the consolidated financial position of the company and the Group as of the 31st of December 2006, its financial performance and the cash flows of the Company and the Group for this year in accordance with the International Financial Reporting Standards as these are adopted by the European Union.

Report on other legal and regulatory issues

The content of the Management Report is consistent with the attached financial statements.

Athens, March 15th, 2007

THE CHARTERED AUDITOR ACCOUNTANT

ANASTASIOS EP. KERATSIS
CAC RN 10871
SOL S.A.

Income statement

(Amounts in euro)	GROUP		COMPANY	
	01/01-31/12/2006	01/01-31/12/2005	01/01-31/12/2006	01/01-31/12/2005
Fair Value of Biological Assets 31.12.2005	-56,070,604.46	-44,172,083.59	-48,201,830.83	-40,228,894.33
Stock acquired from subsidiary companies	-13,525,236.04	-4,380,784.88	0.00	0.00
Mortalities/Reproduction	297,555.68	587,510.91	297,555.68	587,510.91
Purchases during the year	-2,748,706.63	-7,271,272.60	-612,813.73	-484,753.83
Sales during the year	53,063,016.11	37,696,955.05	37,720,864.63	30,450,536.50
Fair Value of Biological Assets 31.12.2006	78,559,298.60	56,070,604.46	52,128,999.29	48,201,830.83
Profit/losses from the change in fair value of biological assets at 31/12/2006	**59,575,323.26**	**38,530,929.35**	**41,332,775.04**	**38,526,230.08**
Sales of Merchandise and other Material	13,063,328.32	6,167,254.73	13,149,382.31	5,945,839.06
Cost of goods sold	-11,390,911.26	-5,399,403.56	-12,132,036.49	-5,312,074.78
Sales of services	1,328,005.81	401,156.86	361,326.20	218,471.10
Consumption	-23,396,837.93	-13,781,784.05	-15,188,039.07	-12,852,565.28
Staff salaries and expenses	-12,562,945.83	-8,574,580.28	-8,695,414.25	-7,699,163.19
Payments and benefits to third parties	-7,484,083.43	-6,300,887.50	-5,382,459.15	-5,452,076.99
Other Expenses	-6,224,572.75	-4,620,228.78	-4,122,529.80	-2,561,139.51
Financial Expenses	-3,440,750.25	-1,479,018.69	-1,970,358.57	-1,315,031.96
Profit/(Loss) from associated companies	-975.99	467,496.69	0.00	115,915.89
Profit/(Loss) from fair valuation of Financial Assets	141,105.85	106,602.16	42,107.05	0.00
Depreciations	-3,641,578.07	-2,104,758.18	-2,005,771.84	-1,732,170.52
Other income	765,097.26	1,355,650.26	566,475.10	978,086.09
Financian Income	371,206.58	102,654.51	102,303.63	65,404.39
Investment Activity result	1,371,345.42	646,622.23	0.00	729,392.58
Earnings before tax	**8,472,756.99**	**5,517,705.75**	**6,057,760.16**	**9,655,116.96**
Income tax	-928,103.63	-770,008.07	-890,698.76	-770,008.08
Deferred Income Tax	-497,903.19	-256,072.95	-250,920.20	-1,619,428.25
	0.00	0.00	0.00	0.00
Net Earnings	**7,046,750.17**	**4,491,624.73**	**4,916,141.20**	**7,265,680.63**
Distributed to:				
Shareholders of the Parent	**6,710,912.50**	**4,636,750.61**	**0.00**	**0.00**
Minority Interest	335,837.67	-145,125.88	0.00	0.00
Earnings after tax per share- basic (in €)	0.23	0.16	0.17	0.25

Balance sheet

(Amounts in euro)		GROUP		COMPANY	
ASSETS		31/12/2006	31/12/2005	31/12/2006	31/12/2005
ASSETS					
Tangible Assets	6.1	55,059,498.54	39,186,570.46	15,903,364.32	15,112,877.45
Intangible Assets	6.2	768,164.38	588,185.80	205,400.00	81,267.67
Investments in Subsidiaries	6.3	0.00	1,596,787.14	23,616,776.22	18,181,037.69
Investments in Associates	6.4	4,984,661.99	854,643.00	2,663,133.82	820,864.56
Investments available for sale	6.5	515,850.36	587,593.10	39,471.23	107,952.71
Other Receivables	6.6	196,913.93	139,926.73	120,986.29	110,033.99
Deferred Tax Assets	6.7	409,125.49	537,181.37	216,925.48	337,821.38
Biological Assets	6.8	25,113,345.68	20,063,795.62	17,268,017.64	18,582,312.78
		87,047,560.37	63,554,683.22	60,034,075.00	53,334,168.23
Current Assets					
Biological Assets	6.8	54,956,594.91	36,006,808.84	34,860,981.65	29,619,518.05
Inventory	6.9	1,451,084.07	1,299,042.99	871,043.55	888,715.44
Trade Receivables	6.10	22,178,398.71	21,966,842.10	18,477,401.60	18,914,777.09
Other Receivables	6.11	10,692,319.78	5,384,329.11	7,886,566.08	5,326,400.47
Prepayments	6.12	2,531,192.78	2,774,272.81	966,335.92	2,362,688.45
Investments held for Trading Purposes	6.13	821,661.85	857,707.65	490,796.00	462,825.20
Cash and Cash Equivalents	6.14	13,693,327.42	12,301,899.28	5,216,257.71	3,625,566.88
		106,324,579.52	80,590,902.78	68,769,382.51	61,200,491.58
TOTAL ASSETS		193,372,139.89	144,145,586.00	128,803,457.51	114,534,659.81
LIABILITIES					
EQUITY AND LIABILITIES					
Equity					
Share Capital	6.15	29,281,594.00	29,281,594.00	29,281,594.00	29,281,594.00
Share premium Account	6.15	17,173,614.00	17,173,613.97	17,674,827.79	17,674,827.79
Restatment Differences	6.16	0.00	0.00	0.00	0.00
Reserves	6.16	11,412,472.36	11,240,680.22	11,412,472.36	11,238,529.24
Foreign Exchange Differences	6.16	0.00	76,486.76	0.00	0.00
Profits carried forward	6.16	7,729,712.62	3,231,769.27	7,374,790.33	4,169,032.98
Equity attributable to the shareholders of the Parent		65,597,392.98	61,004,144.22	65,743,684.48	62,363,984.01
Minority Interest	6.17	11,361,852.31	7,479,653.77	0.00	0.00
Total Equity		76,959,245.29	68,483,797.99	65,743,684.48	62,363,984.01
Non Current Liabilities					
Bank Loans	6.18	22,991,784.18	16,291,437.79	15,685,538.70	12,209,982.15
Other long-term liabilities	6.19	1,329,534.01	3,294,287.70	78,766.32	112,539.12
Deferred tax Liability	6.7	8,988,124.08	7,511,053.49	5,239,259.65	5,109,235.35
Employee Indemnities	6.20	460,676.64	320,703.88	319,090.58	277,649.04
Deferred income	6.21	7,602,350.42	3,371,870.20	714,147.73	360,847.91
Provisions	6.22	0.00	83,406.98	0.00	0.00
		41,372,469.33	30,872,760.04	22,036,802.98	18,070,253.57
Current Liabilities					
Trade and other Creditors	6.23	34,417,862.25	20,092,183.44	20,677,236.27	15,432,809.87
Loans	6.18	34,938,933.43	20,328,912.97	16,638,913.67	14,725,532.79
Current Tax Liabilities	6.24	1,201,826.35	1,393,694.49	633,034.77	1,010,554.91
Other Current Liabilities	6.25	2,638,053.24	1,224,237.07	1,230,035.34	1,181,524.66
Long-term Liabilities payable in the next financial year	6.18	1,843,750.00	1,750,000.00	1,843,750.00	1,750,000.00
		75,040,425.27	44,789,027.97	41,022,970.05	34,100,422.23
TOTAL EQUITY AND LIABILITIES		193,372,139.89	144,145,586.00	128,803,457.51	114,534,659.81

Statement of changes in equity

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
Equity balance 01.01.2005	**29,281,594.00**	**54,052,264.00**	**11,240,680.00**	**-103,383.01**	**-37,987,664.00**	**56,483,490.99**	**3,014,746.00**	**59,498,236.99**
Results recognised in equity	0.00	-260,759.00	0.00	0.00	0.00	**-260,759.00**	0.00	**-260,759.00**
Results for the period	0.00	0.00	0.00	0.00	4,636,750.00	**4,636,750.00**	-145,126.00	**4,491,624.00**
Foreign exchange differences	0.00	0.00	0.00	179,870.00	0.00	**179,870.00**	0.00	**179,870.00**
Reserves	0.00	0.00	0.00	0.00	0.00	**0.00**	0.00	**0.00**
Dividends and BoD remuneration	0.00	0.00	0.00	0.00	-290,000.00	**-290,000.00**	0.00	**-290,000.00**
Share capital reduction	-36,726,960.00	109,069.00	0.00	0.00	36,726,960.00	**109,069.00**	0.00	**109,069.00**
Share capital increase	36,726,960.00	-36,726,960.00	0.00	0.00	0.00	**0.00**	0.00	**0.00**
Change in minority interest	0.00	0.00	0.00	0.00	145,723.00	**145,723.00**	4,610,034.00	**4,755,757.00**
Balance 31.12.2005	**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**
Balance 01.01.2006 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	0.00	0.00	0.00	0.00	0.00		0.00	
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**

COMPANY

	Share capital	Share premium account	Other reserves	Profits carried forward	Total equity
Equity balance 01.01.2005	29,281,594.00	54,662,547.07	11,238,529.24	-39,533,607.65	55,649,062.66
Results recognised in equity	0.00	-260,759.28	0.00	0.00	**-260,759.28**
Results for the period	0.00	0.00	0.00	7,265,680.63	**7,265,680.63**
Dividends and BoD remuneration	0.00	0.00	0.00	-290,000.00	**-290,000.00**
Share capital reduction	-36,726,960.00	0.00	0.00	36,726,960.00	**0.00**
Share capital increase	36,726,960.00	-36,726,960.00	0.00	0.00	**0.00**
Reserves	0.00	0.00	0.00	0.00	**0.00**
Balance 31.12.2005	**29,281,594.00**	**17,674,827.79**	**11,238,529.24**	**4,169,032.98**	**62,363,984.01**
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	0.00	0.00			
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	**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**

Cash flow statement

(Amounts in euro)	GROUP		COMPANY	
CASH FLOW STATEMENT	**1/1 - 31/12/2006**	**1/1-31/12/2005**	**1/1 - 31/12/2006**	**1/1-31/12/2005**
Cash flow from Operating activities				
Profits for the period	6,710,912.50	4,636,750.60	4,916,141.20	7,265,680.63
Adjusted for:				
Tax	1,426,006.82	770,008.08	1,141,618.96	2,389,436.33
Depreciation	3,644,117.23	2,104,758.18	2,005,771.84	1,732,170.52
Impairment	724,551.73	0.00	211,568.93	0.00
Results (income, expenses, profit and loss) of investing activity	-373,710.27	-220,740.60	-196,090.18	-183,490.48
Interest Expenses	3,440,750.25	1,479,018.69	1,917,414.11	1,315,031.96
Amortisation of grants-Royalties	0.00	-550,843.65	0.00	-435,946.66
Share in associates	0.00	-1,637,940.23	0.00	0.00
Changes in biological assets	-23,999,336.13	-1,845,169.59	-3,927,168.46	-363,686.75
Adjustments for Working Capital changes related to operating activities				
Increase/(decrease) of inventory	-152,041.08	-597,144.89	17,671.89	-102,693.08
Increase/(Decrease) of receivables	-5,448,478.60	-19,774,509.80	-2,238,058.20	-18,696,400.07
Incerase/(decrease) of other current assets	243,080.03	-52,738.72	1,396,352.53	-485,797.08
Increase/(decrease) of Liabilities	18,045,854.25	16,075,906.57	4,546,867.48	6,902,982.60
Net Cash Flows from Operating Activities	**4,261,706.73**	**387,354.64**	**9,792,090.10**	**-662,712.08**
Interest Paid	-3,440,750.25	-1,479,018.69	-1,917,414.11	-1,315,031.96
Income Tax Paid	-1,426,006.82	-960,119.99	-1,141,618.96	-960,119.99
Total	**-605,050.34**	**-2,051,784.04**	**6,733,057.03**	**-2,937,864.03**
Investing activities				
Purchases of tangible and other assets	-9,713,975.78	-5,095,726.49	-2,890,616.85	-1,781,658.79
Fixed assets from acquired companies	-10,950,270.80	0.00	-337,475.37	0.00
Sales of fixed assets	242,670.50	633,119.30	141,773.68	714,577.40
Dividends received	3,533.20	0.00	3,533.20	0.00
Purchase of financial assets available for sale	-1,100,798.90	118,086.09	-1,096,334.76	-192,799.28
Acquisition of subsidiaries&associates	-3,882,557.71	-24,313.47	-5,928,681.93	-882,598.39
(Purchases) / Sales of participation percentages in joint ventures	1,349,325.86	355,263.42	-1,349,325.86	0.00
Profit (Loss) recognised in Equity	-485,428.33	0.00	-125,604.67	0.00
Sale of financial assets available for sale	1,207,558.67	6,658,015.47	1,135,815.93	6,318,133.30
Interest received	371,206.58	102,654.51	147,945.06	65,404.39
Deferred income	4,230,480.22	89,081.71	353,299.82	89,081.71
Net cash flows from investing activities	**-18,728,256.49**	**2,836,180.54**	**-9,945,671.75**	**4,330,140.34**
Financing activities				
Dividends paid to the shareholders of the parent	-585,631.88	0.00	-585,631.88	0.00
Loans	36,548,848.69	9,085,825.86	7,756,457.41	-198,386.35
Loans repayment	-15,238,481.84	0.00	-2,367,519.98	0.00
Net cash flows from financing activities	**20,724,734.97**	**9,085,825.86**	**4,803,305.55**	**-198,386.35**
Net (decrease)/increase in cash and cash equivalents	**1,391,428.14**	**9,870,222.36**	**1,590,690.83**	**1,193,889.96**
Cash and cash equivalents at the beginning of the period	12,301,899.28	2,431,676.92	3,625,566.88	2,431,676.92
Cash and cash equivalents at the end of the period	**13,693,327.42**	**12,301,899.28**	**5,216,257.71**	**3,625,566.88**

On cash flow statement the item «Loans taken» in the category Financial Activities in the previous period 01/01/2005-31/12/2005 was reported as current account balance and was included in cash and cash equivalents at the beginning and the end of the period respectively.

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 hatching facilities of the Company are located at Selonda bay in Sofiko, Corinth, which is 118klm. away from Athens and 35 klm. from Corinth, at the Managouli area in the prefecture of Fokida (formerly RIOPESCA AEBE), 520 klm. 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 Pagania 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 standardization unit at Selonda-Korinth bay, Kranidi Argolidis, Sagiada Thesprotias. Also, the distribution in Greece and Abroad is made through the logistics center in Aspropyrgos.

The financial statements for the period ended on the 31st of December 2006 (including comparatives as of 31st of December 2005) were approved by the BoD on 26/05/2006.

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

1.2 Nature of Activities

"SELONDA AQUACULTURES SA" (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:
a) To produce, process and trade industrial, agricultural and animal-breeding products as well as aquaculture products.
b) To purchase, sell, import and export industrial, agricultural and animal-breeding products as well as aquaculture products.
c) To conduct research and develop new technologies and means in the industrial applications, agricultural, animal breeding and aquaculture sectors.
d) 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 facilitates 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 June 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 building of 1,258.50 sq.m. that is preservable, 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, standardized 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 NORTH 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%.

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 31st of December 2006 (The 1st of January 2004 is the transition date) that cover the period up to the 31st of December 2006, 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 put 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. Unrealised 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 in 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	TAX-UNAUDITED FISCAL YEARS	PARTICIPATION PERCENTAGE	CONSOLIDATION METHOD
SELONDA AQUACULTURE S.A.	30, Navarchou Nikodimou str, Athens	2003-2005	Parent	Full Consolidation
INTERFISH AQUACULTURES SA	30 Apollonos, Athens	2005	47.13%	Full Consolidation
AQUAVEST S.A.	30, Navarchou Nikodimou str, Athens	2000-2005	100.00%	Full Consolidation
AQUANET S.A.	30, Navarchou Nikodimou str, Athens	2003-2005	81.76%	Full Consolidation
POLEMARCHA EPIDAVROS S.A.	3, Vrasida str, Athens	2003-2005	69.30%	Full Consolidation
KORONIS AQUACULTURE S.A.	Koilada - Argolida	2005	75.00%	Full Consolidation
STEFANOU AQUACULTURE S.A.	30, Navarchou Nikodimou str, Athens	2005	51.67%	Full Consolidation
FISH FILLET S.A.	Kritika – Corinth	2002-2005	50.01%	Full Consolidation
DIVING PARK SA	30, Navarchou Nikodimou str, Athens	2006	68.30%	Full Consolidation
PERDICA PARC SA	30, Navarchou Nikodimou str, Athens	2005	99.00%	Full Consolidation
VILLA PRESIE SA	30, Navarchou Nikodimou str, Athens	2003-2005	100.00%	Full Consolidation
SELONDA INTERNATIONAL LTD	Channel Islands, UK	-	100.00%	Full Consolidation
SELONDA UK LTD	East Riding of Yorkshire, WALES	-	100.00%	Full Consolidation
BLUEWATER FLATFISH LTD	North Linconshire, WALES	-	72.40%	Full Consolidation
FOUNTAIN PROPERTIES INC	Monrovia, LIBERIA	-	100.00%	Full Consolidation
JOINT VENTURE OF SOUTH EVIA I	30, Navarchou Nikodimou str, Athens	2006	95.00%	Full Consolidation
JOINT VENTURE OF KALYMNOS	30, Navarchou Nikodimou str, Athens	2005-2006	99.9%	Equity
INTERNATIONAL AQUA TECH LTD	North Linconshire, WALES	-	34.00%	Equity
BLUEFIN TUNA HELLAS S.A.	409, Vouliagmenis av. , Ilioupoli	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:

a) the ability to transform i.e. living organisms (living animals and plants), which have the ability to transform biologically
b) the administration and management of the transformation, by creating, enhancing or at least stabilizing the necessary conditions so that the living organisms may develop.
c) 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:
(a) The enterprise controls the asset as a result of part events.
(b) It is probable that future economic benefits that are related to the asset will flow to the enterprise.
(c) 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 (lees 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 the4 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 it 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 lesee 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.
On 31/12/2006 the Group had not classified any assets as investment property.

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 recognise 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 labour 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 labour. 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 to 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 1.1.2006	-10,092,208.00	-45,978,396.46		-56,070,604.46
Acquired reserves from subsidiaries	-2,366,669.43	-11,158,566.61		-13,525,236.04
Own production/Mortalities	167,686.00	129,869.68		297,555.68
Purchases during the year	-975,302.07	-5,777,728.47		-6,753,030.54
Sales during the year	11,639,719.19	53,562,663.84	2,251,967.22	67,454,350.24
Fair value of Biological assets 31/12/2006	12,422,636.60	66,136,662.00		78,559,298.60
Profit/Loss from changes in the Fair Value of Biological Assets and gross profit from sales of other assets	**10,795,862.30**	**56,914,503.97**	**2,251,967.22**	**69,962,333.49**
Cost	-7,568,733.90	-51,164,881.17	-1,962,990.30	-60,696,605.37
Earnings before financial results	**3,227,128.40**	**5,749,622.80**	**288,976.92**	**9,265,728.12**
Financial results				-792,971.13
Profit after tax				8,472,756.99
Tax and deferred tax				-1,426,006.82
Net profit				**7,046,750.17**

COMPANY				
	FRY	FISH	OTHER	TOTAL
Fair value of Biological Assets 1.1.2006	-10,092,208.00	-38,109,622.83		-48,201,830.83
Own production/Mortalities	167,686.00	129,869.68		297,555.68
Acquired reserves from subsidiaries				0.00
Purchases during the year	-489,111.65	-10,306,614.14		-10,795,725.79
Sales during the year	9,651,231.34	39,135,986.08	2,444,355.72	51,231,573.14
Fair value of Biological assets 31/12/2006	11,392,700.00	40,736,299.29		52,128,999.29
Profit/Loss from changes in the Fair Value of Biological Assets and gross profit from sales of other assets	**10,630,297.69**	**31,585,918.08**	**2,444,355.72**	**44,660,571.49**
Cost	7,340,804.47	28,053,409.64	1,949,124.43	37,343,338.54
Earnings before financial results	**3,289,493.22**	**3,532,508.44**	**495,231.29**	**7,317,232.95**
Financial results				-1,259,472.79
Profit after tax				6,057,760.16
Tax and deferred tax				-1,141,618.96
Net profit				**4,916,141.20**

In the income statement for the period, turnover for the company is increased by 40%, while for the group by 52% compared to the same period of last year, while earnings after tax decreased by 32% for the Company while increased by 57% for the Group.

The deviation reported **for the company** is due to the change in sales procedures from 8/2005, according to which Selonda undertook the direct sale of its products and not through its 100% subsidiary Eurofish Hellas-Astarti S.A. This resulted to the sale of products at final prices and not at exfarm prices as happened untill 8/2005.

With this difference in sale procedures for the company, in 2006 the distribution cost is included in parent's financial statements while in the previous year it charged the groups' statements, and therefore we had an increase in all expense items that include the expenses for transfer-distribution of products in Greece and abroad. There is also a decline in company's profitability due to the different way applied for the fair value estimation of biological assets at the beginning and the end of the period. The comparative data for the company in 2006 are almost the figures of the Group for 2005.

From the comparison it emerged that we had an increase in EBITDA by 27% while in comparatives there is a decline in EBITDA by 16%. The same also holds for EBIT and EBT. At the same time, the reduction in company's' profits by 32% is due to EBITDA reduction mentioned above, and to profit reduction from investing activities where in 2005 we realized income of 1.7 million euro from the sale of Nireas shares.

For the group the turnover increase by 52% is attributed to the 26% real increase from the expansion of customer base (US, Europe), to the expansion in new markets (Eastern Europe) and to the increase by 26% due to the inclusion of INTERFISH SA with turnover of 17.5 million euro. The EBITDA increase by 76%, mainly due to the improvement in production and distribution efficiency, with Interfish participating by 19% to this increase. Earnings after tax and minority interest are increased by 45% as a result of the real increase in Group's performance with Interfish participating only with 3.42% of total profits. We also have to mention that in 2005 we realised profits from investing activities of 1.7 million euro resulting from the sale of Nireas shares, an amount not existing in 2005.

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		41,560,711.36	240,813.93	41,801,525.29
GREECE	11,520,919.19	9,915,556.18	1,966,276.43	23,402,751.80
OTHER COUNTRIES	118,800.00	2,086,396.30	44,876.86	2,250,073.16
TOTAL	**11,639,719.19**	**53,562,663.84**	**2,251,967.22**	**67,454,350.24**

	COMPANY			
	FRY	FISH	OTHER	TOTAL
EURO AREA	0.00	26,087,075.19	0	26,087,075.19
GREECE	9,532,431.34	11,005,800.65	2,445,019.66	22,983,251.65
OTHER COUNTRIES	118,800.00	2,042,446.30	0	2,161,246.30
TOTAL	**9,651,231.34**	**39,135,322.14**	**2,445,019.66**	**51,231,573.14**

6. Notes to the Financial Statements

The consolidated financial statements of the Group include for the first time the companies Interfish Aquacultures S.A., Perdica Parc S.A. and Villa Presie S.A and therefore the figures in financial statements are not directly comparable.

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 1st of January 2006	**21,791,648.00**	**9,442,444.00**	**1,056,564.00**	**6,895,914.00**	**39,186,570.00**
Inclusion of new companies on 1 January 2006	**6,401,416.50**	**4,325,869.70**	**119,655.65**	**103,328.95**	**10,950,270.80**
Additions	4,301,840.68	9,725,046.83	374,310.78	-5,489,386.95	8,911,811.34
Sales reductions	-1,530.00	-221,457.55	-19,682.95	0.00	-242,670.50
Deletion of assets	-29,549.41	-532,670.05	-94,967.43	0.00	-657,186.89
Depreciation	-389,777.65	-2,770,450.64	-403,906.11	0.00	-3,564,134.40
Depreciation of disposals-write-offs	0.00	505,750.80	36,452.23	0.00	542,203.03
Transfers per account		14,388.97		-14,388.97	0.00
Transfer to coming years expenses	-62,182.23	-5,510.84	328.23	0.00	-67,364.84
Book value 31/12/2006	**32,011,865.89**	**20,483,411.22**	**1,068,754.40**	**1,495,467.03**	**55,059,498.54**

	COMPANY				
	Land & Buildings	Vehicles & machinery	Fixtures and fittings	Fixed Assets under construction	Total
Book value 1st of January 2006	**7,308,156.00**	**5,709,779.00**	**714,022.00**	**1,380,920.00**	**15,112,877.00**
Book value of acquires companies on 1 January 2006	**28,389.00**	**146,286.37**	**162,800.00**	**0.00**	**337,475.37**
Additions	419,076.18	1,960,055.20	245,658.10	-155,395.45	2,469,394.03
Sales reductions		-76,973.71	-19,158.54	0.00	-96,132.25
Deletion of assets		-192,130.29	-19,438.64		-211,568.93
Depreciation	-215,226.70	-1,424,600.29	-300,077.17	0.00	-1,939,904.16
Depreciation of disposals-write-offs	0.00	262,135.87	36,452.23	0.00	298,588.10
Transfer to coming years expenses	-62,182.23	-5,510.84	328.23		-67,364.84
Book value 31/12/2006	**7,478,212.25**	**6,379,041.31**	**820,586.21**	**1,225,524.55**	**15,903,364.32**

The table reports in separate line the amount of 10,950 thous. Euro that refer to the net book value of the companies Interfish Aquacultures S.A., Perdica Parc S.A. and Villa Presie S.A that consolidated for the first time on 31.12.2006.

6.2 Intangible assets

	GROUP		
	Know-how methods	Royalties-licences	Total
Book value on 1st of January 2006	**58,108.00**	**530,078.00**	**588,186.00**
Book value of acquires companies on 1 January 2006	0.00	0.00	0.00
Additions	49,961.39	10,000.00	59,961.39
Acquisition of new companies	0.00	200,000.00	200,000.00
Depreciation	-63,182.83	-16,800.00	-79,982.83
Book value 31 December 2006	**44,886.56**	**723,278.00**	**768,164.56**

	COMPANY		
	Know-how methods	Royalties-licences	Total
Book value on 1st of January 2006	**49,067.69**	**32,200.00**	**81,267.69**
Book value of acquires companies on 1 January 2006		180,000.00	180,000.00
Additions		10,000.00	10,000.00
Acquisition of new companies			
Depreciation	-49,067.69	-16,800.00	-65,867.69
Book value 31 December 2006	**0.00**	**205,400.00**	**205,400.00**

6.3 Investments in subsidiaries

	GROUP		COMPANY	
	31/12/2006	31/12/2005	31/12/2006	31/12/2005
Beginning of period		209,110.14	18,181,037.69	16,978,282.69
Sales/ deletions				
Additions		1,387,677.00	5,367,258.53	1,202,755.00
Transfers from available for sale			68,480.00	
Adjustment to fair value				
Balance at the end of the period	**0.00**	**1,596,787.14**	**23,616,776.22**	**18,181,037.69**

6.4 Investments in associates

	GROUP		COMPANY	
	31/12/2006	31/12/2005	31/12/2006	31/12/2005
Beginning of period	854,643.00	830,165.00	820,864.56	830,164.56
Share of profit/loss (after tax and minority interest)	1,319,668.17	33,778.00		0.00
Additions	3,262.00	105,000.00	3,261.26	105,000.00
Sales/deletions	-34,024.04	-114,300.00		-114,300.00
Balance at the end of the period	**2,143,549.13**	**854,643.00**	**824,125.82**	**820,864.56**

	GROUP		COMPANY	
	31/12/2006	31/12/2005	31/12/2006	31/12/2005
Beginning of period	1,491,787.00		489,682.00	178,797.00
Sales/ deletions				
Additions	1,349,325.86		1,349,325.86	
Changes in equity				
Balance at the end of the period	**2,841,112.86**		**1,839,007.86**	

Total	**4,984,661.99**	**854,643.00**	**2,663,133.68**	**820,864.56**

6.5 Investments available for sale

	GROUP		COMPANY	
	31/12/2006	31/12/2005	31/12/2006	31/12/2005
Beginning of period	587,593.10	4,591,161.00	107,952.71	3,710,818.00
Sales/ deletions	-71,741.74	-4,764,027.90		-4,717,323.00
Additions				105,803.71
Transfer to subsidiaries			-68,481.48	
Adjustment to fair value		760,460.00		1,008,654.00
Balance at the end of the period	**515,851.36**	**587,593.10**	**39,471.23**	**107,952.71**

6.6 Other receivables

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

	GROUP		COMPANY	
	31/12/2006	**31/12/2005**	**31/12/2006**	**31/12/2005**
Given guarantees	196,913.93	139,927.00	120,986.29	110,034.00
Total long-term receivables	**196,913.93**	**139,927.00**	**120,986.29**	**110,034.00**

6.7 Deferred tax

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

	GROUP				COMPANY			
	31/12/2006		31/12/2005		31/12/2006		31/12/2005	
	Deferred tax asset	Deferred tax liability	Deferred tax asset	Deferred tax liability	Deferred tax asset	Deferred tax liability	Deferred tax asset	Deferred tax liability
Non-current assets								
Expenses of multi-year depreciation that is not recognised as Intangible Asset	163,429.79	165,920.87	233,910.00		67,347.05	45,000.00	216,177.00	
Joint venture loan	69,822.18	0.00		40,204.00	69,822.18	0.00		40,204.00
Tangible assets	323,744.53	5,889,930.62		4,232,231.00	0.00	1,559,676.07		1,830,413.00
Current assets	0.00	0.00			0.00	0.00		
Inventories	1,465.69	3,674,471.38		3,035,619.00	0.00	3,327,644.69		3,035,619.00
Receivables	625,474.64	243,351.36	222,643.00		0.00	73,855.77	41,126.00	
Cash	0.00	0.00			0.00	0.00		
Long-term liabilities	0.00	0.00			0.00	0.00		
Provisions for staff indemnities	92,577.32	2,912.47	80,629.00		79,756.25	0.00	80,518.00	
Other long-term liabilities	542,069.25	420,995.29		203,000.00	0.00	233,083.12		203,000.00
Total	**1,818,583.40**	**10,397,581.99**	**537,182.00**	**7,511,054.00**	**216,925.48**	**5,239,259.65**	**337,821.00**	**5,109,236.00**

At a group level the difference between deferred tax assets and liabilities of 1,409,457.91 euro equals the amount that refer to tax receivable from INTERFISH SA.

The income tax rate applicable to the Group for 2006 is 29% while the deferred tax rate was calculated at 25%.

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:

	GROUP		COMPANY	
	01/01-31/12/2006	01/01-31/12/2005	01/01-31/12/2006	01/01-31/12/2005
Fair value of biological assets 31.12.2005	-56,070,604.46	-44,172,083.59	-48,201,830.83	-40,228,894.33
Inventories acquired from subsidiaries	-13,525,236.04	-4,380,784.88	0.00	0.00
Mortalities/Reproduction	297,555.68	587,510.91	297,555.68	587,510.91
Purchases during the year	-2,748,706.63	-7,271,272.60	-612,813.73	-484,753.83
Sales during the year	53,063,016.11	37,696,955.05	37,720,864.63	30,450,536.50
Fair value of biological assets 31.12.2006	78,559,298.60	56,070,604.46	52,128,999.29	48,201,830.83
Profit/losses from the change in fair value of biological assets at 31/12/2006	**59,575,323.26**	**38,530,929.35**	**41,332,775.04**	**38,526,230.08**

The inventories of the Group at the end of the period includes the amounts of the companies Interfish SA and Perdika Parc SA that are consolidated for the first time. In 2005 the inventories of the new companies were amounted to 14,839,452 euro while the Group achieved a real increase in biological assets by 2,6%.

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	
	31/12/2006	31/12/2005	31/12/2006	31/12/2005
Biological fixed assets	25,113,345.68	20,063,795.62	17,268,017.64	18,582,312.78
Biological current assets	54,956,594.91	36,006,808.84	34,860,981.65	29,619,518.05
Total biological assets	**80,069,940.59**	**56,070,604.46**	**52,128,999.29**	**48,201,830.83**

6.9 Inventories

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

	GROUP		COMPANY	
	31/12/2006	31/12/2005	31/12/2006	31/12/2005
Raw material	1,404,592.90	843,394.00	834,828.46	843,394.00
Merchandise	10,719.29	455,649.00	8,501.71	45,322.00
Consumables and other	35,771.88	0.00	27,713.38	0.00
Total net liquidation value	**1,451,084.07**	**1,299,043.00**	**871,043.55**	**888,716.00**

6.10 Trade receivables

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

	GROUP		COMPANY	
	31/12/2006	31/12/2005	31/12/2006	31/12/2005
Customers	7,177,586.52	12,136,051.00	5,594,431.64	12,738,603.00
Customers in litigation	1,917,101.11	1,942,818.00	721,357.54	0.00
Notes receivable	13,235.51	399,519.00	13,235.51	13,236.00
Overdue cheques/notes	1,423,738.70	83,047.00	500,328.41	83,047.00
Cheques receivable	14,426,965.84	7,737,633.00	11,352,625.41	6,151,244.00
Less: Provision for impairment	-2,833,120.95	-1,644,567.00	295,423.09	-141,815.00
Net trade receivables	**22,125,506.73**	**20,654,501.00**	**18,477,401.60**	**18,844,315.00**
Other receivables	52,891.98	1,312,341.00		70,462.00
Total	**22,178,398.71**	**21,966,842.00**	**18,477,401.60**	**18,914,777.00**

6.11 Other receivables

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

	GROUP		COMPANY	
	31/12/2006	31/12/2005	31/12/2006	31/12/2005
Receivables from the Greek state	4,905,656.20	275,003.00	3,793,299.05	275,003.00
Withholding tax	441,214.01	2,433,129.00	441,214.01	1,953,484.00
Sundry debtors	2,034,368.77	705,925.00	888,068.63	1,358,997.00
Prepayments and employee loans	1,668.80	987.00		987.00
Other prepayments	970.00	40,000.00		0.00
Prepaid expenses and accrued income	254,626.18	12,848.00	44,705.03	0.00
Other receivables	3,053,815.82	1,916,438.00	2,719,279.36	1,737,928.00
Total	**10,692,319.78**	**5,384,330.00**	**7,886,566.08**	**5,326,399.00**

The deviation of other receivables is due to: a) increase of receivables from the State (VAT) for the company amounted to 3.5 million euro, 70% of which would be collected in 2007, b) debit balance of VAT for the companies that belong to the Group amounted to 1 million euro mainly because of investment in fixed assets, and c) the consolidation of new companies INTERFISH SA, PERDIKA PARK SA, VILLA PRESIE SA ΠΑΡΚΟ ΠΕΡΔΙΚΑ ΑΕ, ΒΙΛΛΑ ΠΡΕΣΙΕ ΑΕ amounted to 1.2 million euro.

6.12 Prepayments

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

	GROUP		COMPANY	
	31/12/2006	**31/12/2005**	**31/12/2006**	**31/12/2005**
Deferred expenses	118,037.09	210,864.00	118,037.09	210,153.58
Prepayments for the purchase of inventories	2,339,533.14	2,326,380.00	834,323.03	1,915,505.00
Prepayments and credit accounts	73,622.55	237,028.81	13,975.80	237,029.87
TOTAL	**2,531,192.78**	**2,774,272.81**	**966,335.92**	**2,362,688.45**

6.13 Investments held for commercial purposes

	GROUP		COMPANY	
	31.12.2006	**31.12.2005**	**31.12.2006**	**31.12.2005**
Shares of listed companies	811,361.00	847,335.89	490,796.00	462,825.20
Shares of non-listed ocmpanies and other shares	10,300.85	10,371.76		
Total	**821,661.85**	**857,707.65**	**490,796.00**	**462,825.20**

6.14 Cash and cash equivalents

	GROUP		COMPANY	
	31.12.2006	**31.12.2005**	**31.12.2006**	**31.12.2005**
Cash in hand	71,822.30	50,642.00	38,935.25	21,228.00
Short-term bank deposits	7,565,195.80	9,143,708.00	3,162,322.46	2,496,790.00
Time-deposits	6,056,309.32	3,107,549.00	2,015,000.00	1,107,549.00
Total	**13,693,327.42**	**12,301,899.00**	**5,216,257.71**	**3,625,567.00**

The weighted average interest rate on the bank deposits of the Group stood at 3.0%. The increase in cash for the Company is due to the well cash management practices

6.15 Share capital-Share premium account

	Number of Shares	Share Capital	Share premium account	Total
Balance 1/1/06	**29,281,594.00**	**29,281,594.00**	**17,674,827.79**	**46,956,421.79**
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 31/12/2006	**29,281,594.00**	**29,281,594.00**	**17,674,827.79**	**46,956,421.79**

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

The shares of the Company were floated on the Athens Exchange in June 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 31.12.2006 is analyzed in the following table:

	GROUP		COMPANY	
	31.12.2006	31.12.2005	31.12.2006	31.12.2005
Share capital	29,281,594.00	29,281,594.00	29,281,594.00	29,281,594.00
Share premium	17,173,614.00	17,173,613.97	17,674,827.79	17,674,827.79
Other reserves	11,412,472.36	11,240,680.22	11,412,472.36	11,238,529.24
Foreign exchange differences		76,486.76		
Profits carried forward	7,729,712.62	3,231,769.27	7,374,790.33	4,169,032.98
Equity attributable to the shareholders of the parent	**65,597,392.98**	**61,004,144.22**	**65,743,684.48**	**62,363,984.01**
Minority interest	11,361,852.31	7,479,653.77	0	0
Total equity	**76,959,245.29**	**68,483,797.99**	**65,743,684.48**	**62,363,984.01**

6.18 Loan liabilities

	GROUP		COMPANY	
	31.12.2006	31.12.2005	31.12.2006	31.12.2005
Long-term loans				
Bank loans	22,991,784.18	16,291,438.00	15,685,538.70	12,209,982.00
Total long-term loans	**22,991,784.18**	**16,291,438.00**	**15,685,538.70**	**12,209,982.00**
Short-term loans				
Bank overdrafts	34,938,933.43	20,328,913.00	16,638,913.67	14,725,533.00
Part of long-term loans paybale in the next period	1,843,750.00	1,750,000.00	1,843,750.00	1,750,000.00
Total short-term loans	**36,782,683.43**	**22,078,913.00**	**18,482,663.67**	**16,475,533.00**
Total loans	**59,774,467.61**	**38,370,351.00**	**34,168,202.37**	**28,685,515.00**

The deviation of loan obligations for the company is due to the new long-term loan undertaken to finance the acquisition of Villa Presie S.A., aiming to purchase a building the company owns in Placa for the amount of 3,5 million euro, while for the case of the Group, the deviation is due to the loan obligations of Interfish S.A, which was consolidated for the first time, amounted to 15 million euro. due to the 1 million euro increase of loan obligations by Koronis S.A, due to working capital needs of FISH FILLET SA amounted to 1 million euro and to loan required for the investment on the new Group's packaging infrastructure.

6.20 Employee benefits

	GROUP		COMPANY	
	31.12.2006	31.12.2005	31.12.2006	31.12.2005
Balance sheet liabilities for				
Pension liabilities	460,676.64	320,703.88	319,090.58	277,649.04
Total	**460,676.64**	**320,703.88**	**319,090.58**	**277,649.04**

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 31/12/2006 was 390, divided to 153 with regular salaries (scientific and administrative employees) and 237 on daily wages (workers, technical employees) while for the Group the number of employees was 614 divided to 220 with regular salaries (scientific and administrative employees) and 394 on daily wages (workers, technical employees). For 2005 the number of employees were 370 for the Company and 426 for the Group.
At the Group, 25 people are working abroad and 590 people in Greece.

6.21 Deferred income

	GROUP		COMPANY	
	31.12.2006	**31.12.2005**	**31.12.2006**	**31.12.2005**
Balance at the beginning of the year	3,371,870.20	2,691,660.20	360,847.91	707,713.00
Additions from mergers/consolidations	1,423,903.22		414,919.73	
Additions	3,289,001.00	1,292,363.00	144,464.00	89,081.91
Transfers to income statement	-482,424.00	-612,153.00	-206,084.00	-435,947.00
Balance at the end of the year	**7,602,350.42**	**3,371,870.20**	**714,147.64**	**360,847.91**

6.23 Suppliers and other liabilities

The balances of suppliers and other liabilities is as follows:

	GROUP		COMPANY	
	31.12.2006	**31.12.2005**	**31.12.2006**	**31.12.2005**
Suppliers	5,458,124.04	6,129,189.28	4,758,281.57	5,947,447.60
Customer prepayments	120,740.39	96,337.65	96,785.76	96,337.65
Cheques payable	28,838,997.82	8,136,516.98	15,822,168.94	7,979,966.18
Other liabilities	0.00	5,730,140.05	0.00	1,409,058.44
Total	**34,417,862.25**	**20,092,183.96**	**20,677,236.27**	**15,432,809.87**

The deviation in suppliers and other liabilities between the two years in the Company by 33% is generally attributed to the increase of production performance, while the one for the Group by 54% was due to the new companies Interfish S.A. and Perdika Park SA that contributed 11.2 million euro, percentage of 58%.

6.24 Current tax liabilities

An analysis of current tax liabilities follows:

	GROUP		COMPANY	
	31.12.2006	**31.12.2005**	**31.12.2006**	**31.12.2005**
Tax expense attributed to the current period	928,103.63	770,008.00	890,698.76	770,008.00
Deferred income tax	497,903.19	256,073.00	250,920.20	256,073.00
Tax liability	-224,180.47	367,614.00	-508,584.19	15,526.00
Balance at the end of the period	**1,201,826.35**	**1,393,695.00**	**633,034.77**	**1,010,555.00**

6.25 Other short-term liabilities

An analysis of other short-term liabilities follows:

	GROUP		COMPANY	
	31.12.2006	**31.12.2005**	**31.12.2006**	**31.12.2005**
Sundry creditors	1,463,174.19	353,279.41	380,432.91	410,875.00
Dividends	142,200.51	131,190.34	142,200.51	131,190.34
Accrued expenses	380,821.66	296,154.21	315,592.70	231,781.69
Liabilities to pension funds	651,856.88	443,613.11	391,809.22	407,677.63
Total	**2,638,053.24**	**1,224,237.07**	**1,230,035.34**	**1,181,524.66**

The deviation of other liabilities observed between the two years is attributed to the 0.720 million euro increase of subsidiary BFF and by 0.352 million euro of companies consolidated for the first time.

6.26 Leasing

The leasing liabilities are analyzed as follows:

	GROUP		COMPANY	
	31.12.2006	**31.12.2005**	**31.12.2006**	**31.12.2005**
Up to 1 year	30,995.28	42,253.00	30,995.28	42,253.00
From 1 to 5 years	78,766.32	112,539.00	78,766.32	112,539.00
Total	**109,761.60**	**154,792.00**	**109,761.60**	**154,792.00**

6.27 Tax for the year

	GROUP		COMPANY	
	31.12.2006	**31.12.2005**	**31.12.2006**	**31.12.2005**
Income tax for the year	928,103.63	770,008.00	890,698.76	770,008.00
Deferred tax	497,903.19	256,073.00	250,920.20	1,619,428.00
Total	**1,426,006.82**	**1,026,081.00**	**1,141,618.96**	**2,389,436.00**

6.28 Earnings per share

	GROUP		COMPANY	
	31.12.2006	**31.12.2005**	**31.12.2006**	**31.12.2005**
Attributed to the shareholders of the company	6,710,912.50	4,636,750.61	4,916,141.20	7,265,680.63
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	**0.23**	**0.16**	**0.17**	**0.25**

6.29 Cash flow from operating activities

	GROUP		COMPANY	
	1/1 - 31/12/2006	1/1-31/12/2005	1/1 - 31/12/2006	1/1-31/12/2005
Cash flow from Operating activities				
Profits for the period	6,689,029.87	4,636,750.60	4,916,141.20	7,265,680.63
Adjusted for:				
Tax	1,426,006.82	770,008.08	1,141,618.96	2,389,436.33
Depreciation	3,644,117.23	2,104,758.18	2,005,771.84	1,732,170.52
Provisions	724,551.73	0.00	211,568.93	0.00
Results (income, expenses, profit and loss) of investing activity	-373,710.27	-220,740.60	-196,090.18	-183,490.48
Interest Expenses	3,440,750.25	1,479,018.69	1,917,414.11	1,315,031.96
Amortisation of grants-Royalties	0.00	-550,843.65	0.00	-435,946.66
Share in results of associated companies	0.00	-1,637,940.23	0.00	0.00
Changes in biological assets	-23,977,453.50	-1,845,169.59	-3,927,168.46	-363,686.75
Adjustments for Working Capital changes related to operating activities				
Increase/(decrease) of inventory	-152,041.08	-597,144.89	17,671.89	-102,693.08
Increase/(Decrease) of receivables	-5,448,478.60	-19,774,509.80	-2,238,058.20	-18,696,400.07
Incerase/(decrease) of other current assets	243,080.03	-52,738.72	1,396,352.53	-485,797.08
Increase/(decrease) of Liabilities	18,045,854.25	16,075,906.57	4,546,867.48	6,902,982.60
Net Cash Flows from Operating Activities	**4,261,706.73**	**387,354.64**	**9,792,090.10**	**-662,712.08**
Interest Paid	-3,440,750.25	-1,479,018.69	-1,917,414.11	-1,315,031.96
Income Tax Paid	-1,426,006.82	-960,119.99	-1,141,618.96	-960,119.99
Total	**-605,050.34**	**-2,051,784.04**	**6,733,057.03**	**-2,937,864.03**

In order to calculate the cash flows from operating activities appropriately, the figures that comprise the operating cash flows (inventories, biological assets, receivables, liabilities) must be included in 2005. The following table reports the cash flows from operating activities after the inclusion in 2005 figures those related to the companies consolidated for the first time in 2006 ((INTERFISH SA, PERDIKA PARK SA, VILLA PRESIE SA). Following the amendment of 2005 figures, the Net Cash Flows from Operating Activities of the Group for the current year emerge.

The following Cash Flow Statement from Operating Activities reports the adjusted figures after the modification of the 2005 figures in order these to become comparable with the 2006 ones.

	GROUP	
Cash flow from Operating activities	1/1 - 31/12/2006	1/1-31/12/2005
Profits for the period	6,710,912.50	4,636,750.60
Adjusted for:		
Tax	1,426,006.82	770,008.08
Depreciation	3,644,117.23	2,104,758.18
Provisions	724,551.73	0.00
Results (income, expenses, profit and loss) of investing activity	-373,710.27	-220,740.60
Interest Expenses	3,440,750.25	1,479,018.69
Amortisation of grants-Royalties	0.00	-550,843.65
Share in results of associated companies	0.00	-1,637,940.23
Changes in biological assets	-9,159,884.79	-1,845,169.59
Adjustments for Working Capital changes related to operating activities		
Increase/(decrease) of inventory	1,158,118.12	-597,144.89
Increase/(Decrease) of receivables	2,753,526.53	-19,774,509.80
Incerase/(decrease) of other current assets	243,080.03	-52,738.72
Increase/(decrease) of Liabilities	4,608,783.46	16,075,906.57
Net Cash Flows from Operating Activities	**15,176,251.61**	**387,354.64**
Interest Paid	-3,440,750.25	-1,479,018.69
Income Tax Paid	-1,426,006.82	-960,119.99
Net cash flow from operating activities	**10,309,494.54**	**-2,051,784.04**

– 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 € 314,516 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 01/01/2006 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. The dividend for the year 2005 is approved by the General Shareholders Meeting on the 29.06.2006 and its distribution started on 29.08.2006.

– 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 is already under tax audit for the un-audited years 2003-2005.

COMPANY	PARTICIPATION PERCENTAGE	UNAUDITED TAX YEARS
SELONDA AQUACULTURE S.A.	Μητρική	2003-2006
INTERFISH AQUACULTURES S.A.	47.13%	2005-2006
AQUAVEST S.A.	100.00%	2003-2006
AQUANET S.A.	83.65%	2003-2006
POLEMARCHA EPIDAVROS S.A.	69.30%	2003-2006
KORONIS AQUACULTURE S.A.	75.00%	2005-2006
STEFANOU AQUACULTURE S.A.	86.75%	2005-2006
FISH FILLET S.A.	67.00%	2002-2005
PERDIKA PARK S.A.	100.00%	2005-2006
VILLA PRESIE S.A.	100.00%	2003-2005
DIVING PARK SA	68.30%	2006
SELONDA INTERNATIONAL LTD	100.00%	-
SELONDA UK LTD	50.00%	-
BLUEWATER FLATFISH LTD	72.40%	-
JOINT VENTURE OF SOUTH EVIA I	95.00%	2006
JOINT VENTURE OF KALYMNOS	99.90%	2005-2006
INTERNATIONAL AQUA TECH LTD	34.00%	-
BLUEFIN TUNA HELLAS S.A.	25.00%	2004-2005

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. for the taking of loans (short-term and long-term) from ATE the balance of which amounted to 6,082,720 euro, and to the subsidiary company Interfish SA mortgages of 4,555,868.38 euro for the taking of loans (short-term and long-term) from ATE the balance of which amounted 4,812,357 euro on 31.12.2006.

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 1/1-31/12/2006 as well as the balances of the assets and liabilities of these companies as of 30/12/2006 are as follows:

Sales/Purchases	**GROUP**	**COMPANY**
To/From subsidiaries of the Group		
Purchase of goods and services	-	8,762,683.60
Sales of goods and services	-	8,276,759.02
To/From Associates and Affiliates		
Purchase of goods and services	3,141,826.49	1,147,804.50
Sales of goods and services	**2,762,633.23**	**1,695,129.06**

Receivables/Liabilities	**GROUP**	**COMPANY**
To/From Subisidiary companies		
Balance of liabilities	-	1,217,573.87
Balance of receivables	-	2,232,070.25
To/From Associates and Affiliates		
Balance of liabilities	352,746.50	25,371.47
Balance of receivables	**1,914,437.78**	**1,761,550.34**

Analysis per category is as follows:

	GROUP	COMPANY
Sales of goods and services	2,762,633.23	9,971,888.08
Purchases of goods and services	3,141,826.49	9,910,488.10
Receivables	1,914,437.78	3,993,620.59
Liabilities	342,988.90	1,242,945.34
Transactions and remuneration of BoD members and executives	877,416.78	693,619.78
Receivables from management and executives	8,669.35	8,669.35
Liabilities to management and executives	3,560.56	3,560.56

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 01.01.2006 – 31.12.2006

9.1 Acquisition of new companies

The Company in 2006 acquired new companies and specifically:

a) On 3-2-2006 completed the 44.14% acquisition and on 20-06-06 a percentage of 2.99%, 47.133% in total of the listed in ASE company INTERFISH SA for the amount of 2,035,004,4 euro. The amounts needed for the acquisition were drawn from the equity of the company. Selonda undertook the productive and administrative management of Interfish. This acquisition brought positive changes to the turnover of the Group by 13,941,535.94 (29%) euro, to the profits after tax and minority interest 163,454.61 (3.3%) euro while the equity of the Group increased by 865,817.63 euro.

b) On 11/01/2006 it purchased the 99% of the company Perdika Park SA for the amount of 242,154.00 euro and on 10/11/2006 the remaining 1% for 2,446,000 euro, a company that is consolidated for the first time, and this purchase does not bring substantial changes to the financial figures of the Group (turnover and profits), it only increased the equity of the Group by 432,986 euro. The company has production installations at the area of Korinthia which included in the production management of Selonda.

c) On 23-6-2006 completed the acquisition of the 100% of the company Villa Presie SA for the amount of 3,500,000.00 euro, a company that owns a real estate (neoclassic maintained building) at the area of Placa in Athens. This building, following the necessary modifications needed, will be the headquarters of Selonda Group of companies. This particular acquisition did not bring a change in the turnover and the results of the Group because the company did not have any activity till today, while there was no change in the equity of the Group.

9.2 Other important events

- Selonda Group and Carrefour Marinopoulos Group, since December 2006, for the first time in Greece, offer branded fresh sea-bass with guaranteed freshness, quality, security and complete tracking: Sea-bass «Quality Road». So, following the sea-bream «Quality Road», sea-bass will also be offered under this brand «Quality Road» in all Carrefour and Champion Marinopoulos stores.
  Selonda Aquacultures AEGE provide on a daily basis fresh sea-bass the Carrefour and Champion stores, offering consumers a product having a guaranteed quality and security under the name «Quality Road». It is a co-operation that meets the demand of the modern Greek consumer.
- Extended the co-operation of Selonda Group with the Saudi Arabian Group Jazan and the BoD of the Saudi Arabian Group decided to honor this co-operation with SELONDA SA with the participation of JAZAN DEVELOPMENT COMPANY in the equity of the Greek Company which shares are listed in Athens Exchange. So, in 2006 JAZAN DEVELOPMENT COMPANY acquired the 10% of the share capital of SELONDA SA.

This strategic co-operation, together with the assignment by JAZAN DEVELOPMENT COMPANY to Selonda SA of the investment plan related to aquaculture in Saudi Arabia, amounted to approximately 100 million dollars, offers an international prospect to the Greek Group's activities.

10. Post balance sheet date events

- On 01/03/2007 recorded in Societe Anonyme registry the No. K2-2219/01-03-2007 and No. K2-2220/01-03-2007 decisions of the Ministry of Development that approved the merger between the companies "SELONDA AQUALTURE AEGE" and «EUROFISH HELLAS-ASTARTI SA» and «SELANA AQUACULTURES SA» with absorption of the second and the third by the first in accordance with the provision of article 69-78 of C.L. 2190/20 "on societe anonyme" in conjunction with the provisions of articles 1-5 of L. 2166/93. The transformation date for the balance sheet of the absorbed companies «EUROFISH HELLAS-ASTARTI SA» and «SELANA AQUACULTURES SA» was set, following the decision of the BoD's on 31/12/2005.
  Given that SELANA SA held the 100% of the share capital of companies «EUROFISH HELLAS-ASTARTI SA» and «SELANA AQUACULTURES SA", a) the merger was approved, following the BoD decision of SELONDA SA and «EUROFISH HELLAS-ASTARTI SA» and «SELANA AQUACULTURES SA", on 31/01/2007, b) no increase in the share capital of SELONDA SA is caused following the completion of the merger and therefore there is no exchange ratio between the shareholders.
  On 01/03/2007 the records for the transfer of data of the companies «EUROFISH HELLAS-ASTARTI SA» and «SELANA AQUACULTURE SA" in SELONDA SA books, separately for 2006 and 2007.
- The procedures for the merger by absorption of the company «PERDIKA PARK AQUACULTURES SA» from «Selonda Aquacultures AEGE». The merger by absorption will be made with a transformation balance sheet on 31/12/2006 in accordance with the provisions of L 2166/93 and the C.L. 2190/20 on Societe Anonyme. The share capital of Selonda will remain unchanged given that the absorber company holds the 100% of the shares of the absorbed company which shares will be cancelled after the absorption. The merger is awaiting approval by the General Shareholders Meetings of the two Companies and the Ministry of Development.

Athens 14 March 2007

The Chairman of the BoD	The Vice Chairman and Managing Director	The General Manager and Member of the BoD	The Finance Director and Member of the Bod
Vassilios K. Stefanis	Ioannis K. Stefanis	Ioannis P. Andrianopoulos	Evagellos N. Pipas

MANAGEMENT REPORT

OF THE BOARD OF DIRECTORS OF "SELONDA SA"

ON THE FINANCIAL STATEMENTS OF THE COMPANY AND THE GROUP

ACCORDING TO THE IFRS FOR THE YEAR 2006

(01.01.2006 – 31.12.2006)

Dear Shareholders,

We are honoured to submit to you, in accordance with the Law and the statutes of the company, the Annual company and consolidated Financial Statements for the year 2005 (1.1.2006 – 31.12.2006) and to present you with some information regarding the financial position of the companies of the Group that are consolidated.

The Board of Directors, with the information it will provide, aim to offer a analysis of the financial data for the year as well as information and events related to the Group's and Company's activities.

The companies of the Group that are included in the Consolidated Financial Statements and their respective addresses and participations percentages are:

COMPANY	HEADQUARTERS	PARTICIPATION PERCENTAGE	CONSOLIDATION METHOD
SELONDA AQUACULTURE S.A.	30, Navarchou Nikodimou str, Athens	Parent	Full Consolidation
INTERFISH AQUACULTURES SA	30 Apollonos, Athens	47.13%	Full Consolidation
AQUAVEST S.A.	30, Navarchou Nikodimou str, Athens	100.00%	Full Consolidation
AQUANET S.A.	30, Navarchou Nikodimou str, Athens	81.76%	Full Consolidation
POLEMARCHA EPIDAVROS S.A.	3, Vrasida str, Athens	69.30%	Full Consolidation
KORONIS AQUACULTURE S.A.	Koilada - Argolida	75.00%	Full Consolidation
STEFANOU AQUACULTURE S.A.	30, Navarchou Nikodimou str, Athens	51.67%	Full Consolidation
FISH FILLET S.A.	Kritika – Corinth	50.01%	Full Consolidation
DIVING PARK SA	30, Navarchou Nikodimou str, Athens	68.30%	Full Consolidation
PERDICA PARC SA	30, Navarchou Nikodimou str, Athens	99.00%	Full Consolidation
VILLA PRESIE SA	30, Navarchou Nikodimou str, Athens	100.00%	Full Consolidation
SELONDA INTERNATIONAL LTD	Channel Islands, UK	100.00%	Full Consolidation
SELONDA UK LTD	East Riding of Yorkshire, WALES	100.00%	Full Consolidation
BLUEWATER FLATFISH LTD	North Linconshire, WALES	72.40%	Full Consolidation
FOUNTAIN PROPERTIES INC	Monrovia, LIBERIA	100.00%	Full Consolidation
JOINT VENTURE OF SOUTH EVIA I	30, Navarchou Nikodimou str, Athens	95.00%	Full Consolidation
JOINT VENTURE OF KALYMNOS	30, Navarchou Nikodimou str, Athens	99.9%	Equity
INTERNATIONAL AQUA TECH LTD	North Linconshire, WALES	34.00%	Equity
BLUEFIN TUNA HELLAS S.A.	409, Vouliagmenis av. , Ilioupoli	25.00%	Equity

The activity of the Group, as depicted in the consolidated balance sheet, comprises three main sectors:

Hatchery Sector: This sector refers to the production of fry by the hatchery facilities of Selonda Aquacultures S.A. in Managouli – Fokida, in the Selonda Bay – Corinth, in Sayada – Thesprotia and Psachna – Evia. Fry produced is intended either for the Selonda Group breeding facilities or for third-party producers. The figure for sales during the period that is presented in the summary refers only to sales to third-party producers. The placement of fry in production facilities adds to the cost of production of the finished product.

Fish farming sector: This sector includes the production in sea with the method of floating cages in Greece and the production in land-based facilities with the method of closed-circuit of water management and sale of fresh fish.

The production units in sea in Greece per geographical area are:

MUNICIPALITY	Number of production units
AITOLOAKARNANIA	2
ARGOLIDA	6
ARKADIA	4
DODEKANISOU	1
EVIAS	4
THESPROTIAS	5
KORINTHIAS	10
LESVOU	4
PEIRAIOS	1
FTHIOTIDAS	3
Total	40

There are also two production units in Wales on land infrastructure. These fish come from three sources, namely own-produced aquaculture fish, third-party aquaculture fish and imported fish. Hence, sales of fish produce are reflected in the "Sales of biological assets during the period" account, while sales of fish merchandise and other inventory items are reflected in the "Sales of merchandise and other materials" account.

Material Improvement in Main Financial Figures of the Balance Sheet

The **Turnover** of the Group amounted to 67,454 thousand euros increased by 52% in comparison to last year. This increase is due to real turnover increase by 13% because of the expansion abroad and by 39% increase due to inclusion of INTERFISH SA sales for the first time in 2006.

The Group's **earnings before tax, financial and investment results and depreciation (EBITDA)** for 2006 amounted to 13.7 million euro a percentage of 20.27% compared to earnings of 7.8 million euro percentage of 17.57% in 2005.

The Group's **Earnings before tax (EBT)** for 2006 amounted to 8.5 million euro percentage of 12.56% compared to earnings 5.5 million euro in 2005, percentage of 12.47%.

The Group's **After tax and minorities** for 2006 amounted to 6.7 million euro percentage of 9.95% compared to earnings of 4.6 million euro in 2005 percentage of 10.47%.

Earnings after tax per share for the Group amounted in 2006 0.23 euro per share compared to 0.16 euro per share in 2005.

In the Group's income statement we have to note that for the first time the companies INTERFISH SA, PERDIKA PARK SA, VILLA PRESIE SA were consolidated and mainly affected the turnover, as we mentioned at the beginning, while the increase observed in earnings from these new companies in 2006 is only 0.128 million euro. We also need to mention that the 2005 results include 1.7 million euro from the sale of shares that emerged following the sale of Nireas shares, an amount that does not correspond to any figure in 2006.

Fixed assets, net of depreciation, increased by approximately 40.5% compared to 2005, reaching 55 million euro.

Biological assets (fish and fry inventories) increased by 40% compared to 2005 and reached 78.6 million euro with 17 million euro coming from the new companies that were not included in the consolidated statements in 2005.

Trade and other receivables stood at 2005 levels amounted at 22.2 million euro.

In total, the **Current Assets** of the Group amounted at 106.3 million euro compared to 80.6 million euro in 2005, increased by 31.9%.

The **equity** of the Group in 2006 reached 76.96 million euro increased by 12.38% compared to 2005.

The **liabilities** amounted at 116.4 million euro with the long-term ones reaching 41.4 million euro and the short-term ones 75.04 million euro, increased by 53.86% compared to 2005. This increase is by 35% attributed to the inclusion of INTERFISH SA and by 18% to the actual increase of our liabilities. To the aforementioned liabilities we must mention that the leverage of the Copamny remained stable with the exception of the long-term loan of 3.5 million euro for the purchase of VIALLA PRESIE SA and the higher leverage of our subsidiaries.

We attach the Group's financial Ratios

	GROUP	
ACTIVITY (%)	**2006**	**2005**
Turnover	52.39%	
Earnings before Interest, Tax and Depreciation EBITDA	75.78%	
Earnings before Interest and Tax EBIT	76.81%	
Earnings before Tax EBT	53.56%	
Earnings after Tax and Minority Interest (EATM)	44.73%	
Net fixed assets	40.51%	
Total employed capital	34.15%	
PROFIT MARGIN (%)		
EBITDA Margin	20.27%	17.57%
EBIT Margin	14.87%	12.82%
EBT Margin	12.56%	12.47%
Net profit margin (after tax & minority interest)	9.95%	10.47%
PROFITABILITY BEFORE TAX (%)		
Return on Equity (ROE)	7.62%	16.11%
Return on total employed Capital (ROA)	9.80%	17.44%
LIQUIDITY (:1)		
Current ratio	1.75	2.25
Quick ratio	0.68	1.00
CAPITAL STRUCTURE AND LEVERAGE (:1)		
Debt ratio (Debt/Total capital)	0.60	0.52
Debt / Equity (Total Debt / Equity)	1.51	1.10
Capital Structure (Equity/Debt)	0.66	0.91
Total Equity/Total Assets	0.40	0.48
Total Debt/Total Assets	0.30	0.25
Total Debt/Total Equity	0.75	0.53
Interest Coverage Ratio	2.92	3.84
EBITDA / Debit interest-Credit interest	4.45	5.65
NET DEBT/ EBITDA	3.24	3.13

Important events during the Year

The Group increased its market share in 2006 in fish farming sector. It acquired the 47.13% and the management of INTEFISH SA, the 100% of PERDIKA PARK SA. Activated licenses and signed a contract to provide support to the investment plan of the Saudi Arabia company JAZAN DEVELOPMENT.

Important events after the end of the year

On 01/03/2007 the merger procedure with the subsidiaries EUROFISH HELLAS-ASTARTI SA and SELANA AQUACULTURES SA completed and the companies are consolidated in SELONDA SA. Also, the merger procedure with SELONDA SA and PERDIKA PARK SA was approved to start.

TARGETS-GROUP'S OUTLOOK

The market share that Selonda Group currently holds amounts to 19% of the Greek Production, while the target of the Group's Management is to reach 30% within the next two years, reaching the 50% of the total European production within the next three years.

This development would be achieved through acquisitions, co-operations and mergers the Group examines in Greece, Turkey and Spain, always aiming to achieve the best for its shareholders, and the management would inform the investment community in due time.

In 2007, the large investment in Wales of 16 million euro will be completed and the production of 1,000 tons of see-bass in land infrastructure using the method of closed circuit would start.

Also, at the beginning of Summer the construction of a new modern packaging-processing center of Selonda Group is expected to be completed, through which Selonda will handle its products as well as its new products of high added value. It is noted that the investment plan for fixed assets for 2007 – 2008 amounts to 15 million euro.

The main target of Selonda's Group Management for the coming years is to achieve the maximum production and to increase the Group's profitability. In this framework, the Management underlines four pylons of development on which it plans to focus in order to achieve its targets.

The four pylons on which the Management will put emphasis are:

- turnover increase,
- infrastructure modernization,
- reduction of production cost and
- maintenance of quality in the well known high levels

ESTIMATIONS

For 2007, the estimation regarding the current management and production activity drove turnover to 93 million euro and the Earnings After Tax and Minority Interest to 10.7 million euro.

Regarding the 10% participation of strategic partner Jazan Development Company (Gazadco) in Selonda's equity it is noted that the Greek company has already started the organization and execution of investment plan of 100 million euro in fish farming sector on behalf of the Saudi Arabian Group.

Athens 14 March 2007

The Chairman of the Board of Directors
Of the Parent Company
Of the Group SELONDA SA

Vasilios K. Stefanis

I certify that the above management report of the BoD that comprises 5 pages is the one referred to in my audit certificate dated 15/03/2007 and refers to the Consolidated Financial Statements of the SELONDA S.A. Group.

Athens, the 15th of March 2007

The Certified Auditor - Accountant
Anastasios Ep. Keratsis
CAC RN 10871
SOL S.A.