

ALUMIL MILONAS - ALUMINIUM EXTRUSION INDUSTRY S.A
REGISTRATION NUMBER 17520/06/B/88/18

REPORT OF THE BOARD OF DIRECTORS
FOR THE GENERAL SHAREHOLDERS' ASSEMBLY
(COMPANY AND CONSOLIDATED ACCOUNTS)
FOR THE YEAR 1.1.2007 - 31.12.2007
AND EXPLANATORY REPORT

(According to art. 136, law 2190/1920 and art. 11^o, law N.3371/2005)

Ladies and Gentlemen Shareholders,

We have the honor to submit for approval to you, according to the law and the Articles of Association of the Company, the 2007 Company and Consolidated Financial Statements of ALUMIL MILONAS S.A., including the Balance Sheet, the Income Statement, the Shareholders' Equity Statement, the Cash Flows Statement and the Notes to the Financial Statements; additionally, to report to you, Parent Company and Group activity and financial performance during the year, their perspectives and growth the following year, according to Board of Directors' estimates. Annual Financial Statements were drafted under the International Financial Reporting Standards (IFRS).

1. GENERAL INFORMATION

Consolidated Balance Sheet and Consolidated Income Statement derived from the consolidation of the financial statements of the companies: ALUMIL MILONAS - ALUMINIUM EXTRUSION INDUSTRY S.A. and its subsidiaries: 1. ALUKOM S.A., 2. ALUNEF S.A., 3. ALUSYS S.A., 4. ALUFIL S.A., 5. G.A. PLASTICS S.A., 6. METRON AUTOMATIONS S.A., 7. ALUMIL EGYPT FOR ALUMINIUM S.A.E., 8. ALUMIL EGYPT FOR ACCESSORIES S.A.E., 9. ALUMIL ALBANIA Sh.P.K., 10. ALUMIL BULGARIA S.R.L., 11. ALUMIL VARNA S.R.L., 12. ALUMIL FRANCE S.A.S., 13. ALUMIL DEUTZ GM.B.H., 14. ALUMIL ITALY S.R.L., 15. ALUMIL MILONAS CYPRUS LTD, 16. ALUMIL CY LTD, 17. ALUMIL MOLDAVIA S.R.L., 18. ALUMIL HUNGARY K.F.T., 19. ALUMIL UKRANIA S.R.L., 20. ALUMIL POLSKA S.R.L., 21. ALUMIL ROM INDUSTRY S.A., 22. ALUMIL YU INDUSTRY S.A., 23. ALUMIL SRB D.O.O., 24. ALUMIL COATING S.R.B., 25. ALUMIL SKOPJE D.O.O. and 26. ALUMIL GULF FZC. Consolidation method is defined on a Parent Company-subsiidiaries method.

It is noted that Consolidated Financial Statements include also Consolidated Financial Statements of subsidiary ALUMIL ROMANIA (drafts Consolidated Financial Statements including subsidiary ALUMIL EXTRUSION (holds 100%)), subsidiary ALUMIL YU (drafts Consolidated Financial Statements including ALPRO VLASENICA A.D. (holds 61.37%)) and subsidiary ALUMIL SRB (drafts Consolidated Financial Statements including ALUMIL MONTENEGRO D.O.O. (holds 100%)).

There are no Company's own shares owned by the Company, or by any other Company included in the consolidation. (par. 5, art. 103, law 2190/1920)

2. ECONOMIC ENVIRONMENT

A. INTERNATIONAL ECONOMIC ENVIRONMENT

According to "2007-2008 Bank of Greece (BoG) Chairman Annual Report", international financial activity growth remained satisfactory for 2007, despite the turbulence in international capital markets during the 2nd semester of 2007. According to the IMF, world GDP remained high during 2007, even though it decreased slightly to 4.9% for 2007, compared to 5.1% in 2006, significantly exceeding for the fourth successive year the last decades' average. It is estimated that emerging economies rapid growth, will not counterbalance the projected significant growth rate slow down of the developed economies. According to the estimates of international economic organizations, 2008 is negatively influenced from oil price increase and the persisting financial credit crisis. It is further estimated that the world GDP will be reduced by 0.8% reaching 4.1% approximately. The average inflation rate lightly dropped for developed economies to 2.1% from 2.3% in 2006, while it was raised for the emerging and developing economies to 5.9% from 5.1% in 2006.

B. EURO ZONE

According to the BoG Annual Report, the monetary policy in the Euro zone remained less favourable for the first semester of 2007; ECB proceeded twice to base rate increases by 0.25% each time, reaching 4% by the end of February 2008. The credit crisis that began in the United States in the sub prime market, now affects the Euro zone money market. The ECB BoD meeting on 7.2.2008, reckoned that the fundamentals of the European economy are sound, but the prospects of economic development could be negatively affected, due to the increased uncertainty, caused by the world financial conditions.

Basic macroeconomic figures - 2007							
	GDP %	Inflation Rate	Unemployment Rate%	Interest Rate	€/\$	Oil	Private Consumption
Greece	4.10%	3%	8.40%	4%	1.371	73.97 \$	3.60%
Euro zone	2.60%	2.10%	7.20%	4%	1.371	73.97 \$	1.60%
U.S.A.	2.50%	4.10%	4.90%	3%	1.371		
Japan	2.00%	0.75%	3.80%	0.50%	1.371		
Basic macroeconomic figures - 2008 Estimates							
	GDP %	Inflation Rate	Unemployment Rate%	Interest Rate	€/\$	Oil	Private Consumption
Greece	3.80%	3.40%	7.90%	4%	1.47	90.6 \$	3.40%
Euro zone	1.3% - 2.1%	2.6% - 3.2%	7.10%	4%	1.47	90.6 \$	1.1% - 1.7%

C. HELLENIC ECONOMY

The Hellenic economy despite the impressive growth rate in the last decade, confronts serious challenges regarding the medium and long term growth prospects. In detail:

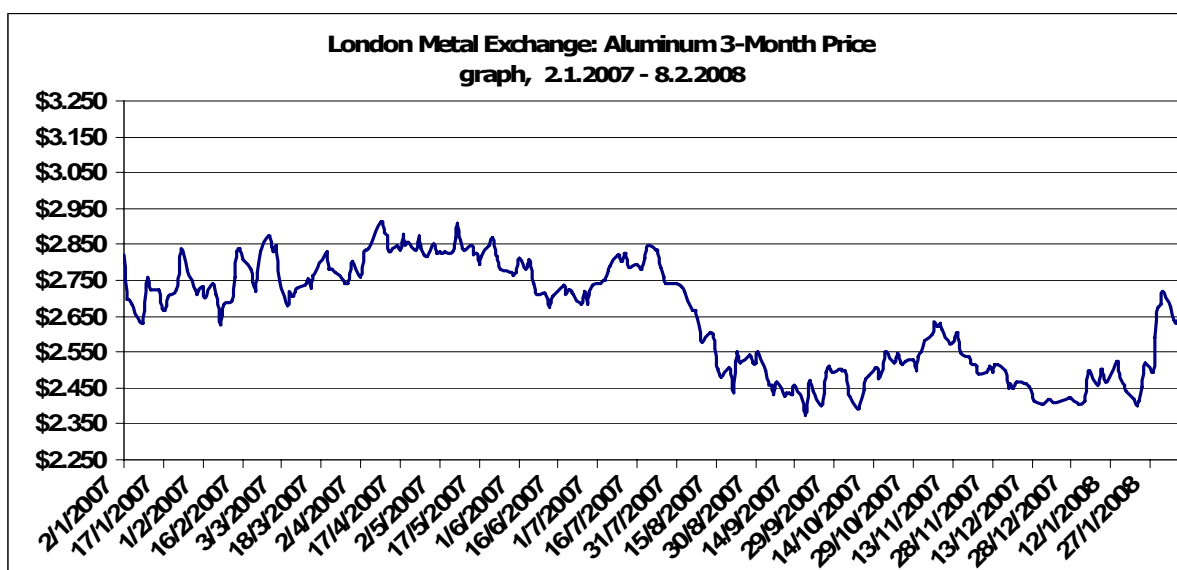
I. Inflation in Greece remains in high levels and deviates from the mean inflation in the Euro Zone. More specifically, 2007 mean inflation decreased to 3.0%, compared to 3.3% in 2006.

II. The economic activity growth in 2007 was followed by the employment rate growth and the decrease in the number of unemployed. Unemployment rate for 2007, declined to 8.4% compared to 8.9% for 2006; a further decrease to 7.9% is anticipated for 2008.

III. Current Account deficit expanded the last years to significantly high levels (reached € 27.3 bil. for the period 1.1 – 30.11.2007, compared to € 20.9 bil. for 2006).

D. ALUMINIUM SECTOR

Regarding the price of the Company's raw materials, aluminium billets (rods), it should be noted that during 2007, the aluminium price as it appears in the graph below, moved with high volatility – yet for another year - around the average price of \$ 2,662.7/ton (LME three-month-prices contracts), due to the immensely volatile conditions in international markets, to strong global demand, to the rapid increase in oil and gold prices by the end of 2007, but also due to speculative movements. From \$ 2,821.00/ton on 02.01.2007, it closed at \$ 2,405.5/ton on 31.12.2007, recording a temporary decrease by 17.3%. Nevertheless, within 2008, a clear upward trend is recorded, with a strong move to the historical high levels of \$ 3,100 – 3,250/ton. The steep and rapid increase in the price of Company's raw material in 2008 may create additional difficulties, to Group products pricing policy. A positive factor – in connection to aluminium price - is the further strengthening of Euro against the U.S. dollar by 10.9% (from €/ \$ 1,327 on 2.1.2007 to €/ \$ 1,4721 on 31.12.2007), which nevertheless, partially affects the exports to client-countries pricing in U.S. dollars.



Commenting on fundamental parameters, concerns that existed in 2007 for world demand, remain in 2008 as well, due to the fact that production units in China have not returned to full production mode, while production units in South Africa still face serious energy supply difficulties. Analysts estimate it possible to enter into a stabilization period soon, for the aluminium prices; however, the combination of limited supply and speculative movements, will hardly allow a downward trend for prices.

Global primary production, according to the International Aluminium Association¹, reached 26.97 m. tons, increased by 13%, which is the highest increase recorded since 1980, as seen from the statistical data below:

¹ www.world-aluminium.org

Reported Global Primary Aluminium Production (Thousands of Metric Tons)								
Year	Africa	North America	Latin America	Asia	Western Europe	East/Central Europe	Oceania	Total
2003	1,428	5,495	2,275	2,475	4,068	3,996	2,198	21,935
2004	1,711	5,110	2,356	2,735	4,295	4,139	2,246	22,592
% Change	19.8%	-7.0%	3.6%	10.5%	5.6%	3.6%	2.2%	3.0%
2005	1,753	5,382	2,391	3,139	4,352	4,194	2,252	23,463
% Change	2.5%	5.3%	1.5%	14.8%	1.3%	1.3%	0.3%	3.9%
2006	1,864	5,333	2,493	3,494	4,176	4,232	2,274	23,866
% Change	6.3%	-0.9%	4.3%	11.3%	-4.0%	0.9%	1.0%	1.7%
2007	1,966	6,141	2,781	4,026	4,695	4,853	2,511	26,973
% Change	5.5%	15.2%	11.6%	15.2%	12.4%	14.7%	10.4%	13.0%

Source: www.world-aluminium.org

According to temporary data of the Hellenic Aluminium Association¹, the aluminium sector holds its dynamism, sited as one of the basic contributors in the Greek economy, with constant growth.

This can be seen from the first data presented on 2007 volume turnover, that exceeded 379 thousands tons approximately, compared to 365 thousands tons for 2006 (3.8% increase). Representing sales of more than € 2 bil., this increase is mainly due to exports, since, according to executives of the Hellenic Aluminium Association, exports account for almost 60% of total turnover. Consequently, the Greek market absorbed around 150 m. tons in 2007.

Hellenic Aluminium Association forecasts report 2%-3% growth rates for 2008. It should be noted that the construction sector growth is positive and expected to follow a new dynamism, especially after 2008, mostly because of: 1. the completion of the projects undertaken in 2005 by the Ministry for the Environment, Physical Planning and Public Works, a total budget of € 4.2 bil., 2. the maximum exploitation of the resources from the Fourth European Support Framework, and the new (NSPD) 2007-2013 National Strategic Plan for Development and 3. the significant dynamism of the Hellenic manufacturing companies, operating throughout South-Eastern Europe.

E. Performance and progress of Group Operations

Financial year 2007 triggered notable financial performance for the Group, domestically and internationally. At the same time, the IPO of the Romanian subsidiary (Alumil ROM) in the Bucharest Stock Exchange (BSE) has been successfully completed and brought significant benefits. Important commercial agreements were signed as well, among which, with the multinationals «RICHEL SERRES de France» and «ARCELORMITTAL», the Russian manufacturing company «K CONSTRUCTION Ltd» - for the construction of petrol stations on behalf of the Russian distribution company «BP-TNK» and the Greek company «BIOSAR Energy». Group administration sound international orientation remains the fundamental factor for growth for the following five year period. According to Company's strategic planning, special weight was attributed - for another year - on market shares further increase in Russia and SE Europe, on enforcing Group commercial presence internationally, on expanding commercial networks in Western Europe and in the Middle East.

A new subsidiary, «ALUMIL GULF», was established in April 2007, in the United Arab Emirates (UAE), in order for the Group to further strengthen its presence in the Gulf area. Subsidiary shall trade aluminium profiles, accessories and supplementary products. The Group ran so far a sole five year presence in the wider Gulf area; yet, it is included among the top names in the international construction groups' lists of suppliers. Alumil products are preferred in some of the most impressive, benchmark projects in the area (undertaken more than 55 projects in total). An indicative

¹ www.aluminium.org.gr

example is the signed contract to supply architectural profiles in villas in Bahrain, for more than 50% of the total project; it consists of 1,300 luxurious villas, in an artificial island complex, «Durrat Al Bahrain».

Regarding consolidated financial results, Group net consolidated turnover increased by 18%, to € 287.63 m., compared to € 243.72 m. in 2006. Earnings before Interests, Taxes, Depreciation and Amortization (EBITDA), increased by 8.6%, exceeding 42.9 m., from 39.5 in 2006. Earnings before taxes increased by 15.8%, to 17 m. in 2007, from 14.7 m. in 2006. Net earnings (after taxes and minorities), significantly rose by 26.4%, to 9.5 m. in 2007 from € 7.5 m. in 2006. Profitability increase was mainly driven by the high demand for Group products and its development strategy in international markets, on which high-end Group products (thermal-brake profiles) play a leading role. Parent Company financial performance comes as a result of Group strategy to strengthen further position in international markets; indicatively, the table below sites some key-financials:

<i>In million €</i>	Group	Change % ('06)	Parent Company	Change % ('06)
Total Turnover	287.6	18.0%	238.0	25.7%
Gross Profit	67.1	18.3%	31.2	7.3%
EBITDA	42.9	8.6%	17.5	-1.5%
EBT	17.0	15.8%	6.8	-8.2%
EAT & Minority Interests	9.5	26.4%	5.0	-4.4%

Cash flows from operating activities were significantly improved for a second consecutive year, producing a strong surplus of € 11.36 m. Total net debt slightly decreased to € 154.4 m. in 2007 from € 155.9 m. in 2006. On October 4th, 2007, an eighty (80) million common debenture bond was signed, with no trading, no conversion rights by the bondholders. It has a seven year period and practically aims to refinance the existing debt, to reduce financial expenses and optimize the Group and Parent Company working capital management.

As a result of the above – along with the completion of the largest part of Group investment plan - organization "Growth Plus 500" awarded ALUMIL for the eighth time for its contribution to European economy growth and to new job positions. In particular, ALUMIL increased its job positions since 2003 by 63%, adding 846 new job places and Group turnover increased by € 184 m., boosting an 80% increase.

Group turnover and profitability are expected to grow through better management of operational expenses and working capital needs, along with an increase in products' end prices.

A. INVESTMENTS

In the effort to constantly retain leadership, pioneering spirit in the sector and produce innovative products, Group continued its 2000-2007 Investment Plan, for the expansion of Group facilities and the improvement of the mechanical equipment.

Additions in non-current assets reached € 20.2 m. in 2007. Most significant are:

Parent Company:

- Purchase of machinery and mechanical equipment improvement, that is, additional accessories and moulds with a total value of approximately € 2.8 m.
- Additional building facilities with a total value of € 2.0 m.

Subsidiaries:

- Investments in ALUKOM (Ind. Area of Komotini) related to moulds, a value of approximately € 0.4 m.
- Investments in ALUNEF (Ind. Area of Xanthi), for additional building facilities, a total value of approximately € 0.8 m. and mechanical equipment, a total value of approximately € 2.3 m.
- Investments in ALUFIL (Ind. Area of Kilkis) with a total value of € 5.6 m., related to the final stage of the anodizing unit completion, i.e. a special profiles' surface treatment unit and supplementary large unit.
- Investments in METRON AUTOMATIONS, related to purchases and installation of mechanical equipment, a total value of approximately € 0.4 m.
- Investments in ALUMIL ROM INDUSTRY in Bucharest, related to purchases and installation of mechanical equipment, a total value of approximately € 0.3 m.
- Investments in ALUMIL ALBANIA, related to purchases and installation of mechanical equipment, a total value of approximately € 0.5 m. This investment has been completed.
- Investments in ALUMIL BULGARIA, related to warehouses construction, a total amount of € 0.2 m. and the purchase of mechanical equipment, a total value of € 0.1 m.
- Investments in ALUMIL SRB and its subsidiary (holds 100%) ALUMIL MONTENEGRO, related to construction of building facilities, totaling € 0.5 m. and mechanical equipment, totaling to approximately € 0.2 m.
- Investments in ALUMIL YU INDUSTRY and its subsidiary (holds 61.73%) ALPRO AD, related to purchases and installation of mechanical equipment, a total value of approximately € 1.5 m.; also, additional € 1.2 m. worth purchase of supplementary equipment. Low budget investments are expected for the Group for the period 2008-2009.

B. ASSETS

Group inventories increase stems mainly from a: subsidiaries' raised logistics needs for more products and raw materials and b: raw materials significant price increase during the last quarter of 2007. The limited increase in receivables is mainly due to the credit policy strengthening.

C. LIABILITIES

Total net debt slightly decreased; debt is headed – a permanent practice - to finance Group investment Plan and to optimize working capital management.

D. FINANCIAL POSITION

Indicative financial ratios reflecting Group financial position are presented bellow. The "Change %" column expresses the percentage change from the previous economic year.

	2007 Period	2006 Period	Change %
LIQUIDITY			
1. Direct or Quick (Times)	0.91	0.85	7.2%
2. Current (Times)	1.62	1.36	18.8%
CAPITAL GEARING RATIOS			
1. Total Bank Debt / Equity	1.16	1.26	-8.0%
2. Net Debt/EBITDA	3.60	3.95	-8.8%
3. Interest Coverage (EBITDA/ Net Interest Expenses)	3.72	3.94	-5.6%
ACTIVITY RATIOS			
1. Inventory Days (average)	141	147	-4.3%
2. Receivables Days (average)	127	137	-7.3%
3. Payables Days (average)	81	78	4.0%
PROFITABILITY			
1. Net earnings / Equity % (ROE)	6.4%	5.7%	12.7%
2. Net Earnings / Sales %	3.3%	3.1%	7.1%

Note: the "Change %" could appear slight deviations due to roundings.

LIQUIDITY RATIOS

The quick (0.91 from 0.85 in 2006) and current (1.62 from 1.36 in 2006) liquidity ratios present a clear improvement, by 7.2% and 18.8% respectively compared with 2006, given the overall, significant improvement of the Group financial position.

CAPITAL GEARING RATIOS

The ratio of total bank debt to equity improved, presenting an 8% decrease to 1.16 from 1.26 in 2006, mainly due to better working capital management and low Investment Plan. The ratio of Net Debt/EBITDA is significantly decreased to 3.6 in 2007 from 3.95 in 2006. Interest Coverage ratio worsen to 3.72 in 2007 from 3.94 in 2006.

ACTIVITY RATIOS

Receivables improved to 127 days from 137 in 2006, mainly due to credit policy improvement. Payables slightly increased by 3 days (to 81 from 78 in 2006), considered to be a satisfactory performance, given the potential of the Company to achieve the optimum purchasing prices with its suppliers and given the overall market conditions.

Inventory days improved to 141 days (from 147 in 2006), due to lower inventories on a relative basis, because of more efficient inventory management.

ENVIRONMENT

ALUMIL Group, presenting a long experience and constant development in the aluminium extrusion sector, acknowledges that economic development could and should go along with a clean environment policy; therefore, it is one of management targets to combine the dynamic growth for the Company and the Group with the necessary respect towards the environment, its maintenance, protection and improvement.

With a continuous, systematic work by the Quality Management and Environment Department, the Company is certified since 2002 for the implementation of a complete system for environmental management, according to EN ISO 14001:1996 environmental standard, for the departments of extrusion, powder-coating and foundry. In this way, environmentally friendly production procedures are guaranteed along with pollution prevention and retention, saving energy, natural resources and various consumables, according to the Environmental Management Plan.

Incorporating environmentally-friendly actions in every day decisions, ALUMIL operates with clarity and increased sensitivity - above the standard law requirements - towards the achievement of specific objectives:

- Rational, sensible use of natural resources and energy.
- Adoption of a straightforward strategy to minimize environmental negative implications.
- Human health protection.
- Keeping track of the latest green technology developments in order to adopt new parameters.
- Promote Company's environmental sensitivity to all interested parties.
- Grow an environmental sensitive culture to all relative parties, i.e. personnel, clients, suppliers, various stakeholders.

In order to successfully apply all the above, the Company has set a specific action plan:

- Define specific and countable targets, where possible, to evaluate its performance.
- Proceed into frequent environmental inspections and publish the results.
- Provide appropriate training to all relevant personnel.
- Apply an *industrial-waste-minimization* strategy and constantly improve recycling policy.
- Proceed with frequent energy use inspection and operate under energy saving procedures.
- Follow, where feasible, suppliers' environmental performance.
- Hold to environmental criteria and ethics in all new expansion and growth activities.
- Report all environmental incidents to the appropriate authorities.
- Set necessary procedures to reject properly and eliminate danger from all industrial disposals.
- Fund appropriate operations to implement its environmental strategy.

As a result of the environmental plan, the below is reported:

- At the vertical powder coating facility of the Parent Company, the installation of new equipment took place, necessary for the collection of fines (non-processible powder fines), with significant financial results for the Company and also for limited environmental implications. Decrease in powder fines reached 60% (to 4% from 10%), saving annually more than 26 tons of powder.
- The installation of an automated supply and monitoring system at the vertical powder coating, for chemicals concentration at the stage of chemical process, has reduced the consumption in chemicals by 20% since 2003.
- The replacement of old tanks and piping systems in all sewage units, made from stainless steel.

HEALTH AND SAFETY

Group complexes use green powder coating colors, having as an objective the ultimate respect and attention towards the environment and Group personnel. In 2000, ALUMIL replaced all powder coating colors with a surcharge that reached up to 100%, over the harmful powder coating colors contained the dangerous TGIC and other heavy metals

(lead, chromium, etc.). During the five year period from 2003-2007, work accidents remained at very low levels, varied from light to very light accidents.

The assurance for healthy and safe environment for all Group employees – adopting practices beyond the corresponding Law standards - constitutes a constant target and daily pursuit for Parent Company and the Group. Group administration is committed towards its employees and the societies within which it operates, for the responsible and safe operation of its facilities, according to the rules of justice and morality.

Administration commitment towards environment is proven through a series of actions, already completed:

- certification since January 2005, with the Health & Safety Management Certificate, according to ELOT 1801 standard,
- updating research and studies for assessing workplace perils, with a clear target to implement new production operations,
- standardization for the statistical process of labor accidents data including indicators analysis, according to the specifications set by the European Aluminium Association,
- software implementation for the maintenance and electronic impression of the liquid gas network and the detection system for probable leakage. Staff training over liquid gas issues in cooperation with the constructor and supplier Company,
- implementation of the program for the compliance with the current legislation for the obtainment of optimality certificates and the replacement of worn-out equipment regarding skid units, derricks and air-guardrooms,
- regular inspections for the detection of unsafe work conditions,
- measurements of various parameters (temperature / humidity, noise, dust and light sufficiency) in all working areas, to implement corrective measures,
- bimonthly measurements for the quality of public network, potable water,
- staff training in safety, health and fire-safety issues.

DIVIDEND POLICY

Company Board of Directors, revising 2007 financials, shall recommend to the Annual General Shareholders' Assembly a dividend payout of € 0.14 per share, amounting to € 3,082,275 (31.12.2006: € 1,827,349, or € 0.083 per share). The above decision must be approved by the Annual General Shareholders' Assembly.

It is noted that the Company's dividend policy is strongly connected to the Parent Company's and Group's overall financial performance and efficiency, their strategic growth and capital needs.

TRANSACTIONS WITH RELATED PARTIES

Parent Company transactions' with related parties according to art. 42e, par. 5, law 2190/1920 and IFRS 24, are presented in Note 29 of the Financial statements «Transactions with related parties».

FINANCIAL RISK MANAGEMENT

Financial risk policies and targets for Parent Company and the Group, their potential exposure to the price change risk, credit risk, liquidity risk, interest rate risk and cash flow risk, are extensively reported in Note 30 of the Financial statements «Targets and policies of financial risk management program».

STRATEGIC TARGETS AND PROSPECTS

Group's strategy is focused in the Hellenic market perspectives and in promoting Group products in the international markets. In detail:

A. Hellenic Market:

Maintain leading position and increase market share. Emphasize on:

- High-end products.
- Services provider for Large Projects.
- Polycarbonate sheets.
- Composite Panels, J-Bond.
- Automated doors and lift chambers.
- Production of special profiles, new complementary products and accessories (solar protection, energy saving systems and more).

B. International Markets:

- Services provider for Large Projects.
- Dominate SE European markets.
- Expand in the wider Gulf area and in Russia.
- Further penetrate into the US market.
- Create new products for industrial applications, automotive industry and photovoltaic applications, in order to dynamically increase sales in Western Europe.
- Increase branded architectural profiles production, expand co operations with international industries and expand commercial agreements with branded Design Houses.
- Further penetrate in the lift sector through ALUMIL network.

Parent Company participates in numerous research programs, domestically and internationally, to develop new aluminium systems applications and to improve current production procedures and management.

OTHER INFORMATION

Significant events in the period between the end of the financial year and the submission of the report.

There was no such case.

Significant losses reported during the submission of the report, or losses that may occur in the future from contingent events.

There are no events in the period between the end of the financial year and the submission of the report that cause losses and the need to restate the published assets and liabilities accounts, or to require additional disclosure in the Financial Statements. Also, there are no probable future events that may cause losses, so that additional disclosure is necessary to shareholders and third parties, in order to properly evaluate published Financial Statements.

EXPLANATORY REPORT OF THE BOARD OF DIRECTORS

(According to information of article 11a, 3371/2005 Law)

The analytical information presented below contains information in accordance with article 11a, Law 3371/2005 and it will be presented to the Annual General Shareholders' Assembly for the financial year 2007.

a) Share Capital.

The Company's share capital amounts to € 8,146,012.50; it is divided into 22,016,250 common nominal shares, with a par value of € 0.37 each. All Company shares are immaterial and traded in the cash market of Athens Stock Exchange, in the Large Capitalization segment. The Company's shares are common registered with a voting right. The responsibility of the shareholders is confined to the nominal value of the shares they possess. Purchase of own shares has not been made.

According to the Company's shareholders registry on 31.12.2007, share capital composition was as follows:

Shareholder	No. of Shares	Percentage %
George A. Milonas:	10,648,976	48.37%
Evangelia A. Milona:	4,746,887	21.56%
Institutional & private investors:	6,620,387	30.07%
Total:	22,016,250	100.00%

b) Restriction on the transfer of shares of the Company.

The transfer of shares of the Company is done in accordance with the Law and there are no restrictions on their transfer in the Articles of Association.

c) Important direct or indirect participations in accordance with the provisions of Presidential Decree 51/1992.

On 31.12.2007, the below shareholders owned more than 5% of the total voting rights of the Company:

George Milonas: 48.37%

Evaggelia Milona: 21.56%

No other physical or legal person possesses more than 5% of the share capital of the Company.

d) Shares that provide special control rights.

No shares of the Company exist that confer on their holders special control privileges.

e) Voting right restrictions.

No restrictions of voting rights are foreseen in the Articles of Association of the Company.

f) Agreements between the shareholders of the Company, including confinements to the transaction of shares, or confinements in voting rights.

The Company is not aware of any agreements of its shareholders, and the Company's Article of Association does not provide the potentiality for agreements which entail confinements to the transaction of the shares or confinements in voting rights.

g) Rules for appointing and replacing members of the Board of Directors and modifying the Articles of Association.

The provisions in the Articles of Association of the Company concerning the appointment and replacement of the members of the Board of Directors and the modification of the Articles of Association do not deviate from the provisions of Common Law 2190/1920.

h) Responsibility of the Board of Directors or specific BoD members regarding the issuance of new shares or the purchase of own shares.

The provisions in the Articles of Association of the Company concerning the responsibility of the Board of Directors or specific BoD members regarding the issuance of new shares, or the purchase of own shares, do not deviate from the provisions of Common Law 2190/1920.

i) Important agreement concluded by the Company, coming into effect, modified or expiring, in case there is a change in the control of the Company following a public offer and the effects of any such agreement.

No such agreement exists.

j) Agreements that the Company has concluded with Board of Directors' members, or with employees, which foresee compensation, especially in case of resignation or termination without cause, or termination of their employment or professional contract, as a result of a public offer.

No such agreement exists.

Ladies and Gentlemen Shareholders, we presented to you the 2007 Financial Statements, drafted under the International Financial Accounting Standards (IFRS). The Group continues its clear, upward trend for another year, supported by its vision, its assets and most important, its people who will continue to add value to Company shareholders.

The Board of Directors wishes to thank all Group employees, for their efforts and constant dedication. The Board further assures them, with special faith and care, for the full support of their efforts.

Based on the above, the Company's shareholders are asked to approve the Parent and Group Financial Statements and the present Report, for the financial year ended on December 31st, 2007.

Kilkis, March 26th, 2008

THE PRESIDENT & CEO THE VICE- PRESIDENT GROUP CORPORATE DIRECTOR ACCOUNTING DEPARTMENT HEAD

GEORGE A. MILONAS
ID N^o AB 717392

EVANGELIA A. MILONA
ID N^o AB 689463

SPIRIDON E. MAURIKAKIS
ID N^o AA 273119

DIMITRIOS NIK. PLAKIDIS
ID N^o AE 873647

CERTIFIED AUDITORS ACCOUNTANTS' CERTIFICATION

It is certified that the above Report of the Board of Directors for the General Assembly which consists of 12 (twelve) pages is the one which is referred to the Auditors' Report which I issued on March 28th, 2008.

Athens, March 28th, 2008

THE CERTIFIED AUDITOR ACCOUNTANT

ARGYROU NIKOLAOS

R.N. SOEL 15511

ERNST & YOUNG (HELLAS)

AUDITORS ACCOUNTANTS S.A.

11th klm National Road Athens-Lamia

GR 14451-METAMORPHOSI, GREECE

 **ERNST & YOUNG**