



**Annual Financial Statements  
Year End 01.01-31.12.2006**

**Autohellas A.T.E.E.**  
APMAE 851/06/B/86/43  
Viltanioti 31, 145 64  
Kifisia, Attika  
Web: [www.hertz.gr](http://www.hertz.gr),  
Email: [investor.relations@hertz.gr](mailto:investor.relations@hertz.gr)

The annual Financial Statements have been approved by Autohellas's Board of Directors on 27<sup>th</sup> of February 2007 and have been published in the company's web address : [Http://www.Hertz.gr](http://www.Hertz.gr)

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## **INDEPENDENT AUDITOR'S REPORT**

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To the Shareholders of AUTOHELLAS S.A. (HERTZ)

### **Report on the Financial Statements**

We have audited the accompanying financial statements (the "Financial Statements") of AUTOHELLAS S.A.(HERTZ), (the Company) which comprise the balance sheet as at 31 December 2006, and the income statement, statement of changes in equity and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes.

### **Management's Responsibility for the Financial Statements**

Management's is responsible for the preparation and the fair presentation of these financial statements in accordance with International Financial Reporting Standards, that have been adopted by the European Union. This responsibility includes: designing, implementing, and maintaining internal control relevant to the preparation and fair preparation of financial statements that are free from material misstatement, whether due to fraud and error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Greek Auditing Standards, which are based on International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and reasonableness of accounting estimates made by management , as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### **Opinion**

In our opinion, the accompanying Financial Statements give a true and fair view, of the financial position of the Company as of 31 December 2006, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards, that have been adopted by the European Union.

### **Emphasis of Matter**

The details mentioned in the Board of Directors report are in compliance with the financial statements.

Athens, 28 February 2007

CERTIFIED AUDITOR ACCOUNTANT

PANAGIOTIS A. VAVOURAS

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AM SOEL 12841

**A. Financial statements AUTOHELLAS**

**Balance Sheet (1)**

	Note	31/12/2006	31/12/2005
<b>ASSETS</b>			
<b>Non-current assets</b>			
Fixed assets	6	228,679,642.54	201,851,625.19
Intangibles	7	1,126.65	0.00
Investments in subsidiaries	8	5,072,846.50	5,072,846.50
Investments in participating companies	9	4,891,221.09	4,891,221.09
Investments in other companies	10	10,936,569.73	16,436,569.73
Trade & other debtors	11	7,570,599.50	5,224,097.35
Other assets		322,899.37	331,070.31
		<b>257,474,905.38</b>	<b>233,807,430.17</b>
<b>Current assets</b>			
Inventory		37,554.80	47,477.70
Trade debtors	11	20,403,987.26	18,049,113.56
Other debtors	11	5,756,420.13	5,642,091.59
Advance payments	11	8,332,766.24	6,737,818.10
Cash and cash equivalents	12	32,229,843.54	2,602,557.02
		<b>66,760,571.97</b>	<b>33,079,057.97</b>
<b>Total assets</b>		<b>324,235,477.35</b>	<b>266,886,488.14</b>
<b>OWNER'S EQUITY</b>			
<b>Capital and reserves attributed in the parent company's shareholders</b>			
Parent company's shareholders equity	13	11,558,400.00	11,558,400.00
Share capital paid in excess of Par value	13	31,626,186.83	31,626,186.83
Other reserves	14	12,184,667.99	7,551,945.74
Earnings/Losses carried forward		56,974,670.88	54,824,598.35
		112,343,925.70	105,561,130.92
<b>Minority interest</b>		<b>0.00</b>	<b>0.00</b>
<b>Total owner's equity</b>		<b>112,343,925.70</b>	<b>105,561,130.92</b>

**LIABILITIES****Long term liabilities**

Long term borrowing	16	150,062,279.10	100,058,500.17
Deferred tax	18	11,640,298.88	11,689,169.27
Provisions for staff leaving indemnities	19	1,208,537.95	1,132,120.61
Derivatives	17	<u>520,961.35</u>	<u>758,741.99</u>
		<b>163,432,077.28</b>	<b>113,638,532.04</b>

**Short term liabilities**

Trade creditors	15	39,328,158.12	38,434,692.05
Short term borrowing	16	7,336,757.15	7,336,757.15
Taxes and duties payable		<u>1,794,559.10</u>	<u>1,915,375.98</u>
<b>Total short term liabilities</b>		<b>48,459,474.37</b>	<b>47,686,825.18</b>

<b>Total liabilities</b>		<b>211,891,551.65</b>	<b>161,325,357.22</b>
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<b>Total equity and liabilities</b>		<b><u>324,235,477.35</u></b>	<b><u>266,886,488.14</u></b>
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**A. Financial statements AUTOHELLAS**

**Income statement (II)**

	Note	31/12/2006	31/12/2005
<b>Operating Results:</b>			
Turnover	20	107,054,496.93	98,350,604.13
Cost of Sales	23	-86,424,361.65	-79,063,515.32
<b>Gross Operating Earnings</b>		<b>20,630,135.28</b>	<b>19,287,088.81</b>
Other Operating Income	20	12,974,267.51	10,923,068.68
Administrative expenses	23	-7,751,241.30	-7,609,725.13
Distribution expenses	23	-1,821,715.07	-1,682,052.94
Other expenses		-59,344.17	-39,820.18
Gains/losses before tax, financial and investment activities		23,972,102.25	20,878,559.24
Gains/losses before tax, financial investment activities and depreciations		65,321,208.10	58,407,445.50
Net financial cost	24	-4,380,493.27	-2,884,112.59
Gain/(Loss) from affiliated companies		4,003,356.57	571,250.00
Less:Fixed assets Depreciations	22	41,349,105.85	37,528,886.26
Less: Depreciation Expenses included in Operating Cost	22	41,349,105.85	37,528,886.26
<b>Earnings Before Tax</b>		<b>23,594,965.55</b>	<b>18,565,696.65</b>
Tax Payable	25	-5,488,614.20	-4,871,224.09
<b>Earnings After Tax</b>		<b>18,106,351.35</b>	<b>13,694,472.56</b>
<b>Attributable to :</b>			
Shareholders		<b>18,106,351.35</b>	<b>13,694,472.56</b>
Minority Interest			
<b>Net Earnings per Share</b>	26	<b>0.50</b>	<b>0.38</b>
<b>Dividend per Share</b>	27	<b>0.25</b>	<b>0.21</b>

**A. Οικονομικές Καταστάσεις AUTOHELLAS**

**III. Statements of changes in equity**

	ATTRIBUTED TO THE PARENT'S SHAREHOLDERS						Total equity
	Share capital	Above par	Own Shares	Other reserves	Results carried forward	Total	
<b>Balance as of 01.01.2005</b>	11,520,000.00	31,424,586.83	-809.88	6,922,604.04	48,447,130.09	98,313,511.08	98,313,511.08
- Reserves for provision for staff leaving indemnities						872,337.40	872,337.40
- Exchange rate differences							0.00
<b>Net gain/ loss reported on Net equity</b>		<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>872,337.40</b>	<b>872,337.40</b>
- Net results for the period				629,341.70	13,065,130.86	13,694,472.56	13,694,472.56
<b>Recognized profit / loss for the period</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>629,341.70</b>	<b>13,937,468.26</b>	<b>14,566,809.96</b>	<b>14,566,809.96</b>
- Dividends payable					-7,560,000.00	-7,560,000.00	-7,560,000.00
- Increase in capital	38,400.00	201,600.00				240,000.00	240,000.00
- Own Shares			809.88			809.88	809.88
<b>Balance as of 31.12.2005</b>	<b>11,558,400.00</b>	<b>31,626,186.83</b>	<b>0.00</b>	<b>7,551,945.74</b>	<b>54,824,598.35</b>	<b>105,561,130.92</b>	<b>105,561,130.92</b>
<b>Balance as of 01.01.2006</b>	11,558,400.00	31,626,186.83	0.00	7,551,945.74	54,824,598.35	105,561,130.92	105,561,130.92
- Reserves for provision for staff leaving indemnities							0.00
- Exchange rate differences							0.00
- Redistribution				3,738,356.57	-3,738,356.57	0.00	0.00
- Financial assets available for sale					-3,738,356.57		-3,738,356.57
<b>Total recognized profit / loss for the period</b>		<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>-3,738,356.57</b>	<b>-3,738,356.57</b>
- Net results for the period				4,632,722.25	13,473,629.10	18,106,351.35	18,106,351.35
<b>Recognized profit / l(loss) for the period</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>4,632,722.25</b>	<b>9,735,272.53</b>	<b>14,367,994.78</b>	<b>14,367,994.78</b>
- Dividends payable					-7,585,200.00	-7,585,200.00	-7,585,200.00
- Increase in share capital							0.00
- Own shares							0.00
<b>Balance as of 31.12.2006</b>	<b>11,558,400.00</b>	<b>31,626,186.83</b>	<b>0.00</b>	<b>12,184,667.99</b>	<b>56,974,670.88</b>	<b>112,343,925.70</b>	<b>112,343,925.70</b>

**A. . Financial statements AUTOHELLAS**

**Cash flow statement (IV)**

*Values in Euro*

	<b>01.01-31.12.2006</b>	<b>01.01-31.12.2005</b>
<b>Profits before tax</b>	<b>23,594,965.55</b>	<b>18,565,696.65</b>
Adjustments for:		
Fixed assets depreciation	41,349,105.85	37,528,886.26
Fixed assets devaluation (fixed assets write-offs)	1,525,076.29	668,559.22
Earnings from tangible assets sale	-7,673,008.95	-6,604,350.12
Interest	4,380,493.27	2,884,112.59
Dividends	-4,003,356.57	-571,250.00
	<b>59,173,275.44</b>	<b>52,471,654.60</b>
<b>Working capital changes</b>		
Increase/decrease in inventories	9,922.90	-4,853.70
Increase/decrease in receivables	-846,549.23	3,003,062.64
Increase/decrease in liabilities	-39,132.06	200,694.91
Other		
	<b>-875,758.39</b>	<b>3,198,903.85</b>
<b>Net cash flow from operating activities before Tax and Interest</b>	<b>58,297,517.05</b>	<b>55,670,558.45</b>
Interest expense paid	-4,500,393.97	-4,016,796.52
Tax paid	-5,458,301.47	-4,165,567.40
<b>Net cash flow from operating activities</b>	<b>48,338,821.61</b>	<b>47,488,194.53</b>
<b>Cash flow from investing activities</b>		
Purchase of tangible assets	-114,226,470.45	-84,650,196.62
Proceeds from sales of tangible assets	46,640,220.90	42,186,841.55
Acquisition of affiliated companies	0.00	-5,143,009.58
Proceeds from sales of financial assets	5,500,000.00	901,809.88
Proceeds from interests	739,914.46	486,524.10
Proceeds from dividends <i>εισπραχθέντα</i>	265,000.00	571,250.00
<b>Net cash flow from investing activities</b>	<b>-61,081,335.09</b>	<b>-45,646,780.67</b>
<b>Cash flow from financing activities</b>		
Proceeds from borrowing	53,255,000.00	0.00
Increase equity capital	0.00	240,000.00
Loan payments	-3,300,000.00	0.00
Dividend payments	-7,585,200.00	-7,560,000.00
<b>Cash flow from financing activities</b>	<b>42,369,800.00</b>	<b>-7,320,000.00</b>
<b>Net decrease/increase in cash and cash equivalents</b>	<b>29,627,286.52</b>	<b>-5,478,586.14</b>
Cash and cash equivalents at the beginning of the period	2,602,557.02	8,081,143.16
Exchange Differences in cash and cash equivalents	0.00	0.00
<b>Cash and cash equivalents at the end of the period</b>	<b>32,229,843.54</b>	<b>2,602,557.02</b>

**B. Consolidated financial statements**

**Balance sheet (I)**

<b>PROPERTY ASSETS</b>	<b>Note</b>	<b>31/12/2006</b>	<b>31/12/2005</b>
<b>Non-current assets</b>			
Fixed assets	6	238,073,713.64	209,608,354.87
Intangibles	7	209,903.92	211,991.28
Investments in subsidiaries	8	0.00	0.00
Investments in participating companies	9	6,731,004.86	7,451,126.86
Financial assets available for sale	10	10,936,569.73	16,436,569.73
Trade & other debtors	11	7,821,447.84	5,263,652.41
Other assets		322,899.37	331,070.31
		<b>264,095,539.36</b>	<b>239,302,765.46</b>
<b>Current assets</b>			
Inventory		936,921.99	995,665.87
Trade debtors	11	21,769,375.11	18,823,749.73
Other debtors	11	6,097,479.67	6,178,203.40
Advance payments	11	8,559,360.93	6,770,430.50
Cash and cash equivalents	12	32,668,752.16	3,014,838.93
		<b>70,031,889.86</b>	<b>35,782,888.43</b>
<b>Total assets</b>		<b>334,127,429.22</b>	<b>275,085,653.89</b>
<b>CAPITAL &amp; RESERVES</b>			
<b>Capital and reserves attributed in the parent company's shareholders</b>			
Share capital	13	11,558,400.00	11,558,400.00
Share capital paid in excess of Par value	13	31,626,186.83	31,626,186.83
Own shares reserves		16,501.66	41,866.05
Exchange difference	14	12,184,667.99	7,551,945.74
Earnings/Losses carried forward		60,520,496.08	58,502,620.71
		115,906,252.56	109,281,019.33
<b>Minority interest</b>		759,840.31	705,528.65
<b>Total capital &amp; reserves</b>		<b>116,666,092.87</b>	<b>109,986,547.98</b>

**LIABILITIES****Long term liabilities**

Long term borrowing	16	150,062,279.10	100,058,500.17
Deferred tax	18	11,640,298.88	11,689,169.27
Provisions for staff leaving indemnities	19	1,208,537.95	1,132,120.61
Derivatives	17	520,961.35	758,741.99
		<b>163,432,077.28</b>	<b>113,638,532.04</b>

**Short term liabilities**

Trade creditors	15	41,042,775.27	40,397,091.87
Short term borrowing	16	11,140,711.66	9,129,575.66
Taxes and duties payable		1,845,772.14	1,933,906.34
<b>Total liabilities</b>		<b>54,029,259.07</b>	<b>51,460,573.87</b>

<b>Total liabilities</b>		<b>217,461,336.35</b>	<b>165,099,105.91</b>
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<b>Total equity and liabilities</b>		<b>334,127,429.22</b>	<b>275,085,653.89</b>
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**B Consolidated financial statements**

**Income statement (II)**

		<u>31/12/2006</u>	<u>31/12/2005</u>
<i>Values in Euro</i>	<b>Note</b>		
<b>Operating Results::</b>			
Turnover	20	116,865,964.57	107,528,401.51
Cost of Sales	23	-94,222,409.24	-86,047,447.53
<b>Gross Operating Earnings</b>		<b>22,643,555.33</b>	<b>21,480,953.98</b>
Other Operating Income	23	13,590,723.15	11,095,060.33
Administrative expenses	23	-8,486,477.65	-8,272,738.19
Distribution expenses	23	-2,809,345.94	-2,819,195.65
Other expenses		-63,107.55	-59,360.26
Gains/losses before tax, financial and investment activities		24,875,347.34	21,424,720.21
Gains/losses before tax, financial investment activities and depreciations		69,074,401.59	60,996,728.74
Net financial cost	24	-4,527,239.36	-2,920,048.00
Gain/(Loss) from affiliated companies		4,003,356.57	571,250.00
Income from participation in associated companies		-720,122.00	1,730,027.14
Less:Fixed assets Depreciations	22	44,199,054.25	39,572,008.53
Less: Depreciation Expenses included in Operating cost	22	44,199,054.25	39,572,008.53
<b>Earnings Before Tax</b>		<b>23,631,342.55</b>	<b>20,805,949.35</b>
Tax Payable	25	-5,602,876.70	-4,937,401.63
<b>Earnings After Tax</b>		<b>18,028,465.85</b>	<b>15,868,547.72</b>
 <b>Attributable to :</b>			
Shareholders		17,974,154.19	15,850,022.26
Minority interest		54,311.66	18,525.46
 <b>Profits after taxes per share</b>	 26	 <b>0,50</b>	 <b>0,44</b>

**B. Consolidated financial statements**

**III. Statements of changes in equity**

	ATTRIBUTED TO THE PARENTS' SHAREHOLDER S						Minority		
	Share capital	Above par	Own Shares	Exchange Differences	Other reserves	Results carried forward	Total	Minority rights	Total equity
<b>Balance as of 01.01.2005</b>	11,520,000.00	31,424,586.83	-809.88	0.00	6,922,604.04	49,969,611.43	99,835,992.42	0.00	99,835,992.42
- Subsidiary establishment								687,003.19	687,003.19
- Reserves for provision for staff leaving indemnities						872,328.72	872,328.72		872,328.72
- Exchange rate differences				41,866.05			41,866.05		41,866.05
<b>Net gain/ loss reported on Net equity</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>41,866.05</b>	<b>0.00</b>	<b>872,328.72</b>	<b>914,194.77</b>	<b>687,003.19</b>	<b>1,601,197.96</b>
- Net results for the period					629,341.70	15,220,680.56	15,850,022.26	18,525.46	15,868,547.72
<b>Recognized profit / loss for the period</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>41,866.05</b>	<b>629,341.70</b>	<b>16,093,009.28</b>	<b>16,764,217.03</b>	<b>705,528.65</b>	<b>17,469,745.68</b>
- Dividends payable						-7,560,000.00	-7,560,000.00		-7,560,000.00
- Increase in capital	38,400.00	201,600.00					240,000.00		240,000.00
- Own Shares			809.88				809.88		809.88
<b>Balance as of 31.12.2005</b>	<b>11,558,400.00</b>	<b>31,626,186.83</b>	<b>0.00</b>	<b>41,866.05</b>	<b>7,551,945.74</b>	<b>58,502,620.71</b>	<b>109,281,019.33</b>	<b>705,528.65</b>	<b>109,986,547.98</b>
<b>Balance as of 01.01.2006</b>	11,558,400.00	31,626,186.83	0.00	41,866.05	7,551,945.74	58,502,620.71	109,281,019.33	705,528.65	109,986,547.98
- Subsidiary establishment									0.00
- Reserves for provision for staff leaving indemnities							0.00		0.00
- Exchange rate differences				-25,364.39			-25,364.39		-25,364.39
- Redistribution					3,738,356.57	-3,738,356.57	0.00		0.00
Financial assets available for sale					-3,738,356.57		-3,738,356.57		-3,738,356.57
<b>Total recognised profit / loss for the period</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>-25,364.39</b>	<b>0.00</b>	<b>-3,738,356.57</b>	<b>-3,763,720.96</b>	<b>0.00</b>	<b>-3,763,720.96</b>
- Net results for the period					4,632,722.25	13,341,431.94	17,974,154.19	54,311.66	18,028,465.85
<b>Recognized profit / ((loss) for the period</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>-25,364.39</b>	<b>4,632,722.25</b>	<b>9,603,075.37</b>	<b>14,210,433.23</b>	<b>54,311.66</b>	<b>14,264,744.89</b>
- Dividends payable						-7,585,200.00	-7,585,200.00		-7,585,200.00
- Increase in share capital							0.00		0.00
- Own shares							0.00		0.00
<b>Balance as of 31.12.2006</b>	<b>11,558,400.00</b>	<b>31,626,186.83</b>	<b>0.00</b>	<b>16,501.66</b>	<b>12,184,667.99</b>	<b>60,520,496.08</b>	<b>115,906,252.56</b>	<b>759,840.31</b>	<b>116,666,092.87</b>

**B. Consolidated financial statements**

**Cash flow statement (IV)**

	<u>31/12/2006</u>	<u>31/12/2005</u>
<b>Profits before tax</b>	<b>23,631,342.55</b>	<b>20,805,949.35</b>
Adjustments for:		
Fixed assets depreciation	44,199,054.25	39,572,008.53
Provisions	1,525,076.29	668,559.22
Earnings from tangible assets sale	-8,266,258.59	-6,905,066.77
Interest expenses	4,527,239.36	2,892,799.80
Income from participations in associations companies	720,122.00	-1,730,027.14
Dividends	-4,003,356.57	-571,250.00
	<b><u>62,333,219.29</u></b>	<b><u>54,732,972.99</u></b>
<b>Working capital changes</b>		
Increase/decrease in inventories	-130,938.92	509,146.30
Increase/decrease in receivables	-1,457,841.38	2,519,128.90
Increase/decrease in liabilities	-407,614.70	618,966.92
Other	0.00	0.00
<b>Working capital changes</b>	<b><u>-1,996,395.00</u></b>	<b><u>3,647,242.12</u></b>
<b>Net cash flow from operating activities</b>	<b><u>60,336,824.29</u></b>	<b><u>58,380,215.11</u></b>
Interest expense paid	-4,632,980.06	-4,025,483.73
Tax paid	-5,458,301.47	-4,373,567.40
<b>Net cash flow from operating activities</b>	<b><u>50,245,542.76</u></b>	<b><u>49,981,163.98</u></b>
<b>Cash flow from investing activities</b>		
Purchase of tangible assets	-120,060,795.54	-92,329,501.43
Proceeds from sales of tangible assets	48,560,604.68	43,402,536.41
Acquisition of affiliated companies	0.00	-3,112,011.58
Proceeds from sales of financial assets	5,500,000.00	901,809.88
Proceeds from interests	762,625.32	486,524.10
Proceeds from dividends	265,000.00	607,250.00
<b>Net cash flow from investing activities</b>	<b><u>-64,972,565.54</u></b>	<b><u>-50,043,392.62</u></b>

**Cash flow from financing activities**

Proceeds from borrowing	55,266,136.01	1,380,507.41
Increase of equity capital	0.00	979,888.66
Loan payments	-3,300,000.00	0.00
Dividend payments	<u>-7,585,200.00</u>	<u>-7,560,000.00</u>
<b>Cash flow from financing activities</b>	<b><u>44,380,936.01</u></b>	<b><u>-5,199,603.93</u></b>

**Net decrease/increase in cash and cash equivalents**

	<u>29,653,913.23</u>	<u>-5,261,832.57</u>
Cash and cash equivalents at the beginning of the period	3,014,838.93	8,276,671.50
Exchange Differences in cash and cash equivalents	0.00	0.00
<b>Cash and cash equivalents at the end of the period</b>	<b><u>32,668,752.16</u></b>	<b><u>3,014,838.93</u></b>

**D. EVENTS OCCURRED AFTER THE PUBLICATION OF THE BALANCE SHEET**

There have been no events after the publication date of the balance sheet that effect in any way the financial statements of the Company or Group.

**E. Notes to the financial statements.**

**1. General Information**

The company "AutoHellas Tourist and Trading Anonymous company" (the company) is an anonymous company registered in Greece, was established in 1962 and is engaged in the field of vehicle renting and leasing.

The company has its registered office at Viltanioti 31, Kifissia, Attica, it's website is [www.hertz.gr](http://www.hertz.gr) and is listed in the Athens Stock Exchange (ASF), sector "Travel & Tourism".

The consolidated financial statements of the company include the company and its subsidiaries (the group). Subsidiary companies are all the entities that are managed and controlled by AutoHellas. Subsidiary companies are consolidated by the full consolidation method, as from the date on which control is acquired and are excluded as from the date on which such control ceases no exist.

**Group Structure**

Company	Registered office	% of ownership
AUTOHELLAS TOURIST & TRADING ANONYMOUS COMPANY	Kifissia, Attica	Parent Company
BEMAL AUTO LTD	Lefkosia, Cyprus	100%
AUTOTECHNICA LTD	Sofia, Bulgaria	99,99%
DEMSTAR RENTALS 2005 LTD	Lefkosia, Cyprus	75%

These financial statements have been approved for publication by the Board of Directors on the 27/02/2007

## **2. Accounting Policies**

### **2.1. Basis for preparation of the financial statements.**

The consolidated financial statements of AutoHellas A.T.E.E., are covering the accounting period of 2006. They have been compiled based on IAS, that have been adopted by the European Union. The policies mentioned below have been consistently applied throughout all the periods of 2006.

The company and consolidated financial statements, have been compiled based on the Greek Accountant Standards until 31.12.2004. These Accountant Standards differ in certain regions from the IAS.

Both Company and consolidated financial statements, have been reported according to the Greek accounting standards up to the year 2004. Since there are essential differences between the Greek standards and the IFRS, for comparison reasons, figures for 2004 have been reported according the IFRS accounting principles and standards.

Current financial statements, have been reported using the historical cost method, with the exception of financial assets available for sale, which were valued at their fair value with changes recognized on the income statement.

The compilation of financial statements according to IAS requires the use of estimates and judgments during the application of the company's accounting principles.

### **2.2. New Standards - interpretations**

- **New standards**

- α) In August 2005 IASB issued IFRS 7 « Financial means: Announcements » mandatory from 01.01.2007.
- β) In November 2006, IASB issued IFRS 8 « mandatory operating segments» from 01.01.2009.

The application of the above standards is not expected to have any impact on the balance sheet figures or the results, since they refer to announcements and not changes in the initial recognition and evaluation of assets and liabilities.

- **New interpretations**

*Interpretation 7* : Applying the restatement approach under IAS 29 – financial reporting in hyperinflationary economies ( from 01.01.2007)

*Interpretation 8* : Scope of IFRS 2 (from 01.01.2007)

*Interpretation 9* : Reassessment of embedded derivatives ( from 01.01.2007)

*Interpretation 10* : Intermediate financial reporting and devaluation ( From 01.01.2007)

*Interpretation 11* : IFRS 2 Own shares transactions between 2 companies that are part of the same group (01.01.2008)

*Interpretation 12* : Concession contracts (01.01.2008)

Based on current facts the above interpretations will be in effect for both the Company and the Group.

### **2.3. Consolidation – Subsidiaries and Associates valuation**

The purchase method has been used for the consolidated financial statements. The acquisition cost of a subsidiary is the fair value of the assets, the shares issued and the liabilities undertaken on the date of the acquisition, plus any cost 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 value 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 results.

Inter-company transactions, balances and unrealized profits between Group Companies are written-off. Unrealized losses are also written-off as long as there is no indication of impairment of the transferred asset. The accounting principles of the subsidiaries conform to the ones adopted by the group.

Associates are companies on which the group can exert significant influence (but not control), with a holding of between 20% and 50% of the company's voting rights. Investments in associates are valued using the equity method and are initially recognized at cost. The account investment in associates includes the goodwill less any decrease in its value.

The group's share in the profits or losses of associated companies after the acquisition is recognized in the income statement, while the share of changes in reserves after the acquisition is recognized in the reserves. When the group's share in the losses of an associate is equal than its participation in the associate, then, no further losses are recognized, unless further commitments have been made on behalf of the associate.

Participants of the parent company in subsidiaries and associates are valued at cost less any decrease in value.

#### **2.4. Information per sector.**

Parent company's activities are the renting of vehicles and is conducted solely in Greece. Subsidiary's activities include renting of vehicles and vehicle trade and is conducted solely in Bulgaria and Cyprus.

#### **2.5. Tangible assets**

Tangible assets are reported at acquisition cost, less accumulated depreciations. The acquisition cost includes all the directly attributable expenses for the acquisition of the assets.

Plots are not depreciated. Depreciation of the rest tangible fixed asset is calculated using the straight line method over their useful lives, as follows :

Vehicles	2 – 5	Years
Buildings	30 – 35	Years
Mechanical equipment	6 – 7	Years
IT equipment	3 – 4	Years
Other equipment	5	Years

Vehicles residual values are being calculated based on their current values. No evaluations have been made regarding the residual values of the rest tangible assets.

When the book value of tangible fixed assets exceeds their recoverable amount, the difference (impairment) is immediately booked as an expense in the results.

Upon sale of the tangible fixed assets, any difference between the proceeds and the book value are booked as profit or loss to the results.

#### **2.6 Intangible asset**

##### *(a) Trade marks and licenses :*

Trade marks and licenses are valued at their acquisition cost less any accumulated depreciations. Depreciation is calculated using the straight line method over their useful lives which is 5 years.

##### *(b) Computer software*

Computer software licenses are reported at acquisition cost, less accumulated depreciation. Depreciation is calculated using the straight line method over their useful lives which is from 3 to 5 years.

#### **2.7. Impairment of Assets**

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. Impairment losses are booked as expense when emerge.

#### **2.8. Financial Assets available for sale, valued at fair value, with changes in fair value recognized in the results.**

Financial assets available for sale are valued in their fair value and any change in the fair value, is booked in equity reserves until they are sold or characterized as impaired, at which time they are transferred to the results as profit or loss.

Derivatives which are not designated and effective hedging instruments, are valued at fair value, with any changes recognized through the income statement.

**2.9. Trade receivables**

Receivables from customers are initially booked at their fair value which is equal to their face value less any impairment losses. Impairment losses (losses from doubtful debt) are recognized when there is objective evidence that the group is in no position to collect all relevant amounts, owned on the contractual terms. The impairment loss amount is calculated as the difference between the receivables book value and the future cash flow. The impairment losses are recognized in the income statement.

**2.10. Cash and cash equivalents**

Cash and cash equivalents include cash, cash at the bank as well as short term (up to 3 months), highly liquid and low risk investments.

**2.11. Transactions in Foreign currencies**

The transactions that are denominated in foreign currencies are stated in Euro on the basis of the exchange rates ruling on the date of the transaction. On the balance sheet date, monetary assets and liabilities that are denominated in foreign currencies are re-stated in Euro on the basis of the exchange rates ruling on this date. The gains and losses arising on restatement are recognized in the income statement

Any gains and losses arising from the conversion of foreign financial statements are recognized as net worth reserve.

**2.12. Share Capital**

Common stock is reported as equity. Expenses incurred for the issuance of shares reduce, after deducting the relevant income tax, the proceeds from the issue. Expenses incurred for the issuance of shares for the acquisition of companies are included in the acquisition cost of the company.

The cost of acquiring own shares, less the relevant tax, is reported as a negative balance within shareholders equity, until own shares are sold or canceled. Any profit or loss from the selling of own shares (after deducting the relevant costs), is reported as reserve on equity.

**2.13. Loans**

Loans are initially reported in their fair value, less any relevant transaction costs. Later they are valued on the unamortized cost using the actual interest rate.

**2.14. Deferred income tax**

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 calculated on the tax rates that are expected to be in effect during the period in which the asset or liability will regain its book value.

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

**2.15. Employee benefits***(a) Short term benefits*

Short term employee benefits monetary and in kind are recognized as an expense when they accrue.

*(b) Post employment benefits*

Post employment benefits include defined contribution schemes as well as defined schemes. The accrued cost of defined contribution schemes is booked as an expense in the paid period it refers to.

The liability that is reported in the balance sheet with respect to this scheme is the present value of the liability for the defined benefit. The commitment of the defined benefit is calculated annually by an independent actuary with the use of the projected unit credit method. The field of long-term Greek Government Bonds is used as a discount rate.

**2.16. Provisions**

Provisions are recognized when the Group has present obligations (legal or constructive), as a result of past events and the settlement through an outflow is probable.

**2.17. Recognition of income**

Income includes the fair value of goods and services sold, net of value added Tax, discounts and returns. Intercompany revenue within the Group is eliminated completely. The recognition of revenue is done as follows :

*(a) Income from services sold (Car Rentals)*

Income from services sold are accounted for based on its completion percentage.

*(b) Earnings from car sales*

Earning from car sales is recognized at the stage when the basic risks and benefits associated with the ownership of the cars, are transferred to the buyer.

*(c) Income Interest*

Income interest is recognized on a time proportion basis using the effective interest rate.

*(d) Dividends*

Dividends are accounted as revenue, when the right to receive payment is established, in other words on the date the dividends are declared.

**2.18. Leases ( Group company as Lessee)**

Leases of fixed tangible assets, owned by the Group, with which all the risks and benefits are transferred, are registered as financial leases. Financial leases, are capitalized at the inception of the lease and are reported as liabilities with an amount equal to the net lease investment. The income from the payments is reported as a reduction of the liability and as a financial income, in a way that a constant periodic return on the net investment is ensured.

**2.19. Dividend Distribution**

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

**3. Financial Risk Management****Financial Risk Factors***(a) Credit Risk*

The company's credit risk is low. Retail sales are either in cash or through credit cards. Wholesome sales are conducted only after a thorough examination of the customers credit profile and in most cases advance payment and guarantees are ensured.

*(b) Liquidity Risk*

Liquidity risk is kept at low levels, through the adequate credit lines.

*(c) Cash flow Risk and interest rate risk*

Company is under interest rate risk since it has long term borrowings on floating interest rate (Euribor). The loans, on the other hand has been partially hedged with interest rates switch hence limited risk exists.

**4. Important accounting evaluation and management judgments.**

Management evaluations and judgments are under constant re-examination based on past experience and expectations for future events.

The company makes evaluations and assumptions on the outcome of future events. No evaluations or assumptions involve high risk in causing major adjustment in company's assets book value or in liabilities for the next 12 months.

## 5.2.1 Equity adjustment between IFRS AND Greek accounting standards

### Group

	<u>31.12.2003</u>	<u>01/01-31/12/04</u>	<u>31.12.2004</u>
	<u>EQUITY</u>	<u>RESULTS</u>	<u>EQUITY</u>
<b>Greek Accounting Standards</b>	<b>57,610,296.08</b>	<b>11,756,642.34</b>	<b>61,894,000.78</b>
1. Transfer of dividends to equity	7,200,000.00		7,560,000.00
2. Recognition of deferred tax	-12,105,275.41	-1,350,447.13	-13,455,722.54
3. Depreciation difference due to new depression rates using the straight line method on their useful lives			2,017,791.42
4. Effect on income from sale of tangible fixed asset due to depression rate change	46,053,178.54	23,352,267.97	69,405,446.51
5. Write-off of tangible assets that do not meet the standards of IAS 38		-17,444,259.04	-17,444,259.04
6. Impairment of other companies	-249,284.61	144,717.02	-104,567.59
7. Profit from valuation at fair value	-2,090,000.00		-193,105.61
8. Reversal of loan Expenses	3,738,356.57		3,738,356.57
9. Provisions for staff leaving indemnities		752,000.00	752,000.00
10. Derivatives valuation at fair value	-720,708.23	-35,086.55	-755,794.88
11. Differentiation of lease representation	-2,357,954.19	365,096.20	-1,992,857.99
12. Own shares reserves	-8,042,575.31	-3,185,200.73	-11,227,776.04
13. Consolidation differences	-809.88		-809.88
14. Differences in tax payable	-888,028.61	2,513,572.88	-356,709.29
<b>TOTAL ADJUSTMENTS</b>	<b>30,536,898.87</b>	<b>5,112,660.62</b>	<b>37,941,991.64</b>
IAS	<b>88,147,194.95</b>	<b>16,869,302.96</b>	<b>99,835,992.42</b>

1. Dividends according to the Greek accounting standards were recognized as a liability at the annual financial statements date. According to IFRS, dividends are recognized as a liability at the date when the General Shareholders meeting gives its approval. The effect on equity on 31.12.2003 and 31.12.2004 was € 7.200.000,00 and € 7.560.000,00 respectively.
- 2.-3. In line with the formerly used accounting standards provisions, no recognition of deferred tax was made. The effect of deferred tax recognition on equity on 31.12.2003, on the financial results of 2004 and on equity on 31.12.2004 is (12.105.275,41 €) , 667.344,29 € and (11.437.931,12€) respectively.
4. Depreciation was calculated based on tax rates in accordance to formerly used accounting principles. Furthermore, tax readjustments on buildings occurred every four years. According to IFRS, depreciations are calculated based on the expected useful life of the asset and no tax readjustments are recognized. As a result, enquiry on the 31.12.2003 has been adjusted by 46.053.178,54 € , 2004 year end results by 23.352.267,97 € and finally equity at 31.12.2004 by 69.405.446,51 €.
5. As a result from the depreciation rate change, earning from sales fixed assets as well as equity on 31.12.2004 has been adjusted by (17.444.259,04 €).
6. According to IFRS, amortization expense are not recognized. The impact from their write-off on equity on the 31.12.2003, on 2004 annual results and on equity on the 31.12.2004 is (249.284,61 €), 144.717,02 € and (104.567,59 € ) respectively.
- 7.-8. Participations according to formerly used accounting principles were valued at the lowest between acquisition and current price. According to IFRS, participations are valued based on the fair value and as a result equity has decreased on 31.12.2003 by 2.090.000,00 € , equity on 31.12.2004 by 193.105,61 € and to increase equity on 31.12.2003 and on 31.12.2004 by 3.738.356,57 € respectively
9. Loan expenses, according to the formerly used accounting principles, were acknowledged at the time the loan was granted. In IFRS, loan expenses are divided between the loan duration. The effect on results on 31.12.2004 and on equity 31.12.2004 is 752.000 € and 752.000 € respectively.
10. Post employment benefits include both defined contribution schemes as well as defined benefits schemes. The accrued cost of defined contribution schemes is booked as an expense in the paid period it refers to. The liability that is reported in the balance sheet with respect to this scheme is the present value of the liability for the defined benefit. The commitment of the defined benefit is calculated annually by an independent actuary with the use of the projected unit credit method. The field of long-term Greek Government Bonds is used as a discount rate. Based on the above, equity on 31.12.2003, results on 31.12.2004 and equity on 31.12.2004 have been adjusted by (720.708,23€) , (35.086,55 €) and (755.794,88 €) respectively.

11. According to formally used accounting principles, no valuation of derivatives was made. Any difference in the derivatives life will be reported in the results. According to IFRS, derivatives are valued at fair value. The effect from the valuation on equity on 31.12.2003 , on the results and equity on 31.12.2004 was (2.357.954,19 €), 365.096,20 € and (1.992.857,99 €) respectively.
12. According to formerly used accounting standards, leases of tangible fixed assets, which are property of the Group and for which all the risks and benefits are transferred, are operating leases. According to IFRS they are finance leases and are capitalized at the inception of the lease. They are reported as liabilities at an amount equal to the net lease investment. Each lease payment is apportioned between the reduction of the liability and financial income, so that a fixed interest rate on the investment is achieved. The effect of this on equity on 31.12.2003 and on results and equity on 31.12.2004 was (8.042.575,31€) , ( 3.185.200,73 €), (11.227.776,04 €) , respectively.
13. According to formerly used accounting principles, own shares are reported as securities, with the relevant reserve on equity. According to IFRS, own shares are reported as a negative balance within shareholders equity. The effect of this adjustment on equity on 31.12.2003 and on 31.12.2004 ( 809,88 €).
14. Differences in the consolidation method, are the result of implementing the net worth method between the formerly used accounting principles and the IFRS. As a result, adjustments have been made on equity on 31.12.2003, results on 31.12.2004 and equity on 31.12.2004 by ( 888.028,61 €), 1.882.767,77€, ( 356.709,29 €), respectively.

**Company**

	<b>31.12.2003</b>	<b>01/01 – 31/12/2004</b>	<b>31.12.2004</b>
	<b>EQUITY</b>	<b>RESULTS</b>	<b>EQUITY</b>
<b>Greek Accounting Standards</b>	<b>57.447.413,59</b>	<b>17.501.041,62</b>	<b>60.014.810,15</b>
Registered tax obligations		-5.476.750,67	
Transfer of dividends to equity	7.200.000,00		7.560.000,00
Recognition of deferred tax	-12.105.275,41	-1.350.447,13	-13.455.722,54
Change due to differed tax recognition			2.017.791,42
Depreciation difference due to new depreciation rates using the straight line method on their useful lines	46.053.178,54	23.352.267,97	69.405.446,51
Effect on income from sale of tangible fixed assets due to depreciation rate change		-17.444.259,04	-17.444.259,04
Write-off of intangible assets that do not meet the standards of IAS 38	-249.284,61	144.717,02	-104.567,59
Impairment of other companies	-2.090.000,00		-193.105,61
Profit from valuation at fair value	3.738.356,57		3.738.356,57
Reversal of loan expenses		752.000,00	752.000,00
Provisions from staff leaving indemnities	-720.708,23	-35.086,55	-755.794,88
Dividends from participations			0,00
Derivatives valuation at fair value	-2.357.954,19	365.096,20	-1.992.857,99
Differentiation of lease representation	-8.042.575,31	-3.185.200,73	-11.227.776,04
Own shares reserves	-809,88	0,00	-809,88
Income tax			
<b>TOTAL ADJUSTMENTS</b>	<b>31.424.927,48</b>	<b>-2.877.663,03</b>	<b>38.298.700,93</b>
<b>IAS</b>	<b>88.872.341,07</b>	<b>14.623.378,59</b>	<b>98.313.511,08</b>

**6. Tangible Fixed Assets**

**The Group**

	Plots	Buildings	Mechanical Equipment	Vehicles	Furniture & other Equipment	Tangibles under construction	Total
			<b><u>01.01.2005</u></b>				
Cost or Estimation	7,689,678.06	18,830,273.84	403,510.57	174,706,593.20	2,104,641.57	36,576.17	203,771,273.41
Accumulated Depreciation		-508,891.52	-79,465.15	-3,786,601.27	-501,345.86		-4,876,303.80
<b>Unamortised Value 01.01.2005</b>	<b>7,689,678.06</b>	<b>18,321,382.32</b>	<b>324,045.42</b>	<b>170,919,991.93</b>	<b>1,603,295.71</b>	<b>36,576.17</b>	<b>198,894,969.61</b>
			<b><u>01.01 – 31.12.2005</u></b>				
Starting Balance	7,689,678.06	18,321,382.32	324,045.42	170,919,991.93	1,603,295.71	36,576.17	198,894,969.61
Additions	557,862.14	928,780.27	231,666.24	83,156,463.90	493,350.91	82,137.81	85,450,261.27
Sales			-3,700.00	-66,613,902.04	-32,908.31		-66,650,510.35
Depreciations for the period		-700,043.13	-126,598.86	-38,124,614.42	-592,752.12		-39,544,008.53
Depreciation Reductions			277.50	31,434,599.16	22,766.21		31,457,642.87
<b>Net Book Value 31.12.2005</b>	<b>8,247,540.20</b>	<b>18,550,119.46</b>	<b>425,690.30</b>	<b>180,772,538.53</b>	<b>1,493,752.40</b>	<b>118,713.98</b>	<b>209,608,354.87</b>
Cost or Estimation	8,247,540.20	19,250,162.59	552,011.66	187,462,553.79	2,063,738.31	118,713.98	217,694,720.53
Accumulated Depreciation		-700,043.13	-126,321.36	-6,690,015.26	-569,985.91	0.00	-8,086,365.66
<b>Net Book Value 31.12.2005</b>	<b>8,247,540.20</b>	<b>18,550,119.46</b>	<b>425,690.30</b>	<b>180,772,538.53</b>	<b>1,493,752.40</b>	<b>118,713.98</b>	<b>209,608,354.87</b>
			<b><u>01.01 – 31.12.2006</u></b>				
Starting Balance	<b>8,247,540.20</b>	<b>18,550,119.46</b>	<b>425,690.30</b>	<b>180,772,538.53</b>	<b>1,493,752.40</b>	<b>118,713.98</b>	<b>209,608,354.87</b>
Additions				-20,320.54	-11.25	0.00	-20,331.79
Sales	995,644.06	252,622.53	288,000.20	109,937,378.21	670,271.76	131,573.24	112,275,490.00
Depreciations for the period	0.00		0.00	-75,243,375.44	-8,752.67	0.00	-75,252,128.11
Depreciation Reductions	0.00	-724,578.17	-165,648.59	-42,638,946.70	-620,648.29	0.00	-44,149,821.75
Starting Balance	0.00		0.00	35,604,850.66	7,299.76	0.00	35,612,150.42
<b>Net Book Value 31.12.2006</b>	<b>9,243,184.26</b>	<b>18,078,163.82</b>	<b>548,041.91</b>	<b>208,412,124.72</b>	<b>1,541,911.71</b>	<b>250,287.22</b>	<b>238,073,713.64</b>
Cost or Estimation	9,243,184.26	18,802,741.99	713,690.50	215,446,220.76	2,155,260.24	250,287.22	246,611,384.97
Accumulated Depreciation	0.00	-724,578.17	-165,648.59	-7,034,096.04	-613,348.53	0.00	-8,537,671.33
<b>Net Book Value 31.12.2006</b>	<b>9,243,184.26</b>	<b>18,078,163.82</b>	<b>548,041.91</b>	<b>208,412,124.72</b>	<b>1,541,911.71</b>	<b>250,287.22</b>	<b>238,073,713.64</b>

**The Company**

	Plots	Buildings	Mechanical Equipment	Vehicles	Furniture & other Equipment	Tangibles under construction	Total
<b>01.01.2005</b>							
Cost or Estimation	7,436,957.84	18,830,273.84	367,025.36	170,057,627.08	1,833,401.98	25,790.69	198,551,076.79
Accumulated Depreciation	0.00	-508,891.52	-72,787.68	-3,105,054.02	-443,532.55	0.00	-4,130,265.77
<b>Net Book Value 01.01.2005</b>	<b>7,436,957.84</b>	<b>18,321,382.32</b>	<b>294,237.68</b>	<b>166,952,573.06</b>	<b>1,389,869.43</b>	<b>25,790.69</b>	<b>194,420,811.02</b>
<b>01.01 – 31.12.2005</b>							
Starting Balance	7,436,957.84	18,321,382.32	294,237.68	166,952,573.06	1,389,869.43	25,790.69	194,420,811.02
Additions	557,862.14	928,780.27	228,957.51	77,508,170.85	436,005.99	82,137.81	79,741,914.57
Sales			-3,700.00	-65,514,425.41			-65,518,125.41
Depreciation for the period		-700,043.13	-114,378.01	-36,176,879.20	-537,585.92		-37,528,886.26
Depreciation Reductions			277.50	30,735,633.77			30,735,911.27
<b>Net Book Value 31.12.2005</b>	<b>7,994,819.98</b>	<b>18,550,119.46</b>	<b>405,394.68</b>	<b>173,505,073.07</b>	<b>1,288,289.50</b>	<b>107,928.50</b>	<b>201,851,625.19</b>
Cost or Estimation	7,994,819.98	19,250,162.59	519,495.19	178,946,318.50	1,825,875.42	107,928.50	208,644,600.18
Accumulated Depreciation	0.00	-700,043.13	-114,100.51	-5,441,245.43	-537,585.92	0.00	-6,792,974.99
<b>Net Book Value 31.12.2005</b>	<b>7,994,819.98</b>	<b>18,550,119.46</b>	<b>405,394.68</b>	<b>173,505,073.07</b>	<b>1,288,289.50</b>	<b>107,928.50</b>	<b>201,851,625.19</b>
<b>01.01 – 31.12.2006</b>							
Starting Balance	7,994,819.98	18,550,119.46	405,394.68	173,505,073.07	1,288,289.50	107,928.50	201,851,625.19
Additions	995,644.06	252,622.53	288,000.20	104,216,216.01	604,084.97	130,891.18	106,487,458.95
Sales				-72,476,239.87	-3,981.74		-72,480,221.61
Depreciation for the period		-724,578.17	-154,880.53	-39,908,913.06	-559,681.74		-41,348,053.50
Depreciation Reductions				34,164,851.77	3,981.74		34,168,833.51
<b>Net Book Value 31.12.2006</b>	<b>8,990,464.04</b>	<b>18,078,163.82</b>	<b>538,514.35</b>	<b>199,500,987.92</b>	<b>1,332,692.73</b>	<b>238,819.68</b>	<b>228,679,642.54</b>
Cost or Estimation	8,990,464.04	18,802,741.99	693,394.88	205,245,049.21	1,888,392.73	238,819.68	235,858,862.53
Accumulated Depreciation	0.00	-724,578.17	-154,880.53	-5,744,061.29	-555,700.00	0.00	-7,179,219.99
<b>Net Book Value 31.12.2006</b>	<b>8,990,464.04</b>	<b>18,078,163.82</b>	<b>538,514.35</b>	<b>199,500,987.92</b>	<b>1,332,692.73</b>	<b>238,819.68</b>	<b>228,679,642.54</b>

*Note:* There is no mortgage or collateral on the fixed assets.

**7. Intangible fixed assets**

	The Group	Company
<b>Year 2006</b>		
Net Book Value 31.12.2005	211,991,28	0,00
Additions	48,473,04	2,179,00
Exchange difference	-1,327,90	0,00
Depreciation for the period	-49,232,50	-1,052,35
<b>Net Book Value 31.12.2006</b>	<b>209,903,92</b>	<b>1,126,65</b>

Intangible assets represents rent a car licenses. These licenses were bought from subsidiary company « Demstar Rentals 2005 Ltd » for its operations in accordance to current Cypriot legislation.

### 8. Investment in Subsidiaries

	<u>31.12.2006</u>	<u>31.12.2005</u>
Investment in Subsidiaries (acquisition cost)	5.072.846,50	5.072.846,50

Company Name	Country of Domicile	Participation Percentage	Acquisition Cost
AUTOTECHNICA LTD	Bulgaria	99,99%	2.011.842,00
BEMAL AUTO LTD	Cyprus	100%	1.000.000,00
DEMSTAR RENTALS 2005 LTD	Cyprus	75%	2.061.004,50

BEMAL AUTO LTD, is a company with sole activity the ownership of AUTOTECHNICA LTD, through direct or indirect participation.

In 2005 AutoHellas ATEE participated in the establishment of Demstar Rentals 2005 LTD, operating in Cyprus, with an investment of 2.061.004,50€ (participation percentage 75%)

### 9. Investment in Associates

	<u>The Group</u>		<u>The Company</u>	
	<u>31.12.2006</u>	<u>31.12.2005</u>	<u>31.12.2006</u>	<u>31.12.2005</u>
Acquisition cost	6.731.004,86	7.451.126,86	4.891.221,09	4.891.221,09

AutoHellas ATEE participates in the company Pireos Best Leasing A.T.E.E. with a participation percentage of 48,08%. Pireos Best Leasing A.T.E.E. , is a similar to AUTOHELLAS ATEE Company operating exclusively in the vehicle leasing sector. Acquisition was made in hand with Pireos Best Leasing, which has the management of the company. AutoHellas also participates in the company ELTPEKKA A.E. ( 50% participation percentage ), with ELTRAK A.E. holding the remaining 50%. ELTREKKA's activities are the import, storage, trade and distribution of highly recognizable vehicle spare brands in the Greek Market.

### 10. Other assets available for sale

Assets available for sale are as follows :

COMPANY	Participants Percentage	FAIR VALUE	
		31/12/2006	31/12/2005
	%		
AEGEAN AIRLINES S.A.	9,24	10.218.412,01	10.218.412,01
MULTIFIN S.A.	12,50	0,00	5.500.000,00
THE CRETE GOLF CLUB S.A.	5,92	718.157,72	718.157,72
		10.936.569,73	16.436.569,73

From July 2005, with the additional purchase of 42,32% of ELTREKKA S.A., AUTOHELLAS ATEE, holds a total of 50% of the company, hence ELTREKKA S.A. is registered as an associate and not as an asset available for sale. In December 2006 , Autohellas sold its participation in Multifin SA for a total of €5,500,000.

**11. Customers**

	<u>THE GROUP</u>		<u>THE COMPANY</u>	
	<u>31.12.2006</u>	<u>31.12.2005</u>	<u>31.12.2006</u>	<u>31.12.2005</u>
Customer Receivable	31.026.419,15	24.113.659,14	29.410.182,96	23.299.467,91
Other Trade Receivable	6.097.479,67	6.178.203,40	5.756.420,13	5.642.091,59
<b>Minus: Provisions for doubtful dept.</b>	-1.435.596,20	-26.257,00	-1.435.596,20	-26.257,00
	<b>35.688.302,62</b>	<b>30.265.605,54</b>	<b>33.731.006,89</b>	<b>28.915.302,50</b>

	<u>THE GROUP</u>		<u>THE COMPANY</u>	
	<u>31.12.2006</u>	<u>31.12.2005</u>	<u>31.12.2006</u>	<u>31.12.2005</u>
Advance payments for vehicles	3.289.899,86	1.980.038,03	3.063.305,17	1.947.425,63
Future accounting period expenses	5.260.450,97 0,00	4.781.041,74 0,00	5.260.450,97 0,00	4.781.041,74 0,00
Return accounts	9.010,10	9.350,73	9.010,10	9.350,73
	<b>8.559.360,93</b>	<b>6.770.430,50</b>	<b>8.332.766,24</b>	<b>6.737.818,10</b>

**12. Cash and Cash Equivalents**

	<u>THE GROUP</u>		<u>THE COMPANY</u>	
	<u>31.12.2006</u>	<u>31.12.2005</u>	<u>31.12.2006</u>	<u>31.12.2005</u>
Cash in hand and bank deposits	195.550,33	94.875,36	178.064,73	83.957,36
Demands deposits	7.473.201,83	2.919.963,57	7.051.778,81	2.518.599,66
Time deposits	25.000.000,00	0,00	25.000.000,00	0,00
	<b>32.668.752,16</b>	<b>3.014.838,93</b>	<b>32.229.843,54</b>	<b>2.602.557,02</b>

### 13. Share Capital and Capital above par

	Number of Shares	Common Shares	Capital issued	Above par value	Own Shares	Total
1 <sup>st</sup> January 2004	18.000.000	18.000.000	11.340.000,00	31.604.586,83	809,88	42.943.776,95
31 <sup>st</sup> March 2004	18.000.000	18.000.000	11.340.000,00	31.604.586,83	809,88	42.943.776,95
31 <sup>st</sup> December 2004	36.000.000	36.000.000	11.520.000,00	31.424.586,83	809,88	42.943.776,95
31 <sup>st</sup> March 2005	36.000.000	36.000.000	11.520.000,00	31.424.586,83	809,88	42.943.776,95
30 <sup>th</sup> June 2005	36.000.000	36.000.000	11.520.000,00	31.424.586,83	809,88	42.943.776,95
30 <sup>th</sup> September 2005	36.000.000	36.000.000	11.520.000,00	31.424.586,83	0,00	42.944.586,83
31 <sup>st</sup> December 2005	36.120.000	36.120.000	11.558.400,00	31.626.186,83	0,00	43.184.586,83
31 <sup>st</sup> December 2006	36.120.000	36.120.000	11.558.400,00	31.626.186,83	0,00	43.184.586,83

#### • Stock option

The General meeting of the shareholders has agreed to give stock options to a number of the company's executives. According to the schedule, a total of 360.000 stock options have been given to 8 of the companies executive staff at a price of 2€. 1/3rd of the total number of stock options will be exercised on December 2005, and December 2007 for the rest 2/3rds. In December 2005, 120.000 stock options have been exercised, which resulted in and increase in capital share over par by 240.000 €, and an increase in the total number of shares by 120.000.

Total number of common stock issued is 36.120.000 shares, with par value of €0,32 per share. All stock issued have been settled completely.

### 14. Reserves

	<b>THE GROUP</b>		<b>THE COMPANY</b>	
	<b>31.12.2006</b>	<b>31.12.2005</b>	<b>31.12.2006</b>	<b>31.12.2005</b>
Ordinary reserves	4.870.218,41	3.865.974,83	4.870.218,41	3.865.974,83
Reserves exempt from tax by law	96.812,13	96.812,13	96.812,13	96.812,13
Reserves from income that falls under different tax scheme	7.217.637,45	3.589.158,78	7.217.637,45	3.589.158,78
	<b>12.184.667,99</b>	<b>7.551.945,74</b>	<b>12.184.667,99</b>	<b>7.551.945,74</b>

According to Greece company Law (N 2190/20), the creation of an ordinary reserve with the transfer of an amount equal to 5% on yearly after tax profits, is compulsory up to the point, when ordinary reserve (1/3) of the share capital.

### 15. Suppliers and other liabilities

	<b>THE GROUP</b>		<b>THE COMPANY</b>	
	<b>31.12.2006</b>	<b>31.12.2005</b>	<b>31.12.2006</b>	<b>31.12.2005</b>
Customer Liabilities	1.310.178,97	1.652.877,46	1.302.940,98	1.192.678,33
Suppliers	18.039.598,21	20.193.409,43	16.373.393,52	18.762.675,42
Dividends Payable	124.388,65	116.318,52	124.388,65	116.318,52
Liabilities from taxes (except income) – duties	438.340,71	409.934,07	438.340,71	409.934,07
Insurance funds liabilities	593.170,36	550.320,41	593.170,36	549.000,72
Liabilities to participating companies	52.784,70	80.532,32	52.784,70	80.532,32
Accrued expenses	1.731.096,46	1.081.126,81	1.699.218,22	1.010.979,82
Other liabilities	1.002.311,10	869.011,46	993.014,87	869.011,46
Post-dated checks and deposit beneficiaries	17.550.906,11	15.443.561,39	17.550.906,11	15.443.561,39
Provision fro tax audit differences	200.000,00	0,00	200.000,00	0,00
	<b>41.042.775,27</b>	<b>40.397.091,87</b>	<b>39.328.158,12</b>	<b>38.434.692,05</b>

## 16. Loans

	THE GROUP		THE COMPANY	
	31.12.2006	31.12.2005	31.12.2006	31.12.2005
Long Term Loans	150.062.279,10	100.058.500,17	150.062.279,10	100.058.500,17
Short term Loans	11.140.711,66	9.129.575,66	7.336.757,15	7.336.757,15

The Group has the following borrowing capability which hasn't exercised:

Fluctuating rate with an end date of one or more years	16.263.242,85	10.763.242,85
	<b>31.12.2006</b>	<b>31.12.2005</b>

## 17. Derivatives

Derivatives refer to 3 interest rate swap for hedging fluctuating rate. Their theoretical amounts come up to 7.336.757,15 € for the first, 30.000.000 € for the second and 20.000.000 € for the third.

Fixed exchange rate is 8,15% yearly. The above figures have been valued at their fair value with any changes recognized through the income statement. Their fair value is as follows:

- 31/12/2006 – 520.961,35 €
- 31/12/2005 – 758.741,99 €

## 18. Deferred Tax

Deferred tax assets are offset with any deferred tax liabilities when such an offset is a lawful right and when both fall under the same tax authority.

Balance of deferred tax assets or liabilities, during the period, under the same tax authority, without taking into account any offset, is as follows :

### Group - Company

Deferred tax assets	Provisions	Borrowing expenses	TAX losses	TOTAL
<b>01.01.2005</b>	<b>230.380,50</b>	<b>367.128,17</b>	<b>0,00</b>	<b>597.508,67</b>
Debit / credit in the income statement	33.866,91	(162.267,83)	0,00	(128.400,92)
<b>31.12.2005</b>	<b>264.247,41</b>	<b>204.860,34</b>	<b>0,00</b>	<b>469.107,75</b>
Debit / credit in the income statement	208.187,24	(74.620,00)	0,00	133.567,24
<b>31.12.2006</b>	<b>472.434,65</b>	<b>130.240,34</b>	<b>0,00</b>	<b>602.674,99</b>
Deferred tax liabilities	Differences in tangible assets	Income differences	Other	Total
<b>01.01.2005</b>	<b>9.293.463,17</b>	<b>2.703.936,30</b>	<b>38.040,32</b>	<b>12.035.439,79</b>
Debit / credit in the income statement	204.682,83	(91.887,63)	10.042,03	122.837,23
<b>31.12.2005</b>	<b>9.498.146,00</b>	<b>2.612.048,67</b>	<b>48.082,35</b>	<b>12.158.277,02</b>
Debit / credit in the income statement	(323.188,14)	440.612,42	(32.727,43)	(84.696,85)
<b>31.12.2006</b>	<b>9.174.957,86</b>	<b>3.052.661,09</b>	<b>15.354,92</b>	<b>12.242.973,87</b>
<b>Deferred tax 31/12/2005</b>	<b>11.689.169,27</b>			
<b>Deferred tax 31/12/2006</b>	<b>11.640.298,88</b>			

## 19. Staff leaving indemnities (N 2112/20)

The obligation of the Group and the company towards its employees, for future benefits on their length of service of each one, is quantified and reported on the basis of the accrued entitlement, as at the date of the balance sheet, discounted to its present value, by reference to the anticipated time of payment.

The main actuarial studies used, are as follows :

	2006	2005
Discounted rate (%)	4,25 %	4,25 %
Future salaries increase	3%	3%

**Group - Company**

<b>Obligation at 01.01.2005</b>	<b>921.522,02</b>
Expense for the period 01.01.-31.12.2005	301.194,77
Paid Indemnities 01.01.-31.12.2005	90.596,18
<b>Obligation at 31.12.2005</b>	<b>1.132.120,61</b>
<b>Obligation at 01.01.2006</b>	<b>1.132.120,61</b>
Expense for the period 01.01.-31.12.2006	77.136,34
Paid Indemnities 01.01.-31.12.2006	719,00
<b>Obligation at 31.12.2006</b>	<b>1.208.537,95</b>

**20. Sales and other operating income**

	<u>THE GROUP</u>		<u>THE COMPANY</u>	
	<u>31.12.2006</u>	<u>31.12.2005</u>	<u>31.12.2006</u>	<u>31.12.2005</u>
<b>Sales</b>	<b>116.865.964,57</b>	<b>107.528.401,51</b>	<b>107.054.496,93</b>	<b>98.350.604,13</b>
<b>Other operating income</b>				
Earnings from vehicles sold	8.186.683,66	6.945.361,10	7.673.008,95	6.606.747,04
Earnings from commissions and services	958.043,57	518.814,72	1.183.493,63	718.572,26
Earnings from previous years	153.023,04	24.527,44	153.023,04	24.527,44
Compensations	2.701.835,41	2.419.422,88	2.701.835,41	2.419.422,88
Other operating income	1.591.137,47	1.186.934,19	1.262.906,48	1.153.799,06
	<b>13.590.723,15</b>	<b>11.095.060,33</b>	<b>12.974.267,51</b>	<b>10.923.068,68</b>

**21. Employee benefits**

	<u>THE GROUP</u>		<u>THE COMPANY</u>	
	<u>31.12.2006</u>	<u>31.12.2005</u>	<u>31.12.2006</u>	<u>31.12.2005</u>
Salaries	14.196.007,54	13.397.480,37	13.132.969,11	12.711.832,09
Employers contributions	2.679.818,38	2.621.810,04	2.622.463,99	2.518.776,78
Provisions for staff leaving indemnities	92.748,96	301.194,77	92.748,96	301.194,77
Other benefits	503.515,88	737.628,03	503.515,88	737.628,03
	<b>17.472.090,76</b>	<b>17.058.113,21</b>	<b>16.351.697,94</b>	<b>16.269.431,67</b>

**22. Depreciation for tangible fixed assets**

	<u>THE GROUP</u>		<u>THE COMPANY</u>	
	<u>31.12.2006</u>	<u>31.12.2005</u>	<u>31.12.2006</u>	<u>31.12.2005</u>
Depreciation for tangible fixed assets	44.149.821,75	39.544.008,53	41.348.053,50	37.528.886,26
Depreciations for intangible fixed assets	49.232,50	28.000,00	1.052,35	0,00
	<b>44.199.054,25</b>	<b>39.572.008,53</b>	<b>41.349.105,85</b>	<b>37.528.886,26</b>

**23. Cost Distribution**

		2006			2005		
	SALES COST	ADMINISTRATIVE COST	DISTRIBUTION COST	COST OF SALES	ADMINISTRATIVE COST	DISTRIBUTION COST	
COMPANY							
EMPLOYEE EXPENSES	10,742,109.66	4,860,367.36	749,220.92	10,573,293.08	4,917,658.25	778,480.34	
DEPRECIATIONS	40,541,354.37	760,242.99	47,508.49	36,773,138.62	708,145.57	47,602.07	
OTHER OPERATING EXPENSES	35,140,897.62	2,130,630.95	1,024,985.66	31,717,083.62	1,983,921.31	855,970.53	
	<b>86,424,361.65</b>	<b>7,751,241.30</b>	<b>1,821,715.07</b>	<b>79,063,515.32</b>	<b>7,609,725.13</b>	<b>1,682,052.94</b>	

		2006			2005		
	SALES COST	ADMINISTRATIVE COST	DISTRIBUTION COST	COST OF SALES	ADMINISTRATIVE COST	DISTRIBUTION COST	
GROUP							
EMPLOYEE EXPENSES	11,478,377.08	5,129,099.65	864,614.03	11,094,503.74	5,069,796.14	893,813.33	
DEPRECIATIONS	42,622,860.36	1,049,119.21	527,074.68	38,157,173.68	955,447.13	459,387.72	
OTHER OPERATING EXPENSES	40,121,171.80	2,308,258.79	1,417,657.23	36,795,770.11	2,247,494.92	1,465,994.60	
	<b>94,222,409.24</b>	<b>8,486,477.65</b>	<b>2,809,345.94</b>	<b>86,047,447.53</b>	<b>8,272,738.19</b>	<b>2,819,195.65</b>	

**24. Net financial cost**

	THE GROUP		THE COMPANY	
	31.12.2006	31.12.2005	31.12.2006	31.12.2005
Debit interest from Bank Loans	5.078.364,56	3.564.879,41	4.908.907,61	3.490.906,74
Other Financial cost	171.500,12	-57.492,02	171.500,12	-57.492,02
SWAP income	-110.285,54	-65.086,58	-110.285,54	-65.086,58
Interest earnings	-612.339,78	-524.561,36	-589.628,92	-486.524,10
Loss from participation and securities sale	0,00	2.308,55	0,00	2.308,55
	<b>4.527.239,36</b>	<b>2.920.048,00</b>	<b>4.380.493,27</b>	<b>2.884.112,59</b>

**25. Income Tax**

	THE GROUP		THE COMPANY	
	31.12.2006	31.12.2005	31.12.2006	31.12.2005
Current income tax	5.651.747,09	4.686.163,48	5.537.484,59	4.619.985,94
Deferred tax	-48.870,39	251.238,15	-48.870,39	251.238,15
	<b>5.602.876,70</b>	<b>4.937.401,63</b>	<b>5.488.614,20</b>	<b>4.871.224,09</b>

Income tax on the company's earnings before tax, deferrers from the amount that would derive using the weighted average tax rate, on the company's profits. Difference is as follows :

	<b>THE GROUP</b>		<b>THE COMPANY</b>	
	<b>31.12.2006</b>	<b>31.12.2005</b>	<b>31.12.2006</b>	<b>31.12.2005</b>
<b>Earnings before tax</b>	<b>23.631.342,55</b>	<b>20.805.949,35</b>	<b>23.594.965,55</b>	<b>18.565.696,65</b>
Current tax rate			29%	32%
Tax calculated based on current tax rate	6.956.802,51	6.007.200,47	6.842.540,01	5.941.022,93
Income tax not subject to tax	-1.160.973,41	-188.008,78	-1.160.973,41	-188.008,78
Expense tax not recognized for taxation reasons	198.497,55	114.922,45	198.497,55	114.922,45
Difference in tax rate when calculating deferred tax	-591.449,95	-996.712,51	-591.449,95	-996.712,51
Provision for tax audit differences	200.000,00	0,00	200.000,00	0,00
	<b>5.602.876,70</b>	<b>4.937.401,63</b>	<b>5.488.614,20</b>	<b>4.871.224,09</b>

The weighted average tax rate for the company was for the accounting periods 2005 and 2006 26,24% and 23,26% and for the Group 23,73% and 23,71% respectively.

## 26. Earnings per share

### *Basically*

Earnings per share are calculated by dividing the profit, by the weighted average number of common shares excluding those acquired by the company.

	<b>31.12.2006</b>	<b>31.12.2005</b>
<b>Net profit (Group)</b>	<b>18.028.465,85</b>	<b>15.868.547,72</b>
<b>Attributable to :</b>		
Shareholders	<b>17.974.154,19</b>	<b>15.850.022,26</b>
Minority rights	54.311,66	18.525,46
Weighted average number of shares	36.120.000,00	36.120.000,00
Earnings per share	0,50	0,44

## 27. Dividends per share

Dividends paid in 2006 and in 2005, was Euros 7.585.000 (€ 0,21 per share) and Euros 7.560.000 (€ ,21 per share) respectively and represent dividends for year 2005 and 2004 respectively. For year 2006 a dividend of € 0,25 per share, adding to a total amount of € 9.030.000. It is registered as a liability in the company's financial statements.

## 28. Guarantees

A guarantee of up to € 2.000.000 has been given for a loan granted to AUTOTECHNICA LTD. Also a guarantee of up to € 2.500.000 has been given for a loan granted to DEMSTAR RENTALS 2005 LTD.

## 29. Possibilities

The group has possible liabilities towards Bank, other guarantees and other issues that might arise. No substantial surcharges are expected from these possible liabilities. No further payments are expected after the publication of these statements.

## 30. EVENTS OCCURRED AFTER THE PUBLICATION OF THE BALANCE SHEET

There have been no events after the publication date of the balance sheet that effect in any way the the financial statements of the Company or Group.

**31. Transactions with associated companies.**

The following transactions are transactions with associated companies.

**i) Sale of goods and services**

	<b><u>31.12.2006</u></b>	<b><u>31.12.2005</u></b>
Sale of services to associated companies	5.721.193,79	3.508.064,73
Other income from subsidiaries	462.947,01	199.757,54
	<b>6.184.140,80</b>	<b>3.707.822,27</b>

Other income from subsidiaries, refer to management and administration support.

**ii) Purchase of goods and services**

	<b><u>31.12.2006</u></b>	<b><u>31.12.2005</u></b>
Purchase of goods from associated companies	514.486,07	447.683,31
	<b>514.486,07</b>	<b>447.683,31</b>

**iii) Management salaries**

	<b>THE GROUP</b>		<b>THE COMPANY</b>	
	<b><u>31.12.2006</u></b>	<b><u>31.12.2005</u></b>	<b><u>31.12.2006</u></b>	<b><u>31.12.2005</u></b>
Salaries and other short term benefits	2.451.822,73	2.494.767,46	2.321.668,23	2.434.040,22
Staff living benefits	0,00	0,00	0,00	0,00
	<b>2.451.822,73</b>	<b>2.494.767,46</b>	<b>2.321.668,23</b>	<b>2.434.040,22</b>

**iv) Claims at the end of the period from sale of goods and services.**

	<b><u>31.12.2006</u></b>	<b><u>31.12.2005</u></b>
<b>Claims from associated companies</b>		
• Subsidiaries	470.780,55	145.157,54
• Associates	-89.341,80	114.794,91
	<b>381.438,75</b>	<b>259.952,45</b>

**v) Liabilities towards associated companies**

	<b><u>31.12.2006</u></b>	<b><u>31.12.2005</u></b>
<b>Liabilities towards associated companies</b>		
• Associates	164.324,90	140.241,58
	<b>164.324,90</b>	<b>140.241,58</b>

**32. Detailed accounting estimations**

32.1. Fixed tangible assets useful lives

The company's management is responsible for determining the useful lives and hence the rate by which the tangible assets will be depreciated.

Due to the nature of the company's activities, no substantial change in the useful life estimation is expected. Management will increase depreciation when useful lives become smaller than previous estimations, or will decrease the assets value when they have been technologically devaluated or when the assets become of less importance or are abandoned or are about to be sold.