BOARD OF DIRECTORS' REPORT
To the Annual Ordinary General Meeting of Company Shareholders
Dias Aquaculture S.A.

Dear shareholders,
It is our honour to submit the annual consolidated and separate financial statements for approval which include the balance sheet, income statement, changes in equity statement, cash flow statement and the notes to the financial statements, along with this report, which relate to the fiscal year 1.1 – 31.12.2007.
The subsidiaries included in the consolidated financial statements and their consolidation method are shown in the following table:

Company	Registered offices	Activity	Direct holding	Method
Frutti di Mare S.A.	Greece	Trade in fish	100%	Full consolidation
Neptunus Aquaculture S.A.	Greece	Fish farm	100%	Full consolidation
Zoonomi S.A.	Greece	Fish feed manufacture	29,934%	Full consolidation
Mare Nostrum S.A.	Greece	Trade in fish	51%	Full consolidation
Pelagos Aquaculture S.A.	Greece	Fish farm	100%	Full consolidation
Ippocambos Aquaculture S.A.	Greece	Fish farm	53,33%	Full consolidation
Merkos S.A.	Greece	Fish processing	51%	Full consolidation
Mattheou Ltd.	Greece	Fish farm	100%	Full consolidation
ASTIR INTERNATIONAL S.R.L., Italy	Italy	Trade in fish	50%	Equity

We would like to draw your attention to the following points concerning the operations of Group companies over the FY, the financial position and their performance predicted by the Board of Directors over the fiscal years to come:

The most important events during 2007 were as follows:

On 14.3.2007 the Company acquired 29.934% of the share capital of Zoonomi S.A. which operates in Greece and 21.072% of the share capital was acquired by the Company's Managing Director and main shareholder Mr. Stelios Pitakas.
The majority of members of the Board of Directors of Zoonomi S.A. are now appointed by the Company.

On 22.5.2007 the Company acquired all shares in Pelagos Aquaculture S.A. which operates in Greece.

On 7.6.2007 the Company acquired 51% of the share capital of Mare Nostrum S.A. which operates in Greece.

On 5.7.2007 the Company acquired an additional 25% of the share capital of its subsidiary Neptunus Aquaculture S.A. and on 17.7.2007 it acquired the remaining 5% of the share capital in that company make it owner of all shares in that company.

On 4.9.2007 the Company acquired 51% of the share capital of Merkos S.A. which operates in Greece.

On 25.9.2007 the company concluded a bonded loan agreement with Emporiki Bank of Greece for a total of € 15 million to refinance long-term and short-term liabilities of the Company. The loan interest rate will be variable and equal to the algebraic sum of the 6-m Euribor rate and a spread of 1%. The loan is for 10 years. The loan is secured with a mortgage lien registered on a real estate property of the company.

On 30.10.2007 the Company acquired 53.33% of the share capital of Ippocambos Aquaculture S.A. which operates in Greece.

On 31.12.2007 it acquired the remaining 15% of Frutti Di Mare S.A. making it a 100% subsidiary.

Over the period up to 31.12.2007 the new acquired companies contributed the following amounts to: Group income (€ 33,360,128.85 or 42.15%); EBT € 406,804.45 (3.50%) and Group equity € 10,606,271.84 (38.73%).

During the 2008 fiscal year the ordinary tax audit of the parent company for the 2003-2006 fiscal years was completed. The audit resulted in the imposition of additional tax and surcharges of € 203,648.00. Of that figure, € 40,730 has already been paid by the company and the balance of €162,918 will be paid in 18 instalments. The total payment will be presented in the results for the current period.
Moreover this audit also extended to the following companies which have merged with and been absorbed by DIAS Aquaculture S.A. during the period the audit related to.
1. Maliakos Aquaculture S.A.
2. Giannetas S.A.
3. Red Hook Ltd.
4. T. D. Kypreos Aquaculture S.A.
The audit imposed additional taxes and surcharges of € 125,908 for these companies. Of that amount € 25.801 has already been paid by the parent company. The balance of € 100,727 will be paid in 18 equal monthly instalments. The total payment will be presented in the 2007 results for the parent company.
An audit on the following Group companies was also completed:
1. ZOONOMI S.A. covering the 2005-2006 fiscal years, which resulted in additional taxes and surcharges of € 80,879.89. Of this amount, € 16,176 has already been paid. The balance of € 64,703.89 will be paid in 18 equal monthly instalments. The total payment will be presented in the results for the 2007 period.
2. NEPTUNUS AQUACULTURE S.A. covering the 2003-2006 fiscal years, which resulted in additional taxes and surcharges of € 71,527.90. The balance of € 57,222.32 will be paid in 18 equal monthly instalments. The total payment will be presented in the results for the current period.

The Group and its subsidiaries made investments in fixed assets over the fiscal year worth € 5.79 million.

The Group significantly improved its financials in the 2007 fiscal year compared to 2006. In particular, based on financial statement data, the consolidated operating profits (EBITDA) rose by 108% and stood at € 14.7 million compared to € 7.07 million in 2006, consolidated EBT rose by 97% to € 11.63 million compared to € 5.90 million in 2006, earnings net of tax and minority interests stood at € 8.03 million compared to € 4.17 million in 2006 up some 93% and Group turnover was up 120% to € 78.23 million compared to € 35.63 million in 2006.
As far as the parent company, Dias Aquaculture S.A., is concerned turnover was up 58% to € 51.26 million compared to € 32.37 million in 2006, EBITDA rose by 85% to € 10.15 million compared to € 5.49 million in 2006, EBT rose 64% to € 8.58 million compared to € 5.23 million in 2006 and earnings net of tax rose 50% to € 6.26 million compared to € 4.17 million in 2006.
These figures clearly show that the Group and Company in 2007 reported extremely encouraging results.

The Group's financial position
The main indices and ratios that reflect the Company and Group's financial position at the end of 2007 compared to 2006 are shown below:

	The Group		The Company	
	31.12.2007	**31.12.2006**	**31.12.2007**	**31.12.2006**
Capital structure				
Fixed to total assets (%)	30,42%	26,61%	33,89%	30,81%
Net fixed assets / Total assets (%)				
Debt / Equity ratio	4,51	2,82	4,08	2,75
Total liabilities / equity				
Debt / assets	0,82	0,74	0,80	0,73
Total debt / assets				
Times interest earned				
Earnings before interest and taxes / Interest	4,62	6,01	6,47	5,49

Profitability				
Operating Profit Margin (%) Operating profits / Turnover (%)	18,80%	19,86%	19,81%	16,98%
Net profit margin (%) EBT / turnover (%)	14,87%	16,58%	16,75%	16,18%
Return on equity (%) EBT / Average equity (%)	51,75%	38,54%	47,15%	37,90%
Employment				
Net fixed assets per employee Net fixed assets / Employees	120.127,70	77.320,40	185.059,89	98.365,45
Assets per employee Assets / Employees	394.887,40	290.545,85	545.996,82	319.222,02
Sales per employee Turnover / Employees	204.791,04	154.270,68	264.224,12	176.886,99
Operating profits per employee Operating profit/ Employees	38.500,44	30.637,09	52.346,12	30.042,71
Net profits per employee EBT / Employees	30.451,68	25.570,53	44.265,82	28.617,94

The financial indices and ratios are satisfactory if one takes into account the specific conditions in the sector in which it operates.
From the above points and from an in-depth study of the consolidated financial statements it is clear that the Group is financially stable and its performance is satisfactory given the special features of the sector, and the cost of development it bears today to generate major future returns.

Projected performance

The Company has taken the following steps to date to implement its investment plans:
On 31.12.2007 the Company's Board of Directors decided to commence the process of merger with FRUTTI DI MARE S.A., NEPTUNUS AQUACULTURE S.A., IPPOCAMBOS S.A, and PELAGOS S.A. in which it has a 100%, 100%, 53.33% and 100% holding respectively. These companies will be fully absorbed. The Board of Directors of DIAS Aquaculture and the Boards of the other companies chose 31.12.2007 as the transformation balance sheet date.

On 8.1.2008 it signed an agreement to acquire the remaining 46.67% of the share capital of Ippocambos Aquaculture S.A. from the shareholder, Mr. Theofanis Adrianos. The acquisition price is € 2,247,546.66, of which € 347,546.66 was deposited in the company's account to settle a claim of that amount from Theofanis Adrianos, and the balance will be paid in 12 instalments by July 2010.

On 6.2.2007 it signed a final agreement to acquire 71.66% of the share capital of Poros Aquaculture Centre S.A. with the shareholders Dimitrios Grivas, Irini, daughter of Dimitrios Grivas, and Sofia Krikona, in accordance with the terms of the preliminary agreement dated 16.5.2006.
The total acquisition price is € 1,585,000.00, of which € 734,946.80 was deposited in the company's account to settle a claim of that amount from Dimitrios Grivas, and the balance will be paid by December 2008.

On 9.2.2008 it signed a preliminary agreement to acquire 95% of the share capital of Sparfish S.A. from its main shareholder Eurocar Aquatic Holding S.A. It is expected that the final agreement will be signed once the legal and financial due diligence report for Sparfish S.A. has been completed. The due diligence audit is currently under way.

Based on the Group’s dynamic activities to date and its investment plans under way, we are optimistic that in 2008 will be satisfactory in terms of sales and results.

Financial risk management

Financial risk factors

The Group and Company are exposed to several financial risks such as purchase price risk, credit risk and cash flow risk due to interest rate changes. The Board of Directors provides guidelines and instructions on general risk management and special instructions on managing specific risks such as exchange rate risk, interest rate risk and credit risk.

a) Market Risk

1) Exchange rate risk

The Group and Company operate in Greece and EU countries and consequently is not exposed to exchange rate risk.

2) Price risk

The Group and Company are not exposed to securities price risk due to its limited investments.

3) Cash flow risk and risk of change in fair value due to interest rate changes

Group exposure to risk of changes in interest rates comes from long-term finance leases and bank loans. The Group is exposed to changes in interest rates on the market which affect its financial position and cash flows. Borrowing costs may rise as a result of such changes and losses may be generated or they may be reduced due to unexpected events.

The sensitivity analyses below are based on a 1% rise or fall in interest rates.
A 1% rise or fall in interest rates would result in gains or losses net of tax in the fiscal year results and the Group's equity of € 422,000 in 2007 (or € 145,000 in 2006).

b) Credit Risk

The Group and Company have not major credit risk. Wholesales are primarily made to customers with a reduced degree of losses.

c) Liquidity risk

Prudent management of liquidity risk requires adequate cash collateral and the availability of financing via adequate credit facilities.
Due to the dynamic nature of its operations, the Group retains flexible financing by have credit facilities available to it.
Management reviews liquid cash assets with rolling projections based on expected cash flows.
Below is a breakdown of financial assets and liabilities with their maturity dates:

	The Group	
Financial Assets	2007	2006
Current Assets		
Trade and other receivables (maturing within 1 year)	28.369.981,31	8.869.854,80
Cash and cash equivalents (maturity within 1 year)	1.917.058,34	1.809.616,23
	30.287.039,65	**10.679.471,03**
Financial liabilities		
Long-term liabilities		
Long-term loans		
From 1 to 2 years	2.838.244,34	1.400.000,00
From 2 to 5 years	11.108.418,46	3.129.928,89
Over 5 years	10.992.272,36	0,00
	24.938.935,16	**4.529.928,89**
Short-term liabilities		
Suppliers and other trade liabilities	50.529.840,66	22.875.775,28
Current tax liabilities	1.421.720,32	782.142,44
Short-term loans	32.924.410,98	14.759.762,45
	84.875.971,96	**38.417.680,17**

d) Inventory risk

To manage risk from possible losses from damage to inventories due to natural disasters, mortality, theft, etc. the Company takes all measures suitable and necessary to insure and safeguard inventories to minimise such risk.

Capital management policies and procedures

Group and Company capital management objectives are as follows:

a) to ensure the Group and company's ability to continue its operations

b) to ensure a satisfactory return for shareholders

c) to maintain its capital structure which will reduce the cost of capital.

Capital is reviewed based on the gearing ratio. This ratio is calculated as net debt / total capital. Net debt is calculated as total borrowing (including short- and long-term loans presented in the consolidated balance sheet) less cash assets. Total capital is calculated as equity presented in the consolidated balance sheet plus net debt. The gearing ratio is as follows:

	The Group		**The Company**	
	2007	**2006**	**2007**	**2006**
Total borrowing	57.863.346,14	19.289.691,34	38.343.264,43	16.544.784,43
Less: Cash assets	1.917.058,34	1.809.616,23	356.444,95	1.612.937,10
Net debt	**55.946.287,80**	**17.480.075,11**	**37.986.819,48**	**14.931.847,33**
Total equity	27.382.816,24	17.576.616,86	20.860.505,94	15.568.098,97
Total capital	**83.329.104,04**	**35.056.691,97**	**58.847.325,42**	**30.499.946,30**
Gearing ratio	**67,14%**	**49,86%**	**64,55%**	**48,96%**

Dividends

Dividends of € 1,167,660 (or € 0.06 per share) will be proposed to the General Meeting of Shareholders based on a Board of Directors decision. The dividends paid for the 2006 fiscal year were € 973,050 (€ 0.05 per share).

Shareholders, based on the aforementioned points, we would ask you to approve the financial statements and the consolidated financial statements of the company and Group which cover the period from 1.1 to 31.12.2007.

Kifissia, 17 March 2008

The Board of Directors