

NIREUS AQUACULTURE S.A

Reg. No 16399/06/B/88/18

REPORT FOR USE OF FUNDS RAISED FROM THE SHARE CAPITAL INCREASE THROUGH CASH PAYMENT

It is announced, according to the decision 58/28/12/2000 of the Athens Exchange, that from the increase of share capital that was concluded according to the decision of the First Repeated Extraordinary General Assembly of 11/4/2007 and the decision of the Hellenic Capital Market Commission of 1/4/30/6.6.2007, the funds raised (Euros 33.769.408,20 minus expenses Euros 458.000,-) of net amount 33.311.408,20 were used as of 31.12.2007, according to the Prospectus, as follows:

Use of Funds Raised	Amounts in Euro										Used Funds 9/7/2007- 31/12/2007	Unused Funds 31/12/2007	
	Prospectus Plan					Modified General Assembly Plan							
	until 31/12/2007	1st semester 2008	2nd semester 2008	1st semester 2009	TOTAL	until 31/12/2007	1st semester 2008	2nd semester 2008	1st semester 2009	TOTAL			
A. Participation in share capital of subsidiaries													
A.a) ILKNAK A.S												85.000	1.175.000
Hatchery Unit	1.260.000	0	0	0	1.260.000	1.260.000	0	0	0	1.260.000	416.900	1.383.100	
A.b) MIRAMAR S.A													
Fish-feed factory	3.000.000	3.000.000	0	0	6.000.000	0	0	0	0	0	0	0	
Farming and pre-growing unit	0	900.000	900.000	0	1.800.000	0	900.000	900.000	0	1.800.000	0	0	
Packaging unit	200.000	500.000	500.000	0	1.200.000	0	0	0	0	0	0	0	
Transportation center	0	0	780.000	0	780.000	0	0	0	0	0	0	0	
	3.200.000	4.400.000	2.180.000	0	9.780.000	0	900.000	900.000	0	1.800.000	416.900	1.383.100	
A.c) PREDOMAR S.L													
Modernization of pre-growing unit	0	0	0	0	0	200.000	600.000	0	0	800.000	100.000	700.000	
Total (A)	4.460.000	4.400.000	2.180.000	0	11.040.000	1.460.000	1.500.000	900.000	0	3.860.000	601.900	3.258.100	
B. Investments in Greece													
B.a) IT Systems	910.000	500.000	400.000	300.000	2.110.000	0	500.000	0	1.610.000	2.110.000	52.500	2.057.500	
B.b) Pre-growing installations	4.300.000	800.000	500.000	660.000	6.260.000	1.867.000	3.663.000	0	0	5.530.000	3.057.532	2.472.468	
B.c) Packaging units and warehouse	250.000	2.500.000	2.000.000	1.600.000	6.350.000	0	250.000	250.000	3.000.000	3.500.000	0	3.500.000	
B.d) Dry unit for fish feed	1.400.000	0	0	0	1.400.000	1.400.000	0	0	0	1.400.000	1.226.144	173.856	
B.e) Installation for hatcheries	0	0	0	0	0	0	500.000	600.000	0	1.100.000	0	1.100.000	
B.f) Processing equipments	0	0	0	0	0	183.000	170.000	0	0	353.000	12.445	340.555	
B.g) Fish feed equipment	0	0	0	0	0	250.000	1.070.000	0	0	1.320.000	200.000	1.120.000	
B.h) Equipments for fish farming unit	0	0	0	0	0	0	2.587.000	0	0	2.587.000	0	2.587.000	
B.i) Acquisition for fish farming unit	0	0	0	0	0	2.200.000	3.200.000	0	0	5.400.000	2.949.772	2.450.228	
Total (B)	6.860.000	3.800.000	2.900.000	2.560.000	16.120.000	5.900.000	11.940.000	850.000	4.610.000	23.300.000	7.498.393	15.801.607	
C) Working Capital	5.000.000	1.151.408	0	0	6.151.408	5.000.000	1.151.408	0	0	6.151.408	6.151.408	0	
D) Projected issue expenses	458.000	0	0	0	458.000	458.000	0	0	0	458.000	458.000	0	
Total amount (A+B+C+D)	16.778.000	9.351.408	5.080.000	2.560.000	33.769.408	12.818.000	14.591.408	1.750.000	4.610.000	33.769.408	14.709.701	19.059.707	

Additional data:

a) Period for the exercise of shareholder rights : from 21/6/2007 to 5/7/2007
b) New issued Shares : 10.233.154 new nominal shares issued of nominal value of 1,50 Euros each
c) Date for the start of trade in Athens Exchange : 19/7/2007
d) Date of certification for the cash contribution of the share capital increase : The Board of Directors certified on its 9/7/2007 meeting the contribution of the cash amount of the Share Capital increase.

Notes :

1) The BOD of Nireus S.A in its meeting of 26/11/2007, decided to proceed to the following approved on 7/12/2008 from Extraordinary General Assembly of Nireus's shareholders. The company taking into account the current conditions in Turkey, decided to reschedule part of its investment planning in this country for a later stage and instead to proceed with the implementation of investment plans in Greece and Spain by using funds raised by the recent rights issue of 09/07/2007. Under this context a sum of 7.880.000,00 Euros is secured. Furthermore it was decided that the amount disposed for the construction of warehouses and packaging centre in Greece will be 3.500.000,00 Euros instead of 6.350.000,00 Euros since one packaged centre will be acquired through the acquired company Red Anchor (see below) and the amount disposed for pre-growing installations will be 5.350.000,00 Euros instead of 6.350.000,00 Euros while the remaining coming from government grants. From these changes a sum of 3.580.000,00 euros is also secured. So, a total amount of 11.560.000,00 euros is available (7.880.000,00 euros plus 3.580.000,00 euros) to be allocated to the following investments :
- 800.000,00 euros for expansion in the pre-growing unit (PREDOMAR) in Spain
- 5.400.000,00 euros for the acquisition of the Greece fish farming company RED ANCHOR, which possesses a fattening unit of annual capacity of 750 tonnes as well as a packaging centre.
- 1.100.000,00 euros for installation in hatchery units, Greece
- 1.320.000,00 euros for equipment in the fish-feed factory, Greece
- 2.587.000,00 euros for equipment in fish farming units, Greece
- 353.000,00 euros for equipment in the processing unit, Greece

2) The participation in the increase of Share Capital of the aforementioned subsidiaries was carried indirectly through the two subsidiaries a) "NIREUS INTERNATIONAL LTD" based in Cyprus in which "NIREUS AQUACULTURE S.A" has fully participation (100%) and "MIRAMAR PROJECT Co" based in London in which "NIREUS INTERNATIONAL LTD" has fully participation (100%). "NIREUS AQUACULTURE S.A" will participate in the Share Capital increase of "NIREUS INTERNATIONAL LTD" with 3.860.000 euros. "NIREUS INTERNATIONAL LTD" will participate in share capital increase of "PRENGORDE DORADAS PARA MARICULTURA S.L" (PREDOMAR) (Spain) with 800.000 euros and in "MIRAMAR PROJECT Co" with 3.060.000 euros. "MIRAMAR PROJECT Co" will participate in share capital increase (a) of "ILKNAK SU URUNLERI SAN VE TIC A.S"(ILKNAK A.S) with 1.260.000 euros (b) of "MIRAMAR SU URUNLERI VE DALIK YEM URETIMI SANAYI VE TICARET S.A"(MIRAMAR S.A) with 1.800.000 euros.

3) From 9/7/2007-31/12/2007, the following amounts are disposed for share capital increase of the following subsidiaries:
"NIREUS INTERNATIONAL LTD"(Cyprus) 1.214.500,00 Euros
"MIRAMAR PROJECT Co" (England) 501.900,00 Euros
"MIRAMAR A.S" (Turkey) 416.900,00 Euros
"ILKNAK A.S" (Turkey) based on the decision of capital increase on 25/10/2007 85.000,00 Euros (appears as advance in share capital increase)
"PREDOMAR S.L" (Spain) 100.000,00 Euros (appears as advance in share capital increase).

4) The increased capital from 9/7/2007-31/12/2007 that comes from the aforementioned increases is disposed as follows:
"ILKNAK A.S" for installations for fish farming units 85.000,00 Euros
"MIRAMAR A.S" for installations for farming and pre-growing units 416.900,00 Euros
"PREDOMAR S.L" for installations for modernized pre-growing units 100.000,00 Euros

5) According to the above table, the disposal of aforementioned capitals until 31/12/2007 with regard of the modified program of General Assembly:

Remains:
-For fish - farming units to ILKNAK A.S 1.175.000,00 Euros
-For modernization of pre-growing unit to PREDOMAR S.L 100.000,00 Euros
-For dry feed unit 173.856,00Euros
-For equipments of processing 170.555,00 Euros
-For equipments of fish feed 50.000,00 Euros

Exceeds:
-For fish and offspring pre-growing unit to MIRAMAR A.S 416.900,00 Euros
-For IT systems 52.500,00 Euros
-For acquisition of fish farming unit 749.772,00 Euros
-Working Capital (totally covered until 31/12/2007) 0,00 Euros

6) The indisposed amount of 19.059.707,00 Euros is located in certificate of deposit (repos) in PROTON BANK.

Athens, 5 March 2007

Chairman and CEO	Vice Chairman and Managing Director	General Financial Officer	Accounting Manager
Aristides St Mpelles ID. No. AB 347823	Nikolaos Emm. Chaviaras ID. No. AA 499020	Dimitrios I. Papanikolaou ID. No S. 260153	John G. Kostantopoulos ID. No. AB 264839

**REPORT OF FACTUAL FINDINGS
ON PERFORMANCE OF AGREED-UPON PROCEDURES
in Connection with the
REPORT ON APPROPRIATION OF FUNDS RAISED**

To The Board of Directors of "NIREUS AQUACULTURE AE"
According to our engagement with the Board of Directors of "NIREUS AQUACULTURE AE" (the "Company"), we have performed the following agreed-upon procedures within the regulatory framework and practice of the Athens Stock Exchange and the relevant legal framework of capital market in connection with the Report on Appropriation of Funds Raised of the Company concerning the issuance of shares with cash payments that was made on 9/7/2007. Management is responsible for the preparation and fair presentation of the above-mentioned Report. Our engagement was undertaken in accordance with the International Standard on Related Services "ISRS 4400" applicable to "Agreed-Upon Procedures Engagements regarding Financial Information". Our responsibility is to perform the following agreed-upon procedures and report to you the factual findings resulting from our work.

Procedures:

1) We compared the amounts stated as cash disbursements in the accompanying "Report on Appropriation of Funds Raised from Issuance of Shares with Cash payments" to the respective amounts recognized in the books and records of the Company at the time period these refer to.
2) We ascertained the completeness of the Report and the consistency of its content with that referred to in the Prospectus concerning project assignments and public procurements, issued by the Company to this purpose, as well as with the relative decisions and announcements of the competent organs of the Company, after taking into consideration the company's notes No. 3, 4 and 5.
Because the above procedures do not constitute either an audit or a review made in accordance with International Standards on Auditing or International Standards on Review Engagements, we do not express any other assurance further to those referred to above. Had we performed additional procedures or had we performed an audit or review of the financial statements, other matters might have come to our attention further to those referred to in the preceding paragraph.
Our report is solely for the purpose set forth in the first paragraph of this report and for the information of the Board of Directors of the Company with respect to observing its obligations towards the regulatory framework of the Athens Stock Exchange as well as the relevant legal framework of the capital market. Therefore, this Report is not to be used for any other purpose as it relates only to the records referred to above and does not extend to any financial statements prepared by the company for the year 2007 in respect of which we have issued a separate Auditor's Report as of 26 March 2008.

Athens, 26 March 2008

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