

**Financial Statements For the Fiscal Year 2005
for the period
January 1st to December 31st, 2005**

It is hereby confirmed that the attached Interim Financial Statements are those approved by KATHIMERINI SA's Board of Directors on 20 March 2006 and made public by their posting on the Web at the address www.ekathimerini.gr. It should be noted that the summary financial records published in the press were intended to provide readers with some general financial information, but do not give a full picture of the Company and the Group's financial situation and results, in accordance with International Standards. It should also be noted that for purposes of simplification, in the summary financial records published in the Press, amounts have been reclassified and condensed to some extent.

Aristidis I. Alafouzos

The Chairman of the Board of Directors of the company

'KATHIMERINI S.A. PUBLICATIONS – MASS MEDIA'

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Report of the Auditors


To the Shareholders of «**KATHIMERINI S.A. EKDOSI ENTIPON -MESA MAZIKIS EPIKOINONIAS**»

We have audited the accompanying financial statements as well as the consolidated financial statements of «**KATHIMERINI S.A. EKDOSI ENTIPON -MESA MAZIKHS EPIKOINONIAS**», as of and for the year ended **31 December 2005**. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with the Greek Auditing Standards, which are based on the International Standards on Auditing. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, evaluating the overall financial statement presentation as well as assessing the consistency of the Board of Directors' report with the aforementioned financial statements. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the aforementioned financial statements give a true and fair view of the financial position of the Company and that of the Group (of which this Company is the holding company), as of **31 December 2005**, and of the results of its operations and those of the Group and their cash flows and changes in shareholders' equity, for the year then ended in accordance with the International Financial Reporting Standards that have been adopted by the European Union and the Board of Directors' Report is consistent with the aforementioned financial statements.

Athens, 21 February 2006
The Chartered Accountant

Athanasia Arabatzi
A.M. S.O.E.L. 12821
Grant Thornton 
Vassileos Konstantinou 44
116 35 Athens
A.M. S.O.E.L. 127

Management Report

**MANAGEMENT REPORT OF THE BOARD OF DIRECTORS OF THE COMPANY
“KATHIMERINI S.A.”**

OF THE FINANCIAL YEAR 1.1.2005 – 31.12.2005

Honorable Ladies and Gentlemen Shareholders,

The Company during the financial year from 1st January until 31st December 2005 presented an increase in its financials. More specifically, the turnover amounted to € 66,62 million, instead of € 62,24 million of the year 2004. The profits after taxes amounted to € 17,43 million instead of € 1,67 million of the year 2004.

The numbers reflecting the financial position of the company in static form are the following:

1. Quick assets = 52.330.345,27 = 39,82 %

Total assets 131.416.996,82

This number reflects the analogy between the claims and other data of the quick assets and the total assets.

2. Own funds = 97.185.436,92 = 453,83 %

Total obligations 21.414.564,99

3. Quick assets = 52.330.345,27 = 244,37 %

Short-term obligations 21.414.564,99

The specific number reflects the general liquidity of the company. Given that the number is larger than one, the overbalance of the short-term obligations by the claims is obvious and this results in the safeguarding of the creditors and the shareholders of the company.

1. Gross results = 18.426.644,95 = 27,66 %

Sales 66.619.996,45

2. Net profits before taxes = 17.644.936,25 = 18,16 %

Own funds 97.185.436,92

Branches of the company

The company has eight branches operating as sales offices, these are the following: 1. Platanou Square, Kifissia, 2. Filellinon 22, Syntagma, 3. Tsamadou 47, Pireaus, 4. Agias Sofias 4, Thessaloniki, 5. Sokratous 40-42, Athens, 6. Chimaras 3, Maroussi, 7. Kifissias Avenue 118, Ampelokipoi, 8. Palaistinis & Lamias 1, Alimos.

KATHIMERINI S.A. PUBLICATIONS – MASS MEDIA**Participations 31.12.2005**

COMPANY	NUMBER OF SHARES	POSSESSION VALUE
1.TILETYPOS S.A.	8.250	56.092,88
2.APOSTOLI S.A.	200	12.000,00
3. EUROPE S.A.	10.500	308.143,80
4. IHT-KATHIMERINI S.A.	15.000	44.020,54
5. MELODIA S.A.	25.000	5.282.539,44
6. A.T.E. ERGON	3.000.000	5.711.643,43
7. ENTYPES & DIKTYAKES S.A.	20.000	616.347,03
8. KATASTIMATA TYPOU IN THE INTERNATIONAL AIRPORT S.A.	75.000	220.102,71
9. EKSEREYNITIS – EXPLORER S.A.	10.200	299.370,00
10. ARGONAUTIS EEPN	30.585.140,00	30.585.140
11. ARKTOS EKDOTIKI EPE	180	5.400,00
12. MAISON EKDOTIKI S.A.	30.000	30.000,00
13.INTERNATIONAL NEWS ALLIANCE (INA)		12.441,60
14. K SYMMETOXON	20.000	60.000,00
15. CITY SERVERS	48.797	1.980.930,54
16. E-ONE	17.500	513.645,59

The financial results of the year appear in the Financial Statements of the company submitted to you. Thereon we ask for your approval.

CONSOLIDATED RESULTS OF THE SAME PERIOD

1. Consolidated Companies

1.1 The societe anonyme «I KATHIMENI S.A.». Publication of daily newspapers, magazines, special newspaper and any kind of printed media, of general or of specific content.

Establishment and operation of printing offices, printing press offices, lithographers' workshops, bookbinders' workshops etc.

1.2 The societe anonyme «INTERNATIONAL HERALD TRIBUNE – KATHIMERINI A.E.E.». Promotion, circulation and commercial use of printed material, magazines and leaflets.

1.3 The societe anonyme «MELODIA S.A.». Operation of radio stations. Production and operation of radio programs. Organization of concerts, musical events, expositions, cultural conferences, research work for the promotion of music and in general of culture.

1.4 The societe anonyme «ATE ERGON». Building and constructive works and execution of technical works.

1.5 The societe anonyme «ENTYPES & DIKTYAKES EKDOSEIS S.A» Publications and edit for magazines and printed media in general acting for itself or on behalf of third parties.

1.6 The company «ARGONAUTIS ETAIREIA EPENDYSEON STIN PONTOPORO NAUTILIA». Investments in shares of shipowners companies of seagoing ships or in shares of companies with portofolio of shipowner companies of seagoing ships or in shares of administrative companies.

It participates with percentage 100% in the companies «SEA SHELL ENTERPRISES Ltd», which owns one tanker, OCEANIS, «SEA PEARL ENTERPRISES Ltd», «BIGAL SHIPING CORPORATION» and «ZENITH MARITIME CORPORATION», which do not own any ships.

1.7 The company «MAISON EKDOTIKI S.A.». Publication of daily newspapers, magazines and any other kind of printed media of general or of specific content. Establishment and operation of printing offices, printing press offices, bookbinders' workshops etc.

1.8 The societe anonyme «EKSEREYNITIS – EXPLORER ANONYME EMPORIKI EKDOTIKI EKTYPOTIKI ETAIREIA». Publishing. Planning, editing and producing printed editions, magazines etc. Procurement and agency towards the bookstores and commerce of books and printed media.

1.9 The societe anonyme «K SYMMETOXON». Participation in investments in companies irrespectively of its scope, Greek or foreign. The company is under liquidation procedures since the 6.6.2005 decision of the ordinary general assembly.

2. Occupied personnel

- 1. I KATHIMERINI S.A.: 433
- 2. INTERNATIONAL HERALD TRIBUNE – KATHIMERINI A.E.E: 3
- 3. MELODIA S.A.: 46
- 4. ATE ERGON: 3
- 5. ENTYPES & DIKTYAKES S.A.: 44
- 6. ARGONAUTIS ETAIREIA EEPN.: 2
- 7. MAISON EKDOTIKI S.A.: 0
- 8. EKSEREYNITIS – EXPLORER ANONYME EMPORIKI EKDOTIKI EKTYPOTIKI ETAIREIA: 15
- K SYMMETOXON: 0

Total: 544

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3. Own funds – Financial data 2005

3.1 I KATHIMERINI S.A.

The share capital of the company amounts to € 10.200.000 and is divided by 17.000.000 registered shares, of € 0,60 each. The internal book value, as results from the financial statement of 31.12.2005, amounts to € 97.185.436,92 or € 5,72 per share. The turnover in 2005 amounted to 66.619.996,45 instead of € 62.237.509,02 of the previous financial year and the profits before taxes to € 17.644.936,25 instead of € 1.517.070,01 of 2004.

3.2 INTERNATIONAL HERALD TRIBUNE – KATHIMERINI A.E.E.

Its share capital amounts to € 87.900,00 and is divided by 30.000 shares of € 2,93 each. The internal book value, as results from the financial statement of 31.12.2005 is negative (294.163,09). The turnover in 2005 amounted to € 1.358.683,94 instead of € 1.654.007,67 of the previous financial year and the losses before taxes in € 35.040,88, instead of profits € 10.611,10 of 2004.

3.3 MELODIA S.A.

Its share capital amounts to € 733.750,00 and is divided by 25.000 registered shares of € 29,35 each. The internal book value, as results from the financial statement of 31.12.2005, amounts to € 367.145,19 or € 14,69 per share. The turnover amounted to € 3.357.987,18 instead of € 3.290.867,94 of the previous year and the profits before taxes in € 117.722,65 instead of losses € 338.228,05 of 2004.

3.4 ATE ERGON

Its share capital amounts to € 2.190.000,00 (after capitalization of the readjustment of the real estates value according to the provisions of Law 2065/1992 of € 510.000,00) and is divided in 3.000.000 registered shares of € 0,73 each. The internal book value, as results from the financial statement of 31.12.2005 amounts to € 2.219.692,99 or € 0,739 per share. The turnover amounted to € 626.647,57 instead of € 669.532,08 of the previous year and the losses in € 59.543,90 instead of € 17.682,86 of 2004.

3.5 ENTYPES & DIKTYAKES S.A.

Its share capital amounts to € 587.000,00 and is divided in 20.000 registered shares of € 29,35 each. The internal book value, as results from the financial statement of 31.12.2005 is negative (541.937,10). The turnover amounted to € 1.252.621,82 instead of € 751.711,14 of the previous year and the profits before taxes in € 96.796,54 instead of € 108.845,94 of 2004.

3.6 ARGONAUTIS ETAIREIA EPENDYSEON STIN PONTOPORO NAUTILIA

The undertaken and paid up share capital amounts to € 30.585.140,00 and is divided in 30.585.140 registered shares of € 1,00 each. The internal book value, as results from the financial statement of 31.12.2005 amounts to € 92.414.977,80 or € 3,021 per share. The turnover amounted to € 8.291.538,53 instead of € 27.041.469,61 of the previous year and the profits before taxes in € 3.927.931,38 instead of € 12.399.742,17 of 2004.

3.7 MAISON EKDOTIKI S.A.

Its share capital amounts to € 60.000,00 and is divided in 60.000 shares of € 1,00 each. The internal book value, as results from the financial statement of 31.12.2005 amounts to € 200.295,23 or € 3,34 per share. The turnover amounted to € 4.155.753,88 instead of € 4.083.998,05 of the previous year and the profits before profits in € 258.035,65 instead of € 320.750,05 of 2004.

3.8 EKSEREYNITIS – EXPLORER ANONYME EMPORIKI EKDOTIKI EKTYPOTIKI ETAIREIA

Its share capital amounts to € 587.000,00 and is divided in 20.000 registered shares of € 29,35 each. The internal book value, as results from the financial statement of 31.12.2005 amounts to € 2.012.463,74 or € 100,62 per share. The turnover amounted to € 1.287.834,72 of the previous year instead of € 1.250.372,87 and the profits before taxes in € 74.005,59 instead of € 62.736,05 of 2004.

3.9 ANONYMOS ETAIRIA K SYMMETOXON

Its share capital amounts to € 60.000,00 and is divided in 20.000 registered shares € 3,00 each. The company is under liquidation procedures.

4. The anticipated course of the Group of Companies

The parent company, for year 2006, anticipates the increase of its financials, particularly through the increase of the circulation of the newspaper, the increase of its advertising income, the increase of income from printing for third parties as well as through the strict supervision of the expenses. The evolution of the economic size, in the first months of the year, supports the accomplishment of the abovementioned targets. With regard to the affiliated companies, the targets set by their managements go towards the same direction with those set by the parent company and anticipate positive results.

Neo Faliro, 20 March 2006
THE BOARD OF DIRECTORS
THE PRESIDENT

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Aristeidis I. Alafouzou

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Balance sheet of Parent Company and Group

ASSETS	Note	THE GROUP		THE COMPANY	
		31/12/2005	31/12/2004	31/12/2005	31/12/2004
Non-current assets					
Tangible assets	6.1	86.720.743,79	175.127.846,57	33.810.505,14	34.563.356,65
Goodwill of undertaking	6.2	0,00	-1.881.463,00	0,00	0,00
Intangible assets	6.3	2.398.524,81	2.396.526,21	2.371.155,92	2.351.452,29
Investments in affiliated companies	6.4	0,00	0,00	42.245.480,34	42.245.480,34
Other investments	6.4	589.933,11	592.160,61	589.933,11	592.160,61
Deferred tax assets	6.5	448.553,22	524.500,31	0,00	0,00
Other long-term receivables	6.6	71.990,31	70.327,95	69.577,04	65.097,00
		90.229.745,24	176.829.898,65	79.086.651,55	79.817.546,89
Current assets		0,00			
Stocks	6.7	5.925.768,07	5.916.157,70	4.648.470,50	4.748.641,25
Trade debtors and other receivables	6.8	32.662.396,14	30.396.600,67	28.614.827,52	25.889.864,10
Other receivables	6.9	2.379.778,71	2.597.071,81	9.202.527,37	2.607.076,48
Other current assets	6.10	733.814,97	637.031,61	5.720.150,18	5.701.916,91
Cash and cash equivalents	6.11	59.984.033,69	11.573.436,28	4.144.369,70	8.555.877,34
		101.685.791,58	51.120.298,07	52.330.345,27	47.503.376,08
Total assets		191.915.536,82	227.950.196,72	131.416.996,82	127.320.922,97
Equity & Liabilities					
Equity					
Share capital	6.12	10.200.000,00	10.200.000,00	10.200.000,00	10.200.000,00
Share premium	6.12	65.779.742,36	65.779.742,36	65.779.742,36	65.779.742,36
Fair value reserves	6.12	13.941.734,05	39.248.803,00	0,00	0,00
Other reserves	6.12	3.483.504,46	3.483.504,73	1.796.204,92	1.796.204,92
Balance sheet conversion reserves	6.12	-6.148.349,68	-17.746.200,00	0,00	0,00
Profit carried forward		62.216.872,03	29.723.368,28	19.409.489,64	11.330.743,12
Equity allotted to Parent Company share holders		149.473.503,22	130.689.218,37	97.185.436,92	89.106.690,40
Minority rights		274.190,91	274.521,30		
Total Equity		149.747.694,13	130.963.739,67	97.185.436,92	89.106.690,40
Long-term liabilities					
Long-term loan commitments	6.13	440.466,57	27.662.268,43	440.466,57	768.181,87
Deferred tax liabilities	6.5	3.427.967,01	3.200.850,83	3.087.991,27	2.871.801,54
Pension commitments	6.14	4.227.251,27	3.674.113,53	3.817.323,36	3.328.599,00
Other long-term liabilities	6.15	5.479.871,08	5.829.648,39	5.471.213,71	5.820.991,02
Total long-term liabilities		13.575.555,93	40.366.881,18	12.816.994,91	12.789.573,43
Current liabilities					
Trade creditors and other liabilities	6.16	16.570.359,50	15.300.063,54	13.102.716,83	12.435.989,20
Current tax liabilities	6.17	1.092.594,20	1.391.637,09	749.620,33	966.340,38
Short-term loan commitments	6.13	8.528.779,34	37.145.444,32	6.601.023,37	6.056.308,55
Other current liabilities	6.18	2.142.521,01	2.612.224,68	925.429,66	5.930.246,21
Short-term provisions	6.18.B	258.032,71	170.206,24	35.774,80	35.774,80
Total current liabilities		28.592.286,76	56.619.575,87	21.414.564,99	25.424.659,14
Total liabilities		42.167.842,69	96.986.457,05	34.231.559,90	38.214.232,57
Total Equity and Liabilities		191.915.536,82	227.950.196,72	131.416.996,82	127.320.922,97

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Income Statement of Company and Group

	Note	THE GROUP						THE COMPANY	
		1/1 - 31/12/2005			1/1 - 31/12/2004			1/1 - 31/12/2005	1/1 - 31/12/2004
		Ongoing activities	Discontinued activities	Total	Ongoing activities	Discontinued activities	Total		
Sales		79.788.371,83	3.265.009,00	83.053.380,83	74.732.923,49	21.481.993,00	96.214.916,49	66.619.996,45	62.237.509,00
Cost of sales	6.19	-55.893.625,77	-2.647.697,00	-58.541.322,77	-52.571.605,46	-12.771.271,00	-65.342.876,46	-48.193.351,50	-46.723.167,90
Gross Profit		23.894.746,06	617.312,00	24.512.058,06	22.161.318,03	8.710.722,00	30.872.040,03	18.426.644,95	15.514.341,10
Other operating income	6.20	2.653.154,50	0,00	2.653.154,50	1.522.275,02	0,00	1.522.275,02	2.665.585,11	1.831.895,63
Sales & Marketing expenses	6.21	-17.773.088,93	0,00	-17.773.088,93	-16.741.430,90	0,00	-16.741.430,90	-16.114.976,29	-14.572.355,21
Administration expenses	6.21	-6.076.627,93	0,00	-6.076.627,93	-6.093.720,12	0,00	-6.093.720,12	-4.318.901,90	-3.582.150,53
Other operating expenses	6.20	-494.911,03	-1.459.185,00	-1.954.096,03	-1.107.906,41	0,00	-1.107.906,41	-585.481,91	-622.670,02
Depreciation of negative goodwill	6.2	1.881.463,25	0,00	1.881.463,25	112.655,43	0,00	112.655,43		
Offsetting of loss from previous devaluation				0,00	4.169.130,65		4.169.130,65		
Profit before taxes on Finance and investment income		4.084.735,87	-841.873,00	3.242.862,87	4.022.321,70	8.710.722,00	12.733.043,70	72.869,96	-1.430.939,00
Financial income	6.22	113.981,94	2.174.792,10	2.288.774,04	113.755,29	35.838,00	149.593,29	17.874.251,48	3.282.416,13
Financial expenses	6.22	-1.089.100,38	-88.041,10	-1.177.141,48	-1.130.079,39	-1.310.527,00	-2.440.606,39	-302.185,19	-334.407,11
Profit before taxes		3.109.617,43	1.244.878,00	4.354.495,43	3.005.997,60	7.436.033,00	10.442.030,60	17.644.936,25	1.517.070,00
Income tax	6.23	-542.687,39		-542.687,39	-94.753,58	0,00	-94.753,58	-216.189,73	152.216,50
Profit after taxes		2.566.930,04	1.244.878,00	3.811.808,04	2.911.244,02	7.436.033,00	10.347.277,02	17.428.746,52	1.669.286,50
Distributed to :									
Company shareholders		2.492.260,43	1.244.878,00	3.737.138,43	2.974.362,39	7.436.033,00	10.410.395,39	17.428.746,52	1.669.286,50
Minority rights		74.669,61		74.669,61	-63.118,37		-63.118,37	0,00	0,00
Main earnings per share		0,15	0,07	0,22	0,17	0,44	0,61	1,03	0,10
Proposed dividend per share								0,20	0,55
Summary income for period									
Income before taxes on finance and investment income and depreciation		8.490.075,21	236.930,00	8.727.005,21	7.671.885,61	13.210.465,00	20.882.350,61	2.328.309,36	550.261,64
Income before taxes on finance and investment income		4.084.735,87	-841.873,00	3.242.862,87	4.022.321,70	8.710.722,00	12.733.043,70	72.869,96	-1.430.939,00
Profit before taxes		3.109.617,43	1.244.878,00	4.354.495,43	3.005.997,60	7.436.033,00	10.442.030,60	17.644.936,25	1.517.070,00
Profit after taxes		2.566.930,04	1.244.878,00	3.811.808,04	2.911.244,02	7.436.033,00	10.347.277,02	17.428.746,52	1.669.286,50

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Cash flow statement of Company and Group

By indirect method	THE GROUP			THE COMPANY	
	31/12/2005	31/12/2005	31/12/2004	31/12/2005	31/12/2004
	€	€	€	€	€
	Discontinued	Ongoing			
Net profit before taxes	1.099.159,00	3.255.336,43	10.442.030,60	17.644.936,25	1.517.070,01
Plus/less adjustment for :					
Depreciation of period 1.1.2005-31.12.2005	1.078.803,00	4.405.339,34	8.149.306,91	2.255.439,40	1.981.200,69
Provisions		1.277.310,37	1.200.365,22	875.205,67	1.018.623,30
Currency differences	5.369.975,00	(471.581,26)	(146.653,32)	(393,16)	
Sale of subsidiary			290.404,34		
Results (income, expenses, profits and losses) of investment activities		(0,02)			
- Losses from sale of fixed assets/holdings	1.565.588,00	(110.860,04)	(18.643,67)	(457,03)	18.315,50
- Investment grants		(380.827,12)	(366.276,47)	(380.827,12)	(366.276,47)
- Ships'negative goodwill	0,00	(1.881.463,25)	(112.655,43)		
- Offsetting of loss from previous ships devaluation			(4.169.131,00)		
Interest payable/receivable	(2.086.751,00)	975.118,44	2.272.735,20	(17.461.809,99)	(2.948.009,02)
Plus/less adjustment for working capital changes or changes relating to operating activities					
Decrease/(increase) of stocks	276.748,00	(255.338,27)	(1.171.409,26)	100.170,75	(662.164,63)
Decrease/(increase) of receivables	1.451.919,65	(4.137.533,63)	156.669,77	(2.721.518,23)	1.220.350,95
Decrease/(increase) of interim asset accounts		0,00		0,00	0,00
Decrease/(increase) of current liabilities (except banks and taxes)	(987.545,00)	1.843.426,01	(2.471.770,29)	(3.965.502,16)	4.141.196,49
(Decrease)/Increase of tax liabilities		(323.654,03)	(100.020,63)	(216.720,05)	451.731,41
Less:					
Interest payable and related charges paid	(613.659,00)	(570.977,79)	(2.374.403,11)	(302.185,19)	(334.407,11)
Income tax/Differences resulting from tax audit/Other taxes not included in operating costs		(151.797,65)	(182.721,29)	0,00	0,00
Total inflows/(outflows) from operating activities (a)	7.154.237,65	3.472.497,53	11.397.827,57	(4.173.660,86)	6.037.631,08
Cash flow from investment					
Acquisition of subsidiaries, associates, joint ventures and other investments		0,00	(1.764.029,40)	0,00	0,00
Purchase of tangible and intangible assets		(1.874.484,68)	(1.436.327,46)	(1.526.520,65)	(1.345.577,37)
Receipts from sale of tangible and intangible assets/ securities	108.053.446,00	8.686,16	1.825.358,64	4.686,16	24.033,51
Increase/ decrease of other long-term receivables		(1.662,36)	0,00	(4.480,04)	13.444,21
Interests received	2.465.660,00	(177.875,92)	112.632,77	98.261,48	60.606,13
Dividends received		4.325.216,00	4.189,80	10.664.743,70	3.225.009,80
Total inflows (outflows) from investment activities (b)	110.519.106,00	2.279.879,20	(1.258.175,65)	9.236.690,65	1.977.516,28
Cash flow from financing activities					
Receipts from share capital increase		0,00	60.000,00	0,00	0,00
Increase/decrease of long-term liabilities (except loans)		(349.777,31)	(218.992,20)	(349.777,31)	(218.992,20)
Increase/decrease of long-term loan commitments	(16.532.888,65)	16.189.475,79	(412.064,71)	(327.715,30)	(372.945,78)
Increase/decrease of short-term loan commitments	(44.725.707,00)	(15.504.213,37)	(4.246.876,06)	852.817,01	589.007,62
Payment of finance lease obligations		(350.036,79)	(410.962,86)	(308.102,19)	(374.389,60)
Dividends paid	(4.325.216,00)	(9.416.759,64)	(3.649.615,75)	(9.341.759,64)	(3.404.235,75)
Sale of own shares		0,00	1.497.300,87		1.497.300,87
Total inflows (outflows) from financing activities (c)	(65.583.811,65)	(9.431.311,32)	(7.381.210,71)	(9.474.537,43)	(2.284.254,84)
Net increase/ (decrease) in cash and cash equivalents for period (a) + (b) + (c)	52.089.532,00	(3.678.934,59)	2.758.441,21	(4.411.507,64)	5.730.892,52
Cash and cash equivalents at start-of-period	2.357.092,00	9.216.344,28	8.814.995,07	8.555.877,34	2.824.984,82
Cash and cash equivalents at end-of period	54.446.624,00	5.537.409,69	11.573.436,28	4.144.369,70	8.555.877,34

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Changes in Company and Group Equity

	THE GROUP									
	Paid-up share capital	Share premium reserve	Ordinary reserve	Other reserves	Total reserves	Profit carried forward	Currency differences	Own shares	Minority rights	Total
Balance at 1/1/2004	10.200.000,00	65.779.742,36	2.059.025,41	10.077.834,48	12.136.859,89	21.253.314,35	-11.846.712,00	-2.146.126,07	497.699,52	95.874.778,05
Depreciation of revaluation reserve				-894.993,00	-894.993,00	894.993,00				0,00
Revaluation of assets				30.597.697,00	30.597.697,00					30.597.697,00
Sale of own shares					0,00	-648.825,20		2.146.126,07		1.497.300,87
Distribution of dividends					0,00	-3.400.002,93			-245.380,00	-3.645.382,93
Sale of subsidiary					0,00	1.988.884,24			85.320,15	2.074.204,39
Impact from sale of subsidiary					0,00		-5.899.488,00			-5.899.488,00
Impact from subsidiary's over 12-month accounting period					0,00	117.353,27				117.353,27
Profit (loss) of period			892.743,84		892.743,84	9.517.651,55			-63.118,37	10.347.277,02
Balance at 31/12/2004	10.200.000,00	65.779.742,36	2.951.769,25	39.780.538,48	42.732.307,73	29.723.368,28	-17.746.200,00	0,00	274.521,30	130.963.739,67
Depreciation of revaluation reserve				-38.106.365,32	-38.106.365,32	38.106.365,32				0,00
Revaluation of assets				12.799.296,10	12.799.296,10					12.799.296,10
Consolidation currency differences					0,00		11.597.850,32			11.597.850,32
Distribution of dividends					0,00	-9.350.000,00			-75.000,00	-9.425.000,00
Profit (loss) of period					0,00	3.737.138,43			74.669,61	3.811.808,04
Balance at 31/12/2005	10.200.000,00	65.779.742,36	2.951.769,25	14.473.469,26	17.425.238,51	62.216.872,03	-6.148.349,68	0,00	274.190,91	149.747.694,13

	THE COMPANY							
	Paid-up share capital	Share premium reserve	Ordinary reserve	Other reserves	Total reserves	Profit carried forward	Own shares	Total
Balance at 1/1/2004	10.200.000,00	65.779.742,36	915.929,80	530.985,90	1.446.915,70	14.059.573,96	-2.146.126,07	89.340.105,95
Sale of own shares						-648.825,20	2.146.126,07	1.497.300,87
Distribution of dividends						-3.400.002,93		-3.400.002,93
Profit(loss) of period						1.669.286,51		1.669.286,51
Formation of ordinary reserve			349.289,22		349.289,22	-349.289,22		0,00
Balance at 31/12/2004	10.200.000,00	65.779.742,36	1.265.219,02	530.985,90	1.796.204,92	11.330.743,12	0,00	89.106.690,40
Distribution of dividends						-9.350.000,00		-9.350.000,00
Profit(loss) of period						17.428.746,52		17.428.746,52
Balance at 31/12/2005	10.200.000,00	65.779.742,36	1.265.219,02	530.985,90	1.796.204,92	19.409.489,64	0,00	97.185.436,92

1. General Information

1.1 Parent Company

KATHIMERINI S.A. was established in 1988 (OJ 3645/12.12.1988 – SAs and Ltd Companies Volume) and is registered in the Joint Stock Companies Register under no 18435/06/B/88/26. Its registered office is in Piraeus (at no2, Ethnarchou Markariou & Dimitriou Falireos, Neo Faliro, tel. 2104808000) and, in accordance with its Articles of Association its duration will be fifty (50) years.

The Company's object, in conformity with article 2 of its Articles of Association is:

1. To publish daily newspapers (morning and evening), weekly newspapers, specialized newspapers, as well as any other publication of general or special interest.
2. To publish and market, import and export books and works of Greek and foreign authors, as well as to translate publications of any kind.
3. To represent, distribute and circulate the publications described in paragraphs 1 and 2, whether these are its own publications or those of others.
4. To create and operate printing houses, printing presses, lithography printing, bookbinding shops, as well as the execution of the above works together with all other operations related to graphic arts.
5. To establish and operate radio stations.
6. To produce and run audiovisual programs as well as any multimedia material and content.
7. To produce and run radio programs.
8. To install, manage and operate Internet and telecommunications infrastructure for the provision and distribution of services and products, which are included in the Company's objects.
9. To install and maintain machinery, devices and systems related to the company's products and services.
10. To provide similar services to legal entities and natural persons in the field of publishing, mass media, technology and business administration, as well as consultancy services in the above domains.
11. To market and distribute in general all the above products, either directly or through distribution networks, resellers or associates, or through telemarketing.
12. The Company's participation in other companies having a similar or different object.

In order to achieve, promote and expand its objective the Company may:

Participate in joint ventures with any natural or legal persons and cooperate with natural or legal persons, international or national, professional, journalistic, cultural and social organizations, undertakings, industries and agencies.

It should be noted that the Company's object was widened following a resolution of the Extraordinary General Assembly held on 21.3.2001 and since then there has been no further change.

According to the Greek National Statistic Services' classification, the Company belongs to the Publications category under code 221 and more specifically to the Newspapers Publication sub-category under code 221.2. The Company publishes the newspaper "KATHIMERINI". This paper came out for the first time on 15 September 1919 and is one of the newspapers with the longest life span in Greece. In 1989, a new period of restructuring, enriching and upgrading started for the newspaper. New supplements were added such as "FINANCIAL KATHIMERINI", "CLASSIFIED ADS", "SEVEN DAYS", "RESEARCHERS GO

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PLACES”, “TRAVEL-TOURISM”, “K”, “ECO” and “POPULAR MEDICINE” magazines. In 2002, the Company started cooperating with domestic and foreign publishing firms and launched as supplements to the newspaper the following magazines “MAISON DECORATION”, “HARPER’S BAZAAR”, “POPULAR SCIENCE”, “PHOTOGRAPHER”, “ILLUSTRATED CLASSIC STORIES”, “COMICS” and “REAL ESTATE NEWS” as well as the annual review “THE ECONOMIST” and the monthly “PASSPORT” magazine.

Its revenues are mainly derived from the sale of newspapers and the advertisement published in KATHIMERINI and its supplements.

The Company also has revenues from printing contracts on behalf of third parties and from the sale of goods through offers. Finally, another source of revenue are its holdings in other companies.

The Board of Directors approved on 20 March 2006 the attached financial statements for the period ended on 31 December 2005 (including comparative data for the financial year, which ended on 31st December 2004). It is indicated that these financial statements are subject to the final approval of the Ordinary General Meeting of Shareholders.

1.2 Subsidiaries

The Group’s activities include, in addition to the parent company’s activities, other sectors such as international sea transports on vessels owned by the subsidiaries of shipping company ARGONAFTIS Ltd. and operated by KATHIMERINI S.A. It also operates the frequency of radio station MELODIA FM 99.2).

In addition to the publishing activities of the parent company, the Group also has significant publishing activities in the field of special editions (travel guides, special content magazines).

1.3 The Company’s Management

KATHIMERINI S.A. is managed by a 10-member Board of Directors elected for a 3-year term, which will end on 30 June 2007. Its members are:

- **Aristidis Ioannis Alafouzos**, Chairman, a resident of Neo Faliro, Ethnarchou Makariou & Dim. Falireos 2.
- **Georgios Anastasios Koumantos**, Executive Vice-Chairman, a resident of Athens, Skoufa 55
- **Themistocles Aristidis Alafouzos**, Managing Director, a resident of Neo Faliro, Ethnarchou Mkariou & Dim. Falireos 2.
- **Martha Theofanous Zoe-Dertili**, Executive Director for International Partnerships, a resident of Kifisia, Rodou 35.
- **Vasilios Georgios Diamantopoulos**, Executive Financial Director, a resident of Nea Smyrni, Varnes 4.
- **Georgios Theodoros Constantinidis**, Non-Executive Independent Director, a resident of Ekali, Alkyonis1.
- **Nicolaos Georgios Naoumis**, Executive Technical Director, a resident of Voula, Ektoros 26.
- **Haralambos Spyridon Roussos**, Non-Executive Independent Director, a resident of Athens, Ypsilantou 59.
- **Grigorios Ioannis Timagenis**, Non-executive Director, a resident of Piraeus, Notara 57.

- **Antonios Asterios Karkayannis**, Non-Executive Director, a resident of Athens, Yperidou 19.

2. Accounting principles followed

2.1. Basis for preparing the financial statements

The consolidated financial statements of “KATHIMERINI S.A.” AT 31ST December 2005 (the transition date being January 1st, 2004), which cover the whole fiscal year 2005, have been drawn up on the basis of the historical cost principle, as amended by the revaluation of specific asset and liability items at current values, the going concern principle and in accordance with the International Financial Reporting Standards, as published by the International Accounting Standards Board (IASB) and with their interpretation as published by the IASB’s International Financial Reporting Interpretation Committee (IFRIC). The IASB has published a series of standards known as the “IFRS Stable Platform 2005”. The Group applies the «IFRS Stable Platform 2005» since January 1st, 2005.

When preparing the financial statements the Company’s Management made all necessary adjustments to the accounting, valuation and consolidation methods, to make them compatible with the International Financial Reporting Standards. The comparative 2004 records have also been readjusted in order to be comparable.

The Company and the Group have decided to adjust certain amounts pertaining to the transition Balance Sheet of January 1st, 2004, as well as the income statement for the year ended on December 21st, 2004. The adjustments to the amounts were done retroactively for the fiscal years, to which they relate. The effects of adjustments on fiscal years before 1/1/2004 were directly recorded under Equity on that date. Adjustments relating to the period 1/1/2004 – 21/12/2004 have affected the profit and loss account of that fiscal year.

The result of the above adjustments was the different presentation of the Balance Sheets at 1/1/2004 and 31/12/2004 and of the income statement for fiscal year 1/1 – 31/12/2004 compared to that contained in the interim financial statements published for the 2005 quarters. The effects of the above adjustments on Equity and profit and loss for the years to which they relate are detailed in paragraph 6.25.

Financial Statements are covered by IFRS 1 “First implementation of IFRSs” as they are the first official financial statements drawn up and published on that basis. The transition date is January 1st, 2004.

For consolidation purposes, the financial statements of the subsidiaries of ARGONAFITIS Ltd. Were converted to euros, in accordance with IAS 21. Currency differences arising from such conversion appear as a separate net worth item in the annual consolidated balance sheets. In the case of disposal of subsidiary, the relevant accumulated currency differences are carried forward to profit and loss.

2.2 Consolidation, Subsidiaries

Subsidiaries: All companies managed and controlled, directly or indirectly, by another (parent) company, either through a majority stake in the company in which the investment was made, or through its dependence on the know-how provided by the Group. Subsidiaries therefore are undertakings over which the parent company exercises control. KATHIMERINI S.A. has obtained and exercises control through voting rights. Any potential voting rights, which may exist and which may be exercised when financial statements are drawn up, shall be taken into consideration for the purpose of establishing whether the parent company has control over subsidiaries. Subsidiaries are fully consolidated (total consolidation) by means of the acquisition method from the date when control is obtained and are no longer consolidated from the date such control ceases to exist.

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Regarding in particular, ARGONAFTIS Ltd., the following elements were taken into consideration for consolidation with its subsidiaries: On the acquisition of subsidiaries their assets and liabilities are valued at fair value on the acquisition date. The profit and loss of subsidiaries acquired or sold during the financial year, is included in the year's consolidated income statement, from the date of acquisition or until the date of sale. The negative goodwill represents the surplus fair value of subsidiaries' assets and liabilities over the acquisition value. Negative goodwill is depreciated in the income statement for the duration of the ships' remaining useful life. In the event of disposal of subsidiary or one of its ships, the un-depreciated part of negative goodwill relating to it, shall be depreciated in profit and loss.

Inter-company transactions, profits remaining and not realized from transactions between the Group's companies, will be written off during consolidation. Losses not realized will also be written off, unless the transaction provides indications of the transferred asset's impairment. The accounting principles of subsidiaries have been modified to ensure their uniformity with those adopted by the Group.

Associates: These are entities in which the Group has influence, but which do not meet the requirements for qualifying as subsidiaries or interests in a joint venture. The assumptions used by the Group are that a percentage of up to 30% of voting rights in a company means significant influence over it. Investments in associates are recognized initially at cost and are then valued using the equity method. At the end of each accounting period, the cost will be increased by the investor's share in the changes.

2.3 The Group's Companies

NAME	SHARES & CONSOLIDATION METHOD
MELODIA S.A.	100% Total Consolidation
PRINT AND INTERNET PUBLICATIONS S.A.as from 20/7/2005, (former DESIS S.A.)	100% Total Consolidation
TECHNICAL PROJECTS S.A.	100% total Consolidation
ARGONAFTIS LTD. (*)	100% Total Consolidation
K HOLDINGS S.A.	100% Total Consolidation
EXPLORER S.A.	51% Total Consolidation
IHT – KATHMERINI S .A.	50 % Total Consolidation
MAISON PUBLISHERS S.A.	50% Total Consolidation
ARKTOS PUBLISHERS LTD.	30 % Net Worth
PRESS SHOPS AT INTERNATIONAL AIRPORT S.A..	25% Net Worth
EPSILON ONE S.A.	25% Net Worth
CITY SERVERS S.A.	22,5% Net Worth

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EUROPE S.A.DAILY AND PERIODICAL PRESS DISTRIBUTION AGENCY	21% Net Worth
APOSTOLI S.A.	20% Net Worth
INTERNATIONAL NEWS ALLIANCE “INA” JOINT VENTURE	11,11% Net Worth
TELETYPOS S.A.	<1% Net Worth

(*) In particular, subsidiary ARGONAFITIS Ltd., which is part of the Group, is consolidated with its following subsidiaries:

<u>Company</u>	Country of Establishment	Ship	Tonnage (D.W.T.)	Year of Building
Sea Shell Enterprises Ltd	Liberia	m.t. Oceanis	106,547	1997
Sea Pearl Enterprises Ltd	Liberia	m.t. Thirasia	(Sold on 5 July 2005)	
Zenith Maritime Corporation	Liberia	m.t. Christiana	(Sold on 4 January 2005)	
Bigal Shipping Corporation	Liberia	m.t. Nereis	(Sold on 28 January 2005)	

2.4 Foreign exchange operations

(a) Functional currency and presentation currency

The information contained in the financial statements of the Group's companies is calculated on the basis of the currency of the primary economic environment in which each company operates ("functional currency"). Consolidated financial statements are presented in Euros, the parent Company's functional and presentation currency.

(b) Transactions and balances

Foreign currency operations are converted into the functional currency using the exchange rate in force on the transaction date. Profits and losses from exchange differences, which may arise when such transactions are settled during the period and from the conversion of monetary items expressed in foreign currency using the exchange rates at calculation date, shall be reported in the results.

Foreign exchange differences resulting from non-monetary items carried at fair value are considered as part of fair value and are therefore recorded where fair value differences will be recorded.

(c) Consolidation currency difference

For purposes of consolidation, the financial statements of subsidiaries have been translated into Euros in accordance with IAS 21. Currency differences resulting from such conversion appear as a separate net worth item in the interim consolidated balance sheets. In the event of disposal of a subsidiary, related accumulated differences will be carried forward to profit and loss.

2.5 Fixed assets

Fixed assets appear in financial statement at acquisition value, with the exception of ships, whose value is based on the valuation of independent valuers.

These values appear decreased by (a) accumulated depreciation and (b) any impairment of fixed assets.

Later expenses relating to fixed assets will be capitalized only when the future economic benefits associated with the asset, which are expected to flow to the company will be increased. All other fixed assets maintenance, repair, docking, etc. costs will be appear in the results as expenses at the time when they were incurred.

Depreciations are charged to profit and loss based on the standard depreciation method for the whole duration of their estimated useful life, per asset category, as follows:

Buildings	1 – 47 years
Machinery and mechanical equipment	1 – 20 years
Other installations and equipment	1 – 20 years
Vehicles	8 – 10 years
Ships	25 years since building

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Land is not depreciated. The residual values and useful life of tangible fixed assets are subject to review on an annual basis at the balance sheet date.

When the book value of tangible assets exceeds their recoverable value, the difference (impairment) is immediately recorded as expense in profit and loss. In case of sale of tangible assets, the differences between the price received and their book value will be entered as profit or loss in the income statement.

Ships' values are presented on the basis of valuations made by independent valuers and refer to their fair value on the date of valuation less accumulated depreciation.

Valuations are carried out at regular intervals, to ensure that the value appearing in the books is not significantly different from their fair value at the balance sheet date.

Any increase resulting from the valuation of the ships' value is credited to the revaluation reserve, unless it offsets a loss from a previous valuation, that was charged to profit and loss, in which case the increase will be credited to profit and loss, up to the amount previously charged. A decrease in the ships' current value, which results from a valuation, will be carried as cost in profit and loss, to the extent that it exceeds the balance of the revaluation reserve, if any, which was created because of an increase in that ship's value since its last valuation.

Depreciation is calculated by the straight-line depreciation method, based on the ships' value less residual value, by the number of years of useful life. 25 years have been calculated as useful life since building date.

The revaluation reserve is depreciated using the same method and at the same time as ships' value. According to IAS 15, depreciation of the revaluation reserve, as well as its un-depreciated balance (in the event of disposal of the ship) is not credited to profit and loss but directly to the "Profit carried forward" Account under Equity.

2.6 Intangible assets

Intangible assets include software licences and trade marks.

(a) Software

Software licences are carried at cost less depreciation. Depreciation is calculated by the straight-line method over these items' useful life, which is set from one to five years.

Expenses required for software development and maintenance are recognized as expenses incurred.

(b) Trademarks

Trademarks are carried at cost less depreciation. Depreciation is calculated by the straight-line depreciation method over these items' useful life.

2.7 Impairment of Assets

Assets that have indefinite useful life are not depreciated and are assessed for impairment annually and when certain facts indicate that their book value may be recoverable. Depreciated assets are subject to impairment assessment when there are indications that their book value is not recoverable. Recoverable value is the highest amount between net disposal value and value resulting from use. Loss resulting from a decrease in asset value is recognized by the entity, when the book value of these assets (or the Cash Flow Creation Unit) is higher than their recoverable amount.

2.8 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. The Group's financial instruments are classified under the following categories, based on the contract's substance and the purpose for which they were acquired.

(a) Financial assets measured at fair value through profit or loss

This category has two subcategories: financial assets held for trading (including derivatives) and those included in this category at the time of acquisition. Derivatives are classified as held for trading unless intended as offsets. Assets under this category are classified under current assets held for trading or as expected to be sold within 12 months from the balance sheet date. The Company did not hold any investments of this category.

Realized and non-realized gains or losses resulting from changes in the fair value of financial assets, carried at fair value with changes in profit and loss are recognized through profit and loss in the period when they arise.

(b) Held – to – maturity investments

These include non-derivative financial assets with fixed or determinable payments and specific maturity that an entity intends and is able to hold to maturity. The Company did not hold any investments of this category.

(c) Available for sale financial assets

These include non-derivative financial assets, which are either designated as belonging to this category or which cannot be classified under any of the above categories. They are included in non-current assets if Management does not intend to realize them within 12 months as from the balance sheet date.

Purchase and sale of investments are recognized at transaction date, which is also the date when the Company undertakes to buy or sell the asset. Investments are designated at fair value on initial recognition plus any direct transaction costs. Investments are derecognised when the right to cash flows from the asset expires or is transferred and the company substantially transfers all the risks and rewards of ownership.

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Subsequently, all available for sale financial assets are measured at fair value and related gains or losses recorded in an equity reserve until such assets are disposed of or designated as impaired. When disposed of or designated as impaired, gains or losses are transferred to profit and loss. Impairment losses recognized through profit and loss may not be reversed through profit and loss.

The fair value of investments that can be traded in active markets is determined by current demand prices. For non-traded assets, fair value is determined using valuation techniques such as recent transactions, comparable negotiated instruments and discounted cash flow analysis.

At each balance sheet date, the company is required to assess whether there is any objective evidence of impairment. For company shares not classified as available for sale financial assets, significant or prolonged decrease in fair value compared to acquisition cost would be such evidence. If evidence of impairment exists, accumulated equity loss, i.e. the difference between acquisition cost and fair value is transferred to profit and loss. Impairment of equity instruments recognized in profit and loss may not be reversed through profit and loss.

(d) Loans

Loans are initially recognized at fair value, less any direct transaction costs. Subsequently, they are measured at amortised cost, using the effective interest method. Any difference between the amount received (net of related expenses) and repayment value is recognized in profit and loss for the loan's duration using the effective interest method.

Loans are classified as current liabilities unless the company has the right to postpone the liability's repayment for at least 12 months from the balance sheet date.

2.9 Stocks

Stocks are presented at the lower of acquisition or production cost and net realisable value. Realisable value is the estimated selling price decreased by the cost of stock disposal.

The cost of stocks is computed using the average weighted cost method. For ships it is calculated by the FIFO method.

The cost of stocks does not include financial expenses.

2.10 Trade Debtors

Trade debtors are initially recorded at fair value and subsequently measured at cost using the effective interest rate method less impairment losses. Impairment losses are recognized when objective evidence exists that the company is not in a position to collect all amounts due in accordance with contractual terms. The amount of the impairment loss is measured as the difference between the receivables book value and the present value of estimated cash flows discounted at the effective interest rate. The amount of the impairment loss is recorded as an expense in profit and loss.

Following Management's decision, a provision for bad debts of € 386,481.31 was made in financial year 2005.

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Insurance receivables are recorded when the relevant expense is incurred and include receivables, which have not been yet presented or settled, following deduction of discounted amounts.

2.11 Cash at hand and cash equivalents

Cash at hand include liquid assets and cash equivalents, such as current and deposit accounts, open accounts and high realization and low risk investments immediately convertible into cash. Open bank accounts appear in the balance sheet as current bank liabilities.

2.12 Share capital

The Company's share capital is included in equity and consists of registered shares.

Direct expenses for the issuing of shares are deducted from the proceeds of issue. Direct expenses related to the issuing of shares for the acquisition of undertakings are included in the acquisition cost of the undertaking acquired. When own shares are purchased, the amount paid, including expenses, is deducted from equity.

2.13 Income tax and deferred tax

The charge to the income period comprises current and deferred taxes, i.e. taxes or tax abatements related to economic benefits, which arise during the period but have already been or will be computed by tax authorities at different periods. Income tax is calculated on the period's taxable profits by the rate applicable each time (32% for the year 2005, 35% for the year 2004). Taxable profits differ from the company's net profits as they appear in the financial statements, as they do not include revenue or expenses which are not taxed or recognized as tax assets or liabilities in other accounting periods and do not include also amounts that are never taxed or recognized as tax assets or liabilities. Deferred income tax is recognized using the liability method, which arises from temporary differences between the book value and the tax base of assets and liabilities. Deferred income tax is not computed if it arises from the initial recognition of an asset or liability, other than in a business combination which, at the time of the transaction does not affect the accounting or taxable profit.

The mother company's profits from shipping activities are exempted from income tax.

Subsidiaries are taxed on the basis of their ships' tonnage and no tax is payable on their profits.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantive enacted by the balance sheet date.

If the year of reversal of temporary differences cannot be clearly determined, the tax rate in force for the period following the balance sheet date will be applied.

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Deferred tax assets are recognized to the extent that future taxable profit will be available against which temporary differences can be utilized.

Deferred income tax is recognized for temporary differences arising from investments in subsidiaries and associates, apart from cases where the Group controls the reversal of temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future.

Most changes in deferred tax assets or liabilities are recognized as a component of tax costs in profit and loss. Only those changes in assets or liabilities that affect temporary differences are recognized directly in the Group's equity, such as the revaluation of movables, resulting in the corresponding deferred tax assets or liabilities being charged against net assets.

2.14. Employee benefits

Short-term benefits: Employee short-term benefits (with the exception of employment termination benefits) in money and in kind are recognized as an expense when they become accrued. Any unpaid amount will be recorded as a liability while in the event that the amount already paid exceeds the benefits amount, the undertaking will recognize the excess amount as an asset item (prepaid expense) only to the extent that prepayment will lead to a reduction of future payments or to a refund.

Severance benefits: Severance benefits include pensions or other benefits (life insurance and medical care) provided by the company at the end of employment in exchange for employees' services. They therefore include both specified contributions schemes and specified benefits schemes. The accrued cost of specified contributions schemes will be recorded as an expense for the period to which it relates.

Specified contributions scheme

Under the specified contributions scheme, the undertaking's obligation (legal or presumptive) is limited to the amount it has agreed to contribute to the organization (e.g. fund) that manages contributions and provides benefits. Consequently, the amount of benefits that the employee will receive shall be determined by the amount paid by the undertaking (and/or the employee) and by the paid investment return on these contributions. The contribution payable by the undertaking to a specified contributions scheme is recognized either as a liability after the deduction of the contribution paid, or as an expense.

• Specified benefits scheme

The liability entered in the balance sheet with respect to specified benefits schemes represents the present value of the liability relating to the specified benefit less the fair value of the scheme's assets (if any) and the changes resulting from any actuarial profit or loss and the cost of past service. The commitment to provide the specified benefit is calculated annually by an independent actuary by the projected unit credit method. The interest rate of long-term Greek government bonds is used for discounting. Actuarial profits and losses are elements of the undertaking's obligation to provide the benefit and of the expense that will be recognized in profit and loss. Those arising from adjustments based on historical data and are higher or lower than the 10% margin of the accumulated liability, will be recorded in profit and loss within the expected average insurance time of scheme members. The cost of past service is

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recognized directly in profit and loss, with the exception of the case where the changes in the scheme depend on the employees remaining period of service. In that case, the cost of past service is recorded in the income statement using the fixed method within the maturation period.

Termination of employment benefits: Termination of employment benefits are paid when employees leave before their retirement date. The Group records these benefit when the commitment is made, either upon terminating the employment of existing employees, in accordance with a detailed schedule, which may not be withdrawn, or when providing these benefits as an incentive for voluntary departure. When such benefits become payable during periods of more than 12 months after the balance sheet date, these should be discounted based on the return of high quality company securities or government bonds. In the case of an offer aimed at encouraging voluntary departure, the valuation of termination of employment benefits should be based on the number of employees expected to accept the offer. In the event of termination of employment where it is not possible to determine the number of employees who will make use of these benefits, the benefits will not be entered in the accounts but simply communicated as a possible liability.

2.15 Grants

The Group recognizes government grants, which cumulatively meet the following criteria: a) There is presumed certainty that the undertaking has complied or will comply with the terms of the grant and b) it is fairly probable that the grant's amount will be collected. Grants are recorded at fair value and systematically recognized as income, based on the principle of correlating grants with the corresponding costs, which they subsidize.

Grants relating to assets (fixed assets) are recorded under liabilities as deferred income and transferred to income over the useful life of these assets.

2.16 Provisions

Provisions are formed when the entity has a legal or presumed liability commitment resulting from a previous event and it is probable that an economic benefit outflow will be required in order to settle the liability.

Provisions are re-examined at the end of each financial year and adjusted so as to reflect the best possible estimates. Possible liabilities are not recorded in the financial statements, but are notified unless the probability of an outflow of resources, which incorporate economic benefits, is very small. Possible receivables are not recorded in financial statements but notified if an inflow of economic benefits is probable.

The Group may have to pay additional insurance premiums to Mutual Insurance Organizations (P & I back calls). These expenses are calculated and recorded on an annual basis with corresponding provisions.

2.17 Recognition of revenue and expenses

Revenue includes the fair value of goods sold and services rendered, net of Value-Added Tax, discounts and refunds. Inter-company revenues within the Group are completely deleted. Revenue is recognized as follows:

(a) Sales of goods and rendering of services

Sales of goods are recognized when the Group delivers goods to clients, when the clients accept the goods and payment is ensured. Revenue arising from the rendering of services is recorded in the period when the services are provided and payment ensured.

(b) Income from interest

Revenue from interest is recognized on a time proportion basis and using the effective interest rate. When receivables are impaired their book value is decreased to their recoverable amount, which is the present value of expected future cash flows discounted by the initial effective interest rate. Subsequently, interest is calculated at the same interest rate on the impaired (new book) value.

(c) Revenue from dividends

Revenue from dividends is recognized as revenue at the date when distribution is approved by each entity's General Assembly.

Expenses: Expenses are recognized in profit and loss as accrued expenses. Payments for operating leases are charged to profit and loss as expenses over the period of use of the rented premises. Interest charges are recognized as accrued expenses.

(d) Revenue from ship charters

Revenue from voyage or time charters, less direct voyage costs, shall be apportioned over accounting periods based on the voyage's duration and the time period corresponding to each financial year. Receipts against charter revenues relating to the next accounting period, appear as deferred income and are recorded as revenue at the end of the voyage.

(e) Four-yearly inspection and docking expenses

Ships' four –yearly and docking expenses are charged to profit and loss in the period when they are incurred.

2.18 Leases

(a) Operating leases

Leases under which, all the risks and rewards incident to ownership are substantially retained by the Lessor are classified as operating leases. Payments made for operating leases (net of any incentives offered by Lessor) are recognized in profit and loss proportionately over the lease term.

(b) Finance leases

Lease of fixed assets is classified as a finance lease if the company substantially retains all risks and rewards incident to ownership. Finance leases are capitalised at commencement of the lease term at the lower of the fair value of the asset and the

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present value of the minimum lease payments. Finance lease payments are apportioned between the liability and finance charges so as to produce a constant rate of interest on the remaining balance of the liability. Corresponding lease payment liabilities, net of finance charges, appear in the liabilities.

The portion of the finance charge relating to finance leases is recognized in profit and loss over the lease term.

2.19 Ships Management

Ships management is done by the Kyklades Maritime Corporation (Managing Company) for a monthly management fee of \$ 25,000 per ship. In addition, the managing company receives a 1.25% commission on ships' charter rates.

The account with the managing company represents collected revenue less payments by the managing company on behalf of the Group.

2.20 Distribution of dividends

Distribution of dividends to the shareholders of the parent company is recognized as a liability in the consolidated financial statements on the date when distribution is approved by the shareholder's general meeting.

2.21 Commitments and possible liabilities

There are no major pending suits or claims by third parties against the Groups' companies.

As indicated in the subsidiaries purchase agreements, the Group does not undertake, apart from the ship and part of the loans, the assets and liabilities of subsidiaries on the day of purchase. Any liability, which concerns previous ownership, will be borne by the vendor under these private agreements.

3. Financial risk management

3.1 Financial risks

Risk management is handled by the Treasury Department, which determines, assesses and offsets financial risks in cooperation with the Company's departments that face these risks. The Group's Management issues written instructions and guidelines for general risk management, as well as specific instructions on the management of particular risks.

(a) Foreign exchange risk

The Group carries out transactions in foreign currencies and is therefore, exposed to foreign exchange risk in relation mainly to the US dollar. This risk mostly arises from commercial transactions in foreign currency. The Group does not use financial instruments for the purpose of reducing this risk. Management follows the Group's situation with respect to this risk on a steady basis and evaluates the need to use specific financial instruments in order to contain it.

(b) Credit risk

The Group does not have a significant concentration of credit risk. Wholesale sales are mostly made to clients with a rated credit history. Retail sales are made in cash and represent 40% of the total turnover.

In particular, receipts from ship charters for the period ended at 31st December 2005, came from a limited number of charterers, with a percentage of 10% and more each on total revenues, as follows:

Charterer A 62%

Charterer B 34%

(c) Liquidity risk

By keeping a sufficient level of liquid funds, the liquidity risk is low.

(d) Cash flow risk resulting from a change in interest rates

The risk of changing interest rates mostly relates to long-term loans exclusively contracted for the acquisition of ships by ship-owning companies. The borrowing rate is by 1% higher than the London Inter-Bank Offered Rate (LIBOR).

4. Important Management estimations and assumptions

Management's estimations and judgements are constantly reviewed and based on historic facts and expectations concerning future events, considered to be reasonable. The Company makes assessments and assumptions regarding future developments.

5. Information by sector

The Group's activities cover the following sectors:

a) Publications and printing sector: This sector includes the Mother company and the other companies of the Group, which publish newspapers and magazines. The Group publishes one of the leading Greek newspapers "KATHIMERINI" and magazines that cover a broad range of readers' interests.

b) Radio sector: This sector includes the production and operation of radio programs through «MELODIA S.A.» radio station.

c) Shipping sector: The shipping sector includes investments in shipping companies shares or shares of portfolio companies of seafaring vessels or shares of managing companies.

d) Other sectors: These mainly include real property development.

All of the Group's activities are located in Greece and as a result there is no separation into geographic areas.

The tables below show in detail the revenues and profit and loss, the assets and liabilities relating to the individual sectors of activity for the fiscal years ended on 31/12/2005 and 31/12/2004.

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1/1 - 31/12/2005	Publications -				
	Printings	Radio	Shipping	Other	Total
Total gross sales by sector	74.674.890,81	3.357.987,18	8.291.538,53	626.648,57	86.951.065,09
Internal sales	-3.496.576,28	-3.680,39	0,00	-397.427,59	-3.897.684,26
Net sales	71.178.314,53	3.354.306,79	8.291.538,53	229.220,98	83.053.380,83
Operating profit	1.010.231,02	351.331,26	2.333.133,51	-451.832,92	3.242.862,87
Financial income	-288.945,79	-92.203,02	1.492.796,27	-14,90	1.111.632,56
Profit before taxes	721.285,23	259.128,24	3.825.929,78	-451.847,82	4.354.495,43
Income tax	-436.284,95	-110.809,43	0,00	4.406,99	-542.687,39
Net profit	285.000,28	148.318,81	3.825.929,78	-447.440,83	3.811.808,04
Sector depreciation	2.287.584,33	43.304,24	2.982.920,07	170.333,70	5.484.142,34
EBITDA	3.297.815,35	394.635,50	5.316.053,58	-281.499,22	8.727.005,21

1/1 - 31/12/2004	Publications				
	Printing	Radio	Shipping	Other	Total
Total gross sales by sector	69.977.598,75	3.290.867,94	27.041.469,61	1.893.570,54	102.203.506,84
Internal sales	-5.587.078,69	-3.802,91	0,00	-397.708,75	-5.988.590,35
Net sales	64.390.520,06	3.287.065,03	27.041.469,61	1.495.861,79	96.214.916,49
Operating profit	-1.050.864,68	-56.747,56	14.133.727,44	-293.071,50	12.733.043,70
Financial income	-292.662,52	-130.085,17	-1.729.734,23	-138.531,18	-2.291.013,10
Profit before taxes	-1.343.527,20	-186.832,73	12.403.993,21	-431.602,68	10.442.030,60
Income tax	-101.039,36	22.411,21	0,00	-16.125,43	-94.753,58
Net profit	-1.444.566,56	-164.421,52	12.403.993,21	-447.728,11	10.347.277,02
Section depreciation	2.005.698,06	37.836,21	5.932.670,00	173.102,64	8.149.306,91
EBITDA	954.833,38	-18.911,35	20.066.397,44	-119.968,86	20.882.350,61

31/12/2005	Publications -				
	Printing	Radio	Shipping	Other	Total
<i>Assets of Sector</i>	79.988.322,69	3.575.951,43	99.971.343,01	8.379.919,69	191.915.536,82
Non-allotted assets					0,00
<i>Consolidated assets</i>					191.915.536,82
<i>Consolidated liabilities</i>	38.486.016,82	2.721.022,64	548.933,77	411.869,46	42.167.842,69
Non-allotted liabilities					0,00
<i>Consolidated liabilities</i>					42.167.842,69

31/12/2004	Publications				
	Printing	Radio	Shipping	Other	Total
<i>Assets of Sector</i>	82.024.821,86	3.646.609,28	133.996.937,94	8.281.827,64	227.950.196,72
Non-allotted assets					0,00
<i>Consolidated assets</i>					227.950.196,72
<i>Consolidated liabilities</i>	36.267.267,57	3.069.329,58	57.250.626,44	399.233,46	96.986.457,05
Non-allotted liabilities					0,00
<i>Consolidated liabilities</i>					96.986.457,05

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* Receipts from charters appear reduced compared to the previous period as a result of the sale of two ships in January 2005 and one ship in July 2005.

6. Notes to the Financial Statements

6.1. Tangible assets and other equipment

Land, buildings and machinery have been valued at cost.

The Group's ship "Oceanis", is insured for an amount of \$ 53,000,000. "Oceanis" was valued again on 30 July 2005 by H. Clakson & Company Ltd. and Simson, Spense & Young Ltd, based on early delivery and taking into account charters already booked for the ship. The ship's value according to the valuation represents an amount of \$ 52,850,000.

The ship "Oceanis" was valued again on 31st December 2005 by H. Clakson & Company Ltd. and Simson, Spense & Young Ltd, based on early delivery and taking into account charters already booked for the ship. For financial statement purposes the average of these two valuations, which represents an amount of \$ 52,200,000, was used as the ship's value.

The following tables present the consolidated value per item, as well as changes in assets per period for the Group and the Company:

CONSOLIDATED TABLE OF FIXED ASSETS GROUP					
	Land & Buildings	Vehicles & Equipment	Furniture and Fixtures	Assets under construction	Total
Gross book value	20.501.183,45	143.751.756,72	2.280.222,93	22.913,27	166.556.076,37
Accumulated depreciation and Value impairment	-1.618.602,63	-5.958.758,04	-1.511.240,74	0,00	-9.088.601,41
Book value at 1st January 2004	18.882.580,82	137.792.998,68	768.982,19	22.913,27	157.467.474,96
Gross book value	20.971.655,99	143.873.890,91	2.449.097,63	0,00	167.294.644,53
Revaluation of fixed assets		18.816.667,00			18.816.667,00
Accumulated depreciation and Value impairment	-2.016.890,16	-7.232.809,99	-1.733.764,81	0,00	-10.983.464,96
Book value at 31 December 2004	18.954.765,83	155.457.747,92	715.332,82	0,00	175.127.846,57
Gross book value	21.545.414,35	62.674.566,08	2.692.431,70	0,00	86.912.412,13
Revaluation of fixed assets		12.799.296,60			12.799.296,60
Accumulated depreciation and Value impairment	-2.365.616,42	-8.577.795,41	-2.047.553,11	0,00	-12.990.964,94
Book value at 31 December 2005	19.179.797,93	66.896.067,27	644.878,59	0,00	86.720.743,79

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TABLE OF CHANGES IN FIXED ASSETS GROUP					
	Land & Buildings	Vehicles & Equipment	Furniture & Fixtures	Assets under construction	Total
Book value at 1st January 2004	18.882.580,82	137.792.998,68	768.982,19	22.913,27	157.467.474,96
Additions	472.796,74	19.056.579,01	187.631,55	168.404,00	19.885.411,30
Sales - Decreases	-1.744,20	-117.777,82	-18.756,85	-1.704,16	-139.983,03
Depreciation	-398.287,53	-1.310.011,80	-222.524,07	0,00	-1.930.823,40
Transfers	-580,00	35.959,85	0,00	-189.613,11	-154.233,26
Book value at 31st December 2004	18.954.765,83	155.457.747,92	715.332,82	0,00	175.127.846,57
Additions	591.023,88	569.608,85	252.658,45	212.168,27	1.625.459,45
Sales - Decreases	0,00	-108.079.723,13	-9.321,32	-15.061,55	-108.104.106,00
Depreciation	-383.854,77	-1.336.310,45	-322.457,95	0,00	-2.042.623,17
Transfers	17.862,99	-3,32	-0,82	-197.106,72	-179.247,87
Revaluation of ships' value		12.799.296,60			12.799.296,60
Net currency differences	0,00	7.462.746,00	0,00	0,00	7.462.746,00
Depreciation decreases	0,00	22.704,80	8.667,41	0,00	31.372,21
Book value at 31st December 2005	19.179.797,93	66.896.067,27	644.878,59	0,00	86.720.743,79

CONSOLIDATED TABLE OF FIXED ASSETS THE COMPANY					
	Land & Buildings	Vehicles & Equipment	Furniture & Fixtures	Assets under construction	Total
Gross book value	11.226.037,22	29.926.780,08	2.098.375,61	22.913,27	43.274.106,18
Accumulated depreciation and value impairment	-756.047,37	-5.577.009,09	-1.357.254,03	0,00	-7.690.310,49
Book value at 1st January 2004	10.469.989,85	24.349.770,99	741.121,58	22.913,27	35.583.795,69
Gross book value	11.677.543,12	30.017.096,99	2.243.488,18	0,00	43.938.128,29
Revaluation of fixed assets					
Accumulated depreciation and value impairment	-985.539,83	-6.826.634,84	-1.562.596,97	0,00	-9.374.771,64
Book value at 31 December 2004	10.692.003,29	23.190.462,15	680.891,21	0,00	34.563.356,65
Gross book value	12.050.731,96	30.453.604,27	2.451.617,71	0,00	44.955.953,94
Revaluation of fixed assets					
Accumulated depreciation and value impairment	-1.164.310,82	-8.128.331,28	-1.852.806,70	0,00	-11.145.448,80
Book value at 31 December 2005	10.886.421,14	22.325.272,99	598.811,01	0,00	33.810.505,14

TABLE OF CHANGES IN FIXED ASSETS THE COMPANY					
	Land & Buildings	Vehicles & Equipment	Furniture & Fixtures	Assets under construction	Total
Book value at 1st January 2004	10.469.989,85	24.349.770,99	741.121,58	22.913,27	35.583.795,69
Additions	453.830,10	198.743,81	163.869,42	160.105,36	976.548,69
Sales - Decreases	-1.744,20	-108.426,90	-18.756,85	-1.704,16	-130.632,11
Depreciation	-229.492,46	-1.249.625,75	-205.342,94	0,00	-1.684.461,15
Transfers	-580,00	0,00	0,00	-181.314,47	-181.894,47
Book value at 31st December 2004	10.692.003,29	23.190.462,15	680.891,21	0,00	34.563.356,65
Additions	390.454,36	440.153,35	217.453,91	212.168,27	1.260.229,89
Sales - Decreases	0,00	-3.645,35	-9.321,32	-15.061,55	-28.028,22
Depreciation	-213.899,50	-1.301.766,88	-298.879,38	0,00	-1.814.545,76
Transfers	17.862,99	-3,32	-0,82	-197.106,72	-179.247,87
Revaluation of ships' value	0,00	0,00	0,00	0,00	0,00
Net currency differences	0,00	0,00	0,00	0,00	0,00
Depreciation decreases	0,00	73,04	8.667,41	0,00	8.740,45
Book value at 31st December 2005	10.886.421,14	22.325.272,99	598.811,01	0,00	33.810.505,14

6.2 Goodwill of company / Negative goodwill

For the acquisition of subsidiaries Sea Shell Enterprises Ltd and Sea Pearl Enterprises Ltd; the Company paid € 26,412,326. Their fair value amounted to € 35,077,455, which resulted in a negative goodwill of € 8,655,129. The negative goodwill was credited until 31 December 2001 to profit and loss over the remaining useful life of the ships. On 30 June 2005, the ships were re-valued again. The devaluation of the ships' value based on the new valuation was charged as a provision against the ships' depreciation in profit and loss. The remaining amount of negative goodwill was credited as income in profit and loss.

For the acquisition of subsidiary Zenith Corporation the Group paid € 6,432,040, while its fair value amounted to € 8,110,654. This meant a negative goodwill of 1,678,614. The negative goodwill was depreciated by an amount of € 208,872, which was credited as income in profit and loss over the ship's period of possession. The remaining amount of € 1,469,742 was written off profit and loss at the time of the ship's sale.

For the acquisition of subsidiary Bigal Shipping Corporation, the Group paid € 9,305,211, while the fair value of the asset acquired was € 9,748,316, resulting in a negative goodwill of € 443,105. The negative goodwill was depreciated by an amount of € 34,351 that was credited as income in profit and loss over the ship's period of possession. The remaining amount of € 408,754 was written off profit and loss at the time of the ship's sale.

The net book value at 31 December 2004 of € 1,881,463 was depreciated in profit and loss at the time of the ships' sale in January 2005.

The negative goodwill over the period 1/1/2005 – 31/12/2005 is shown below.

THE GROUP	
Balance at 1st January 2004	-
Accumulted depreciation and goodwill decrease	240.256,0
Book value at 31st December 2004	-
Depreciation of goodwill over period	2.967,00
Goodwill depreciation written-off because of ships' sale	
Goodwill written-off because of ships' sale	2.121.719,0
Book value at 31st January 2005	0,00

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6.3 Intangible assets

Intangible assets include software, as well as trade mark rights and are broken down as follows for the Group and the Company:

	GROUP		
	Software	Rights	Total
Gross book value	890.542,15	1.811.813,50	2.702.355,65
Accumulated depreciation and value impairment	-171.952,08	-475.954,80	-647.906,88
Book value at 1st January 2004	718.590,07	1.335.858,70	2.054.448,77
Gross book value	1.440.833,11	1.824.313,50	3.265.146,61
Accumulated depreciation and value impairment	-327.162,74	-541.457,66	-868.620,40
Book value at 31st December 2004	1.113.670,37	1.282.855,84	2.396.526,21
Gross book value	1.903.411,67	1.821.148,80	3.724.560,47
Accumulated depreciation and value impairment	-718.130,49	-607.905,17	-1.326.035,66
Book value at 31st December 2005	1.185.281,18	1.213.243,63	2.398.524,81

	GROUP		
	Software	Rights	Total
Book value at 1st January 2004	718.590,07	1.335.858,70	2.054.448,77
Additions	359.482,05	12.500,00	371.982,05
Sales - Decreases	-130.000,00	0,00	-130.000,00
Depreciation	-155.210,66	-65.502,86	-220.713,52
Transfers	320.808,91	0,00	320.808,91
Book value at 31st December 2004	1.113.670,37	1.282.855,84	2.396.526,21
Additions	465.089,31	0,00	465.089,31
Sales - Decreases	-2.512,71	-3.164,70	-5.677,41
Depreciation	-391.518,15	-67.080,52	-458.598,67
Transfers	0,00	0,07	0,07
Depreciation decreases	552,36	632,94	1.185,30
Book value at 31st December 2005	1.185.281,18	1.213.243,63	2.398.524,81

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THE COMPANY			
	Software	Rights	Total
Book value at 1st January 2004	700.963,22	1.308.025,25	2.008.988,47
Additions	343.848,93	12.500,00	356.348,93
Sales - Decreases	-130.000,00	0,00	-130.000,00
Depreciation	-148.468,98	-56.225,04	-204.694,02
Transfers	320.808,91	0,00	320.808,91
Book value at 31st December 2004	1.087.152,08	1.264.300,21	2.351.452,29
Additions	465.089,31	0,00	465.089,31
Sales - Decreases	-2.512,71	-3.164,70	-5.677,41
Depreciation	-383.090,94	-57.802,70	-440.893,64
Transfers	0,00	0,07	0,07
Depreciation decreases	552,36	632,94	1.185,30
Book value at 31st December 2005	1.167.190,10	1.203.965,82	2.371.155,92

THE COMPANY			
	Software	Rights	Total
Gross book value	854.339,34	1.765.424,41	2.619.763,75
Accumulated depreciation and value impairment	-153.376,12	-457.399,16	-610.775,28
Book value at 1st January 2004	700.963,22	1.308.025,25	2.008.988,47
Gross book value	1.388.997,18	1.777.924,41	3.166.921,59
Accumulated depreciation and value impairment	-301.845,10	-513.624,20	-815.469,30
Book value at 31st December 2004	1.087.152,08	1.264.300,21	2.351.452,29
Gross book value	1.851.575,74	1.774.759,71	3.626.335,45
Accumulated depreciation and value impairment	-684.385,64	-570.793,89	-1.255.179,53
Book value at 31st December 2005	1.167.190,10	1.203.965,82	2.371.155,92

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6.4 Investments in affiliated companies

Investments in affiliated and other companies are detailed below. Following the introduction of international accounting standards, the value of investments was reviewed and relevant impairment entries were made.

HOLDINGS	PERCENTAGE OF PARTICIPATION IN CAPITAL	FINAL VALUE 31/12/2005	Reg. Office	RELATIONSHIP IMPOSING CONSOLIDATION
MELODIA S.A.	100%	5.282.539,44	N. FALIRO	% OF PARTICIPATION
PRINT AND INTERNET PUBLICATIONS S.A. AS FROM 20/7/2005, (former DESIS S.A.)	100%	314.336,99	N. FALIRO	% OF PARTICIPATION
TECHNICAL PROJECTS	100%	5.711.643,43	N. FALIRO	% OF PARTICIPATION
INTERNATIONAL HERALD TRIBUNE - KATHIMERINI S.A.	50%	22.450,48	N. FALIRO	% OF PARTICIPATION
ARGONAFTIS SHIPPING LTD	100%	30.585.140,00	N. FALIRO	% OF PARTICIPATION
EXPLORER S.A.	51%	299.370,00	ATHENS	% OF PARTICIPATION
MAISON PUBLISHERS S.A.	50%	30.000,00	MAROUSI	% OF PARTICIPATION
K. HOLDINGS S.A.	100%	0,00	N. FALIRO	% OF PARTICIPATION
TOTAL		42.245.480,34		

PARTICIPATION IN AFFILIATED COMPANIES 31/12/2005

HOLDINGS	PERCENTAGE OF PARTICIPATION IN CAPITAL	FINAL VALUE 31/12/2005	REG. OFFICE
PRESS DISTRIBUTION S.A.	21%	308.143,80	ATHENS
PRESS SHOP AT INT. AIRPORT S.A.	25%	220.102,71	SPATA
TELETYPOS S.A.	<1%	31.845,00	ATHENS
INTER NEWS ALLIANCE "INA"	11,11%	12.441,60	PARIS
APOSTOLI S.A.	20%	12.000,00	ATHENS
ARKTOS PUBLISHERS Ltd.	30%	5.400,00	THESSALONIKI
CITY SERVERS S.A.	22,5%	0,00	KOROPI
EPSILON ONE S.A.	25%	0,00	N. FALIRO
TOTAL		589.933,11	

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6.5 Deferred taxation

Deferred tax assets and liabilities are set off when there is an applicable legal right to set off current tax assets against current tax liabilities and when deferred income taxes refer to the same tax authority.

The amounts set off are given below:

	THE GROUP				THE COMPANY			
	31/12/2005		31/12/2004		31/12/2005		31/12/2004	
	Asset	Liability	Asset	Liability	Asset	Liability	Asset	Liability
Non-current assets								
Intangible assets	283.316,65	-16.335,78	770.177,30	0,00	191.082,37	0,00	618.308,71	0,00
Tangible assets	1.184,17	-2.579.926,67	1.386,67	-2.512.907,69	0,00	-2.373.286,44	0,00	-2.284.072,49
Investments in affiliated companies	-36.144,44	0,00	-4.441,94	0,00	111.238,23	0,00	121.702,10	0,00
Other investments	723.355,30	0,00	799.478,77	0,00	723.355,30	0,00	799.478,77	0,00
Other current assets	86.344,26	0,00	95.276,42	0,00	86.344,26	0,00	95.276,42	0,00
Current assets								
Stocks	335.295,49	0,00	399.010,09	0,00	334.986,10	0,00	371.187,09	0,00
Receivables	769.558,93	0,00	766.180,93	0,00	522.445,30	0,00	524.009,80	0,00
Reserves								
Adjustment of reserves	0,00	-4.217.732,52	0,00	-4.653.522,08	0,00	-4.217.732,52	0,00	-4.653.522,08
Long-term liabilities								
Employee benefits	1.225.902,89	0,00	1.175.716,36	0,00	1.107.023,77	0,00	1.065.151,68	0,00
Current liabilities								
Other current liabilities	445.767,93	0,00	494.280,70	-6.986,05	426.552,36	0,00	470.678,46	0,00
Offsetting								
	-3.386.027,96	3.386.027,96	-3.972.564,99	3.972.564,99	-3.503.027,69	3.503.027,69	-4.065.793,03	4.065.793,03
Total	448.553,22	-3.427.967,01	524.500,31	-3.200.850,83	0,00	-3.087.991,27	0,00	-2.871.801,54

The income tax rate that applies to the Group is 32% for 2005, with the exception of ARGONAFIS Ltd., which is tax-exempted.

Deferred taxation has been calculated on the basis of the tax rate that would have applied for the next period. Specifically, for fiscal year 2004 a rate of 32% was used, while for fiscal year 2005 a rate equal to 29% was used.

6.6. Other long- term liabilities

The other long-term liabilities of the Group and the Company concern guarantees provided and are as follows:

	THE GROUP		THE COMPANY	
	31/12/2005	31/12/2004	31/12/2005	31/12/2004
Guarantees provided	71.990,31	70.327,95	69.577,04	65.097,00
Total other long-term liabilities	71.990,31	70.327,95	69.577,04	65.097,00

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6.7. Stocks

The stocks of the Group and the Company are broken down as follows:

	THE GROUP		THE COMPANY	
	31/12/2005	31/12/2004	31/12/2005	31/12/2004
Raw materials	3.669.452,79	3.510.163,81	3.576.571,59	3.424.314,16
Semi-finished products	153.964,82	401.317,47	144.964,82	401.317,47
Finished products	2.588.604,42	2.178.813,01	1.538.805,19	1.408.501,15
Goods	339.637,82	294.325,01	267.916,78	278.498,07
Other	329.232,71	691.498,06	275.336,61	395.970,06
Total	7.080.892,56	7.076.117,36	5.803.594,99	5.908.600,91
Less: Provision for useless, delayed or destroyed stocks:				
Final products	-1.064.354,23	-1.068.128,79	-1.064.354,23	-1.068.128,79
Goods	-90.770,26	-91.830,87	-90.770,26	-91.830,87
	-1.155.124,49	-1.159.959,66	-1.155.124,49	-1.159.959,66
Total net realizable value	5.925.768,07	5.916.157,70	4.648.470,50	4.748.641,25

6.8 Trade debtors and other trade receivables

The Group and Company's trade debtors and other trade receivables are broken down as follows:

	THE GROUP		THE COMPANY	
	31/12/2005	31/12/2004	31/12/2005	31/12/2004
Trade debtors	16.474.438,30	16.198.849,01	15.033.144,73	13.793.639,28
Portfolio drafts receivable	208.743,80	146.329,10	76.120,81	45.384,47
Drafts with banks for collection	657.791,70	383.749,47	593.734,42	272.946,37
Portfolio cheques receivable	2.293.374,98	838.643,92	1.324.975,57	781.356,15
Cheques with banks for collection	13.931.095,67	13.406.866,85	12.027.985,99	11.144.425,48
Less: provisions for impairment	-1.844.920,30	-1.578.005,54	-1.382.350,99	-1.148.055,51
Net trade receivables	31.720.524,15	29.396.432,81	27.673.610,53	24.889.696,24
Advances for stock purchases	941.871,99	1.000.167,86	941.216,99	1.000.167,86
Total	32.662.396,14	30.396.600,67	28.614.827,52	25.889.864,10
Current asset	32.662.396,14	30.396.600,67	28.614.827,52	25.889.864,10
	32.662.396,14	30.396.600,67	28.614.827,52	25.889.864,10
Fair value of receivables as follows:				
Trade debtors	15.267.767,96	15.003.434,82	14.016.366,82	12.903.092,46
Portfolio drafts receivable	104.703,22	38.400,95	50.292,86	18.028,95
With banks for collection	657.791,70	383.749,47	593.734,42	272.946,37
Portfolio cheques receivable	1.759.165,60	563.980,72	985.230,44	551.202,98
Cheques with bank for collection	13.931.095,67	13.406.866,85	12.027.985,99	11.144.425,48
Advances for stock purchases	941.871,99	1.000.167,86	941.216,99	1.000.167,86
	32.662.396,14	30.396.600,67	28.614.827,52	25.889.864,10

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6.9 Other receivables

The Group and Company's other receivables are broken down as follows:

	THE GROUP		THE COMPANY	
	31/12/2005	31/12/2004	31/12/2005	31/12/2004
Sundry debtors	3.460.146,81	3.528.197,27	10.627.009,57	3.949.956,02
Debtors – Greek State	369.479,40	574.965,26	70.805,08	106.142,43
Other receivables	180.910,46	124.667,24	69.210,09	115.475,40
Less: provisions for bad debts	-1.630.757,96	-1.630.757,96	-1.564.497,37	-1.564.497,37
Net debtors' receivables	2.379.778,71	2.597.071,81	9.202.527,37	2.607.076,48
Total	2.379.778,71	2.597.071,81	9.202.527,37	2.607.076,48
Current assets	2.379.778,71	2.597.071,81	9.202.527,37	2.607.076,48
Fair value of receivables as follows:				
Sundry debtors	1.829.788,85	1.897.839,31	9.062.912,20	2.385.858,65
Debtors – Greek State	369.479,40	574.965,26	70.805,08	106.142,43
Other receivables	180.510,46	124.267,24	68.810,09	115.075,40
	2.379.778,71	2.597.071,81	9.202.527,37	2.607.076,48

6.10 Other current assets

The Group and Company's other current assets are broken down as follows:

The Company shows as prepaid expenses the cost of designing its offices, which will be carried forward to profit and loss partially and in equivalent amounts during the building's use.

	THE GROUP		THE COMPANY	
	31/12/2005	31/12/2004	31/12/2005	31/12/2004
Prepaid expenses	605.211,48	533.275,95	5.666.133,18	5.652.524,91
Income receivable	128.603,49	103.755,66	54.017,00	49.392,00
Total	733.814,97	637.031,61	5.720.150,18	5.701.916,91

6.11 Cash and cash equivalents

The Group and Company's liquid assets are broken down as follows:

	THE GROUP		THE COMPANY	
	31/12/2005	31/12/2004	31/12/2005	31/12/2004
Cash in hand	173.550,86	196.061,30	150.802,69	152.228,63
Short-term bank deposits	59.810.482,83	11.377.374,98	3.993.567,01	8.403.648,71
Total	59.984.033,69	11.573.436,28	4.144.369,70	8.555.877,34

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6.12 Equity

The share of KATHIMERINI S.A. is traded freely on the Athens Stock Exchange. The share premium account has resulted from the issuing of shares against cash for a value higher than nominal value.

The tables below show the Group and Company's capital and reserves:

	Number of shares	Ordinary shares	Above par	Own shares	Total
Balance at 1/1/2004	17.000.000,00	10.200.000,00	65.779.742,36	-2.146.126,07	73.833.616,29
Sale of mother company shares (own shares)	0,00	0,00	0,00	2.146.126,07	2.146.126,07
Balance at 31/12/2004	17.000.000,00	10.200.000,00	65.779.742,36	0,00	75.979.742,36
Balance at 31/12/2005	17.000.000,00	10.200.000,00	65.779.742,36	0,00	75.979.742,36

	THE GROUP		
	Revaluation of Fixed assets	Currency differences reserves	Total
Balance at 1st January 2004	9.546.099,00	-11.846.712,00	-2.300.613,00
Revaluation	30.597.696,00	0,00	30.597.696,00
Depreciation of reserve	-894.992,00	0,00	-894.992,00
Consolidation currency differences	0,00	-5.899.488,00	-5.899.488,00
Balance at 31st December 2004	39.248.803,00	-17.746.200,00	21.502.603,00
Revaluation	12.799.296,37	0,00	12.799.296,37
Valuation profit.loss directly carried forward to equity	-38.106.365,32	0,00	-38.106.365,32
Consolidation currency differences	0,00	11.597.850,32	11.597.850,32
Balance at 31st December 2005	13.941.734,05	-6.148.349,68	7.793.384,37

	THE GROUP			THE COMPANY		
	Ordinary reserve	Other reserves	Total	Ordinary reserve	Other reserves	Total
Balance at 1st January 2004	2.059.025,41	531.735,48	2.590.760,89	915.929,80	530.985,90	1.446.915,70
Changes during period	892.743,84		892.743,84	349.289,22		349.289,22
Balance at 31st December 2004	2.951.769,25	531.735,48	3.483.504,73	1.265.219,02	530.985,90	1.796.204,92
Other changes during period		-0,27	-0,27			0,00
Balance at 31st December 2005	2.951.769,25	531.735,21	3.483.504,46	1.265.219,02	530.985,90	1.796.204,92

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6.13 Loans

The Group and Company's long-term and short-term loan commitments are broken down as follows:

	THE GROUP		THE COMPANY	
	31/12/2005	31/12/2004	31/12/2005	31/12/2004
Long-term loans				
Bank loans	0,00	26.878.389,00	0,00	0,00
Leasing	440.466,57	783.879,43	440.466,57	768.181,87
Total long-term loans	440.466,57	27.662.268,43	440.466,57	768.181,87
Short-term loans				
Bank loans	8.185.025,12	36.797.044,98	6.280.587,30	5.747.028,14
Leasing	343.754,22	348.399,34	320.436,07	309.280,41
Total short-term loans	8.528.779,34	37.145.444,32	6.601.023,37	6.056.308,55
Total loans	8.969.245,91	64.807.712,75	7.041.489,94	6.824.490,42

The loans of the parent company and subsidiary MELODIA S.A. concern working capital guaranteed by client securities and the loan rate is 3.8 %.

Regarding the bank loans of ARGONAFITIS Ltd., it should be noted that subsidiary undertaking Sea Pearl Enterprises Ltd sold its ship m.t. "Thirasia" (5 July 2005) and its bank loan was fully repaid on that same day, which means that the subsidiaries of ARGONAFITIS Ltd. no longer have any bank loans.

6.14 Employee benefits commitments

The Group and Company's employee benefit commitments are broken down as follows:

	THE GROUP		THE COMPANY	
	31/12/2005	31/12/2004	31/12/2005	31/12/2004
Balance sheet liabilities for :				
Pension benefits	4.227.251,27	3.674.113,53	3.817.323,36	3.328.599,00
Total	4.227.251,27	3.674.113,53	3.817.323,36	3.328.599,00
Charges to profit and loss				
Pension benefits (provisions and payments)	553.137,74	491.044,09	488.724,36	432.453,49
Total	553.137,74	491.044,09	488.724,36	432.453,49

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6.15 Other long-term liabilities

The Group and Company's long-term liabilities are broken down as follows:

	THE GROUP		THE COMPANY	
	31/12/2005	31/12/2004	31/12/2005	31/12/2004
Grants				
Start-of-period balance	6.179.983,22	6.406.259,69	6.179.983,22	6.406.259,69
Additions	0,00	140.000,00	0,00	140.000,00
Transfers to profit and loss	-347.705,71	-366.276,47	-347.705,71	-366.276,47
End-of-period balance	5.832.277,51	6.179.983,22	5.832.277,51	6.179.983,22
Guaranties of property lease rentals				
Start-of-period balance	8.657,37	8.657,37	0,00	0,00
End-of-period balance	8.657,37	8.657,37	0,00	0,00
Total	5.840.934,88	6.188.640,59	5.832.277,51	6.179.983,22
Long-term liabilities	5.479.871,08	5.829.648,39	5.471.213,71	5.820.991,02
Short-term liabilities	361.063,80	358.992,20	361.063,80	358.992,20
	5.840.934,88	6.188.640,59	5.832.277,51	6.179.983,22

6.16 Trade creditors and other liabilities

The Group and Company's trade creditors and other related liabilities are broken down as follows:

	THE GROUP		THE COMPANY	
	31/12/2005	31/12/2004	31/12/2005	31/12/2004
Trade creditors	13.304.619,02	11.338.583,68	10.407.558,68	9.043.869,29
Advances from customers	228.428,25	496.156,58	202.263,43	285.840,69
Post-dated cheques	1.928.462,83	1.528.814,44	1.497.668,33	1.169.770,38
Drafts payable	1.108.849,40	1.936.508,84	995.226,39	1.936.508,84
Total	16.570.359,50	15.300.063,54	13.102.716,83	12.435.989,20

6.17 Current tax liabilities

The Group and Company's current tax liabilities are broken down as follows:

	THE GROUP		THE COMPANY	
	31/12/2005	31/12/2004	31/12/2005	31/12/2004
Tax charges for the period	172.936,83	111.315,82	0,00	0,00
Tax liabilities	919.657,37	1.280.321,27	749.620,33	966.340,38
Total	1.092.594,20	1.391.637,09	749.620,33	966.340,38

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6.18 Other short-term liabilities

The Group and Company's short-term liabilities are broken down as follows:

	THE GROUP		THE COMPANY	
	31/12/2005	31/12/2004	31/12/2005	31/12/2004
Accrued expenses	56.439,17	915.658,88	0,00	0,00
Social Security	499.745,58	425.305,49	354.005,05	332.730,44
Dividends payable	189.369,78	181.129,42	189.369,78	181.129,42
Deferred income	361.063,80	784.016,83	361.063,80	358.992,20
Other liabilities	1.028.754,94	293.866,96	20.991,03	5.057.394,15
Sale discounts of period under settlement	7.147,74	12.247,10	0,00	0,00
Total	2.142.521,01	2.612.224,68	925.429,66	5.930.246,21

6.18.B Short-term provisions

The Group and Company's short-term provisions are broken down as follows:

	THE GROUP		THE COMPANY	
	31/12/2005	31/12/2004	31/12/2005	31/12/2004
Tax audit differences from previous years	170.206,24	61.000,00	35.774,80	35.774,80
Tax audit differences of closing period	87.826,47	109.206,24	0,00	0,00
Total	258.032,71	170.206,24	35.774,80	35.774,80

6.19 Cost of sales

The cost of sales for the fiscal years 2005 and 2004 is presented below:

	THE GROUP		THE COMPANY	
	1/1 - 31/12/2005	1/1 - 31/12/2004	1/1 - 30/9/2005	1/1 - 31/12/2004
Employee benefits	11.957.097,98	11.346.412,16	10.282.756,42	9.661.413,32
Cost of stocks recognized as expense	20.820.449,91	21.887.689,56	20.609.468,81	23.328.429,17
Third party fees and expenses	13.308.109,63	10.118.248,63	11.525.821,79	7.816.095,79
Third party benefits	2.545.880,16	2.356.558,77	2.465.029,17	2.526.683,33
Cost of ships' traffic	2.926.700,69	7.296.651,11	0,00	0,00
Taxes and charges	67.789,47	60.995,14	56.061,76	50.408,26
Advertising	7.044,80	5.397,29	7.044,80	5.397,29
Other sundry expenses	1.898.590,36	4.318.701,38	1.453.378,78	1.547.220,29
Interest and related charges	29.819,35	39.280,38	29.819,35	39.280,38
Fixed assets depreciation	4.979.840,42	7.912.942,04	1.763.970,62	1.748.240,07
	58.541.322,77	65.342.876,46	48.193.351,50	46.723.167,90

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6.20 Other operating income/ costs

Other operating income for the fiscal years 2005 and 2004 are as follows:

	THE GROUP		THE COMPANY	
	1/1 - 31/12/2005	1/1 - 31/12/2004	1/1 - 31/12/2005	1/1 - 31/12/2004
Other operating income				
Depreciation of grants received	380.827,12	366.276,47	380.827,12	366.276,47
Income from subsidies	53.135,53	36.374,00	52.695,32	36.374,00
Profits from currency differences	1.025.020,17	17.909,16	539.162,08	15.708,01
Income from rentals	0,00	0,00	7.662,24	7.662,24
Income from sales commissions	56.872,65	8.559,36	34.210,91	8.559,36
Other	1.086.234,25	1.036.467,88	1.620.544,65	1.340.627,40
Income from unutilized provision	46.607,73	53.257,87	30.025,72	53.257,87
Profits from sale of fixed assets	4.457,05	3.430,28	457,07	3.430,28
Total	2.653.154,50	1.522.275,02	2.665.585,11	1.831.895,63
Other operating costs				
Losses from currency differences	226.703,68	493.613,62	336.014,89	55.770,66
Loss from sale of fixed assets	1.622.918,04	350.522,50	163.719,09	350.522,50
Other	104.474,36	263.770,29	85.747,93	216.376,86
Total	1.954.096,08	1.107.906,41	585.481,91	622.670,02

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6.21 Administrative expenses/ Sales Marketing expenses

The breakdown of sales marketing and administrative expenses for fiscal years 2005 and 2004 is given below:

SALES & MAKETING EXPENSES				
	THE GROUP		THE COMPANY	
	1/1 - 31/12/2005	1/1 - 31/12/2004	1/1 - 31/12/2005	1/1 - 31/12/2004
Employee benefits	1.558.095,13	1.370.656,24	1.310.608,86	1.105.629,60
Third-party fees and expenses	11.348.247,69	10.953.930,82	10.526.500,46	9.754.278,31
Third-party benefits	360.404,53	388.478,97	347.596,96	383.023,51
Taxes and charges	128.887,26	12.154,98	127.791,82	9.548,07
Advertising	3.855.733,22	1.775.028,41	3.578.350,00	1.532.672,17
Other sundry expenses	410.293,27	2.184.687,87	174.719,52	1.731.717,44
Interest and related charges	669,90	1.368,57	669,90	1.368,57
Depreciation of tangible assets	57.185,43	55.125,04	48.738,77	54.117,54
Provisions	53.572,50	0,00	0,00	0,00
Total	17.773.088,93	16.741.430,90	16.114.976,29	14.572.355,21

ADMINISTRATIVE EXPENSES				
	THE GROUP		THE COMPANY	
	1/1 - 31/12/2005	1/1 - 31/12/2004	1/1 - 31/12/2005	1/1 - 31/12/2004
Employee benefits	2.074.067,61	1.353.756,11	1.287.467,28	997.288,92
Third-party fees and expenses	838.632,11	1.883.543,72	667.357,14	588.747,14
Third-party benefits	1.114.290,59	318.487,04	443.317,11	345.919,14
Taxes and charges	244.110,79	865.705,95	98.404,96	650.033,88
Advirtising	55.305,65	23.632,32	55.340,15	23.632,32
Other sundry expenses	1.030.443,06	938.903,57	937.607,62	208.832,61
Interest and related charges	196,32	2.683,67	196,32	2.683,67
Depreciation	447.116,49	191.457,93	442.730,01	178.843,04
Provisions	272.465,31	515.549,81	386.481,31	586.169,81
Total	6.076.627,93	6.093.720,12	4.318.901,90	3.582.150,53

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6.22 Financial income/expenses

The Group's and Company's financial income and expenses are shown below:

	THE GROUP		THE COMPANY	
	1/1 - 31/12/2005	1/1 - 31/12/2004	1/1 - 31/12/2005	1/1 - 31/12/2004
Income from interest:				
Banks	2.189.676,07	52.087,34	153,51	60,78
Valuation of foreign exchange forward deals	95.156,96	58.705,41	95.156,96	58.705,41
Clients	2.951,01	1.839,94	2.951,01	1.839,94
Income from holdings	990,00	990,00	17.775.990,00	3.221.810,00
Income from subsidiary sale	0,00	35.970,60	0,00	0,00
	2.288.774,04	149.593,29	17.874.251,48	3.282.416,13
Interest charges :				
Bank loans	953.375,61	2.341.128,40	231.962,25	261.013,52
Commissions on letters of guarantee	679,70	973,10	679,70	973,10
Finance leases	66.045,38	3.378,90	52.996,22	0,00
Other bank charges	157.040,79	95.125,99	16.547,02	72.420,49
	1.177.141,48	2.440.606,39	302.185,19	334.407,11

6.23 Income Tax

The Group and Company's income tax breakdown is shown below:

	THE GROUP		THE COMPANY	
	1/1 - 31/12/2005	1/1 - 31/12/2004	1/1 - 31/12/2005	1/1 - 31/12/2004
Year's tax	-151.797,65	-182.721,29	0,00	0,00
Provision for tax differences	-87.826,47	-109.206,24	0,00	0,00
Deferred tax	-303.063,27	197.173,95	-216.189,73	152.216,50
Total	-542.687,39	-94.753,58	-216.189,73	152.216,50

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6.24 Earnings per share

Earnings per share for the fiscal years 2005 and 2004 are presented in the IFRS table:

	THE GROUP		THE COMPANY	
	1/1 - 31/12/2005	1/1 - 31/12/2004	1/1 - 31/12/2005	1/1 - 31/12/2004
<i>Ongoing activities</i>				
Earnings of parent company shareholders	2.492.260,43	2.974.362,39	17.428.746,52	1.669.286,61
Weighted average number of shares	17.000.000	16.982.491	17.000.000	16.982.491
Earnings per share (Euro per share)	0,15	0,17	1,03	0,10
<i>Discontinued activities</i>				
Earnings of parent company shareholders	1.244.878,00	7.436.033,00		
Weighted average number of shares	17.000.000	16.982.491		
Earnings per share (Euro per share)	0,07	0,44		
<i>Total year profits</i>				
Earnings of parent company shareholders	3.737.138,43	10.284.158,65	17.428.746,52	1.669.286,61
Weighted average number of shares	17.000.000	16.982.491	17.000.000	16.982.491
Earnings per share (Euro per share)	0,22	0,61	1,03	0,10

6.25 Presentation of adjustments following introduction of IFRS

CHANGES IN EQUITY	THE GROUP		THE COMPANY	
	1/1/04	31/12/04	1/1/04	31/12/04
Total Equity as presented before in accordance with the GAS	112.690.608,26	139.317.257,75	106.160.823,76	101.963.791,82
<i>IFRS Adjustments</i>				
Decalcification of grants from equity to long-term liabilities (deferred income)	-6.406.259,69	-5.805.192,25	-6.406.259,69	-5.805.192,25
Depreciation difference because of new valuation of fixed assets useful life	6.121.055,41	7.638.741,79	5.489.059,13	7.159.032,39
Effect on non-recognition of formation expenses as intangible assets	-1.408.542,36	-47.896,22	1.008.679,00	700.806,68
Impact of stock depreciation	-846.837,76	-1.159.959,66	-846.837,76	-1.159.959,66
Transfer of recognition of dividends payable to date of approval by G.M.	4.120.820,00	9.425.000,00	3.400.000,00	9.350.000,00
Adjustment of affiliated companies valuation	-88.041,04	-34.783,17	-411.621,14	-418.363,27
Adjustment of other investments value	-2.488.801,13	-2.488.801,13	-2.488.801,13	-2.488.801,13
Recognition of accrued employee benefits due to retirement	-3.343.069,44	-3.674.113,53	-2.896.145,51	-3.328.599,00
Recognition of finance leases as tangible assets and liabilities	1.158.046,63	1.506.265,23	1.146.485,08	1.457.048,83
Provision for bad debts	-3.236.182,20	-3.734.970,96	-2.591.801,46	-3.117.971,27
Provision for tax differences	-61.000,00	-170.206,24	-35.774,80	-35.774,80
Recognition of deferred taxation	-2.128.495,97	-2.676.350,52	-3.024.018,04	-2.871.801,54
Adjustment of capital increase costs in the share premium reserve	-3.844.175,47	-3.844.175,47	-3.844.175,47	-3.844.175,47
Own shares are deducted from Equity	-2.146.126,07	0,00	-2.146.126,07	0,00
Other adjustments from IFRS introduction	-469.482,12	-831.787,75	-673.379,95	-104.525,73
Difference from parent company's own shares sale	0,00	-648.825,20	0,00	-648.825,20
Transfer of recognition of dividends payable to date of approval by G.M.	0,00	0,00	-2.500.000,00	-7.700.000,00
Reversal of company goodwill depreciation	-1.994.119,00	-1.881.463,00	0,00	0,00
Effect of minority rights	245.380,00	75.000,00	0,00	0,00
Total adjustments	-16.815.830,21	-8.353.518,08	-16.820.717,81	-12.857.101,42
Invested capital in accordance with IASs	95.874.778,05	130.963.739,67	89.340.105,95	89.106.690,40

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CHANGES IN INCOME STATEMENTS	THE GROUP		THE COMPANY	
	31/12/04		31/12/04	
Total Profit and Loss as presented earlier in accordance with GAS	7.401.443,36		6.985.784,40	
<i>Adjustment of IFRs</i>				
Effect of non-recognition of formation expenses as intangible assets		-588.535,86		-307.872,32
Effect on depreciation for use of tangible fixed assets from diversification of depreciation rates and amortizable value		1.493.230,66		1.551.179,54
Effect due to stock depreciation		-294.603,90		-313.121,90
Reversal of formation expenses depreciation capitalized during previous periods		8.264,56		0,00
Reversal of affiliated devaluation provision		53.257,87		53.257,87
Recognition of accrued employee benefits due to retirement		-491.044,09		-432.453,49
Provision for affiliated companies devaluation		0,00		-60.000,00
Recognition of dividends payable at date of approval by G.M.		0,00		2.500.000,00
Transfer of recognition of dividends payable to date of approval by G.M.		0,00		-7.700.000,00
Other adjustments from IFRS introduction		-106.100,62		0,00
Offsetting of loss from previous ships' devaluation		4.169.131,00		0,00
Reversal of goodwill depreciation		112.655,00		0,00
Provision for bad debts		-579.479,56		-526.169,81
Recognition of finance leases as tangible assets and liabilities		348.218,60		310.563,75
Effect of non-recognition of other non-incorporated taxes		-687.303,86		-563.632,35
Sale of subsidiary		-290.404,34		0,00
Effect of non-recognition of expenses		-106.698,22		19.534,32
Total adjustment		3.040.587,24		-5.468.714,39
Income, in conformity with International Accounting Standards		10.442.030,60		1.517.070,01

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NET WORTH ADJUSTMENTS TABLE				
	THE GROUP		THE COMPANY	
	1/1/2004	31/12/2004	1/1/2004	31/12/2004
Equity as shown in published 9-month 2005 statement	97.584.101,17	133.149.604,44	91.024.203,87	91.206.145,33
Effect of stock devaluation	-846.837,76	-1.159.959,66	-846.837,76	-1.159.959,66
Provision for bad debts	-1.689.043,96	-1.804.244,06	-1.689.043,96	-1.814.864,06
Provision for tax differences	-61.000,00	-170.206,24	-35.774,80	-35.774,80
Valuation adjustment of affiliated companies				-60.000,00
Recognition of deferred taxation	887.558,60	948.545,19	887.558,60	971.143,59
Total adjustments	-1.709.323,12	-2.185.864,77	-1.684.097,92	-2.099.454,93
Equity in accordance with IFRS	<u>95.874.778,05</u>	<u>130.963.739,67</u>	<u>89.340.105,95</u>	<u>89.106.690,40</u>
INCOME ADJUSTMENTS TABLE				
	THE GROUP		THE COMPANY	
	1/1 - 31/12/2004		1/1 - 31/12/2004	
Income as shown in published 9-month 2005 statement	11.125.591,36		2.016.012,01	
Effect of stock devaluation	-313.121,90		-313.121,90	
Provision for bad debts	-115.200,10		-125.820,10	
Sale of subsidiary	-290.404,34		0,00	
Valuation adjustment of affiliated companies	0,00		-60.000,00	
Other adjustments resulting from introduction	35.165,58		0,00	
Total adjustment	-683.560,76		-498.942,00	
Income in accordance with IFRS	<u>10.442.030,60</u>		<u>1.517.070,01</u>	

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ADJUSTMENT OF GROUP'S BALANCE SHEET AT 1 ST JANUARY 2004			
ASSETS	Balances under GAS 1/1/2004	Effect of IFRS introduction 1/1/2004	Balances under IFRS 1/1/2004
Non-current assets			
Tangible assets	149.286.480,88	8.490.145,51	157.776.626,39
Goodwill of undertaking	0,00	-1.994.119,00	-1.994.119,00
Intangible assets	10.466.614,65	-4.903.462,34	5.563.152,31
Other investments	3.178.572,78	-2.576.842,17	601.730,61
Deferred tax assets	0,00	1.200.992,32	1.200.992,32
Other long-term receivables	107.737,72	0,00	107.737,72
	163.039.406,03	216.714,32	163.256.120,35
Current assets			
Stocks	6.623.261,04	-1.795.571,50	4.827.689,54
Trade debtors and other receivables	33.086.458,74	-1.766.389,94	31.320.068,80
Other receivables	2.241.969,22	33.958,33	2.275.927,55
Other current assets	3.212.195,34	-2.443.864,67	768.330,67
Cash and cash equivalents	9.603.055,20	-626.572,30	8.976.482,90
	54.766.939,54	-6.598.440,08	48.168.499,46
Total assets	217.806.345,57	-6.381.725,76	211.424.619,81
Equity & Liabilities			
Equity			
Share capital	10.200.000,00	0,00	10.200.000,00
Share premium	69.623.917,83	-3.844.175,47	65.779.742,36
Fair value reserves	0,00	9.546.099,00	9.546.099,00
Other reserves	26.427.196,69	-23.836.435,80	2.590.760,89
Balance sheet conversion reserves	0,00	-11.846.712,00	-11.846.712,00
Profit carried forward	5.455.709,61	15.797.604,74	21.253.314,35
Less: Own shares	0,00	-2.146.126,07	-2.146.126,07
Equity allotted to company share holders	111.706.824,13	-16.329.745,60	95.377.078,53
Minority rights	983.784,26	-486.084,74	497.699,52
Total Equity	112.690.608,39	-16.815.830,34	95.874.778,05
Long-term liabilities			
Long-term loan commitments	64.911.905,12	1.195.944,02	66.107.849,14
Deferred tax liabilities	0,00	3.339.195,69	3.339.195,69
Pension commitments	0,00	3.343.069,44	3.343.069,44
Other long-term liabilities	8.657,37	6.039.983,22	6.048.640,59
Total long-term liabilities	64.920.562,49	13.918.192,37	78.838.754,86
Current liabilities			
Trade creditors and other liabilities	15.995.827,12	131.945,09	16.127.772,21
Current tax liabilities	1.621.559,44	-163,48	1.621.395,96
Short-term loan commitments	13.531.099,46	-279.243,78	13.251.855,68
Long-term liabilities payable within one year	649.998,00	0,00	649.998,00
Other current liabilities	8.396.690,67	-3.397.625,62	4.999.065,05
Short-term provisions	0,00	61.000,00	61.000,00
Total current liabilities	40.195.174,69	-3.484.087,79	36.711.086,90
Total liabilities	105.115.737,18	10.434.104,58	115.549.841,76
Total Equity and Liabilities	217.806.345,57	-6.381.725,76	211.424.619,81

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ADJUSTMENT OF GROUP'S BLANCE SHEET AT 31 DECEMBER 2004			
ASSETS	Balances under GAS 31/12/2004	Effect of IFRS introduction 31/12/2004	Balances under GAS .31/12/2004
Non-current assets			
Tangible assets	166.355.633,84	8.772.212,73	175.127.846,57
Goodwill of undertaking	0,00	-1.881.463,00	-1.881.463,00
Intangible assets	5.923.330,70	-3.526.804,49	2.396.526,21
Other investments	3.086.489,24	-2.494.328,63	592.160,61
Deferred tax assets	0,00	524.500,31	524.500,31
Other long-term receivables	70.327,95	0,00	70.327,95
	175.435.781,73	1.394.116,92	176.829.898,65
Current assets			
Stocks	8.151.423,87	-2.235.266,17	5.916.157,70
Trade debtors and other receivables	32.626.042,44	-2.229.441,77	30.396.600,67
Other receivables	3.204.829,78	-607.757,97	2.597.071,81
Other current assets	794.770,51	-157.738,90	637.031,61
Cash and cash equivalents	12.168.500,30	-595.064,02	11.573.436,28
	56.945.566,90	-5.825.268,83	51.120.298,07
Total assets	232.381.348,63	-4.431.151,91	227.950.196,72
Equity & Liabilities			
Equity			
Share capital	10.200.000,00	0,00	10.200.000,00
Share premium	69.623.917,83	-3.844.175,47	65.779.742,36
Fair value reserves	55.821.940,83	-16.573.137,83	39.248.803,00
Other reserves	0,00	3.483.504,73	3.483.504,73
Balance sheet conversion reserves	0,00	-17.746.200,00	-17.746.200,00
Profit carried forward	3.414.407,57	26.308.960,71	29.723.368,28
Equity allotted to company share holders	139.060.266,23	-8.371.047,86	130.689.218,37
Minority rights	256.991,84	17.529,46	274.521,30
Total Equity	139.317.258,07	-8.353.518,40	130.963.739,67
Long-term liabilities			
Long-term loan commitments	26.878.389,02	783.879,41	27.662.268,43
Deferred tax liabilities	0,00	3.200.850,83	3.200.850,83
Pension commitments	0,00	3.674.113,53	3.674.113,53
Other long-term liabilities	8.657,37	5.820.991,02	5.829.648,39
Total long-term liabilities	26.887.046,39	13.479.834,79	40.366.881,18
Current liabilities			
Trade creditors and other liabilities	15.566.609,60	-266.546,06	15.300.063,54
Current tax liabilities	1.401.506,39	-9.869,30	1.391.637,09
Short-term loan commitments	37.392.109,54	-246.665,22	37.145.444,32
Other current liabilities	11.816.818,64	-9.204.593,96	2.612.224,68
Short-term liabilities	0,00	170.206,24	170.206,24
Total current liabilities	66.177.044,17	-9.557.468,30	56.619.575,87
Total liabilities	93.064.090,56	3.922.366,49	96.986.457,05
Total Equity and Liabilities	232.381.348,63	-4.431.151,91	227.950.196,72

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ADJUSTMENT OF PARENT COMPANY'S BALANCE SHEET AT 1 ST JANUARY 2004			
ASSETS	Balance under GAS 1/1/2004	Effect of IFRS introduction 1/1/2004	Balances under IFRS 1/1/2004
Non-current assets			
Tangible assets	33.249.666,39	2.334.129,30	35.583.795,69
Intangible assets	5.429.927,63	-3.420.939,16	2.008.988,47
Investments in subsidiaries	42.629.060,44	-323.580,10	42.305.480,34
Investments in affiliated companies	3.178.572,78	-2.576.842,17	601.730,61
Other long-term receivables	78.541,21		78.541,21
	84.565.768,45	-3.987.232,13	80.578.536,32
Current assets			
Stocks	5.788.391,57	-1.701.914,95	4.086.476,62
Trade debtors and other receivables	29.879.591,05	-1.612.680,78	28.266.910,27
Other receivables	1.301.536,17	411.773,21	1.713.309,38
Other current assets	5.463.467,05	495.321,35	5.958.788,40
Cash and cash equivalents	2.825.028,91	-44,09	2.824.984,82
	45.258.014,75	-2.407.545,26	42.850.469,49
Total assets	129.823.783,20	-6.394.777,39	123.429.005,81
Equity & Liabilities			
Equity			
Share capital	10.200.000,00	0,00	10.200.000,00
Share premium	69.623.917,83	-3.844.175,47	65.779.742,36
Other reserves	25.167.893,64	-23.720.977,94	1.446.915,70
Profit carried forward	1.169.012,29	12.890.561,67	14.059.573,96
Less: Own shares		-2.146.126,07	(2.146.126,07)
Equity allotted to Parent Company shareholders	106.160.823,76	-16.820.717,81	89.340.105,95
Minority rights			
Total Equity	106.160.823,76	-16.820.717,81	89.340.105,95
Long-term liabilities			
Long-term loan commitments		1.141.127,65	1.141.127,65
Derivative financial assets		0,00	0,00
Deferred tax liabilities		3.024.018,04	3.024.018,04
Pension commitments		2.896.145,51	2.896.145,51
Other long-term liabilities		6.039.983,22	6.039.983,22
Total long-term liabilities	0,00	13.101.274,42	13.101.274,42
Current liabilities			
Trade creditors and other liabilities	13.622.850,08	58.241,63	13.681.091,71
Current tax liabilities	514.608,97	0,00	514.608,97
Short-term loan commitments	5.531.010,39	310.680,14	5.841.690,53
Other current liabilities	3.994.490,00	-3.080.030,57	914.459,43
Short-term provisions		35.774,80	35.774,80
Total current liabilities	23.662.959,44	-2.675.334,00	20.987.625,44
Total liabilities	23.662.959,44	10.425.940,42	34.088.899,86
Total Equity and Liabilities	129.823.783,20	-6.394.777,39	123.429.005,81

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ADJUSTMENT OF PARENT COMPANY'S BALANCE SHEET AT 31 ST DECEMBER 2004			
ASSETS	Balance under GAS 31/12/2004	Effect of IFRS introduction 31/12/2004	Balances under IFRS 31/12/2004
Non-current assets			
Tangible assets	31.112.844,55	3.450.512,10	34.563.356,65
Intangible assets	5.336.811,51	-2.985.359,22	2.351.452,29
Investments in subsidiaries	42.629.060,44	-383.580,10	42.245.480,34
Investment in affiliated companies	3.086.489,24	-2.494.328,63	592.160,61
Other long-term receivables	65.097,00		65.097,00
	82.230.302,74	-2.412.755,85	79.817.546,89
Current assets			
Stocks	6.908.768,77	-2.160.127,52	4.748.641,25
Trade debtors and other receivables	28.215.543,93	-2.325.679,83	25.889.864,10
Other receivables	1.893.424,63	713.651,85	2.607.076,48
Other current assets	3.186.253,08	2.515.663,83	5.701.916,91
Cash and cash equivalents	9.150.926,79	-595.049,45	8.555.877,34
	49.354.917,20	-1.851.541,12	47.503.376,08
Total assets	131.585.219,94	-4.264.296,97	127.320.922,97
Equity & Liabilities			
Equity			
Share capital	10.200.000,00		10.200.000,00
Share premium	69.623.917,83	-3.844.175,47	65.779.742,36
Other reserves	22.101.872,80	-20.305.667,88	1.796.204,92
Profit carried forward	38.001,19	11.292.741,93	11.330.743,12
Equity allotted to Parent Company shareholders	101.963.791,82	-12.857.101,42	89.106.690,40
Minority rights			
Total Equity	101.963.791,82	-12.857.101,42	89.106.690,40
Long-term loan liabilities			
Long-term loan commitments		768.181,87	768.181,87
Deferred tax liabilities		2.871.801,54	2.871.801,54
Pension commitments		3.328.599,00	3.328.599,00
Other long-term liabilities		5.820.991,02	5.820.991,02
Total long-term liabilities	0,00	12.789.573,43	12.789.573,43
Current liabilities			
Trade creditors and other liabilities	12.357.184,43	78.804,77	12.435.989,20
Current tax liabilities	966.340,38	0,00	966.340,38
Short-term loan commitments	6.342.077,59	-285.769,04	6.056.308,55
Other current liabilities	9.955.825,72	-4.025.579,51	5.930.246,21
Short-term provisions		35.774,80	35.774,80
Total current liabilities	29.621.428,12	-4.196.768,98	25.424.659,14
Total liabilities	29.621.428,12	8.592.804,45	38.214.232,57
Total Equity and Liabilities	131.585.219,94	-4.264.296,97	127.320.922,97

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6.26 Commitments

- a) There are no major suits or claims by third parties pending against the Group's companies.
- b) As indicated in the subsidiaries purchase agreements, the Group does not take on, apart from the ship and part of the loans, the assets and liabilities of subsidiaries on the date of purchase. Any liability, which may arise with respect to previous ownership, shall be borne by the vendor, under these private agreements.

6.27 Possible assets – liabilities

At the level of the Group and the Company there are no disputes before judicial or arbitration bodies that may have a major impact on the Group's financial situation or operation. The financial years of the Group's companies, which have not been audited for tax purposes, are as follows:

NAME	COUNTRY	PERCENTAGE	CONSOLIDATION METHOD	NON-AUDITED FINANCIAL YEARS
KATHIMERINI S.A.	GREECE	MOTHER	TOTAL	2
MELODIA S.A.	GREECE	100%	TOTAL	2
K HOLDINGS S.A.	GREECE	100%	TOTAL	1
TECHNICAL PROTECTS S.A.	GREECE	100%	TOTAL	2
PRINT AND INTERNET PUBLICATIONS S.A. since 20/7/2005, (former DESIS S.A.)	GREECE	100%	TOTAL	2
ARGONAFTIS Ltd.	GREECE	100%	TOTAL	1
EXPLORER S.A.	GREECE	51%	TOTAL	2
MAISON PUBLISHERS S.A.	GREECE	50%	TOTAL	2
INTERNATIONAL HERLAD TRIBUNE - KATHIMERINI S.A.	GREECE	50%	TOTAL	2

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6.28 Transactions with affiliates

Transactions with the Group's affiliated companies are shown below:

INTER-COMPANY RECEIVABLES/LIABILITIES ON 31/12/2005										
LIABILITY										
31/12/2005	KATHIMERINI S.A.	MELODIA S.A.	TECHNICAL PROJECTS S.A.	DESIS S.A.	INTERNATIONAL HERALD TRIBUNE KATHIMERINI S.A.	ARGONAFITIS LTD	EXPLORER S.A.	MAISON PUBLISHERS S.A.	K. HOLDINGS AE	TOTAL
		497.817,58	5.761.751,80	358.735,17	612.537,97	7.006.799,19	495.032,76	401.153,51	124.636,00	15.258.463,98
R	KATHIMERINI S.A.									
	MELODIA S.A.			17.111,95						17.111,95
E	TECHNICAL PROJECTS S.A.	7.013,92		945,57		632,25			6.668,66	15.260,40
C	DESIS S.A.									0,00
T	INTERNATIONAL HERALD TRIBUNE KATHIMERINI S.A.		47,53							47,53
V	ARGONAFITIS LTD									0,00
A	EXPLORER S.A.									0,00
B	MAISON PUBLISHERS S.A.	100.302,46	16,52							100.318,98
L	K. HOLDINGS									0,00
E	TOTAL	100.302,46	504.895,55	5.761.751,80	376.792,69	612.537,97	7.007.431,44	495.032,76	401.153,51	131.304,66
										15.391.202,84

* The amount of € 7.000.000,00 represents dividends approved in 2005

INTER-COMPANY RECEIVABLES/LIABILITIES ON 31/12/2004										
LIABILITY										
31/12/2004	KATHIMERINI S.A.	MELODIA S.A.	TECHNICAL PROJECTS S.A.	DESIS S.A.	INTERNATIONAL HERALD TRIBUNE KATHIMERINI S.A.	ARGONAFITIS LTD	EXPLORER S.A.	MAISON PUBLISHERS S.A.	K. HOLDINGS	TOTAL
		250.084,95	5.768.279,22	334.889,44	594.881,02		474.618,13	168.566,79	112.995,37	7.704.314,92
R	KATHIMERINI S.A.									
	MELODIA S.A.		15.989,32	17.111,95						33.101,27
E	TECHNICAL PROJECTS S.A.	174.107,60		717,31		644,56			4.077,00	179.546,47
C	DESIS S.A.									0,00
T	INTERNATIONAL HERALD TRIBUNE KATHIMERINI S.A.		47,53				0,06			47,59
V	ARGONAFITIS LTD	5.044.233,06								5.044.233,06
A	EXPLORER S.A.	148.255,83								148.255,83
B	MAISON PUBLISHERS S.A.	131.462,09	16,52							131.478,61
L	K. HOLDINGS									0,00
E	TOTAL	5.498.058,58	250.149,00	5.784.268,54	352.718,70	594.881,02	644,56	474.618,19	168.566,79	117.072,37
										13.240.977,75

INTER-COMPANY SALES/PURCHASES 1/1 - 31/12/2005										
BUYER										
31/12/2005	KATHIMERINI S.A.	MELODIA S.A.	TECHNICAL PROJECTS S.A.	DESIS S.A.	INTERNATIONAL HERALD TRIBUNE KATHIMERINI S.A.	ARGONAFITIS LTD	EXPLORER S.A.	MAISON PUBLISHERS S.A.	K. HOLDINGS	TOTAL
		122.806,25	12.010,84	936,91	1.072.063,65	5.744,90	182.064,66	932.333,97	6.011,98	2.333.973,16
V	KATHIMERINI S.A.									
	MELODIA S.A.	6.979,89								6.979,89
E	TECHNICAL PROJECTS S.A.	366.375,10	22.279,73	3.753,16		2.509,80			2.509,80	397.427,59
N	DESIS S.A.	873.136,35								873.136,35
D	INTERNATIONAL HERALD TRIBUNE KATHIMERINI S.A.		41.925,57							41.925,57
O	ARGONAFITIS LTD	110.256,30								110.256,30
R	EXPLORER S.A.	435.360,61								435.360,61
	MAISON PUBLISHERS S.A.	458.100,24								458.100,24
	K. HOLDINGS									0,00
	TOTAL	2.292.134,06	145.085,98	12.010,84	4.690,07	1.072.063,65	8.254,70	182.064,66	932.333,97	8.521,78
										4.657.159,71

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INTER-COMPANY SALES/ PURCHASES 1/1 - 31/12/2004										
BUYER										
31/12/2004	KATHIMERINI S.A.	MELODIA S.A.	TECHNICAL PROJECTS S.A.	DESIS S.A.	INTERNATIONAL HERALD TRIBUNE KATHIMERINI S.A.	ARGONAFITIS LTD	EXPLORER S.A.	MAISON PUBLISHERS S.A.	K. HOLDINGS	ΣΥΝΟΛΑ
KATHIMERINI S.A.		132.586,05	12.016,06	1.076,92	1.083.453,90	82,06	248.728,00	1.710.399,75	446.364,22	3.634.706,96
MELODIA S.A.	3.741,95								60,96	3.802,91
TECHNICAL PROJECTS S.A.	365.223,61	21.801,90		3.672,79		2.455,50			2.455,50	395.609,30
DESIS S.A.	715.366,89									715.366,89
INTERNATIONAL HERALD TRIBUNE KATHIMERINI S.A.	38.450,51	40,28					0,03			38.490,82
ARGONAFITIS LTD										0,00
EXPLORER S.A.	612.986,44				8.615,20	1.713,48				623.315,12
MAISON PUBLISHERS S.A.	1.083.335,20									1.083.335,20
K. HOLDINGS		770,00					1.329,45			2.099,45
TOTAL	2.819.104,60	155.198,23	12.016,06	4.749,71	1.092.069,10	4.251,04	250.057,48	1.710.399,75	448.880,68	6.496.726,65

Management remuneration at Group and Company level are as follows:

Management remunerations	THE GROUP		THE COMPANY	
	1/1 - 31/12/2005	1/1 - 31/12/2004	1/1 - 31/12/2005	1/1 - 31/12/2004
Salaries and other short-term employment benefits	402.435,28	424.048,06	402.435,28	424.048,06
Total	402.435,28	424.048,06	402.435,28	424.048,06

Total payroll costs at Group and Company level are as follows:

	THE GROUP		THE COMPANY	
	1/1 - 31/12/2005	1/1 - 31/12/2004	1/1 - 31/12/2005	1/1 - 31/12/2004
Salaries and wages	15.475.259,34	16.517.136,09	11.594.065,70	10.521.488,99
Employer's contributions	1.231.828,77	1.340.322,60	696.400,13	694.135,63
Provision for staff compensation	653.621,11	602.699,83	565.243,33	529.890,32
Other staff costs	26.773,40	20.777,95	25.123,40	18.816,90
Total Payroll	17.387.482,62	18.480.936,47	12.880.832,56	11.764.331,84

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6.29 Discontinued activities

In January 2005, two subsidiaries of “Argonaftis Ltd.” Sold the ships “Nisos Christiana and “Nereis” and in July 2005 the ship “Thirasia”. The above-discontinued activities are reflected in the Income Statement of 2005.

The table below shows in detail the resulting income from each ship’s sale:

Ship	Sales revenues	Net book value	Currency differences	Gross sale profit	Sale costs	Sale loss
m.t. “Nisos Christiana”	31.050.300	30.449.250	(584.369)	16.681	(710.507)	(693.826)
m.t. “Nisos Nereis”	40.106.531	38.237.357	(1.706.072)	163.102	(943.142)	(780.040)
m.t. “Nisos Thirasia”	<u>39.888.995</u>	<u>37.869.668</u>	<u>(665.914)</u>	<u>1.353.413</u>	<u>(1.338.732)</u>	<u>14.681</u>
	<u>111.045.826</u>	<u>106.556.275</u>	<u>(2.956.355)</u>	<u>1.533.196</u>	<u>(2.992.381)</u>	<u>(1.459.185)</u>

In accordance with IAS 16, the un-amortized balance of the sold ships’ revaluation reserve of € 37,380,679 was directly credited to profit carried forward..

6.30 Post –balance sheet events

There are no later events, apart from those presented, concerning either the Group or the Company, which should be reported in accordance with International Financial Reporting Standards.