



KATHIMERINI S.A. PUBLICATIONS – MASS MEDIA

ANNUAL FINANCIAL STATEMENTS

31 DECEMBER 2007

**Financial Statements For the Fiscal Year 2007
for the period
January 1st to December 31st, 2007**

It is hereby confirmed that the attached Interim Financial Statements are those approved by KATHIMERINI SA's Board of Directors on 18 March 2008 and made public by their posting on the Web at the address www.kathimerini.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.

Chairman of the BoD

Managing Director

Chief Financial Officer

Aristidis I. Alafouzos

Themistocles A. Alafouzos

Christos N. Agrafiotis

ID no: A 049021

ID no: S 052655

ID no: S 579455

Yearly Financial Statements for the period

January 1st to December 31st 2007

Index

	Page
Report of the Auditors	5
Management Report	7
Balance Sheet of Parent Company and Group.....	19
Income Statement of Parent Company and Group.....	20
Cash Flow Statement of Company and Group.....	21
Changes in Company and Group Equity	22
1.1 Parent Company	23
1.2 Subsidiaries.....	25
1.3 The Company’s Management.....	25
2. Accounting Principles Followed.....	26
2.1 Basis for preparing the financial statements	26
2.2 New accounting principles and interpretations of IFRIC applicable from 2007 relating to the Group’s activities	27
2.3 Standards, amendments and interpretations in existing standards with a subsequent implementation date (for which the group has not gone forward with optional implementation).....	27
2.5 Consolidation, Subsidiaries	30
2.6 The Group’s Companies	32
2.7 Foreign Exchange Operations	33
2.8 Fixed Assets.....	33
2.9 Intangible Assets.....	35
2.10 Impairment of Assets	35
2.11 Financial Instruments	35
2.12 Inventories	37
2.13 Trade Debtors.....	38
2.14 Cash at hand and cash equivalents	38
2.15 Share Capital.....	38
2.16 Income Tax And Deferred Tax.....	39
2.17 Employee Benefits.....	40
2.18 Grants	41
2.19 Provisions.....	42
2.20 Recognition of Revenue and Expenses	43
2.21 Leases	44
2.22 Ships Management.....	44
2.23 Distribution of Dividends	45
2.24 Commitments and possible liabilities	45
3. Financial Risk Management.....	45
3.1 Financial Risks.....	45
4. Important Management estimations and assumptions	48
5. Information by Sector	48
6. Notes to the Financial Statements	51
6.1 Tangible Assets and Other Equipment.....	51
6.2 Intangible Assets.....	53
6.3 Investments in Affiliated Companies	55

KATHIMERINI S.A. PUBLICATIONS – MASS MEDIA

6.4 Deferred Taxation	56
6.5 Other Long-Term Liabilities	57
6.6 Inventories	57
6.7 Trade debtors and other trade receivables.....	58
6.8 Other Receivables	59
6.9 Other Current Assets	59
6.10 Cash and cash equivalents.....	59
6.11 Equity.....	60
6.12 Loans.....	61
6.13 Employee benefits commitments	62
6.14 Other long-term liabilities	62
6.15 Trade Creditors and other Liabilities.....	63
6.16 Current Tax Liabilities.....	63
6.17.a Other short-term liabilities.....	63
6.17.b Short-term provisions	63
6.18 Cost of sales.....	64
6.19 Other operating income/ costs.....	64
6.20 Administrative Expenses / Sales Marketing Expenses.....	65
6.21 Financial Income / Expenses	66
6.22 Income Tax.....	66
6.23 Earnings per share	66
6.24 Adjustments on Results of Cash Flow Statements.....	67
6.25 Commitments	68
6.26 Possible assets – liabilities	68
6.27 Transactions with affiliates.....	69
6.28 Post –balance sheet events	72

Report of the Auditors

**To the Shareholders of “ KATHIMERINI S.A.
PUBLICATIONS-MASS MEDIA”**

Report on the Financial Statements

We have audited the accompanying financial statements of “**KATHIMERINI S.A. PUBLICATIONS-MASS MEDIA**” (“the Company”) as well as the consolidated financial statements of the Company (“the Group”), which comprise (for both the Company and the Group), the balance sheet as at December 31, 2007, and the income statement, statement of changes in equity and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Management’s Responsibility for the Financial Statements

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

Auditor’s Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Greek Auditing Standards, which are based on the International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity’s preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity’s internal

control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the abovementioned financial statements present fairly, in all material respects, the financial position of the Company and that of the Group as of December 31, 2007, and the financial performance and the cash flows of the Company and those of the Group for the year then ended in accordance with International Financial Reporting Standards that have been adopted by the European Union.

Report on Other Legal and Regulatory Requirements

The Board of Directors Report comprises the information prescribed by Article 43a, paragraph 3 and Article 107, paragraph 3 of the Law 2190/20 as well as Article 11a of the Law N.3371/2005 and its content is consistent with the abovementioned financial statements.

Athens, 19 March 2008
The Certified Auditor

Athanasia M. Arabatzi
A.M. SOEL. 12821



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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 1.1.2007 – 31.12.2007**

Honourable Ladies and Gentlemen Shareholders,

We are attaching the Yearly Financial Statements for the 19th fiscal year ended at December 31st, 2007, which have been drawn up according to IFRS, as well as our comments.

The Company during the financial year from 1st January until 31st December 2007 presented an increase in its financials. More specifically, the turnover amounted to € 117,78 million, instead of € 92,35 million in 2006, showing an increase of 27,54%. The profits after taxes amounted to € 6,72 million instead of € 4,45 million in 2006. It should be noted that in both comparing fiscal years, an amount of € 3 million is included in profits after taxes, representing dividends.

The financial results of the period are shown in the company's Financial Statements, which are subject to your approval.

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

1. Current assets = $\frac{52.447.224,12}{150.242.125,43} = 34,91 \%$

Total assets 150.242.125,43

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

2. Equity = $\frac{99.858.205,33}{50.383.920,10} = 198,19 \%$

Total liabilities 50.383.920,10

3. Current assets = $\frac{52.447.224,12}{32.709.671,66} = 160,34 \%$

Short term liabilities 32.709.671,66

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.

Results of the period

1. Gross operating results = $\frac{40.578.974,85}{117.782.345,63} = 34,45 \%$

Turnover 117.782.345,63

KATHIMERINI S.A. PUBLICATIONS – MASS MEDIA

2. Net profits before taxes = $\frac{7.571.926,82}{99.858.205,33} = 7,58 \%$
Equity

3. Return on Capital Employed (ROCE)

Net profits before taxes & financing results = $\frac{5.019.747,45}{110.757.452,73} = 4,53 \%$
Equity + Loans

The Group has showed an increase in its financial figures. In particular its turnover has amounted to € 133, million, instead of € 106,01 million in 2006, showing an increase of 25,89 %. The profits after taxes amounted to € 7,32 million instead of € 5,50 81 million in 2006, increased by 33,09 %.

The company included in the description 'Intangible Assets' the amount of 330.843,26 regarding the creation and development of computer systems for the financial services. This amount is equally depreciated in four years.

It should be noted that from the end of the fiscal year until today, there has been no significant occurrence that would substantially change the financial status of the company.

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. Pasmazoglou 5, Athens, 8. Palaistinis & Lamias 1, Alimos

KATHIMERINI S.A. PUBLICATIONS – MASS MEDIA

Participations of 31.12.2007

COMPANY	<u>No OF SHARES</u>	<u>POSSESSION VALUE</u>
1. TELETYPOS S.A.	9.075	56.505,38
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. TECHNICAL PROJECTS S.A.	3.000.000	5.711.643,43
7. PRINT & INTERNET PUBLICATIONS S.A.	20.000	616.347,03
8. KATASTIMATA TYPOU IN THE INTERNATIONAL AIRPORT S.A.	75.000	220.102,71
9. EXPLORER S.A.	16.530	485.155,50
10. ARGONAUTIS EEPN	30.585.140	30.585.140,00
11. ARKTOS PUBLISHERS L.T.D.	180	5.400,00
12. MAISON PUBLISHERS S.A.	30.000	30.000,00
13. INTERNATIONAL NEWS ALLIANCE (INA)		12.441,60
14. CITY SERVERS S.A.	48.797	1.980.930,54
15. E-ONE S.A.	17.500	513.645,59

CONSOLIDATED RESULTS OF THE PERIOD

1. Consolidated Companies

1.1 The societe anonyme «KATHIMERINI 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 S.A.». 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

KATHIMERINI S.A. PUBLICATIONS – MASS MEDIA

events, expositions, cultural conferences, research work for the promotion of music and in general of culture.

1.4 The societe anonyme «TECHNICAL PROJECTS S.A.». Building and constructive works and execution of technical works.

1.5 The societe anonyme «PRINT & INTERNET PUBLICATIONS 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 «ARGONAFTIS EEPN». 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 PUBLISHERS 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 «EXPLORER S.A.». Publishing. Planning, editing and producing printed editions, magazines etc. Procurement and agency towards the bookstores and commerce of books and printed media.

2. Occupied personnel

1. KATHIMERINI S.A.: 449
 2. INTERNATIONAL HERALD TRIBUNE – KATHIMERINI S.A.: 2
 3. MELODIA S.A.: 42
 4. TECHNICAL PROJECTS S.A.: 2
 5. PRINT & INTERNET PUBLICATIONS S.A.: 59
 6. ARGONAFTIS EEPN: 0
 7. MAISON PUBLISHERS S.A.: 0
 8. EXPLORER S.A.: 12
- Total: 566

3. Corporate Governance

The Board of Directors

According to the Company's Internal Regulation and law N.3016/2002 regarding corporate governance, the Board of Directors represents and manages the Company, and mainly forms its strategy and its development policy, while at the same time, it monitors and controls the administration of its property.

The Company's Board of Directors consists of 7 executive members, 2 non-executive and 3 independent members, who meet the requirements set by law 3016/2002 regarding Corporate Governance.

The members of the Board of Directors are obliged to reveal any personal interest that may come into conflict with transactions or decisions taken by the Company, as well as any other personal interest conflict with the Company's or with its affiliates' interest, according to article 43^e par.5 of the regulatory law No 2190/1920, that arise through the exercise of their duties. They must also inform of their intention to proceed to important financial transactions relating to the Company, as well as to its primary clients or suppliers.

Internal Audit

The Internal Audit service is a presupposition of the Corporate Governance. As an independent unit, it monitors the implementation and the continuous observance of Internal Regulation, the Company's Articles of Association, legislation in general and the decisions taken by the supervisory authorities, which concern the operation of the Company. The valuation and improvement of the risk management and internal audit systems are among its powers. It provides reports, data and suggestions to the Board of Directors regarding every aspect of operation with the authorities and reports to the Board of Directors any interest conflict between the Company and the members of the BoD or the directors.

4. Equity – Financial data 2007

4.1 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 31.12.2007 amounts to € 99.858.205,33 or € 5,87 per share. The turnover in 2007 amounted on € 117.782.345,63 instead of € 92.352.461,75 of the previous financial year and the profits before taxes in € 7.571.926,82 instead of € 4.838.517,75 in 2006.

4.2 INTERNATIONAL HERALD TRIBUNE – KATHIMERINI S.A.

The share capital of the company 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 31.12.2007 is negative (579.377,34). The turnover in 2007 amounted in € 1.770.168,20 instead of € 1.491.637,63 of the previous financial year and the losses before taxes in € 82.663,47, instead of € 183.090,94 in 2006.

4.3 MELODIA S.A.

The share capital of the company 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 31.12.2007 amounts € 379.856,98 or € 15,19 per share. The turnover amounted in € 2.880.865,34 instead of € 2.933.932,29 of the previous financial year and the profits before taxes in € 57.301,50 instead of € 106.193,81 in 2006.

4.4 TECHNICAL PROJECTS S.A.

The share capital of the company amounts to € 2.190.000,00 and is divided by 3.000.000 registered shares of € 0,73 each. The internal book value, as results from the financial statement of 31.12.2007 amounts to € 2.292.827,98 or € 0,764 per share. The turnover amounted in € 803.520,35 instead of € 764.946,96 of the previous financial year and the profits before taxes in € 26.875,45 instead of profits € 43.869,50 in 2006.

4.5 PRINT & INTERNET PUBLICATIONS S.A.

The share capital of the company amounts to € 587.000,00 and is divided by 20.000 registered shares of € 29,35 each. The internal book value, as results from the financial statement of 31.12.2007 is negative (377.735,28). The turnover amounted in € 1.706.287,94 instead of € 1.297.240,07 of the previous financial year and the profits before taxes in € 147.937,85 instead of € 106.157,23 in 2006.

4.6 ARGONAFITIS EEPN.

The undertaken and paid up share capital amounts to € 30.585.140,00 and is divided by 30.585.140 registered shares of € 1,00 each. The internal book value, as results from the financial statement of 31.12.2007 amounts to 85.040.271,00 or € 2,78 per share. The turnover amounted in € 6.170.367,00 instead of € 4.999.939, 00 of the previous financial year and the profits before taxes in € 3.192.980,00 instead of € 3.876.377,00 in 2006.

4.7 MAISON PUBLISHERS S.A.

The share capital of the company amounts to € 60.000,00 and is divided by 60.000 shares of € 1,00 each. The internal book value, as results from the financial statement of 31.12.2007 amounts to € 523.997,41 or € 8,73 per share. The turnover amounted in € 5.995.666,96 instead of € 5.276.796,48 of the previous financial year and the profits before taxes in € 391.453,35 instead of € 141.171,30 in 2006.

4.8 EXPLORER S.A.

The share capital of the company amounts to € 587.000,00 and is divided by 20.000 registered shares of € 29,35 each. The internal book value, as results from the financial statement of 31.12.2007 amounts to € 794.965,46 or € 39,75 per share. The turnover amounted in € 1.616.803,94 instead of € 1.697.919, of the previous financial year and the profits before taxes in € 112.969,73 instead of € 94.285,64 in 2006.

5. The anticipated course of the Group of Companies

The parent company, for year 2007, anticipates the continuance of its profit making, particularly through maintaining newspaper circulation figures in last year's levels, combined with the increase of the newspaper's price, the increase of its advertising income, the increase of income from printing for third parties, mainly due to the operation of the new printing machine. The company carries into effect its investment plan amounting to €20,1 million, which falls under development law No 3299/2004. This plan regards mainly the acquisition of the new printing unit and the modernization of the existing infrastructure. 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.

**INFORMATION REGARDING CLAUSES OF PARAGRAPH 1 OF ARTICLE 11A
OF LAW No 3371/2005**

**EXPLANATORY REPORT
TO THE ORDINARY GENERAL MEETING OF SHAREHOLDERS**

The current explanatory report of the Board of Directors addressed to the Ordinary General Meeting of Shareholders contains detail information regarding the clauses of paragraph 1, of article 11^a of law No 3371/2005.

(a) Structure of the Company's Share Capital

The Company's Share Capital amounts to ten million two hundred thousand euro (10.200.000), divided into seventeen million (17.000.000) shares, with a nominal value of sixty cents (0,60) each. The total (100%) of the company's shares are ordinary intangible registered shares and there is no special share category. All Company shares are listed for trading in the Athens Stock Exchange in the Large Cap Category. Each share provides the right of one vote. The rights and obligations following the shares are those provided by codified law No 2190/1920.

The main rights and obligations deriving from the share, according to the company's Articles of Association and to law No 2190/1920, are as follows:

1. Each share provides a right to the liquidation proceeds of the company's assets, in case of a dissolution and to the distribution of the profits, proportionate to the Capital's percentage, which corresponds to the paid value of the share.
2. The right to receive a dividend from the Company's annual or liquidated profits. After deducting the regular reserve, only 35% of net profits are distributed from each financial year's profit to the shareholders as an initial dividend, whereas the payment of an additional dividend is decided by the General Meeting. Every shareholder is entitled to the dividend according to the date determining dividend beneficiaries. The dividend for each share is paid to the shareholders within two (2) months from the date of the Ordinary General Meeting, which approved the Annual Financial Statements. The manner and place of payment will be announced through the Press. The right to dividends is written-off and the respective amount is paid to the

State, after the lapse of 5 years from the end of the year, during which the General Meeting approved the distribution of dividends.

3. In any case of Capital Share increase exercised in cash and in case of issuing bonds that can be converted into shares or (c) in case of a Stock Option Plan, according to paragraph 9 of article 13 of law 2190/1920, the pre-emptive right is granted to the whole of the new capital or to the bond loan for the existing Shareholders, according to their participation in the Capital Share.
4. The right to receive a copy of the financial statements and reports by the chartered auditors and the Company's Board of Directors.
5. The General Meeting of the Company's Shareholders reserves all rights during liquidation, according to its Articles of Association.

The liability of the Company's Shareholders is limited to the nominal value of the shares they own.

(b) Limitations in transferring Company Shares

b1. According to the company's Articles of Association:

The transfer of shares is free and under the Company's Article of Association, there is no limitation in their transfer. However a notary document is required, a copy of which has to be communicated by a catchpole, within five (5) days from signing, to the Ministry of Commerce, to the General Secretariat of Press and Information and to the Athens Daily Newspaper Publishers Association. Due to the fact that the Company's shares are listed in the Athens Stock Exchange, according to law 1746/1988, their transfer could take effect through the procedure of transferring nominal shares of societe anonyme, according to the Athens Exchange Rulebook, as applies.

The pre-emptive right, under the restrictions of par. 6 & 7 of article 13 of codified law 2190/1920, may be limited or even suspended by a decision of the General Meeting. According to the Articles of Association of the Company, after the deadline has passed for the exercise of the right, as defined, a deadline not less than a month, the shares not taken by the old shareholders can be given out freely by the Board of Directors. The invitation for the exercise of such right, where the deadline for the exercise should be stated, is published in the Official Government Gazette. By exemption of the above and since the company's shares are nominal, the

KATHIMERINI S.A. PUBLICATIONS – MASS MEDIA

invitation for the exercise of the pre-emptive right could be carried out through registered letters sent to the Shareholders.

(c) Significant direct or indirect participations pursuant to the provisions of the Presidential Decree 51/1992

Shareholders, either physical or legal entities holding directly or indirectly a percentage of the Share Capital larger than 5% are the following:

SHAREHOLDER	No OF SHARES	PERCENTAGE %
Aristidis I. Alafouzos	6.927.220	40,75%
Themistoclis Ar. Alafouzos	3.704.000	21,79%
Helen, wife of Ar. Alafouzos	2.109.540	12,41%
Private & company investors	4.259.240	25,05%
TOTAL	17.000.000	100%

No other physical or legal entity, known to the company holds percentage larger 5% of the share capital.

(d) Holders of shares that provide special audit rights

There are no shares of the company that provide special audit rights.

(e) Restrictions on voting right – Deadlines for the exercise of such rights

No voting rights restrictions are stipulated by the Company's Articles of Association. According to the Articles of Association, in order for shareholders to be entitled to attend and vote in the General Meeting, they must, at least five (5) days prior to the Meeting, submit to the Company or to any bank in Greece, a certificate by the Central Securities Depository listing all shares registered to their name. Within the same deadline, they must also submit to the Company's offices the proxies of the shareholders' representatives.

(f) Agreements between Company Shareholders

To the Company's knowledge, there are no agreements between shareholders that entail limitations to the transfer of Company shares or the exercise of voting rights arising from its shares.

(g) Rules on appointing and replacing members of the Board of Directors and on amending the Articles of Association, which differ to those prescribed by codified law 2190/1920

The rules for the appointment and replacement of members of the Board of Directors and the amendment of the Articles of Association do not differ to those prescribed by codified 2190/1920.

(h) Duties of the Board of Directors with regard to the issuance of new shares or the purchase of own shares according to article 16 of codified law 2190/1920

h1. According to the provisions of article 5 par.2 of the Company's Articles of Association, the Board of Directors of the Company, during the first five years of the establishment of the Company, is entitled to increase the Share Capital of the Company by issuing new shares, by virtue of a decision adopted by a majority of at least two thirds (2/3) of the total numbers of its members. This power can be renewed by the General Meeting for no more than five (5) years each time.

This power has not been granted to the Company's Board of Directors.

h.2. By exemption of the provision of the previous paragraph, according to the provisions of article 5 par.4 and 5 of the Company' Articles of Association, in case the Company's reserves exceed one tenth (1/10) of the paid-up Share Capital, then a decision of the General Meeting is at all times required with the exceptional quorum and majority of article 15 of the Company's Articles of Association (exceptional quorum and majority). Those capital increases decided according to the above paragraph 2 of article 5 of the Articles of Association do not constitute an amendment of the Articles of Association.

h.3 There is no special provision in the Company's Articles of Association for the jurisdiction of the Board of Directors or of some members of the Board of Directors regarding the purchase of own shares and the provisions of article 16 of codified law 2190/1920 apply, while the Board of Directors is not authorised by the General Meeting of the Shareholders to proceed to the purchase of own shares.

- (i) Significant Agreements that become effective / are amended / are terminated in the event of change of the company's control following a public offer**

There are no such agreements.

- (j) Agreements that the Company has contracted with the members of the Board of Directors or with its personnel, which provide for the payment of compensation in case of resignation / release without substantiated reason or in case of termination of their term / employment due to a public offer**

There are no agreements of the Company with members of the Board of Directors or its personnel, which provide for the payment of compensation especially in case of termination of their term or employment due to a public offer.

Neo Faliro, March 18th, 2008

THE BOARD OF DIRECTORS

THE CHAIRMAN Aristidis I. Alafouzos

KATHIMERINI S.A. PUBLICATIONS – MASS MEDIA

Balance Sheet of Parent Company and Group

ASSETS	Note	THE GROUP		THE COMPANY	
		31/12/2007	31/12/2006	31/12/2007	31/12/2006
Non-Current Assets					
Tangible Assets	6.1	103.286.426,74	88.017.563,81	52.345.414,97	37.331.023,51
Intangible Assets	6.2	2.384.078,41	2.381.566,02	2.338.530,46	2.336.279,92
Investments in Affiliated Companies	6.3	0,00	0,00	42.431.265,84	42.431.265,84
Other Investments	6.3	741.344,88	579.095,77	599.107,11	601.285,11
Deferred Tax Assets	6.4	325.907,59	384.389,45	0,00	0,00
Other Long-term Receivables	6.5	97.213,55	85.071,17	80.582,93	68.490,54
		106.834.971,17	91.447.686,22	97.794.901,31	82.768.344,92
Current Assets					
Stocks	6.6	11.448.741,27	6.957.343,95	10.073.292,37	5.489.234,89
Trade Debtors and Other Receivables	6.7	32.127.983,15	35.697.203,60	27.727.290,34	31.458.693,13
Other Receivables	6.8	1.433.406,48	3.146.019,91	6.490.609,79	4.865.943,62
Other Current Assets	6.9	1.203.870,63	941.825,27	6.157.227,74	5.897.442,52
Cash and Cash Equivalents	6.10	51.181.305,54	57.274.870,00	1.998.803,88	8.996.770,34
		97.395.307,07	104.017.262,73	52.447.224,12	56.708.084,50
Total Assets		204.230.278,24	195.464.948,95	150.242.125,43	139.476.429,42
EQUITY & LIABILITIES					
Equity					
Share Capital	6.11	10.200.000,00	10.200.000,00	10.200.000,00	10.200.000,00
Share Premium	6.11	65.779.742,36	65.779.742,36	65.779.742,36	65.779.742,36
Fair Value Reserves	6.11	22.955.732,00	17.743.714,00	0,00	0,00
Other Reserves	6.11	5.262.188,16	4.887.241,72	2.890.263,07	2.667.642,25
Balance Sheet conversion reserves	6.11	-25.235.504,00	-15.677.138,00	0,00	0,00
Profit carried forward		66.728.440,51	63.636.118,59	20.988.199,90	19.590.468,69
Equity allotted to Parent Company Shareholders		145.690.599,03	146.569.678,67	99.858.205,33	98.237.853,30
Minority Rights		154.403,74	17.967,20	0,00	0,00
Total Equity		145.845.002,77	146.587.645,87	99.858.205,33	98.237.853,30
Long-term Liabilities					
Long-term loan commitments	6.12	4.800.000,00	6.542.147,79	4.800.000,00	6.542.147,79
Deferred tax liabilities	6.4	4.281.187,84	3.729.141,88	4.017.910,96	3.474.092,64
Pension Commitments	6.13	4.656.126,39	4.299.380,68	4.156.642,05	3.864.096,40
Other long-term liabilities	6.14	4.729.409,21	5.075.961,54	4.699.695,43	5.067.304,17
Total Long-term Liabilities		18.466.723,44	19.646.631,89	17.674.248,44	18.947.641,00
Short-term Liabilities					
Trade debtors and other Liabilities	6.15	26.951.645,79	21.322.264,29	23.603.892,67	18.369.833,50
Current Tax Liabilities	6.16	1.520.163,42	1.155.211,92	1.132.750,64	846.759,24
Short-term Loan Commitments	6.12	8.871.062,60	4.997.325,76	6.099.247,40	1.899.194,12
Other short-term liabilities	6.17.a	2.073.759,70	1.504.573,57	1.594.021,75	1.175.148,26
Short-term Provisions	6.17.b	501.920,52	251.295,65	279.759,20	0,00
Total Short-term Liabilities		39.918.552,03	29.230.671,19	32.709.671,66	22.290.935,12
Total Liabilities		58.385.275,47	48.877.303,08	50.383.920,10	41.238.576,12
Total Equity and Liabilities		204.230.278,24	195.464.948,95	150.242.125,43	139.476.429,42

KATHIMERINI S.A. PUBLICATIONS – MASS MEDIA

Income Statement of Parent Company and Group

	Note	THE GROUP		THE COMPANY	
		01/01-31/12/2007	01/01-31/12/2006	01/01-31/12/2007	01/01-31/12/2006
Sales		133.464.135,27	106.008.321,59	117.782.345,63	92.352.461,75
Cost of Sales	6.18	-86.765.794,60	-73.301.725,66	-77.203.370,78	-64.236.340,15
Gross Profit		46.698.340,67	32.706.595,93	40.578.974,85	28.116.121,60
Other Operating Income	6.19	1.165.309,49	2.568.258,09	1.565.485,15	2.937.701,32
Sales and Marketing Expenses	6.20	-32.959.757,31	-25.029.579,93	-30.935.100,12	-23.464.366,43
Administration Expenses	6.20	-7.458.291,23	-6.878.418,44	-5.804.978,64	-5.160.409,82
Other Operating Expenses	6.19	-1.012.756,43	-1.220.823,86	-384.633,79	-317.444,48
Profit before Taxes on Finance and Investment Income		6.432.845,19	2.146.031,79	5.019.747,45	2.111.602,19
Financial Income	6.21	3.193.325,19	4.426.220,59	3.159.028,71	3.042.099,91
Financial Expenses	6.21	-848.670,27	-527.636,10	-606.849,34	-315.184,35
Loss from acquisition of company		0,00	41.220,38	0,00	0,00
Profit/ Loss from affiliated companies	6.3	168.677,11	-22.189,34	0,00	0,00
Profit Before Taxes		8.946.177,22	6.063.647,32	7.571.926,82	4.838.517,75
Income Tax	6.22	-1.139.920,32	-567.505,90	-851.574,79	-386.101,37
Profit After Taxes		7.806.256,90	5.496.141,42	6.720.352,03	4.452.416,38
Distributed to:					
Shareholders of Parent Company		7.669.820,36	5.544.899,12	6.720.352,03	4.452.416,38
Minority Rights		136.436,54	-48.757,70	0,00	0,00
Main Earnings per Share	6.23	0,45	0,33	0,40	0,26
Suggested Dividend per Share				0,30	0,30
			Summary Income for Period		
Income before taxes on Finance and Investment Income and Depreciation		11.696.421,57	7.120.325,41	7.746.681,31	4.702.975,05
Income before taxes on Finance and Investment Income		6.432.845,19	2.146.031,79	5.019.747,45	2.111.602,19
Profit Before Taxes		8.946.177,22	6.063.647,32	7.571.926,82	4.838.517,75
Profit After Taxes		7.806.256,90	5.496.141,42	6.720.352,03	4.452.416,38

KATHIMERINI S.A. PUBLICATIONS – MASS MEDIA

Cash Flow Statement of Company and Group

By indirect method	THE GROUP		THE COMPANY	
	31/12/2007	31/12/2006	31/12/2007	31/12/2006
Net profit before taxes	8.946.177,22	6.063.647,32	7.571.926,82	4.838.517,75
Plus/less adjustment for:				
Depreciation of period 1.1.2007-31.12.2007	5.263.576,38	4.974.293,62	2.726.933,86	2.591.372,86
Provisions	1.284.316,30	515.557,41	1.288.698,10	280.961,71
Currency differences	(5.108.516,83)	(5.120.958,81)	0,00	0,00
Results (income, expenses, profit & losses) of investment activities				
- Losses from sale of fixed assets/holdings	40.436,82	(43.614,94)	7.595,84	(2.589,52)
-Investments grants	(429.747,91)	(448.927,88)	(420.532,93)	(448.927,88)
-Income/Expenses of participations	(164.427,11)	0,00	(3.005.429,75)	
Interest payable/receivable	(2.343.475,17)	(3.897.511,99)	453.250,38	(2.725.843,06)
Plus/less adjustments for working capital changes or changes relating to operating activities				
Decrease /(increase) of stocks	(5.207.519,60)	(1.040.692,98)	(5.155.407,93)	(840.764,39)
Decrease/(increase) of receivables	4.748.766,34	(4.500.619,75)	4.629.757,15	(4.265.565,08)
(Decrease)/Increase of short-term liabilities (Except banks and taxes)	6.869.871,89	4.547.969,57	5.996.404,27	5.844.854,94
(Decrease)/Increase of tax Liabilities	364.951,50	62.617,72	285.991,40	97.138,91
(Decrease)/Increase of prepayments (collection of subsidy)	104.734,05	116.984,48	65.533,61	116.984,48
Less:				
Interest Payable and Related charges paid	(848.670,27)	(527.636,10)	(606.849,34)	(315.184,35)
Income Tax/Differences resulting from Tax Audit/Other taxes not included in operating costs	(478.767,63)	(173.129,52)	(227.997,27)	0,00
Total inflows/(outflows) from operating activities (a)	13.041.705,98	527.978,15	13.609.874,21	5.170.956,37
Cash Flow from Investment				
Acquisition of subsidiaries & related companies, joint ventures and other investments	0,00	(185.785,50)	0,00	(185.785,50)
Purchase of tangible and intangible assets	(18.990.781,52)	(6.250.024,94)	(17.751.171,70)	(6.074.425,71)
Income from purchase of tangible and intangible assets/ participations	0,00	126,05	0,00	87,91
Increase/decrease of other long-term receivables	(12.142,38)	(13.080,86)	(12.092,39)	1.086,50
Interest received	3.192.145,44	4.424.735,59	153.598,96	40.614,91
Dividends received	0,00	0,00	0,00	8.300.000,00
Total inflows/(outflows) from investment activities (b)	(15.810.778,46)	(2.024.029,66)	(17.609.665,13)	2.081.578,11
Cash Flow from Financing activities				
Increase/ decrease of long-term liabilities (except loans)	(367.608,74)	(403.909,54)	(367.608,74)	(403.909,54)
Increase/ decrease of long-term loan commitments	(1.742.147,79)	6.101.681,22	(1.742.147,79)	6.101.681,22
Increase/ decrease of short-term loan commitments	4.172.650,85	(3.171.928,71)	4.498.967,29	(4.382.268,52)
Payment of finance lease obligations	(298.914,01)	(342.878,88)	(298.914,01)	(319.560,73)
Dividends paid	(5.088.472,29)	(3.396.076,27)	(5.088.472,29)	(3.396.076,27)
Total inflows/(outflows) from financing activities (c)	(3.324.491,98)	(1.213.112,18)	(2.998.175,54)	(2.400.133,84)
Net increase / (decrease) in cash and cash equivalents for period (a) + (b) + (c)	(6.093.564,46)	(2.709.163,69)	(6.997.966,46)	4.852.400,64
Cash and cash equivalents at start-of-period	57.274.870,00	59.984.033,69	8.996.770,34	4.144.369,70
Cash and cash equivalents at end-of-period	51.181.305,54	57.274.870,00	1.998.803,88	8.996.770,34

KATHIMERINI S.A. PUBLICATIONS – MASS MEDIA

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	Minority Rights	Total
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	274.190,91	149.747.694,13
Carried forward in ordinary reserve			1.403.737,26		1.403.737,26	-1.403.737,26		0,00	0,00
Depreciation of revaluation reserve				-697.624,00	-697.624,00	697.624,00			0,00
Revaluation of assets				4.499.603,95	4.499.603,95				4.499.603,95
Consolidation currency differences					0,00	0,57	-9.528.788,32		-9.528.787,75
Change of participation percentage in subsidiary company					0,00	-19.539,87		-207.466,01	-227.005,88
Profit/Loss of period					0,00	5.544.899,12		-48.757,70	5.496.141,42
Distribution of dividends					0,00	-3.400.000,00			-3.400.000,00
Balance at 31/12/2006	10.200.000,00	65.779.742,36	4.355.506,51	18.275.449,21	22.630.955,72	63.636.118,59	-15.677.138,00	17.967,20	146.587.645,87
Carried forward in ordinary reserve			374.946,44		374.946,44	-374.946,44			0,00
Depreciation of revaluation reserve				-897.448,00	-897.448,00	897.448,00			0,00
Revaluation of assets				6.109.466,00	6.109.466,00				6.109.466,00
Consolidation currency differences					0,00		-9.558.366,00		-9.558.366,00
Change of participation percentage in subsidiary company					0,00				0,00
Profit/Loss of period					0,00	7.669.820,36		136.436,54	7.806.256,90
Distribution of dividends					0,00	-5.100.000,00			-5.100.000,00
Balance at 31/12/2007	10.200.000,00	65.779.742,36	4.730.452,95	23.487.467,21	28.217.920,16	66.728.440,51	-25.235.504,00	154.403,74	145.845.002,77

THE COMPANY							
	Paid-Up Share Capital	Share Premium Reserve	Ordinary Reserve	Other Reserves	Total Reserves	Profit Carried Forward	Total
Balance at 1/1/2006	10.200.000,00	65.779.742,36	1.265.219,02	530.985,90	1.796.204,92	19.409.489,64	97.185.436,92
Formation of ordinary reserve			871.437,33			-871.437,33	0,00
Distribution of dividends						-3.400.000,00	-3.400.000,00
Result of period						4.452.416,38	4.452.416,38
Balance at 31/12/2006	10.200.000,00	65.779.742,36	2.136.656,35	530.985,90	2.667.642,25	19.590.468,69	98.237.853,30
Formation of ordinary reserve			222.620,82		222.620,82	-222.620,82	0,00
Distribution of dividends					0,00	-5.100.000,00	-5.100.000,00
Result of period					0,00	6.720.352,03	6.720.352,03
Balance at 31/12/2007	10.200.000,00	65.779.742,36	2.359.277,17	530.985,90	2.890.263,07	20.988.199,90	99.858.205,33

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.

KATHIMERINI S.A. PUBLICATIONS – MASS MEDIA

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 PLACES", "TRAVEL-TOURISM", "K", "ECO" "POPULAR MEDICINE", "OINOCHOOS", "GASTRONOMOS" and "GK" 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", "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 18 March 2008 the attached financial statements for the period ended on 31 December 2007 (including comparative data for the financial year, which ended on 31st December 2006). 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 ARGONAFIS EEPN 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 11-member Board of Directors elected for a 3-year term, which will end on 30 June 2011. Its members are:

- **Aristidis Ioannis Alafouzos**, Executive Chairman, a resident of Neo Faliro, Ethnarchou Makariou & Dim. Falireos 2.
- **Ioannis Aristidis Alafouzos**, Non-Executive Vice-Chairman, a resident of Neo Faliro, Ethnarchou Makariou & Dim. Falireos 2.
- **Georgios Theodoros Constantinidis**, Non-Executive Independent Vice-Chairman, a resident of Ekali, Alkyonis1.
- **Themistocles Aristidis Alafouzos**, Executive Managing Director, a resident of Neo Faliro, Ethnarchou Makariou & Dim. Falireos 2.
- **Antonios Asterios Karkayannis**, Executive Publishing Director, a resident of Athens, Yperidou 19.
- **Alexandros Aristomenis Papachelas**, Executive Director and Manager of the newspaper, a resident of Palaio Psichiko, Ersis 10

- **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.
- **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.

2. Accounting Principles Followed

2.1 Basis for preparing the financial statements

The consolidated financial statements of “KATHIMERINI S.A.” at 31st December 2007, which cover the whole fiscal year 2006, 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 and the basic accounting principles of the yearly Financial Statements of December 31st 2006.

For consolidation purposes, the financial statements of the subsidiaries of ARGONAFITIS EEPN 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 New accounting principles and interpretations of IFRIC applicable from 2007 relating to the Group's activities

Amendment of IAS 1 Presentation of Financial Statements

In accordance with the amendment of IAS 1 Presentation of Financial Statements, the Group now reports on its capital management objectives, policies and procedures in each annual financial report.

Adoption of IFRS 7 Financial Instruments: Disclosures

IFRS 7 Financial Instruments: Disclosures is mandatory for reporting periods beginning on 1 January 2007 or later. The new Standard replaces and amends disclosure requirements previously set out in IAS 32 Financial Instruments: Presentation and Disclosures and has been adopted early by the Group in its 2007 consolidated financial statements. All disclosures relating to financial instruments including all comparative information have been updated to reflect the new requirements. In particular, Group's financial statements now feature

1. a sensitivity analysis, to explain the Group's market risk exposure in regards to its financial instruments, and
2. a maturity analysis that shows the remaining contractual maturities of financial liabilities, each as at the balance sheet date. The first-time application of IFRS 7, however, has not resulted in any prior-period adjustments of cash-flows, net income or balance sheet line items.

2.3 Standards, amendments and interpretations in existing standards with a subsequent implementation date (for which the group has not gone forward with optional implementation).

The following standards, amendments and interpretations to existing standards have been published and are not mandatory for the presented financial statements, and the group has not early adopted them:

IFRIC 11 - IFRS 2: Group and Treasury share transactions of the Company itself or of Companies within the same Group

IFRIC 11 clarifies the treatment where employees of a subsidiary receive the shares of a parent. It also clarifies whether certain types of transactions are

accounted for as equity settled or cash-settled transactions. This is important, since in each case different accounting principles apply.

For example, regarding payments in cash the fair value is applied based on the date of the balance sheet, while for payments in stock options we apply the fair value at the acquisition date.

Even though IFRIC 11 applies for payments in personnel based on stock options, it may be applied in similar transactions with suppliers. Entities are obliged to adopt the current Interpretation for annual periods beginning on or after 1 March 2007, even though it may be applied before the said date. In this case, such a decision should be made public.

IFRIC 12 - Service Concession Arrangements

IFRIC 12 applies to companies that participate in service concession arrangements where (i) a state entity (the “granting entity”) grants contracts to offer public services at private companies (the “grants administrators”) and (ii) these services offered required the use of the infrastructure by the grants administrator (the private entity). Hence, it does not cover contract for the sale between private entities. It applies only on agreements between the public and private sector, where the administrator uses the infrastructure.

According to IFRIC 12 the administrator does not fully control the pricing policy or the way the infrastructure is used. Therefore it should be judged individually whether IFRIC 12 applies on some cases or not.

If IFRIC 12 does not apply, then all agreements should be handled according to IFRS. Some agreements where the administrator controls the infrastructure may lead to the recognition of its assets according to IFRS 16 or constitute a lease (according to IFRIC 14).

IFRIC 12 is effective for annual periods beginning on or after 1 January 2008, even though it is allowed to apply it earlier. However, there are exceptions in case it cannot be fully retrospectively applied.

IFRIC 13 – Customer Loyalty Programmes

Customer loyalty programmes provide motivations to customers to buy various products or services. In such a case a company grants loyalty award credits such as “points” and “travel miles” to customers, who can buy those credits in the future to acquire products or services either free or at a low price. These programmes may be applied by the company itself or by a third party. IFRIC 13

could apply for all award credits customer loyalty programmes that may be granted as part of a sale. For periods starting on or after July 1st the application of IFRIC 13 will be obligatory. The retrospective application of this Interpretation is required, while its earlier application is encouraged, as long as it is mentioned in the explanatory notes of the company.

IFRIC 14 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction

IFRIC 14 covers the interaction between minimum funding requirements (usually applied by laws and regulations) and the measurement of a defined benefits asset. The case study of IFRIC 14 relates only to cases of post employment defined benefits programmes, which are “in abundance” or are subject to minimum funding requirements. The Interpretation in general explains that a financial benefit is at hand, only if the company has the right to recognise the benefit during the settlement of the defined benefits programme. IFRIC 14 also covers the accounting handling of an obligation for the minimum funding requirements arising from services already rendered by the company. IFRIC 14 is effective for periods beginning on or after 1 January 2008. it does not require full retrospective application.

IAS 23: Borrowing Costs (revised in 2007)

The revised IAS 23 revokes the option of the immediate recognition as an expense of the borrowing cost that concern the acquisition, construction or production of a tangible asset. The main characteristic of this asset is that it takes a significant amount of time in order to be ready for use or for sale. A company, nevertheless, is obliged to capitalize such borrowing costs as part of the cost of the asset.

The revised Standard does not require the capitalisation of borrowing cost relating to fixed assets estimated in their fair value and inventories produced systematically in large quantities, even if it takes some time for them to be ready for use or sale.

The revised Standard is applicable for borrowing costs that can be matched with relative assets qualifying for the above mentioned conditions and is effective for annual periods beginning on or after 1 January 2009, however its earlier application is allowed.

IAS 1: Presentation of Financial Statements

The basic changes of this Standard can be summarized in the separate presentation of the changes in equity that arise from transactions with the shareholders and their respective position as shareholders (ex. dividends, share capital increases) from the rest of changes in equity (ex. transformation reserves). In addition, the improved issue of the Standard creates changes in the terminology along with the presentation of the financial statements.

New definitions as set by the Standard do not change however the rules of recognition, calculation, or disclosure of certain transactions and other events that are set by other Standards. The modification of IAS 1 is obligatory for annual periods beginning on or after 1 January 2009, while these obligations have also effect in the IAS 8 « Accounting Policies, Changes in Accounting Estimates and Errors». Changes caused by the modification of IAS 1 apply retroactively (IAS 8.19 (b)). An earlier application is encouraged, as long as it is mentioned in the explanatory notes of the company.

Based on the current structure of the Group and the accounting policies that are being followed, Management does not anticipate significant impact on the financial statements of the Group from the implementation of the above mentioned Standards and Interpretations when these become applicable.

The effect from the implementation of the revised IAS 23 has not been determined yet. As mentioned above, the revised IAS 23 cancels the choice of direct recognition of the borrowing cost as an expense regarding the acquisition, manufacturing or production of a fixed asset. Until now the total amount of financial expenses charged directly the results of the fiscal year. The change in how those expenses were financially recognised, will basically affect their recognition timing and the way they were presented.

The Group does not intend to apply any of the Standards or the interpretations earlier.

2.5 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

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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.

Regarding in particular, ARGONAFITIS EEPN, 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.

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2.6 The Group's Companies

NAME	SHARES & CONSOLIDATION METHOD
MELODIA S.A.	100% Full Consolidation
PRINT AND INTERNET PUBLICATIONS S.A.as from 20/7/2005, (former DESIS S.A.)	100% Full Consolidation
TECHNICAL PROJECTS S.A.	100% Full Consolidation
ARGONAFTIS EEPN (*)	100% Full Consolidation
EXPLORER S.A.	82,65% Full Consolidation
IHT – KATHMERINI S .A.	50 % Full Consolidation
MAISON PUBLISHERS S.A.	50% Full Consolidation
ARKTOS PUBLISHERS LTD.	30 % Equity
PRESS SHOPS AT INTERNATIONAL AIRPORT S.A..	25% Equity
EPSILON ONE S.A.	25% Equity
CITY SERVERS S.A.	22,5% Equity
EUROPE S.A.DAILY AND PERIODICAL PRESS DISTRIBUTION AGENCY	21% Equity
APOSTOLI S.A.	20% Equity
INTERNATIONAL NEWS ALLIANCE “INA” JOINT VENTURE	11,11% Equity
TELETYPOS S.A.	<1% Equity

(*) In particular, subsidiary ARGONAFTIS EEPN, which is part of the Group, is consolidated with its following subsidiaries:

<u>Company</u>	<u>Country of Establishment</u>	<u>Ship</u>	<u>Tonnage (D.W.T.)</u>	<u>Year Building</u>
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)	

2.7 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.

2.8 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.

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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

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.

2.9 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.

2.10 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.

2.11 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.

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.

2.12 Inventories

Inventories 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 inventories is computed using the average weighted cost method. For ships it is calculated by the FIFO method.

The cost of inventories does not include financial expenses.

2.13 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 € 271.343,18 was made in fiscal year 2007.

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.

2.14 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.

2.15 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.

2.16 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 (29% for the year 2006, 32% for the year 2005). 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.

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.

2.17 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 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.

2.18 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.

2.19 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.

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.

2.20 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

Docking and regular inspection expenses are capitalized when they occur and are depreciated based on the estimated period until the next docking or inspection, generally taking place every five (5) years. The ship m.t. “Oceanis” underwent the programmed docking procedures and regular inspection during the period 7/12/2007-25/12/2007 costing \$ 1.713.573 (€ 1.164.030), which will be partially depreciated within the next five (5) years by \$ 342.715 per annum.

2.21 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 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.

2.22 Ships Management

Ships management is done by the Kyklades Maritime Corporation (Managing Company) for a monthly management fee of \$ 30,000 per ship. In addition, the managing company receives a 2.50% 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.

2.23 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.

2.24 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 and to the Swiss franc (CHF). 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.

Considering that all other factors remain unchanged, in case Euro enforces itself against the above mentioned currencies by 1%, the effect on results and Equity is shown below:

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Amounts in €	2007		2006	
	US\$	CHF	US\$	CHF
Result of period	-83.000,00	4.800,00	-59.000,00	4.900,00
Equity	-893.000,00	4.800,00	-890.000,00	4.900,00

In case Euro devitalizes itself against the above mentioned currencies by 1%, the effect on results and Equity is shown below:

Amounts in €	2007		2006	
	US\$	CHF	US\$	CHF
Result of period	85.000,00	-4.900,00	60.000,00	-5.000,00
Equity	910.000,00	-4.900,00	908.000,00	-5.000,00

(b) Credit risk

The Group's financial assets during the closure date of the Balance Sheet are analyzed as follows: Cash at hand 2007: € 51.181.305,54, (2006: € 57.274.870,00), Trade and sundry debtors 2007: € 32.127.983,15, (2006: € 35.697.203,60).

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 60% of the total turnover.

In particular, receipts from ship charters for the period ended at 31st December 2007, came from one charterer (100%).

The administration of the Group meet the risk that arises from possible insecure charterers by co-operating with important charterers, with a notable history in shipping.

The Administration of the Group considers that all the above financial assets, which have not been previously diminished are of a high credit quality, including owed capital.

(c) Liquidity risk

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

The completion of financial obligations at December 31st, 2007 for both the Group and the Company is analyzed as follows:

KATHIMERINI S.A. PUBLICATIONS – MASS MEDIA

THE GROUP				
31/12/2007				
	Short-term		Long-term	
	within 6 months	6 -12 months	1 - 5 years	later than 5 years
Long-term loan commitments	800.000,00	800.000,00	4.800.000,00	0,00
Leasing liabilities	142.427,90	0,00	0,00	0,00
Short-term loan commitments	7.128.634,70	0,00	0,00	0,00
Trade liabilities	25.105.318,04	1.846.327,75	0,00	0,00
Other short-term liabilities	3.386.408,84	207.514,28	0,00	0,00
Total	36.562.789,48	2.853.842,03	4.800.000,00	0,00

THE COMPANY				
31/12/2007				
	Short-term		Long-term	
	within 6 months	6 -12 months	1 - 5 years	later than 5 years
Long-term loan commitments	800.000,00	800.000,00	4.800.000,00	0,00
Leasing liabilities	142.427,90	0,00	0,00	0,00
Short-term loan commitments	4.356.819,50			0,00
Trade liabilities	21.944.835,11	1.659.057,56	0,00	
Other short-term liabilities	2.519.258,11	207.514,28	0,00	0,00
Total	29.763.340,62	2.666.571,84	4.800.000,00	0,00

The completion of financial obligations at December 31st, 2006 for both the Group and the Company is analyzed as follows:

THE GROUP				
31/12/2006				
	Short-term		Long-term	
	within 6 months	6 -12 months	1 - 5 years	later than 5 years
Long-term loan commitments	800.000,00	800.000,00	6.400.000,00	0,00
Leasing liabilities	146.940,13	152.253,99	142.147,79	0,00
Short-term loan commitments	3.098.131,64	0,00	0,00	0,00
Trade liabilities	21.099.243,92	223.020,37	0,00	0,00
Other short-term liabilities	2.458.575,91	201.209,58	0,00	0,00
Total	27.602.891,60	1.376.483,94	6.542.147,79	0,00

THE COMPANY				
31/12/2006				
	Short-term		Long-term	
	within 6 months	6 -12 months	1 - 5 years	later than 5 years
Long-term loan commitments	800.000,00	800.000,00	6.400.000,00	0,00
Leasing liabilities	146.940,13	152.253,99	142.147,79	0,00
Short-term loan commitments				
Trade liabilities	18.369.833,50	0,00	0,00	0,00
Other short-term liabilities	1.820.697,92	201.209,58	0,00	0,00
Total	21.137.471,55	1.153.463,57	6.542.147,79	0,00

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

The Group wishes to minimize its exposure in interest cash flow risk, regarding bank financing.

No significant interest risk derives from the Group’s bank loan, due to the low levels of lending.

The main risk for the Group comes from potential interest fluctuation, due to its deposits in cash. The table below shows a +1% / -1% possible variation of interest and its effect on both the Group’s and Company’s Equity and Results.

Amounts in €	THE GROUP				THE COMPANY			
	2007		2006		2007		2006	
	+1%	-1%	+1%	-1%	+1%	-1%	+1%	-1%
Result of period	-78.100,00	78.100,00	-26.500,00	26.500,00	-95.000,00	95.000,00	-55.000,00	55.000,00
Equity	-80.500,00	80.500,00	-28.500,00	28.500,00	-95.000,00	95.000,00	-55.000,00	55.000,00

(e) Risk from fluctuation of freights

The Group in order to balance the risk from fluctuation of freight prices, signs long-term charters.

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.

KATHIMERINI S.A. PUBLICATIONS – MASS MEDIA

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 31/12/2007 and 31/12/2006.

01/01-31/12/2007	Publications - Printing	Radio	Shipping	Other	Total
Total gross sales per sector	128.871.272,67	2.880.865,34	6.170.367,00	803.520,35	138.726.025,36
Internal sales	-4.944.338,61	-45,90	0,00	-317.505,58	-5.261.890,09
Net Sales	123.926.934,06	2.880.819,44	6.170.367,00	486.014,77	133.464.135,27
Operating profit	5.777.339,02	264.579,68	669.554,07	-278.627,58	6.432.845,19
Financial income	-429.890,29	-94.354,24	3.037.579,00	-2,44	2.513.332,03
Profit before taxation	5.347.448,73	170.225,44	3.707.133,07	-278.630,02	8.946.177,22
Income tax	-1.083.746,82	-46.578,04	0,00	-9.595,46	-1.139.920,32
Net profit	4.263.701,91	123.647,40	3.707.133,07	-288.225,48	7.806.256,90
Sector depreciation	2.762.227,74	52.830,37	2.269.475,00	179.043,27	5.263.576,38
EBITDA	8.539.566,76	317.410,05	2.939.029,07	-99.584,31	11.696.421,57

01/01-31/12/2006	Publications - Printing	Radio	Shipping	Other	Total
Total gross sales per sector	102.116.054,94	2.933.932,29	4.999.939,00	764.946,96	110.814.873,19
Internal sales	-4.454.307,81	-4.523,99	0,00	-347.719,80	-4.806.551,60
Net Sales	97.661.747,13	2.929.408,30	4.999.939,00	417.227,16	106.008.321,59
Operating profit	2.689.339,34	204.147,35	-464.514,13	-282.940,77	2.146.031,79
Financial income	-363.448,77	-92.564,06	4.373.653,00	-24,64	3.917.615,53
Profit before taxation	2.325.890,57	111.583,29	3.909.138,87	-282.965,41	6.063.647,32
Income tax	-473.507,99	-104.205,48	0,00	10.207,57	-567.505,90
Net profit	1.852.382,58	7.377,81	3.909.138,87	-272.757,84	5.496.141,42
Sector depreciation	2.613.900,70	56.962,79	2.128.067,00	175.363,13	4.974.293,62
EBITDA	5.303.240,04	261.110,14	1.663.552,87	-107.577,64	7.120.325,41

31/12/2007	Publications - Printing	Radio	Shipping	Other	Total
<i>Assets of sector</i>	101.110.426,96	3.089.205,25	91.618.682,00	8.411.964,03	204.230.278,24
Non-distributed assets					0,00
<i>Consolidated assets</i>					204.230.278,24
<i>Consolidated liabilities</i>	54.223.734,72	2.393.726,58	1.394.153,98	373.660,19	58.385.275,47
Non-distributed liabilities					0,00
<i>Consolidated liabilities</i>					58.385.275,47

KATHIMERINI S.A. PUBLICATIONS – MASS MEDIA

31/12/2006	Publications - Printing	Radio	Shipping	Other	Total
<i>Assets of sector</i>	93.423.577,87	3.302.470,85	90.322.803,00	8.416.097,23	195.464.948,95
Non-distributed assets					0,00
<i>Consolidated assets</i>					<u>195.464.948,95</u>
<i>Consolidated liabilities</i>	45.563.719,43	2.656.534,50	337.502,29	319.546,86	48.877.303,08
Non-distributed liabilities					0,00
<i>Consolidated liabilities</i>					<u>48.877.303,08</u>

6. Notes to the Financial Statements

6.1 Tangible Assets and Other Equipment

The intangible assets (apart from the ships) are included in the financial statements in their cost value minus the accumulated depreciations, plus any future expenses, only when those expenses increase future financial benefits expected to flow in by the use of the fixed asset and their cost can be measured reliably.

The ship “Oceanis” was valued again on 30 June 2007 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 \$ 58.000.000.

The ship “Oceanis” was valued again on 31st December 2007 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 \$ 61,000,000, 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 THE GROUP					
	Land & Buildings	Vehicle & Equipment	Furniture & Fixtures	Assets under Construction	Total
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		12.799.296,00			
Accumulated depreciation & value impairment	-2.365.616,42	-8.577.795,41	-2.047.553,11	0,00	-12.990.964,94
Book value at January 1, 2006	19.179.797,93	66.896.066,67	644.878,59	0,00	86.720.743,19
Gross book value	26.352.152,10	69.776.620,68	3.231.466,54	40.400,00	99.400.639,32
Revaluation of fixed assets	0,00	4.499.604,00	0,00	0,00	4.499.604,00
Accumulated depreciation & value impairment	-2.771.656,20	-10.611.203,45	-2.499.819,86	0,00	-15.882.679,51
Book value at December 31, 2006	23.580.495,90	63.665.021,23	731.646,68	40.400,00	88.017.563,81
Gross book value	27.893.531,43	79.479.876,54	3.844.029,79	3.159.643,00	114.377.080,76
Revaluation of fixed assets	0,00	6.109.466,00	0,00	0,00	6.109.466,00
Accumulated depreciation & value impairment	-3.185.382,59	-11.074.598,87	-2.940.138,56	0,00	-17.200.120,02
Book value at December 31, 2007	24.708.148,84	74.514.743,67	903.891,23	3.159.643,00	103.286.426,74

KATHIMERINI S.A. PUBLICATIONS – MASS MEDIA

TABLE OF CHANGES IN FIXED ASSETS THE GROUP					
	Land & Buildings	Vehicle & Equipment	Furniture & Fixtures	Assets under Construction	Total
Book value at January 1, 2006	19.179.797,93	66.896.066,67	644.878,59	0,00	86.720.743,19
Additions	4.806.737,75	611.739,12	564.356,69	609.899,45	6.592.733,01
Sales - Decreases	0,00	-752.738,76	-25.321,85	0,00	-778.060,61
Depreciations	-406.039,78	757.389,13	-464.440,24	0,00	-113.090,89
Revaluation of ship's value	0,00	4.894.180,00	0,00	0,00	4.894.180,00
Net currency differences	0,00	-6.625.810,00	0,00	0,00	-6.625.810,00
Depreciation decreases	0,00	-2.115.804,93	12.173,49	0,00	-2.103.631,44
Transfers	0,00	0,00	0,00	-569.499,45	-569.499,45
Book value at December 31 2006	23.580.495,90	63.665.021,23	731.646,68	40.400,00	88.017.563,81
Additions	1.578.814,95	13.023.767,41	635.333,36	4.731.151,32	19.969.067,04
Sales - Decreases	-37.435,62	-272.325,49	-15.126,37	0,00	-324.887,48
Depreciations	-420.605,80	-3.639.615,75	-458.932,69	0,00	-4.519.154,24
Transfers	0,00	-55.832,06	0,00	-1.611.908,32	-1.667.740,38
Revaluation of ship's value	0,00	6.109.466,00	0,00	0,00	6.109.466,00
Net currency differences	0,00	-6.794.334,00	0,00	0,00	-6.794.334,00
Depreciation decreases	6.879,41	2.478.596,33	10.970,25	0,00	2.496.445,99
Book value at December 31 2007	24.708.148,84	74.514.743,67	903.891,23	3.159.643,00	103.286.426,74

CONSOLIDATED TABLE OF FIXED ASSETS THE COMPANY					
	Land & Buildings	Vehicle & Equipment	Furniture & Fixtures	Assets under Construction	Total
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 & value impairment	-1.164.310,82	-8.128.331,28	-1.852.806,70	0,00	-11.145.448,80
Book value at January 1, 2006	10.886.421,14	22.325.272,99	598.811,01	0,00	33.810.505,14
Gross book value	16.730.227,82	30.707.727,62	2.977.298,21	40.400,00	50.455.653,65
Revaluation of fixed assets					
Accumulated depreciation & value impairment	-1.395.342,08	-9.443.125,26	-2.286.162,80	0,00	-13.124.630,14
Book value at December 31, 2006	15.334.885,74	21.264.602,36	691.135,41	40.400,00	37.331.023,51
Gross book value	18.308.752,45	42.236.743,31	3.555.019,02	3.159.643,00	67.260.157,78
Revaluation of fixed assets					
Accumulated depreciation & value impairment	-1.637.763,55	-10.561.700,55	-2.715.278,71	0,00	-14.914.742,81
Book value at December 31, 2007	16.670.988,90	31.675.042,76	839.740,31	3.159.643,00	52.345.414,97

KATHIMERINI S.A. PUBLICATIONS – MASS MEDIA

**TABLE OF CHANGES IN FIXED ASSETS
THE COMPANY**

	Land & Buildings	Vehicle & Equipment	Furniture & Fixtures	Assets under Construction	Total
Book value at January 1, 2006	10.886.421,14	22.325.272,99	598.811,01	0,00	33.810.505,14
Additions	4.679.495,86	611.736,12	550.147,35	609.899,45	6.451.278,78
Sales - Decreases	0,00	-357.612,77	-24.466,85	0,00	-382.079,62
Depreciations	-231.031,26	-1.326.826,07	-445.529,59	0,00	-2.003.386,92
Revaluation of ship's 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	12.032,09	12.173,49	0,00	24.205,58
Transfers	0,00	0,00	0,00	-569.499,45	-569.499,45
Book value at December 31 2006	15.334.885,74	21.264.602,36	691.135,41	40.400,00	37.331.023,51
Additions	1.578.814,95	11.857.173,24	581.572,51	4.731.151,32	18.748.712,02
Sales - Decreases	-290,32	-272.325,49	-3.851,70	0,00	-276.467,51
Depreciations	-242.421,47	-1.327.696,62	-431.386,58	0,00	-2.001.504,67
Transfers	0,00	-55.832,06	0,00	-1.611.908,32	-1.667.740,38
Revaluation of ship's 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	209.121,33	2.270,67	0,00	211.392,00
Book value at December 31 2007	16.670.988,90	31.675.042,76	839.740,31	3.159.643,00	52.345.414,97

6.2 Intangible Assets

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

	THE GROUP		
	Software	Rights	Total
Gross book value	1.903.321,67	1.821.148,80	3.724.470,47
Accumulative depreciation and value impairment	-718.040,49	-607.905,17	-1.325.945,66
Book value at January 1, 2006	1.185.281,18	1.213.243,63	2.398.524,81
Gross book value	2.491.431,61	1.821.148,80	4.312.580,41
Accumulative depreciation and value impairment	-1.256.091,33	-674.923,06	-1.931.014,39
Book value at December 31, 2006	1.235.340,28	1.146.225,74	2.381.566,02
Gross book value	3.238.366,14	1.821.148,80	5.059.514,94
Accumulative depreciation and value impairment	-1.942.773,38	-732.663,15	-2.675.436,53
Book value at December 31, 2007	1.295.592,76	1.088.485,65	2.384.078,41

KATHIMERINI S.A. PUBLICATIONS – MASS MEDIA

THE GROUP			
	Software	Rights	Total
Book value at January 1, 2006	1.185.281,18	1.213.243,63	2.398.524,81
Additions	588.261,20	0,00	588.261,20
Sales - Decreases	-151,26	0,00	-151,26
Depreciations	-538.050,84	-67.017,89	-605.068,73
Depreciation decreases	0,00	0,00	0,00
Transfers	0,00	0,00	0,00
Book value at December 31, 2006	1.235.340,28	1.146.225,74	2.381.566,02
Additions	746.934,53	0,00	746.934,53
Sales - Decreases	0,00	0,00	0,00
Depreciations	-686.682,05	-57.740,09	-744.422,14
Transfers	0,00	0,00	0,00
Depreciation decreases	0,00	0,00	0,00
Book value at December 31, 2007	1.295.592,76	1.088.485,65	2.384.078,41

THE COMPANY			
	Software	Rights	Total
Gross book value	1.851.575,74	1.774.759,71	3.626.335,45
Accumulative depreciation and value impairment	-684.385,64	-570.793,89	-1.255.179,53
Book value at January 1, 2006	1.167.190,10	1.203.965,82	2.371.155,92
Gross book value	2.404.685,68	1.774.759,71	4.179.445,39
Accumulative depreciation and value impairment	-1.214.631,49	-628.533,98	-1.843.165,47
Book value at December 31, 2006	1.190.054,19	1.146.225,73	2.336.279,92
Gross book value	3.132.365,41	1.774.759,71	4.907.125,12
Accumulative depreciation and value impairment	-1.882.320,59	-686.274,07	-2.568.594,66
Book value at December 31, 2007	1.250.044,82	1.088.485,64	2.338.530,46

THE COMPANY			
	Software	Rights	Total
Book value at January 1, 2006	1.167.190,10	1.203.965,82	2.371.155,92
Additions	553.261,20	0,00	553.261,20
Sales - Decreases	-151,26	0,00	-151,26
Depreciations	-530.245,85	-57.740,09	-587.985,94
Depreciation decreases	0,00	0,00	0,00
Transfers	0,00	0,00	0,00
Book value at December 31, 2006	1.190.054,19	1.146.225,73	2.336.279,92
Additions	727.679,73	0,00	727.679,73
Sales - Decreases	0,00	0,00	0,00
Depreciations	-667.689,10	-57.740,09	-725.429,19
Transfers	0,00	0,00	0,00
Depreciation decreases	0,00	0,00	0,00
Book value at December 31, 2007	1.250.044,82	1.088.485,64	2.338.530,46

KATHIMERINI S.A. PUBLICATIONS – MASS MEDIA

6.3 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.

PARTICIPATIONS IN SUBSIDIARY COMPANIES AT 31/12/2007				
HOLDINGS	Percentage of Participation in Capital	Total Value 31/12/2007	Registered Office	Relationship Imposing Consolidation
ARGONAFIS SHIPPING LTD	100%	30.585.140,00	N. FALIRO	% of Participation
TECHNICAL PROJECTS SA	100%	5.711.643,43	N. FALIRO	% of Participation
MELODIA SA	100%	5.282.539,44	N. FALIRO	% of Participation
EXPLORER	82,65%	485.155,50	ATHENS	% of Participation
PRINT & INTERNET PUBLICATIONS (former DESIS SA)	100%	314.336,99	N. FALIRO	% of Participation
MAISON PUBLISHING SA	50%	30.000,00	MAROUSI	% of Participation
IHT-KATHIMERINI SA	50%	22.450,48	N. FALIRO	% of Participation
TOTAL		42.431.265,84		

PARTICIPATION IN AFFILIATED COMPANIES 31/12/2007			
HOLDINGS	Percentage of Participation in Capital	Total Value 31/12/2007	Registered Office
PRESS DISTRIBUTION SA	21%	308.143,80	ATHENS
PRESS SHOP AT INTER. AIRPORT SA	25%	220.102,71	SPATA
TELETYPOS SA		41.019,00	ATHENS
KOIN.INTER.NEWS ALLIANCE "INA"	11,11%	12.441,60	PARIS
APOSTOLI SA	20%	12.000,00	ATHENS
ARKTOS PUBLISHERS SA	30%	5.400,00	THESSALONIKI
CITY SERVERS SA	22,5%	0,00	KOROPI
E-ONE SA	25%	0,00	N. FALIRO
TOTAL		599.107,11	

Participation value in affiliated companies at 31/12/07	599.107,11
Depreciation results:	
a) in results of year	164.427,11
b) in results of previous years	-22.189,34
Total Value of 31/12/2007	<u>741.344,88</u>

6.4 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			
	31/12/2007		31/12/2006		31/12/2007		31/12/2006	
	Asset	Liability	Asset	Liability	Asset	Liability	Asset	Liability
Non-Current Assets								
Intangible Assets	16.694,07	387.620,23	43.764,82	217.652,57	0,00	387.620,23	0,00	217.652,57
Tangible Assets	895,84	2.995.771,48	958,33	2.694.777,27	0,00	2.786.400,39	0,00	2.491.077,10
Investments in Affiliated Companies	80.895,03	80.895,03	80.895,03	80.895,03	80.895,03	0,00	80.895,03	0,00
Other Investments	623.417,16	0,00	622.963,41	0,00	623.417,16	0,00	622.963,41	0,00
Other Current Assets	46.164,80	0,00	46.164,80	0,00	46.164,80	0,00	46.164,80	0,00
Current Assets								
Stocks	85.523,78	0,00	287.807,00	0,00	85.523,78	0,00	287.540,29	0,00
Receivables	526.868,89	0,00	571.658,23	0,00	327.997,88	0,00	328.098,90	0,00
Reserves								
Adjustment of reserves	0,00	3.464.767,04	0,00	3.464.767,04	0,00	3.464.767,04	0,00	3.464.767,04
Long-term liabilities								
Employee benefits	1.151.016,46	0,00	1.074.845,16	0,00	1.039.160,50	0,00	966.024,09	0,00
Short-term liabilities								
Other short-term liabilities	379.178,07	0,00	384.282,70	0,00	367.717,55	0,00	367.717,55	0,00
Provisions	50.000,00	0,00	0,00	0,00	50.000,00	0,00	0,00	0,00
Total	325.907,59	4.281.187,84	384.389,45	3.729.141,88	0,00	4.017.910,96	0,00	3.474.092,64

The income tax rate that applies to the Group is 25% for 2007, with the exception of ARGONAFIS EEPN, 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 years 2006 and 2007 a rate of 25% was used.

6.5 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	
	31/12/2007	31/12/2006	31/12/2007	31/12/2006
Guarantees provided	97.213,55	85.071,17	80.582,93	68.490,54
Total other long-term liabilities	97.213,55	85.071,17	80.582,93	68.490,54

6.6 Inventories

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

	THE GROUP		THE COMPANY	
	31/12/2007	31/12/2006	31/12/2007	31/12/2006
Raw materials	4.615.705,04	3.773.092,48	4.400.107,33	3.525.359,50
Semi-finished products	205.287,74	95.984,21	205.287,74	72.567,63
Finished Products	5.971.240,52	3.597.511,86	4.934.480,84	2.508.566,63
Goods	526.208,41	248.366,95	495.735,90	258.490,68
Others	472.394,75	392.549,63	379.775,75	274.411,63
Total	11.790.836,46	8.107.505,13	10.415.387,56	6.639.396,07
Less: Provisions for useless, delayed or destroyed stocks				
Final products	-253.652,24	-1.060.812,94	-253.652,24	-1.060.812,94
Goods	-88.442,95	-89.348,24	-88.442,95	-89.348,24
Total	-342.095,19	-1.150.161,18	-342.095,19	-1.150.161,18
Total Net Realizable Value	11.448.741,27	6.957.343,95	10.073.292,37	5.489.234,89

The cost of sales includes the amount of €21.628.439,71 (2006: € 25.574.682,47) representing inventories, which have been recognized as an expense during the fiscal year.

The Group has no pledged inventories.

6.7 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	
	31/12/2007	31/12/2006	31/12/2007	31/12/2006
Trade debtors	16.527.696,05	18.187.543,06	14.788.192,92	16.737.666,71
Portfolio drafts receivable	1.089.435,16	256.392,76	996.666,94	118.095,36
Drafts with banks for collection	589.600,72	2.371.483,59	543.654,09	2.315.087,19
Portfolio checks receivable	3.115.601,08	2.721.694,94	2.791.181,87	1.643.122,69
Cheques with banks for collection	12.049.989,50	12.270.934,14	9.219.130,83	10.099.497,41
Provisions for impairment	-2.286.594,74	-2.326.876,53	-1.438.858,55	-1.575.365,18
New trade receivables	31.085.727,77	33.481.171,96	26.899.968,10	29.338.104,18
Advances for stock purchases	1.042.255,38	2.216.031,64	827.322,24	2.120.588,95
Total	32.127.983,15	35.697.203,60	27.727.290,34	31.458.693,13
Current asset	32.127.983,15	35.697.203,60	27.727.290,34	31.458.693,13
	32.127.983,15	35.697.203,60	27.727.290,34	31.458.693,13
Fair value of receivables as follows:				
Trade debtors	15.348.293,29	16.810.211,83	14.057.152,23	15.755.613,10
Portfolio drafts receivable	845.056,07	105.870,94	845.056,07	54.286,17
Drafts with banks for collection	589.600,72	2.371.483,59	543.654,09	2.315.087,19
Portfolio checks receivable	2.243.831,91	2.101.902,31	2.234.974,88	1.113.620,31
Cheques with banks for collection	12.058.945,78	12.091.703,29	9.219.130,83	10.099.497,41
Advances for stock purchases	1.042.255,38	2.216.031,64	827.322,24	2.120.588,95
Total	32.127.983,15	35.697.203,60	27.727.290,34	31.458.693,13

All the above claims are short-term. The fair value of those short-term financial assets cannot be determined independently, since their book value is considered to approach their fair value.

There has been a provision for the possible diminish of the Group's claims. Claims that have already been diminished concern clients of the Group that face financial difficulties. For 2007 the Group has made a provision amounting to €271.343,18 (2006: € 461.215,90). All claims of the Group and the Company, according to IFRS 7, are analyzed below:

Amounts in €	THE GROUP		THE COMPANY	
	31/12/2007	31/12/2006	31/12/2007	31/12/2006
Less than 3 months	19.878.273,54	23.807.222,46	16.386.103,72	20.503.053,35
3 - 6 months	10.076.236,58	8.456.925,35	8.299.809,41	6.734.257,17
6 months - 1 year	4.110.096,28	4.436.721,66	4.130.264,27	4.473.537,13
Longer than 1 year	349.971,49	1.323.210,66	349.971,49	1.323.210,66
Depreciation provision	-2.286.594,74	-2.326.876,53	-1.438.858,55	-1.575.365,18
Total	32.127.983,15	35.697.203,60	27.727.290,34	31.458.693,13

KATHIMERINI S.A. PUBLICATIONS – MASS MEDIA

6.8 Other Receivables

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

	THE GROUP		THE COMPANY	
	31/12/2007	31/12/2006	31/12/2007	31/12/2006
Sundry debtors	2.201.833,96	4.116.719,85	7.588.306,32	6.096.280,94
Debtors - Greek State	500.357,93	398.807,90	144.591,92	83.276,03
Other receivables	185.243,97	89.488,16	151.462,87	79.122,06
Less: provisions for bad debts	-1.454.029,38	-1.458.996,00	-1.393.751,32	-1.392.735,41
Net debtor's receivables	1.433.406,48	3.146.019,91	6.490.609,79	4.865.943,62
Current assets	1.433.406,48	3.146.019,91	6.490.609,79	4.865.943,62
Fair value of receivables as follows:				
Sundry debtors	747.804,58	2.657.723,85	6.194.555,00	4.703.545,53
Debtors - Greek State	500.357,93	398.807,90	144.591,92	83.276,03
Other receivables	185.243,97	89.488,16	151.462,87	79.122,06
Total	1.433.406,48	3.146.019,91	6.490.609,79	4.865.943,62

6.9 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	
	31/12/2007	31/12/2006	31/12/2007	31/12/2006
Prepaid expenses	1.131.245,63	862.656,87	6.157.227,74	5.890.557,12
Income receivable	72.625,00	79.168,40	0,00	6.885,40
Total	1.203.870,63	941.825,27	6.157.227,74	5.897.442,52

6.10 Cash and cash equivalents

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

	THE GROUP		THE COMPANY	
	31/12/2007	31/12/2006	31/12/2007	31/12/2006
Cash in Hand	245.597,79	546.970,63	156.387,49	481.138,26
Short-term bank deposits	50.935.707,75	56.727.899,37	1.842.416,39	8.515.632,08
Total	51.181.305,54	57.274.870,00	1.998.803,88	8.996.770,34

KATHIMERINI S.A. PUBLICATIONS – MASS MEDIA

6.11 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	Share Premium	Total
Balance at 1/1/2006	17.000.000,00	10.200.000,00	65.779.742,36	75.979.742,36
Issue of new shares	0,00	0,00	0,00	0,00
Purchase of parent company shares	0,00	0,00	0,00	0,00
Sale of parent company shares	0,00	0,00	0,00	0,00
Balance at 31/12/2006	17.000.000,00	10.200.000,00	65.779.742,36	75.979.742,36
Issue of new shares	0,00	0,00	0,00	0,00
Purchase of parent company shares	0,00	0,00	0,00	0,00
Sale of parent company shares	0,00	0,00	0,00	0,00
Balance at 31/12/2007	17.000.000,00	10.200.000,00	65.779.742,36	75.979.742,36

	Ordinary Reserves	Revaluation of fixed assets	THE GROUP Currency differences reserves	Other Reserves	Total
Balance at January 1, 2006	2.951.769,25	13.941.734,05	-6.148.349,68	531.735,21	11.276.888,83
Revaluation		4.499.604,00			4.499.604,00
Depreciation of reserve		-697.624,00			-697.624,00
Consolidation currency differences			-9.528.788,32		-9.528.788,32
Variances during period	1.403.737,26	-0,05			1.403.737,21
Balance at December 31, 2006	4.355.506,51	17.743.714,00	-15.677.138,00	531.735,21	6.953.817,72
Revaluation		6.109.466,00			6.109.466,00
Depreciation of reserve		-897.448,00			-897.448,00
Consolidation currency differences			-9.524.346,00		-9.524.346,00
Variances during period	374.946,44				374.946,44
Balance at December 31, 2007	4.730.452,95	22.955.732,00	-25.201.484,00	531.735,21	3.016.436,16

KATHIMERINI S.A. PUBLICATIONS – MASS MEDIA

	THE COMPANY				Total
	Ordinary Reserves	Revaluation of fixed assets	Currency differences reserves	Other Reserves	
Balance at January 1, 2006	1.265.219,02	0,00	0,00	530.985,90	1.796.204,92
Revaluation					0,00
Consolidation currency differences					0,00
Variations during period	871.437,33				871.437,33
Balance at December 31, 2006	2.136.656,35	0,00	0,00	530.985,90	2.667.642,25
Revaluation					0,00
Depreciation of reserves					0,00
Consolidation currency differences					0,00
Variations during period	222.620,82				222.620,82
Balance at December 31, 2007	2.359.277,17	0,00	0,00	530.985,90	2.890.263,07

6.12 Loans

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

	THE GROUP		THE COMPANY	
	31/12/2007	31/12/2006	31/12/2007	31/12/2006
Long-term loans				
Bank loans	4.800.000,00	6.400.000,00	4.800.000,00	6.400.000,00
Leasing	0,00	142.147,79	0,00	142.147,79
Other loans	0,00	0,00	0,00	0,00
Total long-term loans	4.800.000,00	6.542.147,79	4.800.000,00	6.542.147,79
Short-term loans				
Bank loans	7.855.040,62	4.193.007,86	5.956.819,50	1.600.000,00
Leasing	1.016.021,98	299.194,12	142.427,90	299.194,12
Other loans	0,00	505.123,78	0,00	0,00
Total short-term loans	8.871.062,60	4.997.325,76	6.099.247,40	1.899.194,12
Total loans	13.671.062,60	11.539.473,55	10.899.247,40	8.441.341,91

The loans of the parent company have a five-year duration, their rate is 6,372% and were raised to fully meet the needs of the company, as it was submitted to the development investment law No 3299/04.

The short term loans of the Group concern working capital guaranteed by client securities and the loan rate is 5,95 %.

6.13 Employee benefits commitments

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

	THE GROUP		THE COMPANY	
	31/12/2007	31/12/2006	31/12/2007	31/12/2006
Balance sheet liabilities for:				
Pension benefits	4.656.126,39	4.299.380,68	4.156.642,05	3.864.096,40
Total	4.656.126,39	4.299.380,68	4.156.642,05	3.864.096,40
Charges to profit and loss				
Pension benefits (provisions and payments)	356.745,71	72.129,41	292.545,65	46.773,04
Total	356.745,71	72.129,41	292.545,65	46.773,04

In order to determine the Group's obligation for remuneration, the following actuarial principles were used:

	2007	2006
Prepayment interest	4,9%	4,1%
Expected investment attribution	4,9%	4,1%
Expected percentage of salary increases	4,8%	4,8%
Yearly average rate of long-term inflation increase	2%	2%
Yearly average long-term GNP increase	3%	3%

6.14 Other long-term liabilities

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

	THE GROUP		THE COMPANY	
	31/12/2007	31/12/2006	31/12/2007	31/12/2006
Grants				
Start-of-period balance	5.469.723,32	5.832.277,51	5.469.723,32	5.832.277,51
Additions	104.734,05	116.984,48	65.533,61	116.984,48
Transfers to profit and loss	-429.747,91	-479.538,67	-420.532,93	-479.538,67
End-of-period balance	5.144.709,46	5.469.723,32	5.114.724,00	5.469.723,32
Guaranties of property lease rentals				
Start-of-period balance	0,00	8.657,37	0,00	0,00
End-of-period balance	0,00	8.657,37	0,00	0,00
Total	5.144.709,46	5.478.380,69	5.114.724,00	5.469.723,32
Long-term liabilities	4.729.409,21	5.075.961,54	4.699.695,43	5.067.304,17
Short-term liabilities	423.957,62	402.419,15	415.028,57	402.419,15
Total	5.153.366,83	5.478.380,69	5.114.724,00	5.469.723,32

6.15 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	
	31/12/2007	31/12/2006	31/12/2007	31/12/2006
Trade Creditors	25.522.771,04	19.069.763,09	22.379.677,15	16.599.795,12
Advances from customers	252.908,64	250.508,20	292.825,25	174.908,40
Post-dated cheques	1.175.966,11	2.001.993,00	931.390,27	1.595.129,98
Total	26.951.645,79	21.322.264,29	23.603.892,67	18.369.833,50

6.16 Current Tax Liabilities

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

	THE GROUP		THE COMPANY	
	31/12/2007	31/12/2006	31/12/2007	31/12/2006
Tax charges for the period	399.552,79	131.266,86	227.997,27	0,00
Tax liabilities	1.120.610,63	1.023.945,06	904.753,37	846.759,24
Total	1.520.163,42	1.155.211,92	1.132.750,64	846.759,24

6.17.a Other short-term liabilities

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

	THE GROUP		THE COMPANY	
	31/12/2007	31/12/2006	31/12/2007	31/12/2006
Accrued expenses	756.347,48	275.496,64	523.402,10	164.272,00
Social Security	582.364,75	520.806,08	426.855,66	387.786,43
Dividends payable	204.821,22	193.293,51	204.821,22	193.293,51
Deferred income	423.957,62	402.419,15	415.028,57	402.419,15
Other liabilities	106.268,63	108.418,63	23.914,20	27.377,17
Sale discounts of period under settlement	0,00	4.139,56	0,00	0,00
Total	2.073.759,70	1.504.573,57	1.594.021,75	1.175.148,26

6.17.b Short-term provisions

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

	THE GROUP		THE COMPANY	
	31/12/2007	31/12/2006	31/12/2007	31/12/2006
Tax audit differences from previous years	170.793,50	182.257,91	0,00	0,00
Tax audit differences of closing period	131.127,02	69.037,74	79.759,20	0,00
Other provisions	200.000,00	0,00	200.000,00	0,00
Total	501.920,52	251.295,65	279.759,20	0,00

KATHIMERINI S.A. PUBLICATIONS – MASS MEDIA

6.18 Cost of sales

The cost of sales for the fiscal years 2007 and 2006 is presented below:

	THE GROUP		THE COMPANY	
	31/12/2007	31/12/2006	31/12/2007	31/12/2006
Employee benefits	13.955.342,25	13.233.846,95	11.878.942,27	11.445.545,09
Cost of stocks recognized as expense	22.592.705,51	26.173.083,44	21.628.439,71	25.574.682,47
Third party fees and expenses	38.256.392,57	22.789.683,39	36.954.397,94	20.937.424,58
Third party benefits	3.028.872,96	2.883.856,22	2.874.540,50	2.780.953,54
Cost of ship's traffic	1.991.176,00	1.802.031,00	0,00	0,00
Taxes and charges	101.243,81	89.436,12	79.236,25	70.270,88
Advertising	69.068,42	57.056,46	69.068,42	57.056,46
Other sundry expenses	2.243.435,13	1.901.005,28	1.712.909,85	1.368.085,38
Interest and related charges	23.972,33	33.388,83	23.972,33	33.388,83
Fixed assets depreciation	4.503.585,62	4.338.337,97	1.981.863,51	1.968.932,92
Total	86.765.794,60	73.301.725,66	77.203.370,78	64.236.340,15

6.19 Other operating income/ costs

Other operating income for the fiscal years 2007 and 2006 are as follows:

	THE GROUP		THE COMPANY	
	31/12/2007	31/12/2006	31/12/2007	31/12/2006
Other operating income				
Depreciation of grants received	429.747,91	448.927,88	420.532,93	448.927,88
Income from subsidiaries	90.464,97	101.395,40	34.195,87	97.595,40
Profits from currency differences	31.495,17	25.564,62	12.136,62	8.852,83
Income from rentals	42.582,00	29.900,00	22.020,00	8.923,52
Income from sales commissions	2.707,52	59.969,19	2.707,52	59.969,19
Other operating income	485.867,12	1.104.195,53	1.013.735,79	1.569.254,35
Income from unutilized provision	71.471,29	795.715,95	49.182,91	741.588,63
Profit from sale of fixed assets	10.973,51	2.589,52	10.973,51	2.589,52
Total	1.165.309,49	2.568.258,09	1.565.485,15	2.937.701,32
Other operating costs				
Losses from currency differences	566.043,52	833.137,11	104.271,41	23.742,60
Other provisions	200.000,00	0,00	200.000,00	0,00
Provision for bad debts	0,00	6.891,59	0,00	0,00
Loss from sale of fixed assets	18.569,35	194,96	18.569,35	0,00
Other operating costs	228.143,56	380.600,20	61.793,03	293.701,88
Total	1.012.756,43	1.220.823,86	384.633,79	317.444,48

KATHIMERINI S.A. PUBLICATIONS – MASS MEDIA

6.20 Administrative Expenses / Sales Marketing Expenses

The breakdown of sales marketing and administrative expenses for fiscal years 2007 and 2006 is given below:

SALES & MARKETING EXPENSES

	THE GROUP		THE COMPANY	
	31/12/2007	31/12/2006	31/12/2007	31/12/2006
Employee benefits	1.981.869,17	1.717.499,10	1.742.536,37	1.519.393,44
Third party fees and expenses	23.850.734,08	17.619.195,02	22.358.907,22	16.620.637,81
Third party benefits	586.432,39	387.334,09	574.545,18	392.409,80
Taxes and charges	21.471,94	65.733,36	20.918,79	65.314,63
Advertising	5.486.938,79	4.750.380,07	5.301.193,82	4.623.930,11
Other sundry expenses	924.400,62	321.528,14	865.788,01	187.864,82
Interest and related charges	716,50	705,31	716,50	705,31
Fixed assets depreciation	82.333,01	64.064,75	70.494,23	54.110,51
Provisions	24.860,81	103.140,09	0,00	0,00
Total	32.959.757,31	25.029.579,93	30.935.100,12	23.464.366,43

ADMINISTRATION EXPENSES

	THE GROUP		THE COMPANY	
	31/12/2007	31/12/2006	31/12/2007	31/12/2006
Employee benefits	2.218.883,18	2.343.764,97	1.566.711,76	1.539.120,84
Third party fees and expenses	1.133.830,28	1.058.071,14	595.991,73	512.048,32
Third party benefits	871.084,70	660.089,50	707.542,21	518.382,65
Taxes and charges	285.019,61	249.874,34	128.071,27	114.872,28
Advertising	89.744,30	25.398,92	82.186,99	25.417,77
Other sundry expenses	1.906.629,30	1.514.996,93	1.775.682,84	1.427.906,79
Interest and related charges	230,81	3.504,76	230,81	3.504,76
Fixed assets depreciation	677.315,36	571.890,90	674.576,12	568.329,43
Provisions	275.553,69	450.826,98	273.984,91	450.826,98
Total	7.458.291,23	6.878.418,44	5.804.978,64	5.160.409,82

6.21 Financial Income / Expenses

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

	THE GROUP		THE COMPANY	
	31/12/2007	31/12/2006	31/12/2007	31/12/2006
Income from interest				
Banks	3.040.276,83	4.384.823,80	1.730,35	703,12
Valuation of foreign exchange forward deals	149.068,61	37.758,46	149.068,61	37.758,46
Clients	2.800,00	2.153,33	2.800,00	2.153,33
Income from holdings	1.179,75	1.485,00	3.005.429,75	3.001.485,00
Total	3.193.325,19	4.426.220,59	3.159.028,71	3.042.099,91
Interest charges				
Bank loans	661.158,30	348.211,37	570.706,79	258.325,15
Commissions on letters of guarantee	756,92	3.867,20	756,92	3.867,20
Finance leases	24.074,34	39.276,73	24.074,34	38.768,47
Other bank charges	162.680,71	136.280,80	11.311,29	14.223,53
Total	848.670,27	527.636,10	606.849,34	315.184,35

6.22 Income Tax

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

	THE GROUP		THE COMPANY	
	31/12/2007	31/12/2006	31/12/2007	31/12/2006
Year's tax	-396.467,17	-131.266,86	-227.997,27	0,00
Provision for tax differences	-131.127,02	-62.584,38	-79.759,20	0,00
Differences of tax audit from previous periods	-1.798,31	-8.316,02	0,00	0,00
Deferred tax	-610.527,82	-365.338,64	-543.818,32	-386.101,37
Total	-1.139.920,32	-567.505,90	-851.574,79	-386.101,37

6.23 Earnings per share

Earnings per share for the fiscal years 2007 and 2006 are presented in the IFRS table:

	THE GROUP		THE COMPANY	
	1/1- 31/12/2007	1/1- 31/12/2006	1/1- 31/12/2007	1/1- 31/12/2006
Profit attributable to Shareholders of the parent	7.669.820,36	5.544.899,12	6.720.352,03	4.452.416,38
Weighted average number of shares	17.000.000,00	17.000.000,00	17.000.000,00	17.000.000,00
Basic earnings per share (Euro per share)	0,45	0,33	0,40	0,26

6.24 Adjustments on Results of Cash Flow Statements

THE GROUP

	1.1-31.12.2007	1.1-31.12.2006
<i>Adjustments for:</i>		
Depreciation	5.263.576,38	4.974.293,62
Non-effective Losses from exchange difference	-5.108.516,83	-5.120.958,81
(Profits) / losses from sale of fixed assets	40.436,82	-2.394,56
Grants of fixed assets	-429.747,91	-448.927,88
Provisions	1.284.316,30	515.557,41
Share of net profits (losses) from affiliated companies consolidated by equity method	-164.427,11	-41.220,38
Financial income	-3.192.145,44	-4.425.148,09
Financial expenses	848.670,27	527.636,10
Total	-1.457.837,52	-4.021.162,59

THE COMPANY

	1.1-31.12.2007	1.1-31.12.2006
<i>Adjustments for:</i>		
Depreciation	2.726.933,86	2.591.372,86
(Profits) / losses from sale of fixed assets	7.595,84	-2.589,52
Grants of fixed assets	-420.532,93	-448.927,88
Provisions	1.288.698,10	280.961,71
Participation income	-3.005.429,75	-3.000.412,50
Financial income	-153.598,96	-40.614,91
Financial expenses	606.849,34	315.184,35
Total	1.050.515,50	-305.025,89

6.25 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.

6.26 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	PARENT	FULL	2
MELODIA S.A.	GREECE	100%	FULL	2
TECHNICAL PROJECTS S.A.	GREECE	100%	FULL	5
PRINT AND INTERNET PUBLICATIONS S.A. since 20/7/2005, (former DESIS S.A.)	GREECE	100%	FULL	5
ARGONAFITIS EEPN	GREECE	100%	FULL	4
EXPLORER S.A.	GREECE	82.65%	FULL	1
MAISON PUBLISHERS S.A.	GREECE	50%	FULL	3
INTERNATIONAL HERALD TRIBUNE - KATHIMERINI S.A.	GREECE	50%	FULL	2

KATHIMERINI S.A. PUBLICATIONS – MASS MEDIA

6.27 Transactions with affiliates

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

A) Transactions with subsidiaries:

INTERCOMPANY RECEIVABLES / LIABILITIES ON 31/12/2007											
LIABILITY											
INTERNATIONAL											
ENTYPES & HERALD TRIBUNE											
DIKTYAKES - KATHIMERINI											
31/12/2007	KATHIMERINI S.A.	MELODIA S.A.	ATE ERGON S.A. (**)	ENTYPES & DIKTYAKES S.A.	HERALD TRIBUNE S.A.	ARGONAFHTIS EEPN (*)	EXPLORER S.A.	MAISON PUBLISHING S.A.	K SYMMETOXON S.A.	TOTAL	
R	KATHIMERINI S.A.	0,00	327.638,72	5.751.269,80	314.905,71	923.653,12	4.738.886,90	674.480,46	548.635,35	0,00	13.279.470,06
E	MELODIA S.A.	0,00	0,00	0,00	0,00	0,00	0,00	16.739,69	0,00	0,00	16.739,69
C	ATE ERGON S.A.	0,00	4.706,14	0,00	652,68	0,00	435,12	0,00	0,00	0,00	5.793,94
E	ENTYPES & DIKTYAKES S.A.	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
I	INTERNATIONAL										
V	HERALD TRIBUNE - KATHIMERINI S.A.	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
A	ARGONAFHTIS EEPN	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
B	EXPLORER S.A.	52.810,67	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	52.810,67
L	MAISON PUBLISHING S.A.	322.750,25	16,52	0,00	0,00	0,00	0,00	0,00	0,00	0,00	322.766,77
E	K SYMMETOXON S.A.	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
	TOTAL	375.560,92	332.361,38	5.751.269,80	315.558,39	923.653,12	4.739.322,02	691.220,15	548.635,35	0,00	13.677.581,13

* The amount of 4.700.000,00 Euros refers to dividends
 ** The amount of 4.987.262,44 Euros refers to receivables for investment in property of third parties

INTERCOMPANY RECEIVABLES / LIABILITIES ON 31/12/2006											
LIABILITY											
INTERNATIONAL											
ENTYPES & HERALD TRIBUNE											
DIKTYAKES - KATHIMERINI											
31/12/2006	KATHIMERINI S.A.	MELODIA S.A.	ATE ERGON S.A. (**)	ENTYPES & DIKTYAKES S.A.	HERALD TRIBUNE S.A.	ARGONAFHTIS EEPN (*)	EXPLORER S.A.	MAISON PUBLISHING S.A.	K SYMMETOXON S.A.	TOTAL	
R	KATHIMERINI S.A.	0,00	419.051,44	5.830.863,85	358.261,36	882.526,83	1.722.508,11	237.363,16	438.622,26	0,00	9.889.197,01
E	MELODIA S.A.	82.710,68	0,00	0,00	0,00	0,00	0,00	68.220,25	0,00	0,00	150.930,93
C	ATE ERGON S.A.	0,00	8.618,27	0,00	621,60	0,00	621,60	0,00	0,00	0,00	9.861,47
E	ENTYPES & DIKTYAKES S.A.	0,00	0,00	0,00	0,00	0,00	0,00	41.650,00	0,00	0,00	41.650,00
I	INTERNATIONAL										
V	HERALD TRIBUNE - KATHIMERINI S.A.	0,00	47,53	0,00	0,00	0,00	0,00	0,00	0,00	0,00	47,53
A	ARGONAFHTIS EEPN	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
B	EXPLORER S.A.	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
L	MAISON PUBLISHING S.A.	191.677,77	16,52	0,00	0,00	0,00	0,00	0,00	0,00	0,00	191.694,29
E	K SYMMETOXON S.A.	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
	TOTAL	274.388,45	427.733,76	5.830.863,85	358.882,96	882.526,83	1.723.129,71	347.233,41	438.622,26	0,00	10.283.381,23

* The amount of 1.700.000,00 Euros refers to dividends
 ** The amount of 5.106.874,70 Euros refers to receivables for investment in property of third parties

INTERCOMPANY VENDING / PURCHASES 1/1 - 31/12/2007											
BUYER											
INTERNATIONAL											
ENTYPES & HERALD TRIBUNE											
DIKTYAKES - KATHIMERINI											
1/1 - 31/12/2007	KATHIMERINI S.A.	MELODIA S.A.	ATE ERGON S.A.	ENTYPES & DIKTYAKES S.A.	HERALD TRIBUNE S.A.	ARGONAFHTIS EEPN	EXPLORER S.A.	MAISON PUBLISHING S.A.	K SYMMETOXON S.A.	TOTAL	
V	KATHIMERINI S.A.	0,00	121.349,62	12.000,11	100.220,25	1.256.167,02	32.678,07	177.437,05	1.431.705,44	0,00	3.131.557,56
E	MELODIA S.A.	45,90	0,00	0,00	0,00	0,00	0,00	30.239,54	0,00	0,00	30.285,44
N	ATE ERGON S.A.	288.081,82	23.123,76	0,00	3.780,00	0,00	2.520,00	0,00	0,00	0,00	317.505,58
D	ENTYPES & DIKTYAKES S.A.	956.000,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	956.000,00
O	INTERNATIONAL										
R	HERALD TRIBUNE - KATHIMERINI S.A.	10.479,39	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	10.479,39
	ARGONAFHTIS EEPN	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
	EXPLORER S.A.	623.943,71	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	623.943,71
	MAISON PUBLISHING S.A.	935.228,12	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	935.228,12
	K SYMMETOXON S.A.	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
	TOTAL	2.813.778,94	144.473,38	12.000,11	104.000,25	1.256.167,02	35.198,07	207.676,59	1.431.705,44	0,00	6.004.999,80

KATHIMERINI S.A. PUBLICATIONS – MASS MEDIA

INTERCOMPANY VENDING / PURCHASES 1/1 - 31/12/2006										
BUYER										
INTERNATIONAL										
ENTYPES & HERALD TRIBUNE										
- KATHIMERINI ARGONAFIS EXPLORER MAISON K										
S.A.										
1/1 - 31/12/2006	KATHIMERINI S.A.	MELODIA S.A.	ATE ERGON S.A.	ENTYPES & DIKYAKES S.A.	HERALD TRIBUNE - KATHIMERINI S.A.	ARGONAFIS EEPN	EXPLORER S.A.	MAISON PUBLISHING S.A.	K SYMMETOXON S.A.	TOTAL
KATHIMERINI S.A.	0,00	126.815,24	12.008,84	38.021,39	1.185.774,10	30.097,51	159.299,93	1.207.864,15	2.000,00	2.761.881,16
MELODIA S.A.	73.353,96	0,00	0,00	0,00	0,00	0,00	68.527,76	0,00	0,00	141.881,72
ATE ERGON S.A.	317.588,17	23.269,69	0,00	3.990,48	0,00	2.664,36	0,00	0,00	207,10	347.719,80
ENTYPES & DIKYAKES S.A.	856.000,00	0,00	0,00	0,00	0,00	0,00	35.000,00	0,00	0,00	891.000,00
INTERNATIONAL HERALD TRIBUNE - KATHIMERINI S.A.	7.438,75	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	7.438,75
ARGONAFIS EEPN	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
EXPLORER S.A.	462.806,01	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	462.806,01
MAISON PUBLISHING S.A.	1.010.474,78	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	1.010.474,78
K SYMMETOXON S.A.	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
TOTAL	2.727.661,67	150.084,93	12.008,84	42.011,87	1.185.774,10	32.761,87	262.827,69	1.207.864,15	2.207,10	5.623.202,22

B) Transactions with affiliated:

INTERCOMPANY RECEIVABLE / LIABILITIES 31/12/2007 WITH OTHER COMPANIES LIABILITY										
LIABILITY										
31/12/2007										
	KATHIMERINI S.A.	TELETYPOS S.A.	APOSTOLI S.A.	PRESS SHOP AT INTER. AIRPORT S.A.	E-ONE S.A.	ARKTOS PUBLISHERS LTD	PRESS DISTRIBUTION S.A.	CITY SERVERS S.A.	INTER.NEWS ALLIANCE "INA"	TOTAL
KATHIMERINI S.A.	0,00	0,00	0,00	0,00	0,00	60.044,50	1.451.183,84	84.369,59	0,00	1.595.597,93
TELETYPOS S.A.	562,70	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	562,70
APOSTOLI S.A.	98.192,92	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	98.192,92
E-ONE S.A.	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
PRESS SHOP AT INTER. AIRPORT S.A.	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
ARKTOS PUBLISHERS LTD	54,37	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	54,37
PRESS DISTRIBUTION S.A.	156.716,65	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	156.716,65
CITY SERVERS S.A.	84.369,59	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	84.369,59
INTER.NEWS ALLIANCE "INA"	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
TOTAL	339.896,23	0,00	0,00	0,00	0,00	60.044,50	1.451.183,84	84.369,59	0,00	1.935.494,16

INTERCOMPANY RECEIVABLE / LIABILITIES 31/12/2006 WITH OTHER COMPANIES LIABILITY										
LIABILITY										
31/12/2006										
	KATHIMERINI S.A.	TELETYPOS S.A.	APOSTOLI S.A.	PRESS SHOP AT INTER. AIRPORT S.A.	E-ONE S.A.	ARKTOS PUBLISHERS LTD	PRESS DISTRIBUTION S.A.	CITY SERVERS S.A.	INTER.NEWS ALLIANCE "INA"	TOTAL
KATHIMERINI S.A.	0,00	0,00	0,00	0,00	0,00	26,90	2.383.362,55	84.369,59	0,00	2.467.759,04
TELETYPOS S.A.	562,70	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	562,70
APOSTOLI S.A.	97.182,93	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	97.182,93
E-ONE S.A.	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
PRESS SHOP AT INTER. AIRPORT S.A.	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
ARKTOS PUBLISHERS LTD	54,37	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	54,37
PRESS DISTRIBUTION S.A.	121.147,40	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	121.147,40
CITY SERVERS S.A.	84.369,59	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	84.369,59
INTER.NEWS ALLIANCE "INA"	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
TOTAL	303.316,99	0,00	0,00	0,00	0,00	26,90	2.383.362,55	84.369,59	0,00	2.771.076,03

KATHIMERINI S.A. PUBLICATIONS – MASS MEDIA

INTERCOMPANY VENDING/ PURCHASES 31/12/2007										
WITH OTHER COMPANIES										
BUYER										
1/1 - 31/12/2007	KATHIMERINI S.A.	TELETYPOS S.A.	APOSTOLI S.A.	PRESS SHOP AT INTER. AIRPORT S.A.	E-ONE S.A.	ARKTOS PUBLISHERS LTD	PRESS DISTRIBUTION S.A.	CITY SERVERS S.A.	INTER.NEWS ALLIANCE "INA"	TOTAL
KATHIMERINI S.A.		0,00	612,50	1.155,00	0,00	17,12	1.065,03	0,00	0,00	2.849,65
TELETYPOS S.A.	0,00									0,00
APOSTOLI S.A.	502.598,79									502.598,79
E-ONE S.A.	0,00									0,00
PRESS SHOP AT INTER. AIRPORT S.A.	0,00									0,00
ARKTOS PUBLISHERS LTD PRESS	0,00									0,00
DISTRIBUTION S.A.	20.056.927,48									20.056.927,48
CITY SERVERS S.A.	0,00									0,00
INTER.NEWS ALLIANCE "INA"	0,00									0,00
TOTAL	20.559.526,27	0,00	612,50	1.155,00	0,00	17,12	1.065,03	0,00	0,00	20.562.375,92

INTERCOMPANY VENDING/ PURCHASES 31/12/2006										
WITH OTHER COMPANIES										
BUYER										
1/1 - 31/12/2006	KATHIMERINI S.A.	TELETYPOS S.A.	APOSTOLI S.A.	PRESS SHOP AT INTER. AIRPORT S.A.	E-ONE S.A.	ARKTOS PUBLISHERS LTD	PRESS DISTRIBUTION S.A.	CITY SERVERS S.A.	INTER.NEWS ALLIANCE "INA"	TOTAL
KATHIMERINI S.A.		227,00	535,50	1.190,00	0,00	22,67	1.062,75	0,00	0,00	3.037,92
TELETYPOS S.A.	397,14									397,14
APOSTOLI S.A.	488.410,87									488.410,87
E-ONE S.A.	0,00									0,00
PRESS SHOP AT INTER. AIRPORT S.A.	0,00									0,00
ARKTOS PUBLISHERS LTD PRESS	0,00									0,00
DISTRIBUTION S.A.	13.838.536,71									13.838.536,71
CITY SERVERS S.A.	0,00									0,00
INTER.NEWS ALLIANCE "INA"	0,00									0,00
TOTAL	14.327.344,72	227,00	535,50	1.190,00	0,00	22,67	1.062,75	0,00	0,00	14.330.382,64

C) Transactions with other affiliates:

- During the fiscal year ended at December 31st, 2007, the Group was charged by the Administrating company Kyklades Maritime Corporation the amount of € 263.246 (2006: € 239.196) representing ship administration fees and the amount of € 210.798 (2006:€ 62.129) representing commission 2,5% (2006: 1,25%) on the ships' freight. At December 31st, 2007 the amount of € 21.521 (2006:€ 9.871) owed by the Administrating company represents receivable income less payments by the Administrating company, within commercial activity on behalf of the Group.

KATHIMERINI S.A. PUBLICATIONS – MASS MEDIA

Management remuneration at Group and Company level are as follows:

Management Remuneration	THE GROUP		THE COMPANY	
	1/1 - 31/12/2007	1/1 - 31/12/2006	1/1 - 31/12/2007	1/1 - 31/12/2006
Sales and other short-term employment benefits	687.755,59	515.001,39	492.956,73	382.929,87
Total	687.755,59	515.001,39	492.956,73	382.929,87

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

	THE GROUP		THE COMPANY	
	31/12/2007	31/12/2006	31/12/2007	31/12/2006
Salaries and wages	17.263.785,45	16.028.879,75	13.749.001,34	12.752.284,13
Employer's contributions	1.283.607,76	1.209.405,63	794.833,38	741.943,99
Provision for staff compensation	732.962,15	1.091.118,20	641.088,44	988.613,81
Other staff costs	6.457,24	24.517,44	3.267,24	21.217,44
Total Payroll	19.286.812,60	18.353.921,02	15.188.190,40	14.504.059,37

6.28 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.