LAMBRAKIS PRESS S.A.

ANNUAL FINANCIAL STATEMENTS

OF THE PARENT COMPANY AND THE GROUP

FOR THE FISCAL YEAR

FROM JANUARY 1, 2007 TO DECEMBER 31, 2007

According to the International Financial Reporting Standards

These Interim Financial Statements have been approved by

the Board of Directors of LAMBRAKIS PRESS S.A.

on March 4, 2008

and have been posted on the internet at the web address www.dol.gr

This English version of the interim financial statements of LAMBRAKIS PRESS SA has been prepared for the convenience of English language readers. It is a translation of the original document in Greek that is approved by the Company's Board of Directors and filed with the Hellenic Capital Market Commission. All disclosures, statements, commitments and undertakings of the Company and its Group are described and set forth in the original Greek document according to the applicable laws. This English version of the interim financial statements are posted in the corporate website at www.dol.gr

MARCH 2008

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CERTIFIED AUDITOR'S REPORT
TO THE SHAREHOLDERS OF LAMBRAKIS PRESS S.A.

Report on the Financial Statements

We have audited the accompanying individual and consolidated financial statements of Lambrakis Press S.A. (the "Company"), which comprise the individual and consolidated balance sheet as at 31 December 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, as adopted by the European Union (EU). 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 accompanying individual and consolidated financial statements present fairly, in all material respects, the financial position of the Company and of the Group as of 31 December 2007, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union (EU).

Report on Other Legal and Regulatory Requirements

The content of the Report of the Board of Directors is consistent with the aforementioned financial statements.

Athens March 4, 2008

THE CERTIFIED ACCOUNTANT AUDITOR

CHARALAMBOS PETROPOULOS
Certified Public Accountant Auditor
SOEL Reg. No.12001
SOL S.A. – Certified Public Accountants Auditors
3, Fok. Negri Street - Athens, Greece

REPORT OF THE BOARD OF DIRECTORS
OF LAMBRAKIS PRESS S.A.
ON THE FINANCIAL STATEMENTS
OF DECEMBER 31, 2007

Dear Shareholders,

The Board of directors of LAMBRAKIS PRESS S.A. is honored to submit to your approval the Annual Financial Statements of the Company and the Group for the 37th fiscal year from January 1, 2007 to December 31, 2007 and to present our Report on them.
The financial statements of the Company and the group were prepared according to the International Financial Reporting Standards.

Information for the applied key accounting principles is detailed in the notes on the Financial Statements of December 31, 2007 where there are discussed the data of the financial standing, the operations and results of the Company and the Group as well as information related to them.

- **Overview of the general performance of the Company and the Group**

In 2007 Lambrakis Press SA completed 37 years of business operations since it was transformed into a societe anonyme in 1970, maintaining its top position in the Greek market. The Lambrakis Press Group is the most significant group in the sector of Mass Media in Greece and in terms of market capitalization the parent company is one of the largest domestic companies characterized by growth momentum and vision.

- **Business analysis of the Group**

Sector of activity	Turnover (*)				Earnings before tax	
	2007		2006		2007	2006
	million euros	%	million euros	%	million euros	%
Publishing	158,21	56%	154,05	56%	1,66	-9,28
Printing	38,81	14%	38,49	14%	-0,62	0,57
Tourism	45,11	16%	31,78	11%	1,73	0,21
IT and new technologies	3,27	1%	2,47	1%	0,20	0,74
Other activities	36,72	13%	49,98	18%	-4.06	0,58
Total	**282,12**	**100%**	**276,77**	**100%**	**-1.09**	**-7,18**

(*) After the cancellation of intra-group transactions

In 2007 the business of the Group focused on the publishing sector, where the parent Company is active along with the companies: Special Publications SA, Nea Aktina SA, MC Hellas SA, Hearst Lambrakis Publishing Ltd that publish newspapers and magazines.
In 2007 Lambrakis Press newspapers "TO VIMA TIS KYRIAKIS", "TO VIMA", and "TA NEA" along with all the magazines published by the Group maintained their top positions both in terms of circulation and attracted advertising revenues.

The growth of the sales of complementary products, such as "TO VIMA ANAGNOSI" (TO VIMA Reading), "TO VIMA TECHNI" (TO VIMA Art), "OI THISAVROI TIS ELLADAS" (The Treasures of Greece) that are distributed through the 12.000 points of sale of the publications of the Group.

The presence of the Group in the printing sector also remained strong through its participation in IRIS PRINTING SA, the largest printing company in the Greek market, and the pre-press company Multimedia SA.

The internet sector business, although sill with limited contribution in the total revenues of the Group, is regarded of key importance and was further strengthened primarily through the development of new activities of digital information by the affiliated companies DOL Digital SA and Ramnet SA, that develop and run the first and largest Greek portal in the Internet (www.in.gr).

Along with the above, Lambrakis Press increased significantly its revenues from the tourist services sector , through its affiliate Eurostar AE (Travel Plan brand) that is active successfully in the tourist sector.

The participations sector comprises the companies Ellinika Grammata SA, Michalakopoluolou Tourist - Real Estate SA, Studio ATA SA, Ramnet Shop SA, i.e it comprises a wide spectrum of business activities that covers book publishing and selling, real estate management, television productions and an e-commerce shop (www.shop21.gr) – showed a slowdown in its business, while in 2007 the Group sold two affiliate participations, Action Plan SA and Action Plan HR SA, that were active in call center services and temporary employment services.

▪ Turnover and results breakdown for the Company and the Group (*)

Sector	Name of Company	% Group Holding	Consolidation Method	Turnover		EBITDA		Profit / loss after tax		Net Equity	
				2007	2006	2007	2006	2007	2006	2007	2006
Publishing	Lambrakis Press SA	100,00%	Full	147,01	140,39	-1,35	0,91	3,74	4,58	149,45	149,86
	Special Publications SA	100,00%	Full	3,06	4,83	-0,35	0,18	-0,72	-0,12	-7,00	-6,28
	Nea Actina SA	50,50%	Full	4,62	5,06	0,03	0,35	-0,06	0,23	0,10	0,46
	MC Hellas SA	50,00%	Proportional	3,42	3,20	-0,20	-0,16	-0,18	-0,16	0,28	0,46
	Hearst DOL Publications LTD	50,00%	Proportional	3,59	3,39	0,47	0,36	0,36	0,26	1,19	1,07
	Mikres Aggelies SA	33,33%	Proportional	0,59	1,99	-0,38	-0,68	-0,38	-0,67	-0,67	-0,50
Printing	Multimedia SA	100,00%	Full	8,77	5,50	0,34	0,32	0,22	0,26	1,46	1,24
	Iris Printing SA	50,00%	Proportional	54,95	58,39	5,99	6,83	-0,97	0,14	42,74	43,71
Tourism	Eurostar SA	95,50%	Full	44,35	32,63	1,76	0,35	0,93	0,18	8,30	7,97
	Triaena Travel - St. Lagas SA	95,50%	Full	2,61	2,95	0,22	0,15	0,19	0,04	0,10	-0,1
IT and new technologies	DOL Digital SA	84,22%	Full	0,24	0,39	-0,04	0,79	7,88	0,51	8,75	0,87
	Ramnet SA	84,22%	Full	3,39	2,73	0,64	0,29	1,04	0,23	2,26	1,22
Other activities	Ellinika Grammata SA	100,00%	Full	10,13	15,57	-3,29	0,17	-5,49	-0,43	-9,04	-3,55
	Michalakopoulou – Real estate – tourism SA	100,00%	Full	0,91	0,88	0,84	0,79	0,18	0,10	22,89	22,71
	Studio ATA SA	99,30%	Full	25,15	26,23	0,79	1,70	-0,30	0,47	0,34	0,64
	Ramnet Shop SA	84,22%	Full	2,08	2,30	-0,11	-0,17	-0,11	-0,14	0,12	0,23
Companies sold during 2007	Action Plan SA	85,00%	Full	-	7,84	-	0,29	-	0,24	-	0,39
	Action Plan HR SA	85,15%	Full	-	0,99	-	-0,16	-	-0,16	-	0,06
Consolidation entries				**32,75**	**38,49**	**-**	**-**	**11,00**	**14,74**	**110,15**	**99,91**
Group total (after consolidation entries and minority interests)				**282,12**	**276,77**	**5,36**	**12,29**	**-4,67**	**-9,18**	**111,12**	**120,55**

(*) amounts in million euros

In 2007 the Company's turnover reached 147,0 million euros vs. 140,4 million euros in 2006 showing a 4,7% increase. Respectively, the gross margin before depreciation increased by 4,9% reaching 58 million euros in 2007 against 55,3 million euros in 2006. As a result the gross profit margin of the Company remained at 39,5%.

The earnings before financial and investment earnings, depreciation and tax (EBITDA) were -1,4 million euros vs. 0,9 million euros in 2006.

The negative change is mainly due to the other operating revenues in 2007, which in 2006 included 3,5 million euros in collections of bad receivables.

In 2007 the Company's earnings before tax were strengthened significantly by financial and investment earnings and, more specifically, by the 8,3 million partial reversal of the impairment provision of the affiliate DOL Digital SA, and reached 5,1 million euros vs. 5,5 million euros in 2006, which were also supported by the capital gains from the sale of a 20% stake in the affiliate IRIS Printing SA. Finally, the earnings after tax stood at 3,7 million euros in 2007 vs. 4,6 million euros in 2006.

In 2007 the consolidated turnover reached 282,1 million euros against 276,8 million euros in 2006 increased by 1,9%. It is noted, though, that the consolidated turnover of 2007 is not comparable to the turnover of 2006, because it does not include the turnover of two fully consolidated affiliates, Action Plan SA and Action Plan HR SA, that were sold in 2007.

The contribution of the two above companies of the Group in 2006 amounted to 8,7 million euros (after the deduction of intra-group transactions). Taking into consideration the above, the turnover of the consolidated turnover of the group vs. the same-company turnover in 2006 was increased by 5,2%. A significant contributor in the increased turnover (given its extensive presence that exceeds 50%) was the publishing sector, followed by the tourist and the technology sectors.

The consolidated gross margin before depreciation was 30,4% in 2007, slightly lower than the 32,2% margin of 2006, while the consolidated earnings before investment and financial earnings, depreciation and tax (EBITDA) stood at 5,4 million euros vs. 12,3 million euros in 2006. As was the case with the parent company, the lower earnings are primarily due to lower other operating earnings that in 2006 included 4,5 million euros in collections of bad receivables. Finally the consolidated earnings before tax and after tax and minority interests stood at -1,1 million euros and -4,7 million euros in 2007 vs. -7,2 million euros and -9,2 million euros in 2006.

- **Analysis of the financial statements of the Company and the Group**

In respect to the assets, the liabilities and the equity for the fiscal year 2007, a detailed analysis follows in the notes that consist an integral part of the Annual Financial Statements of the company and the Group.

At the parent company level, it is notable the significant decrease of bank borrowings, both in long-term bank loans by 3 million euros and in short-term loans by approximately 1,9 million, leading to a stronger financial position.

At the consolidated level, a relative decrease in overall bank borrowings by 7 million euros is also observed, but it is especially notable the restructuring of the short-term loans of an affiliate of the Group and its partial substitution with a bond loan, which is expected to lower the total financial expenditure and increase the Group's liquidity.

- **Financial Ratios**

FINANCIAL RATIOS	Fiscal Year 2007	
	The Group	The Company
GROWTH RATE (%)		
Turnover	1,93%	4,72%
Profit / Loss before taxes	84,86%	-8,06%
Fiscal year's earnings after fiscal year's tax	48,91%	-18,40%
Total capital invested	-4,70%	0,25%
PROFIT MARGIN RATIOS (%)		
Gross Earnings before depreciation	30,35%	39,48%
Fiscal year's earnings before tax	-0,39%	3,44%
Fiscal year's earnings after fiscal year's tax	-1,62%	2,54%
PERFORMANCE RATIOS (before tax) (%)		
Return on equity (average)	-0,94%	3,38%
Return on total capital invested (average)	-0,36%	2,37%
TURNOVER RATIOS (days)		
Receivables	113,19	102,44
Suppliers	89,36	117,67
Inventory	47,74	23,76
DEBT RATIOS (:1)		
Debt / equity	1,68	0,43
Bank loans / equity	0,81	0,08
LIQUIDITY RATIOS (:1)		
General Liquidity	1,27	1,27
Quick ratio	1,05	1,15
Operating Cash Flow / Financial Expenses	1,72	2,53
FINANCIAL BURDEN RATIOS (%)		
Financial Charges / Gross Earnings before Depreciation	7,06%	1,76%
Financial Charges / Earnings before Interest, Depreciation and Taxes	112,81%	-75,69%

- **Financial risk management**

Within its normal course of business, Lambrakis Press Group is exposed to limited financial risks. The general risk management program is focused on foreseeing and hedging such risks aiming to minimize its possible negative effects on the financial performance of the Company and the Group.

Specifically, the primary financial risks include:

- The investments of the parent company in listed securities (participation in the affiliate company TILETYPOS SA and the trading portfolio that includes shares of Microland SA), that are exposed to the risk of price fluctuation of listed securities. However, in respect to the participation in TILETYPOS SA it should be noted that it is a strategic participation fo the Group and it is valued at acquisition cost unless indications of permanent impairment arise. (significant or long decreases in its market value). The remaining companies of the Group do not have such participations.
- The loan liabilities and the cash flows that are exposed to the risk of exchange rate fluctuations mainly due to the long-term bond loans carrying a variable rate (euribor plus margin) that are drawn by the parent Company

and the Group companies Ellinika Grammata SA and IRIS Printing SA. The operating cash flows of the companies of the Group are not exposed to interest rate risks.

- The newsprint and magazine printing paper, whose prices are exposed to fluctuations relative to the demand and supply, while its contribution in the total costs of production of the publishing companies of the Group is significant (over 15%). To mange the risk from the price fluctuations of printing paper, the parent Company has entered into significant investments in the jointly-controlled company IRIS Printing SA, that runs two state-of-the-art printing facilities covering the printing needs of all the Group's companies and its specialized staff are exclusively dealing with paper supplies and managing paper inventories.

It is further noted that all the companies of the Group are exposed to limited risks as follows:

- The credit risk exposure is not significant since a large part of the group's sales is against cash, the sales against credit are on average collected within 7 months and there is no risk concentration in large clients, who are regularly monitored for the creditworthiness. Finally, part of the sales on credit is covered by an insurance policy against counterparty risk.
- The liquidity risk is also kept at low level, as the Group maintains sufficient cash reserves while, as mentioned, a significant part of revenues from trade transactions is immediately collectible.
- The foreign exchange risk is insignificant since the majority of the companies of the Group has minimal trade or other transactions in foreign currency.

It should be noted that every company of the Group is subject to particular financial risks with varying effects on their turnover and earnings, according to each company's business sector, while they also have arying effects on the total turnover and earnings of the Group. The above discussion weighs the risks according to their effect on the turnover and earnings of the Group.

- **Milestones**

2007 was yet another year of growth and entrenchment for the Group. Again in this year in an environment of acute competition Lambrakis Press SA maintained its top position in the domestic sector or mass media, expanded its turnover, developed new products and services, restructured its investment portfolio and strengthened its capital structure by making business decisions based on creating healthy and strong foundations for further growth in the coming years.

Specifically in 2007, Lambrakis Press SA:

- Developed new products, as book series, CDs and DVDs such as TO VIMA ANAGNOSI" (TO VIMA Reading), "TO VIMA TECHNI" (TO VIMA Art), "OI THISAVROI TIS ELLADAS" (The Treasures of Greece) that are promoted through the Group's publications and sold separately in the press points of sale. These products were very positively accepted by the readers..
- Designed and launched the magazine VIMADECO as a supplement in the newspaper "TO VIMA TIS KYRIAKIS", while it continued the successful supplement "VIMAGourmet", that was launched in late 2006.

- The content of the morning daily "TO VIMA" was enriched with the new section "VIMA Ideon" that is part of the newspaper's issue the first Friday of each month .
- Redesigned and re-launched under new management the magazine for youngsters "FREE".
- Acquired the remaining 49% of the share capital of the affiliate company Ellinika Grammata SA through the purchase of 13.867 shares owned by minority shareholders against a consideration of 210.000 euros. After this acquisition, Lambrakis Press SA became the only shareholder of the company holding 100%. The company is

long consolidated fully in the consolidated financial statements of the Group.. The acquisition of the minority stake offers the management of the Group flexibility to design and implement its strategy in this affiliate in order to exploit its comparative advantages and its position in the book market, in order to improve gradually its financial position and rehabilitate its capital structure.

- Sold to ICAP SA its participation in the share capital of the companies Action Plan SA and Action Plan HR SA. Specifically, the Company sold its 85% participation in the share capital of Action Plan SA against a consideration of 4.029.344,10 euros and its 1% participation in the share capital of action Plan HR SA against a consideration of 2.349,00 euros. The remaining 99% of the share capital of Action Plan HR SA belongs to Action Plan SA.
- Sold to the majority shareholder of Paper Pack I. Tsoukaridis SA, Mr. Ioannis Tsoukaridis, and to buyers indicated by him, its total participation in this company (1.452.220 shares i.e. 36,736% of the company's share capital) against a total consideration of 2.004.064 euros through a block transaction on the Athens Stock Exchange.

The sale of the above participations that falls within the strategy of the management of the Group to disinvest from non-core and non-strategic investments – increased the liquidity of the Company by freeing up capital that will be used for the growth of the Company is the mass media sector..

Concurrently in the digital media sector, the Group through its affiliates DOL Digital SA and Ramnet SA, co-operating directly with staff from the respective publications, designed and developed the internet edition of the newspapers TO VIMA, TA NEA and the magazines VITA and TO PAIDI MOU KI EGO. Further, Lambrakis Press entered into the classified ads by creating a special section within the digital edition of the newspapers.

- **Strategic targets and perspectives**

The strategic concept of the Group is constantly the strengthening of its position and the development of new business in the mass media sector. The target for the current year, 2008, is the increased profitability of the parent Company and the Group. Among its immediate pursuits is maintaining the publications' market positions, through their constant quality upgrades and the increased operational profitability. The Group also is after the development of new publishing products and related activities both autonomously or through domestic and international joint ventures.

To this end the Group has decided to redesign its publications, that will come out during the current year in a new shape and renewed content. It additionally aims to launch new publications in sectors where the Group had no autonomous presence so far. It also intends to strengthen the profitable business of complementary sales with new publications.

On the other hand, the increase of the cover price of the daily newspaper TA NEA and the enhanced "TO VIMA TIS KYRIAKIS" with new supplement magazines and the remarkable movie series "The Art of the Seventh Day", is expected to increase the operating profitability of the two newspapers and the publishing sector in general.

Finally in 2008 the Group expects to complete the restructuring of its investment portfolio aiming to contain drastically the loss-making activities and to exploit rationally the available resources for new more productive business within the mass media sector.

- **Dividend Distribution for the fiscal year 2007**

Taking into consideration the profit of the year 2007, the Company's Board of Directors proposes the distribution of dividend amounting to 4,15 million euros, i.e. 0,05 euros per share, what will stem from the profit of the year 2007 and the distribution of pervious years' reserves. The dividend is subject to the approval of the Annual Ordinary General Meeting of the Shareholders.

- **Share Capital Structure**

The share capital of the Company amounts to € 45.650.000 fully paid up and is divided into 83.000.000 common registered shares, with a par value of € 0,55 each.
All the shares are listed for trading on the Securities Market of the Athens Exchange under Large Cap Classification.
There are no company's shares listed for trading on any other security market in Greece or abroad.
The Company's shares are common registered with a voting right.
The company's Articles of Association do not provide for shares related with special rights or obligations.

- **Limitation on the transfer of Company shares**

The shares of the Company may be transferred as provided for by the Law concerning registered dematerialised shares and the Articles of Incorporation provide no limitations regarding the transfer of shares.
Furthermore there is no obligation for a previous approval, granted by the Company or by other shareholders or by public or administrative authority, regarding the transfer of the company's shares.

Significant direct or indirect holdings according to article 9 of Law 3356/2007

On 26.2.2008 the following shareholders held more than 5% of the total voting rights of the Company:

Shareholder	Voting Rights	% Voting Rights	Shares	% of Share Capital
Christos D. Lambrakis	27.591.261	33,24%	6.111.706	7,36%
Stavros P. Psycharis	20.879.157	25,16%	20.879.157	25,16%
Lambrakis Foundation	0	0,00%	21.479.555	25,88%
Benbay Limited (*)	4.653.215	5,61%	4.653.215	5,61%
Total of voting rights and shares	83.000.000	100,00%	83.000.000	100,00%

(*) Indirect holding of Mr. V. Restis

The Company is not aware of any other person or legal entity holding directly or indirectly more than 5% of the voting rights of the Company.

Pursuant to the donation contract signed on 22.08.2005, Mr. Christos Lambrakis, shareholder and Executive President of the Company's Board of Directors, donated to Lambrakis Foundation the bare ownership of 21.479.555 common registered shares issued by Lambrakis Press SA. Mr. Christos Lambrakis has withheld the usufruct of these shares for life. The usufruct includes the collection of dividends and the voting rights of the donated shares.

- **Holders of shares which provide special controlling rights**

There are no shares of the Company that confer on their holders special controlling rights.

- **Limitations on voting right**

There are no limitations provided for in the Articles of Incorporation regarding the right to vote or exercising of such right.

- **Agreements among Company shareholders**

The Company is not aware of any agreements among shareholders entailing limitations on the transfer of shares or limitations on exercising voting rights.

- **Rules governing the appointment and replacement of members of the Board of Directors and the amendment of the Articles of Incorporation**

The rules set out in the Articles of Incorporation of the Company on the appointment and replacement of members of the Board of Directors and the amendment of the provisions of the Articles of Incorporation do not deviate from those provided for in the Codified Law 2190/1920 as in force.

- **Authority of the Board of Directors or certain of its members to issue new shares or to purchase the Company's own shares**

According to the provisions of the article 13 of the Codified Law 2190/20, and the article 6 of the Articles of Incorporation, the Company's Board of Directors, during the first five years following the Company's incorporation or during the first five years following a relevant authorization granted by a resolution of the General Meeting of Shareholders (reached by a two thirds (2/3) majority vote of its members), has the right to increase the share capital of the Company in part or in whole through the issuance of new shares. The amount of the increase cannot exceed the amount of the share capital already at the time of such resolution paid in.

This authorization of the Board of Directors may be renewed by resolution of the General Assembly for a period that cannot exceed five years per renewal.
By a resolution reached according to the provisions of the article 31 par. c of the Codified Law 2190/1920, the General Meeting has the right to increase in part or in whole the Company's share capital through the issuance of new shares. The amount of such increase cannot exceed the fourfold of the initial capital share paid in or the twofold of the share capital already paid in, at the time that such amendment of the Articles of Incorporation is approved.

Exceptionally to the regulations of the above paragraphs, a resolution of the General Meeting complying with the quorum and majority regulations of art. 28 par. C and art. 31 par. d of the Articles of Incorporation is required, in case the reserves exceed one tenth of the paid up share capital.
The share capital increases resolved upon according to paragraphs 1 and 2 do not consist amendments of the Articles of Incorporation.
According to the provisions of the article 16 par. 5 to 13 of the Codified Law 2190/1920, companies listed on the Athens Exchange may, by a resolution of their General Meeting of Shareholders, purchase their own shares on the Athens Exchange, up to 10% of the total outstanding shares, for the purpose of stabilizing the share price under the specific terms and conditions provided for in article 16 of the Codified Law 2190/1920. There is no provision in the Articles of Incorporation of the Company contrary to the above. Such authorization has not been granted to the Board of Directors.

- **Significant agreement which the Company has entered into and is already enacted, amended or expires in case of a change in the control of the Company after a public offering and the effects of any such agreement**

The Company has no such enacted agreement.

- **Any agreement which the Company has entered into with members of the Board of Directors or the employees, which provides for compensation in the case of resignation or dismissal without justified cause or termination of tenure or employment due to a public offering**

The Company has no agreements with members of the Board of Directors or its employees providing for the payment of compensation, especially in the case of resignation or dismissal without justified cause or termination of their period of office or employment due to a public offering.

INTRA-GROUP TRANSACTIONS FOR THE YEAR 2007

OF LAMBRAKIS PRESS S.A.

WITH ITS AFFILIATED COMPANIES

INTRA GROUP BALANCE OF RECEIVABLES - LIABILITIES
31.12.2007

In thousand euros

Company having the receivable	Company having the liability																TOTAL RECEIVABLES
	LAMBRAKIS PRESS SA	HEARST LAMBRAKIS PUBLISHING LTD	MC HELLAS SA	SPECIAL PUBLICATIONS SA	NEA AKTINA SA	MIKRES AGGELIES SA	IRIS PRINTING SA	MULTIMEDIA SA	EUROSTAR SA	TRIAENA TRAVEL SA	DOL DIGITAL SA	RAMNET SA	MICHALAKOPOULOU SA	STUDIO ATA SA	RAMNET SHOP SA	ELLINIKA GRAMMATA SA	
LAMBRAKIS PRESS SA		62,36	1,75	1,47	0,71		0,93	3,04		1,71		1,78			97,41	863,48	**1.034,65**
HEARST LAMBRAKIS PUBLISHING LTD	12,67			7,84													**20,51**
MC HELLAS SA	8,48	37,42		0,26			17,85										**64,01**
SPECIAL PUBLICATIONS SA	1,66	16,88	3,56												1,86	5,45	**29,41**
NEA AKTINA SA	110,18														0,32	5,72	**116,23**
MIKRES AGGELIES SA																	**0,00**
IRIS PRINTING SA	7.009,07	556,87	1.174,53	999,80	201,34	2.869,43		1.663,88	46,69							2.833,82	**17.355,43**
MULTIMEDIA SA	411,32	7,51	9,74	36,40	0,13		6,75		37,37	0,62		6,84			0,20	2.199,56	**2.716,42**
EUROSTAR SA	738,12	1,36	11,50	3,97				3,87		340,49		1,11				9,68	**1.110,12**
TRIAENA TRAVEL SA																	**0,00**
DOL DIGITAL SA.																	**0,00**
RAMNET SA	15,95	1,61		7,43					0,15						10,35	19,57	**55,05**
MICHALAKOPOULOU SA																	**0,00**
STUDIO ATA SA	27,76																**27,76**
RAMNET SHOP SA	35,01	0,08	0,63	4,98	0,44		55,69	9,53				0,30				5,96	**112,62**
ELLINIKA GRAMMATA SA							1,05	0,27							0,35		**1,67**
TOTAL LIABILITIES	**8.370,23**	**684,09**	**1.201,71**	**1.062,15**	**202,63**	**2.869,43**	**82,26**	**1.680,58**	**84,21**	**342,82**	**0,00**	**10,03**	**0,00**	**0,00**	**110,49**	**5.943,25**	**22.643,89**

2. INTRA-GROUP BALANCE OF OTHER SHORT TERM RECEIVABLES - LIABILITIES
31.12.2007

In thousand euros

Company having the receivable	Company having the liability																TOTAL RECEIVABLES
	LAMBRAKIS PRESS SA	HEARST LAMBRAKIS PUBLISHING LTD	MC HELLAS SA	SPECIAL PUBLICATIONS SA	NEA AKTINA SA	MIKRES AGGELIES SA	IRIS PRINTING SA	MULTIMEDIA SA	EUROSTAR SA	TRIAENA TRAVEL SA	DOL DIGITAL SA	RAMNET SA	MICHALAKOPOULOU SA	STUDIO ATA SA	RAMNET SHOP SA	ELLINIKA GRAMMATA SA	
LAMBRAKIS PRESS SA		311,44	1.216,49	578,18	59,10		201,46	67,33	780,86	42,22	559,86	54,81		250,98	502,43	316,07	**4.941,23**
HEARST LAMBRAKIS PUBLISHING LTD	24,59		300,11	0,78				0,15						0,19			**325,83**
MC HELLAS SA	0,33	9,43		0,44			2,99		0,47								**13,66**
SPECIAL PUBLICATIONS SA	6,16	0,20	0,76						0,15								**7,28**
NEA AKTINA SA																	**0,00**
MIKRES AGGELIES SA	1,40							0,33									**1,74**
IRIS PRINTING SA	16,12																**16,12**
MULTIMEDIA SA																	**0,00**
EUROSTAR SA																	**0,00**
TRIAENA TRAVEL SA	0,24																**0,24**
DOL DIGITAL SA.							1,79					108,03			31,24		**141,06**
RAMNET SA	15,42		0,31	3,12				0,53	0,11								**19,49**
MICHALAKOPOULOU SA																	**0,00**
STUDIO ATA SA																	**0,00**
RAMNET SHOP SA																	**0,00**
ELLINIKA GRAMMATA SA																	**0,00**
TOTAL LIABILITIES	**64,27**	**321,07**	**1.517,68**	**582,51**	**59,10**	**0,00**	**206,23**	**68,35**	**781,59**	**42,22**	**559,86**	**162,84**	**0,00**	**251,17**	**533,66**	**316,07**	**5.466,64**

3. INTRA-GROUP BALANCE OF CHEQUES 31.12.2007								
In thousand euros								
Company having the receivable	Company having the liability							TOTAL RECEIVABLES
	LAMBRAKIS PRES SA	NEA AKTINA SA	IRIS PRINTING SA	MULTIMEDIA SA	EUROSTAR SA	STUDIO ATA SA	ELLINIKA GRAMMATA SA	
LAMBRAKIS PRESS SA						76,18	68,04	144,23
NEA AKTINA SA								0,00
IRIS PRINTING SA	3.479,51	341,73			10,00		196,21	4.027,45
MULTIMEDIA SA							79,21	79,21
EUROSTAR SA								0,00
STUDIO ATA SA								0,00
ELLINIKA GRAMMATA SA								0,00
TOTAL LIABILITIES	**3.479,51**	**341,73**	**0,00**	**0,00**	**10,00**	**76,18**	**343,47**	**4.250,89**

4. INTRA-GROUP TRANSACTIONS (PURCHASES - SALES)
1.1. – 31.12.2007

In thousand euros

Selling company	Purchasing company																TOTAL SALES
	LAMBRAKIS PRESS SA	HEARST LAMBRAKIS PUBLISHING LTD	MC HELLAS SA	SPECIAL PUBLICATIONS SA	NEA AKTINA SA	MIKRES AGGELIES SA	IRIS PRINTING SA	MULTIMEDIA SA	EUROSTAR SA	TRIAENA TRAVEL SA	DOL DIGITAL SA	RAMNET SA	MICHALAKOPOULOU SA	STUDIO ATA SA	RAMNET SHOP SA	ELLINIKA GRAMMATA SA	
LAMBRAKIS PRESS SA		864,03	770,27	471,89	231,36	18,94	723,39	845,49	1.308,29	9,51	28,68	295,06	0,02	365,15	267,94	747,20	**6.947,22**
HEARST LAMBRAKIS PUBLISHING LTD	39,95		152,61	0,92				0,13									**193,61**
MC HELLAS SA	7,41	31,89		0,37			15,00		0,05								**54,72**
SPECIAL PUBLICATIONS SA	50,07	0,25	0,11												1,56	0,76	**52,76**
NEA AKTINA SA	92,59															7,11	**99,70**
MIKRES AGGELIES SA	153,45							0,23								0,00	**153,69**
IRIS PRINTING SA	34.494,19	1.491,17	1.122,31	502,22	943,15	1.300,98		988,56	150,51							212,94	**41.206,03**
MULTIMEDIA SA	2.843,86	133,28	148,68	75,09	0,11	3,84	137,63		31,40			0,43			0,05	1.481,99	**4.856,35**
EUROSTAR SA	576,40	5,69	44,14	3,97			26,28	3,87		1.687,76	0,74	3,45		0,80	0,25	34,96	**2.388,33**
TRIAENA TRAVEL SA									2.710,56							0,09	**2.710,65**
DOL DIGITAL SA.												198,63					**198,63**
RAMNET SA	147,81			8,86					0,09						12,80		**169,57**
MICHALAKOPOULOU SA	906,69																**906,69**
STUDIO ATA SA	23,33																**23,33**
RAMNET SHOP SA	38,67		0,01	3,31	0,12		38,14	2,69				1,98		0,08		0,58	**85,58**
ELLINIKA GRAMMATA SA	551,69							0,07						0,12	0,94		**552,82**
TOTAL PURCHASES	**39.926,11**	**2.526,32**	**2.238,13**	**1.066,62**	**1.174,74**	**1.323,76**	**940,45**	**1.841,05**	**4.200,90**	**1.697,27**	**29,42**	**499,55**	**0,02**	**366,15**	**283,54**	**2.485,63**	**60.599,67**

BREAKDOWN OF SALES (in million euros)	
Sales of merchandise	116,45
Sales of goods and advertising space	42.920,55
Service rendering	14.934,48
Revenue from related business	1.645,09
Capital revenue	982,81
Implied revenue	0,28
TOTAL	**60.599,67**

THE BOARD OF DIRECTORS

THE PRESIDENT	THE VICE PRESIDENT AND MANAGING DIRECTOR	THE MEMBERS
		I.G. Goumas
		E. N. Glykatzi - Ahrweiler
		P. Kapsis
		Tr. I. Koutalidis
		K. D. Limperopoulos
Chr. D. Lambrakis	St. P. Psycharis	I. N. Manos
		St. G. Nezis
		A. A. Pepelasis
		N. G. Pefanis
		Gr. D. Skalkeas

Exact Copy
Athens, March 4, 2008
The President of the Board of Directors

Christos D. Lambrakis

It is hereby certified the above report consisting of 4 pages is the one mentioned in the audit certificate signed on 4.3.2006.

Athens, March 4, 2008

THE CERTIFIED AUDITORS ACCOUNTANTS

CHARALAMBOS AR. PETROPOULOS

Reg. No. S.O.E.L. 12001
SOL SA

LAMBRAKIS PRESS S.A.

ANNUAL FINANCIAL STATEMENTS

OF THE PARENT COMPANY AND THE GROUP

FOR THE FISCAL YEAR

FROM JANUARY 1, 2007 TO DECEMBER 31, 2007

LAMBRAKIS PRESS S.A.

ANNUAL INCOME STATEMENT

In euros	Notes	THE GROUP 1.1. – 31.12.2007	THE GROUP 1.1. – 31.12.2006	THE COMPANY 1.1. – 31.12.2007	THE COMPANY 1.1. – 31.12.2006
Turnover	7	**282.118.537,87**	**276.769.362,71**	**147.014.361,77**	**140.392.142,58**
Cost of goods sold before depreciation	8	-196.488.573,71	-187.745.555,04	-88.972.000,41	-85.080.417,05
Gross profit before depreciation		**85.629.964,16**	**89.023.807,67**	**58.042.361,36**	**55.311.725,53**
Administrative expenses before depreciation	9	-22.401.972,27	-22.727.527,78	-13.663.156,96	-13.211.390,60
Selling expenses before depreciation	10	-61.072.858,29	-61.586.335,91	-47.538.574,40	-46.687.361,29
Research and development expenses before depreciation		-182.252,44	-290.645,05	0,00	0,00
Other operating income	11	3.386.557,47	7.867.961,16	1.809.163,57	5.496.652,02
Operating profit/loss before depreciation		**5.359.438,63**	**12.287.260,09**	**-1.350.206,43**	**909.625,66**
Depreciation for the year included in the cost of goods sold	12	-5.545.770,67	-6.113.839,36	-595.491,03	-1.111.137,53
Depreciation for the year included in the administrative expenses	12	-1.004.523,31	-690.705,60	-800.946,24	-467.497,89
Depreciation for the year included in the selling expenses	12	-405.518,61	-463.886,46	-135.035,21	-156.404,10
Operating loss / profit after depreciation		**-1.596.373,96**	**5.018.828,67**	**-2.881.678,91**	**-825.413,86**
Income from investments and securities	14	6.652.971,26	2.286.412,58	10.275.798,86	7.573.833,54
Loss from investments and securities	14	-292.361,23	-9.299.584,22	-1.389.429,10	-144.757,70
Financial income	15	194.101,98	118.793,41	77.492,73	27.326,02
Financial expenses	15	-6.045.877,79	-5.305.457,12	-1.021.977,20	-1.127.137,04
Loss / profit before tax		**-1.087.539,74**	**-7.181.006,68**	**5.060.206,38**	**5.503.850,96**
Income tax expenses	16	-3.480.846,76	-1.761.702,63	-1.319.957,93	-920.015,70
Net loss/ profit after tax from ongoing business (a)		**-4.568.386,50**	**-8.942.709,31**	**3.740.248,45**	**4.583.835,26**
Net profit / loss after tax from discontinued business (b)		**0,00**	**0,00**	**0,00**	**0,00**
Net loss/ profit after tax from ongoing and discontinued business (a)+(b)		**-4.568.386,50**	**-8.942.709,31**	**3.740.248,45**	**4.583.835,26**
Attributable to:					
Equity holders of the parent company		**-4.665.594,96**	**-9.183.699,98**	-	-
Minority interests		**97.208,46**	**240.990,67**	-	-
Loss / profit per weighted share	17	**-0,0562**	**-0,1106**	**0,0451**	**0,0552**
Weighted average number of shares		83.000.000	83.000.000	83.000.000	83.000.000
Proposed dividend per share	18	**-**	**-**	**0,05**	**0,05**

The accompanying notes from Note 1 to Note 40 are an integral part of these annual financial statements

LAMBRAKIS PRESS S.A.

ANNUAL FINANCIAL STATEMENT

In euros	Notes	THE GROUP		THE COMPANY	
		31.12.2007	31.12.2006	31.12.2007	31.12.2006
ASSETS					
Non-current assets					
Property, plant and equipment	19	109.998.934,41	114.852.435,60	9.628.650,05	10.445.489,82
Investment properties	19	1.116.543,80	1.129.082,10	12.640.652,93	12.776.201,94
Intangible assets	20	761.285,43	1.093.265,53	389.000,56	533.971,42
Investments in subsidiaries	21	0,00	0,00	50.785.734,57	45.944.701,60
Investments in jointly controlled companies	21	0,00	0,00	28.800.327,22	29.725.454,61
Investments in associates	21	31.211.793,52	29.068.722,25	44.156.900,43	43.924.389,73
Other investments	21	871.014,20	996.141,59	0,00	0,00
Financial assets available for sale	22	38.745,80	38.745,80	18.745,80	18.745,80
Deferred tax asset	16	5.079.373,14	5.716.072,22	3.327.209,00	3.456.781,00
Other long term assets		663.657,66	776.283,82	461.857,47	418.885,73
Total non current assets		**149.741.347,96**	**153.670.748,91**	**150.209.078,03**	**147.244.621,65**
Current assets					
Inventories	23	25.701.278,00	25.240.801,04	5.791.951,74	4.530.570,44
Trade receivables	24	87.488.536,97	99.235.318,43	41.260.975,16	39.877.974,86
Other short term receivables	25	14.909.906,77	18.755.676,26	7.644.815,63	11.051.163,34
Receivables from related companies	26	8.792.980,04	6.399.345,64	5.582.595,29	5.092.196,56
Trade portfolio	27	2.894.954,76	5.191.457,22	2.616.930,30	4.931.344,70
Cash and cash equivalents	28	8.070.087,85	3.786.708,61	403.471,92	256.461,55
Total current assets		**147.857.744,39**	**158.609.307,20**	**63.300.740,04**	**65.739.711,45**
TOTAL ASSETS		**297.599.092,35**	**312.280.056,11**	**213.509.818,07**	**212.984.333,10**
EQUITY AND LIABILITIES					
Equity					
Share capital	29	45.650.000,00	45.650.000,00	45.650.000,00	45.650.000,00
Share premium	29	89.759.298,10	89.759.298,10	89.759.298,10	89.759.298,10
Reserves	30	15.863.954,18	17.676.495,23	9.442.980,39	11.248.971,29
(Accumulated loss)/Accrued earnings		-40.503.201,57	-33.085.839,86	4.593.666,75	3.197.427,40
Total equity to parent company holders		**110.770.050,71**	**119.999.953,47**	**149.445.945,24**	**149.855.696,79**
Minority interests		**354.499,17**	**547.929,56**	**0,00**	**0,00**
Total equity		**111.124.549,88**	**120.547.883,03**	**149.445.945,24**	**149.855.696,79**
Long term liabilities					
Long term borrowing	32	50.686.887,38	29.092.753,51	3.000.000,00	6.000.000,00
Other long term liabilities		0,00	149.247,84	0,00	0,00
Pension liabilities	33	13.616.222,88	13.048.391,46	11.256.525,00	10.633.979,00
Other liabilities		400.000,00	0,00	0,00	0,00
Deferred tax liability	16	3.782.532,78	3.531.620,53	0,00	0,00
Deferred income	34	1.375.005,13	1.741.272,24	0,00	0,00
Total long term liabilities		**69.860.648,17**	**47.563.285,58**	**14.256.525,00**	**16.633.979,00**
Short term liabilities					
Trade payables	35	48.105.788,19	44.314.670,83	28.683.046,12	20.649.136,84
Short term borrowings	36	39.790.436,68	68.473.663,46	8.261.453,52	10.161.949,32
Payables to related companies		0,00	201.754,21	74.262,92	517.245,25
Other liabilities and accrued expenses	37	28.717.669,43	31.178.799,00	12.788.585,27	15.166.325,90
Total short term liabilities		**116.613.894,30**	**144.168.887,50**	**49.807.347,83**	**46.494.657,31**
TOTAL EQUITY AND LIABILITIES		**297.599.092,35**	**312.280.056,11**	**213.509.818,07**	**212.984.333,10**

The accompanying notes from Note 1 to Note 40 are an integral part of these annual financial statements

LAMBRAKIS PRESS S.A.

ANNUAL CASH FLOW STATEMENT

In euros	Notes	THE GROUP 1.1. – 31.12.2007	THE GROUP 1.1. – 31.12.2006	THE COMPANY 1.1. – 31.12.2007	THE COMPANY 1.1. – 31.12.2006
Cash flow from operating activities					
Profit / loss before tax		**-1.087.539,74**	**-7.181.006,68**	**5.060.206,38**	**5.503.850,96**
Adjustments for:					
Depreciation	12	6.955.812,59	7.268.431,42	1.531.472,48	1.735.039,52
Loss / income from investments and securities	14	-6.360.610,03	7.935.562,82	-8.886.369,76	-7.429.075,84
Provisions	33	771.919,42	1.337.427,36	622.546,00	982.633,15
Interest and related expenses	15	5.851.775,81	5.186.663,71	944.484,47	1.099.811,02
Changes in operating assets or liabilities:					
Increase (-) / decrease (-) in inventories	23	-473.418,91	-3.638.250,67	-1.261.381,30	-1.411.071,87
Increase (-) / decrease (-) in receivables		9.421.279,13	-13.901.747,92	1.454.227,50	-6.054.860,89
Decrease (-) / increase (+) of liabilities (except banks and dividends paid)		3.022.309,02	8.486.581,50	4.182.435,51	8.641.326,63
Debit interest and related expenses paid	15	-6.045.877,79	-5.305.457,12	-1.021.977,20	-1.127.137,04
Tax paid		-1.668.849,79	-821.599,14	-39.797,61	-72.135,70
Net cash inflows / outflows from operating activities (a)		**10.386.799,71**	**-633.394,72**	**2.585.846,47**	**1.868.379,94**
Cash flows from investing activities					
Purchase of affiliates, subsidiaries, joint ventures and other investments		-232.510,70	-21.340.356,37	-1.084.392,70	-21.340.356,37
Proceeds from the sale of affiliates, subsidiaries, investments and securities		6.164.190,55	16.155.770,62	6.164.190,55	16.146.820,62
Purchase of tangible and intangible assets		-1.917.449,81	-1.411.682,28	-454.545,30	-516.963,44
Proceeds from the sale of tangible and intangible assets		70.943,96	9.522.660,65	57.016,67	9.513.253,40
Interest income	15	194.101,98	118.793,41	77.492,73	27.326,02
Dividend received		1.039.673,05	1.409.814,35	1.971.735,26	1.381.814,35
Net cash flows from / (used in) investing activities (b)		**5.318.949,03**	**4.455.000,38**	**6.731.497,21**	**5.211.894,58**
Cash flows from financing activities					
Repayment of loans		-6.689.092,91	-7.715.291,98	-4.900.495,80	-8.838.050,68
Dividend paid		-4.445.337,51	-46.175,21	-4.269.837,51	-46.175,21
Net cash flows from/ (used in) financing activities (c)		**-11.134.430,42**	**-7.761.467,19**	**-9.170.333,31**	**-8.884.225,89**
Net increase / (decrease) in cash and cash equivalents (a) + (b) + (c)		**4.571.318,32**	**-3.939.861,53**	**147.010,37**	**-1.803.951,37**
Cash and cash equivalents at the beginning of the year		**3.498.769,53**	**7.726.570,14**	**256.461,55**	**2.060.412,92**
Cash and cash equivalents at the end of the year		**8.070.087,85**	**3.786.708,61**	**403.471,92**	**256.461,55**

The accompanying notes from Note 1 to Note 40 are an integral part of these annual financial statements

LAMBRAKIS PRESS S.A.

ANNUAL STATEMENT OF CHANGES IN EQUITY

THE GROUP

In euros	Paid –in Share capital	Share premium	Statutory reserve	Other reserves	(Accumulated losses) / Accrued earnings	Minority interests	Total equity
At January 1, 2006	**45.650.000,00**	**89.759.298,10**	**3.436.527,09**	**13.339.778,75**	**-23.426.188,83**	**26.795.673,10**	**155.555.088,21**
Profit / (loss) after tax for the year	0,00	0,00	0,00	0,00	-9.183.699,98	240.990,67	**-8.942.709,31**
Dividends paid-in to minority shareholders	0,00	0,00	0,00	0,00	0,00	-163.350,00	**-163.350,00**
Adjustments related to the proportional consolidation of Iris Printing SA	0,00	0,00	-28.981,99	913.521,38	-644.152,52	-26.141.532,74	**-25.901.145,87**
Changes in consolidation	0,00	0,00	15.650,00	0,00	168.201,47	-183.851,47	**0,00**
At December 31, 2006	**45.650.000,00**	**89.759.298,10**	**3.423.195,10**	**14.253.300,13**	**-33.085.839,86**	**547.929,56**	**120.547.883,03**
	Paid –in Share capital	**Share premium**	**Statutory reserve**	**Other reserves**	**(Accumulated losses) / Accrued earnings**	**Minority interests**	**Total equity**
At January 1, 2007	**45.650.000,00**	**89.759.298,10**	**3.423.195,10**	**14.253.300,13**	**-33.085.839,86**	**547.929,56**	**120.547.883,03**
Profit / (loss) after tax for the year	0,000	0,000	0,000	0,000	-4.665.594,96	97.208,46	**-4.568.386,50**
Dividends paid-in to minority shareholders	0,000	0,000	0,000	0,000	0,000	-175.500,00	**-175.500,00**
Dividends paid-in to shareholders of the parent company	0,000	0,000	0,000	-1.965.862,27	-2.184.137,73	0,000	**-4.150.000,00**
Changes in consolidation	0,000	0,000	173.847,04	3.409,25	-830.015,77	-83.288,,12	**-736.047,60**
Changes due to the sale of affiliates ACTION PLAN SA and ACTION PLAN HR SA	0,000	0,000	-23.935,07	0,000	262.386,75	-31.850,73	**206.600,95**
At December 31, 2007	**45.650.000,00**	**89.759.298,10**	**3.573.107,07**	**12.290.847,11**	**-40.503.201,57**	**354.499,17**	**111.124.549,88**

LAMBRAKIS PRESS S.A.

ANNUAL STATEMENT OF CHANGES IN EQUITY

THE COMPANY

In euros	Paid –in Share capital	Share premium	Statutory reserve	Other reserves	(Accumulated losses) / Accrued earnings	Total equity
At January 1, 2006	**45.650.000,00**	**89.759.298,10**	**2.877.769,63**	**8.371.201,66**	**-1.386.407,86**	**145.271.861,53**
Profit / (loss) after tax for the year	0,00	0,00	0,00	0,00	4.583.835,26	**4.583.835,26**
At December 31, 2006	**45.650.000,00**	**89.759.298,10**	**2.877.769,63**	**8.371.201,66**	**3.197.427,40**	**149.855.696,79**
	Paid –in Share capital	**Share premium**	**Statutory reserve**	**Other reserves**	**(Accumulated losses) / Accrued earnings**	**Total equity**
At January 1, 2007	**45.650.000,00**	**89.759.298,10**	**2.877.769,63**	**8.371.201,66**	**3.197.427,40**	**149.855.696,79**
Profit / (loss) after tax for the year	0,00	0,00	0,00	0,00	3.740.248,45	**3.740.248,45**
Statutory reserve / Dividends paid to the shareholders	0,00	0,00	159.871,37	-1.965.862,27	-2.344.009,10	**-4.150.000,00**
At December 31, 2007	**45.650.000,00**	**89.759.298,10**	**3.037.641,00**	**6.405.339,39**	**4.593.666,75**	**149.445.945,24**

1. INFORMATION ON THE PARENT COMPANY AND THE GROUP

The company LAMBRAKIS PRESS SA (hereafter Parent Company or DOL SA or the Company) with the trade name "DOL SA" was established in 1970 (Government Gazette No. 1107/30.6.70 section of societes anonymes and limited liability companies) and stemmed from the transformation of a sole proprietorship to a societe anonyme. After the company's registration in the Register of Societes Anonymes of the Greek Ministry of Development, Lambrakis Press SA is registered under number 1410/06/B/86/40. The Company's duration is set at 50 years from the date of its registration in the Register of Societes Anonymes and its registered office is in the municipality of Athens, at 3 Christou Lada street. The company's offices are at 80, Michalakopoulou street. The Company is listed on the Athens stock Exchange since 1998 and its shares are traded in the Large Capitalization market.

The Parent Company is organized on the basis of 5 business units (BUs) that are self-contained. The BU heads are responsible for the progress of business, the required investment and the financial results of the business activities assigned to their BUs:

Business Unit TO VIMA: publishing the daily morning newspaper "TO VIMA", the Sunday edition "TO VIMA TIS KYRIAKIS" and the supplement magazines of these newspapers.
Business Unit TA NEA: publishing the daily evening newspaper "TA NEA", the weekend edition "TA NEA SAVATOKYRIAKO" and the supplement magazines of these newspapers
Magazine Business Unit: publishing all the magazines of the parent company and the Group
Digital Media Business Unit: developing digital products and services and implementing new internet technologies that focus on media sector applications
Media Affiliates Business Unit: supervising the companies active in the media sector and related prospective investments.

The business units are supported by two Centers as follows:

The Business Development Center that is responsible for the overall business development of the Group and the Business Units. This center offers and co-ordinates sales and marketing services in co-operation with the business Units and also supervises the Circulation Office. The Business Development Center has also been assigned the exploitation of synergies among the media-sector affiliates of the Group and supervises the Media Affiliates Business Unit.
The Corporate Center that supervises the financial and administrative operations of the group and the HR department. The Corporate Center has also been assigned the supervision of the non-media sector affiliates of the Group.

The Consolidated Financial Statements include the Company, its subsidiaries and associates mentioned in Notes 5.a – 5.c (thereafter DOL Group or the Group).

The Group:

- Publishes newspapers, pre-eminently "**TO VIMA**" and "**TA NEA**", and magazines that cover an especially wide spectrum of subjects and reading audience and are established at the top positions in their sectors in terms of circulation, readership and attracted advertisement spending.
- Develops and operates (through its subsidiary **DOL DIGITAL SA**) the first and largest Greek portal on the Internet **www.in.gr**, the electronic commerce store **www.shop21.gr** and participates in the first internet portal focusing on medical content **health.in.gr**.
- Is active (through its subsidiary **EUROSTAR SA**) in offering tourist services, through the travel agencies **TRAVEL PLAN** and **TRIAINA TRAVE**L.
- Is active (through its subsidiary **ELLINIKA GRAMMATA SA**) in publishing books operating bookstores.
- Holds an investment in **IRIS PRINTING SA** that owns two vertically integrated industrial printing units, ranking among the largest and most up-to-date in the area of south-eastern Europe. Iris Printing possesses an important market share in Greece and covers all stages of printing from importing and trading paper to finishing, packaging and distributing printed material.
- Participates in the television station **MEGA CHANNEL**, in the company producing television programs **STUDIO ATA SA** and in the press distribution agency **ARGOS SA.**

2. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

2.a. Basis of preparation of the Financial Statements: The attached financial statements for the fiscal year from 1.1.2007 to 31.12.2007 of the Parent company and the Group (thereafter jointly referred to as the financial statements) have been prepared according to:

- the principle of historic cost, as amended by the adjustment of certain assets and liabilities at their fair value, mainly for the trading portfolio and real estate assets. Specifically land and buildings were valuated at their fair value on the date of transition to IFRS (January 1 2004) and this fair value was recognized as inferred cost at the above date.
- the principle of going concern,
- the principle of accrual basis of accounting
- the principle of the independence of fiscal years,
- the consistency of presentation,

and comply with the International Financial Reporting Standards (IFRS) that have been issued by the International Accounting standards Board (IASB), as well as their interpretations issued by the

International Financial Reporting Interpretations Committee (I.F.R.I.C.) of the IASB that have been adopted by the European Union.

The Group applied the same accounting principles of recognition and valuation on 31.12.2007 to those applied in the financial statements of 31.12.2006, except for the adoption of new standards, the application of which became mandatory for the fiscal years commencing after January 1, 2007. These standards are quoted in the following pages.

2.b. Use of estimates: Under IFRS the preparation of financial statements requires that the management make estimates and judgment in the Group's application of the accounting principles. The most significant of the assumptions made are quoted in the notes of the financial statements, where this is deemed advisable. It is noted that in spite of the fact that these estimates are based on the best possible knowledge of the Management of the company and the Group in relation to current conditions and actions, the actual results may differ from such estimates.

2.c. Restatements of amounts for the period: There were no restatements of amounts referring to the period 1.1.2006 to 31.12.2006.

2.d. Reclassifications referring to the published data of the Company and the Group: For the purposes of improved information, certain amounts of the income statement of the previous period were restated in order to be comparable to this period's. More specifically, for the purposes of complete and correct information, the gross profit of the period 1.1.-31.12.2007 is reported before the deduction of depreciation. The operating profit / loss are reported before and after the deduction of the depreciation of the period. For the purpose of comparability and uniformity of presentation the same approach was used for the gross profit and the operating earnings of the pervious period 1.1.-31.12.2006.

2.e. Changes in the estimates of sums and amounts reported in previous fiscal years – Revaluation of the investment in the subsidiary company DOL DIGITAL S.A. and partial reversal of a recorded impairment provision: Lambrakis Press Group has considerable investments in the sector of digital media and applied internet technologies, with capital investments of 22,7 million euros to develop and operate internet products and services, through the subsidiary holding company DOL Digital S.A. In the first adoption of I.F.R.S. in January 2005, the Board of directors of DOL Digital SA performed an impairment test of the investment in Ramnet S.A. (according to the provisions of I.A.S. 36 and 39) due to the considerable accumulated loss of this investment. Based on the outcome of the impairment test, DOL Digital SA proceeded then with the full impairment for the investment in Ramnet S.A. (writing off 14,68 million euros from the investments account and equally reducing the company's net equity). Since the investment in Ramnet SA represents a very significant part of the investment portfolio of DOL DIGITAL SA, this impairment had a strong negative effect in the assets and net equity of DOL DIGITAL SA.

After evaluating this reduction of the net equity of DOL DIGITAL SA, the Management of Lambrakis Press SA impaired fully its investment in DOL DIGITAL SA in the same period, charging the net equity of Lambrakis Press S.A. with a 17,7 million euros in impairment losses. This approach definitely does not reflect the view of the Management of the Group in respect to the medium term growth prospects of the Greek internet market nor its strategic stance on investments in the sector of digital mass media. This stance is also underpinned by the fact that Lambrakis Press S.A. invested an additional 5 million euros in DOL DIGITAL SA in 2005 by participating in the company's share capital increase in cash.

Further on, in its session of 23.5.2007 the Board of Directors of DOL DIGITAL SA assessed the course of business of Ramnet SA and the developments in the Greek internet market and taking into consideration a relevant study of the international consulting firm McKinsey & Co. proceeded to revaluate its investment in Ramnet SA on the basis of the company's discounted future cash flows (DCF) as described in I.A.S. 36. This revaluation yielded a recoverable value of 14,9 million euros for Ramnet SA (marginally lower than the low end of valuations stemming from the study of McKinsey, that values the company from 15 to 105 million euros) and the Board of Directors decided unanimously to adjust the value of Ramnet SA in the books of DOL DIGITAL SA to 14,9 million euros.

As a result, DOL DIGITAL SA partially reversed the previous impairment provision by 8,3 million euros and crediting equally the earnings of the period 1.1. - 31.12.2007, so that the investment in Ramnet SA amounts to 14,9 million euros in the company's books.

Following the above, in its session of 24.5.2007 the Board of Directors of Lambrakis Press SA also resolved to reverse partially the impairment loss in the investment of DOL DIGITAL SA by 8,3 million euros (so that the value of investment in DOL DIGITAL SA in the books of Lambrakis Press SA amounts to 13,3 million euros), through an equal credit of the Company's earnings of the period 1.1.-31.12.2007 and specifically through the credit of the account «earnings from investments and securities».

2.f. Comparability of the annual financial statements of the Group for the years 2007 and 2006

The consolidated financial statements of 2007 are not comparable with those of 2006 since the Group does not consolidate any more the sold companies Action Plan SA and Action Plan HR SA, that were fully consolidated up until 30.09.2007 inclusive.

In particular the following are noted:

- The Board of Directors of Lambrakis Press SA in its meeting of November 6, 2007 decided to sell to ICAP SA the participation of Lambrakis PRESS SA to the share capital of the companies ACTION PLAN SA and ACTION PLAN HR SA. It specifically decided to sell the Company's 85% participation in the share capital of ACTION PLAN SA against a consideration of 4.029.344,1 euros, i.e. 137.286 shares of ACTION PLAN SA at their nominal value of 29,35 euros per share and the 1% participation of Lambrakis Press SA in the share capital of Action Plan HR SA against a consideration of 2.349 euros, i.e. 783 shares at their nominal value 3 euros per share. The remaining 99% of the share capital of Action Plan HR SA belongs to Action Plan SA.

These companies were founded by Lambrakis Press SA in 1999 and the Group's total investment in them amounted to 4.170.395,03 euros for ACTION PLAN SA and 2.349,00 euros for ACTION PLAN HR SA. Their acquisition value as at 30.9.2007 in the financial statements of Lambrakis Press SA amounted to 4.110.849,03 euros. The sale of these affiliates fell within the strategy of the management to disinvest from non-core, non-strategic participations.

The effects from these sales in the financial statements of Lambrakis Press SA of 31.12.2007 are deemed insignificant, as the shares were sold at their nominal value.

On a consolidated basis the sale had a positive effect of approximately 3,7 million euros arising from the significant difference between the net equity of the companies in the consolidation (ACTION PLAN SA – 30.09.2007 : 603.788,02 euros and ACTION PLAN HR SA – 30.09.2007 : 211.627,43 euros) and the value of the sale transaction.

Further, the effect of the sale in the financial statements of Lambrakis Press SA is not significant given the small turnover, total assets and earnings of the sold companies (less than 5% of the consolidated figures). The transfer of the participation of Lambrakis Press SA in these two companies was concluded in November 15, 2007.

The following table shows the summary of the financial statements and the P&L accounts of the two companies at 31.12.2006 and 31.12.2007:

In euros	ACTION PLAN SA		ACTION PLAN HR SA	
	30.09.2007	31.12.2006	30.09.2007	31.12.2006
ASSETS				
Non-current assets				
Property, plant and equipment	94.198,21	102.457,02	195,67	627,00
Intangible assets	15.213,39	337,19	0,00	0,00
Investments in subsidiaries	232.431,00	232.431,00	0,00	0,00
Deferred tax asset	126.388,75	252.334,00	1.414,00	1.175,00
Other long term assets	22.635,30	22.855,40	0,00	0,00
Total non-current assets	**490.866,65**	**610.414,61**	**1.609,67**	**1.802,00**
Current assets				
Inventories	12.941,95	12.941,95	0,00	0,00
Trade receivables	1.391.024,17	1.942.732,91	148.209,29	74.112,46
Other short term receivables	13.820,39	68.022,54	39.247,86	39.574,85
Receivables from related companies	88.107,62	89.382,02	0,00	0,00
Cash and cash equivalents	683.120,52	103.585,86	77.533,69	184.353,22
Total current assets	**2.189.014,65**	**2.216.665,28**	**264.990,84**	**298.040,53**
TOTAL ASSETS	**2.679.881,30**	**2.827.079,89**	**266.600,51**	**299.842,53**
EQUITY AND LIABILITIES				
Equity				
Share capital	4.740.670,70	4.740.670,70	234.780,00	234.780,00
Share premium	282.318,42	282.318,42	0,00	0,00
Reserves	0,00	0,00	28.109,30	28.109,30
Accumulated loss/Accrued earnings	-4.419.201,10	-4.636.862,63	-239.736,73	-206.002,09
Total equity	**603.788,02**	**386.126,49**	**23.152,57**	**56.887,21**
Long term liabilities				
Pension liabilities	229.220,45	199.549,00	5.650,50	4.539,00
Total long term liabilities	**229.220,45**	**199.549,00**	**5.650,50**	**4.539,00**
Short term liabilities				
Trade payables	135.829,51	516.982,92	37.446,19	43.188,96
Short term borrowings	400.000,00	400.000,00	0,00	0,00
Payables to related companies	237.867,26	754.673,08	38.107,02	38.107,02
Other liabilities	1.073.176,06	569.748,40	162.244,23	157.120,34
Total short term liabilities	**1.846.872,83**	**2.241.404,40**	**237.797,44**	**238.416,32**
TOTAL EQUITY AND LIABILITIES	**2.679.881,30**	**2.827.079,89**	**266.600,51**	**299.842,53**

ANNUAL INCOME STATEMENT	ACTION PLAN SA		ACTION PLAN HR SA	
In euros	1.1. - 30.09.2007	1.1. - 31.12.2006	1.1. - 30.09.2007	1.1.- 31.12.2006
Turnover	7.670.037,47	7.842.400,76	787.505,82	993.954,34
Cost of goods sold	-6.618.211,97	-6.727.738,33	-766.311,09	-903.465,97
Gross profit	**1.051.825,50**	**1.114.662,43**	**21.194,73**	**90.488,37**
Other operating income	76.780,13	22.408,23	0,00	1.882,00
Total	**1.128.605,63**	**1.137.070,66**	**21.194,73**	**92.370,37**
Administrative expenses	-427.316,69	-495.388,61	-39.903,76	-173.704,23
Selling expenses	-346.041,84	-387.190,80	-14.093,54	-83.560,31
Operating profit/loss	**355.247,10**	**254.491,25**	**-32.802,57**	**-164.894,16**
Financial income/expenses	-11.640,32	-12.548,59	-1.171,07	4.008,80
Loss / profit before tax	**343.606,78**	**241.942,66**	**-33.973,64**	**-160.885,36**
Income tax expenses	-125.945,25	-6.534,00	239,00	-104,00
Net loss/ profit after tax	**217.661,53**	**235.408,66**	**-33.734,64**	**-160.989,36**

2.g. New Standards, interpretations and amendments to published standards

New IFRS, amendments and interpretations have been issued that are mandatory for the accounting years commencing on or after January 1, 2008. The estimate of the Management in relation to the effect of the adoption of these new standards and interpretations in the Company's and the Group's financial position and performance is stated below:

International Financial Reporting Standard (IFRS) 7 «Financial Instruments: Disclosures» Amendment to International Accounting Standard (IAS) 1 «Presentation of Financial Statements –Capital Disclosure

IFRS 7 introduces new disclosures to improve the information about financial instruments. It requires the disclosure of qualitative and quantitative information about exposure to risks arising from financial instruments, including specified minimum disclosures about credit risk, liquidity risk and market risk, including sensitivity analysis to market risk. It replaces IAS 30, Disclosures in the Financial Statements of Banks and Similar Financial Institutions, and disclosure requirements in IAS 32, Financial Instruments: Disclosure and Presentation. It is applicable to all entities that report under IFRS. The amendment to IAS 1 introduces disclosures about the level of an entity's capital and how it manages capital.

The Group is examining whether there will be an impact from the adoption of the above Interpretations in the financial statements.

Interpretation 7 «Applying the Restatement Approach under IAS 29 Financial Reporting in Hyperinflationary Economies

IFRIC 7 requires entities to apply IAS 29 Financial Reporting in Hyperinflationary Economies in the reporting period in which an entity first identifies the existence of hyperinflation in the economy of its functional currency, as if the economy had always been hyperinflationary.

The adoption of this interpretation had no effect on Group's financial statements as the Group has no operations in hyperinflationary economies.

Interpretation 8, Scope of IFRS 2

IFRIC 8 clarifies that IFRS 2 *Share-based payment* will apply to any arrangement when equity instruments are granted or liabilities (based on the value of an entity's equity instrument) are incurred by an entity, when the identifiable consideration appears to be less that the fair value of the instruments given.

The adoption of this interpretation had no effect on Group's financial statements

Interpretation 9, Reassessment of Embedded Derivatives

IFRIC 9 requires an entity to assess whether a contract contains an embedded derivative at the date an entity first becomes a party to the contract and prohibits reassessment unless there is a change to the contract that significantly modifies the cash flows.

The adoption of this interpretation had no effect on Group's financial statements

Interpretation 10 «Interim Financial Reporting and Impairment»

This Interpretation requires that, should any impairment losses be recognized in the interim financial statements in relation to available for sale equity investments, unquoted equity instruments carried at cost and goodwill, these may not be reversed in later interim periods or when preparing the annual financial statements.

Interpretation IFRIC 11, IFRS 2: Group and Treasury Share Transactions

This Interpretation requires that transactions, in which employees receive share-based payment, should be accounted for as equity-settled share-based payment remuneration, even in case where the company chooses or has the obligation to purchase these shares from third parties or shareholders provide these shares. The interpretation further includes the subsidiaries' accounting treatment in their individual financial statements, programs where employees receive share-based payment on shares of the parent company.

The adoption of this interpretation had no effect on Group's financial statements

In addition, the International Accounting Standards Board (IASB) has issued the following standards and interpretations which have not yet been adopted by the European Union.

International Financial Reporting Standard (IFRS) 8 «Operating segments»

(Effective for annual periods beginning on or after 1.1.2009)

This standard replaces IAS 14 Segment reporting and adopts an operating approach concerning the financial segment information that is provided. The information that will be provided is that used by management internally for the evaluation of the performance of the operation sectors and the distribution of resources to those sectors. This information may be different than that presented in the balance sheet and the profit and loss statement, and companies must provide explanation and agreement for the differences in question.
The Group is examining whether there will be an impact from the adoption of the above Interpretations in the financial statements.

Amendment of International Accounting Standard (IAS) 1 «Presentation of financial statements»
(Effective for annual periods beginning on or after 1.1.2009)
The Board published the revised version of IAS 1 in which is required to aggregate information in the financial statements on the basis of shared characteristics and introduces the statement of comprehensive income. The comprehensive income statement includes profit or loss for the period and all non owner changes in equity, which may be presented either as a subtotal of the statement of comprehensive income or in a separate statement.
The adoption of this Standard by the European Union and the Group will affect the presentation of financial statements.

Amendment of International Accounting Standard (IAS) 23 «Borrowing costs»
(Effective for annual periods beginning on or after 1.1.2009)
The Board issued the revised IAS 23, which removed the option of immediately recognizing as an expense all borrowing costs that relate to assets that have a substantial period of time to get ready for use or sale. Such borrowing costs are capitalized as part of the cost of the asset. The Group is examining whether there will be an impact from the adoption of the above Interpretations in the financial statements.

Interpretation 12 «Service concession arrangements»
(Effective for annual periods beginning on or after 1.1.2008)
IFRIC 12 sets out general principles on recognising and measuring the obligations and related rights in services concession arrangements.
The adoption of this interpretation had no effect on Group's financial statements

Interpretation 13 «Customer loyalty programmes»
(Effective for annual periods beginning on or after 1.7.2008)
Customer Loyalty Programmes. It is not relevant to the Group's operations.

Interpretation 14 «IAS 19 – The limit on a defined benefit asset, minimum funding requirements and their interaction»
(Effective for annual periods beginning on or after 1.1.2008)

The Group is examining whether there will be an impact from the adoption of the above Interpretations in the financial statements.

The adoption by the European Union, by 31 December 2007, of new standards and interpretations or amendments possibly issued during the current year by the International Accounting Standards Board (IASB) and their mandatory or optional adoption will be effective for periods beginning on or after 1 January 2007, may retrospectively affect the period that these interim financial statements present.

3. APPROVAL OF ANNUAL FINANCIAL STATEMENTS

The annual financial statements of the fiscal year ended 31.12.2007 for the Company and the Group have been approved by the Board of Directors of Lambrakis Press SA in its meeting of March 4, 2008.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES OF THE COMPANY AND THE GROUP

4.a. INVESTMENTS IN SUBSIDIARY, JOINTLY CONTROLLED AND ASSOCIATES COMPANIES

In the financial statements of the parent company DOL SA the investments (participations) in subsidiary, jointly controlled and associated companies are accounted for initially at cost (including the transactions costs) less any impairment provisions.

For each period of preparation of the financial statements the Company reviews the existence of indication of permanent impairment (significant or prolonged decreases of the fair value) of these investments using various valuation models.

Besides the above models, in order to assess the value of affiliates and subsidiaries for the purposes of the above impairment tests, the Company also considers the resolutions of the Management to liquidate, suspend the operation of or merge the specific entities.

In cases of a permanent impairment, the loss is recognized in the profit and loss statement.

For the subsidiaries, the jointly-controlled and the affiliate companies of Lambrakis Press SA, that are not listed on the Athens Stock Exchange, so as to have an indication of their current value, there was a valuation of them as provided for in IAS 36. the last valuation was effected on December 31, 2005 and the Management believes that there are no aberrations concerning the valuation assumptions.

The subsidiaries, the jointly-controlled and the affiliate companies of the Group are presented in Notes 5.a, 5.b and 5.c respectively.

4.b. INVESTMENTS IN OTHER ENTITIES

The investments of the Company in other entities are initially accounted for at cost plus the special acquisition expenses related to the investment. After the initial recognition, investments are classified on the basis of the purpose of their acquisition. The Management reviews such classification on every publication date.

- **Investments held for trading**

This classification includes financial assets acquired primarily for profiting by the short term fluctuations of their price. More specifically, this classification includes derivatives, unless acquired for hedging purposes, purchasing of shares for profiteering and investments with defined or definable payouts if the Company does not intend to hold them to maturity but to make a profit on them. The changes in the fair value of such investments are recognized directly in the profit and loss statements.

- **Investments available for sale.**

After the initial recognition, investments classified as available for sale are valuated at their fair value. In case that the fair value of an investment cannot be measured reliably, then this is investment is valued at acquisition cost. Profit or loss from investments available for sale are accounted for separately in the equity accounts until the investment is sold, settled or otherwise disposed of, or until there is an indication of impairment of the investment. In such case the accrued profit or loss that were previously accounted for in the equity accounts are included in the profit and loss statement.

For investments traded on regulated markets, the fair value is determined by the current market prices that are derived from the closing of these markets on the date of the financial statements. For investments for which no market price exists, the fair value is determined on the basis of the current market price of a comparable financial asset that is traded or valuated on the basis of the analysis of discounted cash flows of the net equity of the issuer.

On every publication date the Management reviews whether there are objective indications leading to the conclusion that the financial assets have been impaired. An investment is considered having suffered an impairment of its value when its book value does not exceed its recoverable value and there are material indications that the decrease of its value has reached such a point that renders recovering the investment capital impossible in the near future. If there are reasonable indications for impairment, the arising loss is recognized in the profit and loss statement.

4.c. FOREIGN CURRENCY TRANSLATION

Euro is the parent company's and the groups functional currency. The financial statements are presented in euro (functional and presentation currency).

Transactions in other currencies are converted to euros applying the foreign exchange rates at the transaction date. The receivables and liabilities in foreign currencies are translated to euro at the balance sheet date to reflect the foreign exchange rates at such date. The gain or loss resulting from the translations of foreign currencies is included in the income statements.

4.d. TANGIBLE ASSETS

Land and buildings are evaluated at their inferred cost (i.e. at their fair value on the transition date January 1, 2004) less their accumulated depreciation and any impairment provisions.

The Company proceeded to value its land and buildings at their fair value on January 1, 2004. These fair values were used as inferred cost on the date of transition to IFRS. The revaluation reserve that arose was transferred to retained earnings.

Machinery, transportation vehicles and furniture and appliances are valued at acquisition cost less accumulated depreciation and any impairment provisions.

Repairs and maintenance are recorded to expenses in the year they incurred. Significant improvements are capitalized in the cost of the relevant fixed assets if such improvements prolong the assets' useful life, increase their production capacity or improve their efficiency.

The recoverable value of a fixed or other asset is measured whenever there is an indication that an asset may be impaired. An impairment loss is recognized when the book value of the asset exceeds the recoverable amount. As recoverable amount is recognized the higher between the net selling price and its value in use. Net selling price is the amount that may be received from the sale of an asset in an arm's length transaction between knowledgeable parties willing to transact, after the deduction of any selling expenses. Value in use is the present value of estimated future cash flows that are expected to arise from the continuous use of the asset and its sale at the end of its useful life.

Property, land and equipment is reduced upon the sale or withdrawal of the asset or when no further economic benefit is expected from their continued utilization. The profit or loss arising from the sale or impairment of an asset is included in the earnings of the year in which the asset was sold or impaired.

All tangible assets of the Group are used for the Group's operations.

The tangible assets of the parent Company include land and buildings that are characterized as investments in real estate. It is noted that this category includes land that the company decided that it is held for future use that is currently undefined and, additionally, that they are held for long term capital gains. This category also includes buildings that are held by the parent Company and that are in their majority rented to affiliates of the Group and third parties.

4.e. DEPRECIATION

The depreciation of fixed assets is computed based on the straight line method at rates equivalent to the expected useful life of the assets. The expected useful life per class of fixed assets is as follows:

EXPECTED USEFUL LIFE PER CLASS OF FIXED ASSETS		
Asset class	**The Group**	**The Company**
Industrial buildings	40 years	-
Other buildings	40 years	40 years
Building installations in third party buildings	5 - 40 years	5 - 40 years
Machinery and other equipment	8 - 20 years	8 - 16 years
Transportation vehicles	5 - 6 years	5 - 6 years
Furniture and other fixtures	3 - 8 years	3 - 8 years

The plots of land, the building lots and the fixed assets under construction are not depreciated.

4.f. INTANGIBLE ASSETS

Intangible assets include software licenses valued at the acquisition cost minus depreciation.
Intangible assets are recognized at their acquisition cost. Intangible assets that are acquired as part of a business combination are recognized separately from their goodwill if their actual value can be determined reliably at their initial recognition in the books.
Development expenses incurred after the stage of research are recognized in the intangible assets only if all the criteria of IAS Standard 38 are met. Expenses for research, launching an operation, education, advertising and marketing as well as relocation expenses or restructuring all or part of an enterprise are recognized as expenses at the time they occur.
After their initial recognition in the books, the intangible assets are carried at their acquisition cost less accumulated amortization and any accumulated impairment loss.
After the initial recognition, the Management of the Group reviews periodically the intangible assets to determine whether there is a probable impairment of their value. In case that events or conditions imply that that the book value of an intangible asset may not be recoverable, a provision is made for impairment

loss, so that the book value of this asset reflects its recoverable amount. Intangible assets are deleted from the balance sheet when they are disposed of or when no economic benefit is expected from their use.
Intangible assets are amortized over their useful economic life that does not exceed twenty years. The intangible assets generated internally are amortized over a period of 5 years.

4.g. STATE GRANTS

The subsidies granted by the State within the framework of development regulations are recognized at their collection and recorded in the financial balance sheets as deferred income. The grant is released to the income statement over the expected useful life of the relevant fixed assets and is included with the depreciation expense.

4.h. INVENTORIES

Inventories are evaluated at the lower between acquisition cost and net realizable value. The acquisition cost of inventories is determined using the "first in first out" method (FIFO).
The acquisition cost of inventories includes:

- The cost of purchase of goods and services, i.e. the purchase price, import duties and other non-refundable taxes as well as transportation and delivery costs and other expenses directly chargeable to the purchase of goods.
- The conversion costs include the expenditure directly related to the produced items, i.e. direct labour cost and a systematic allocation of fixed and variable production overheads that are incurred in converting raw materials to finished goods.
- Any other costs incurred in bringing the inventories to their present location and condition

The net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs necessary to make the sale.

4.i. RECEIVABLES ACCOUNTS

Receivables are carried at their face value after provisions for non collectible balances. The calculation for doubtful receivables is applied when the full or partial collection of the receivable is no longer probable

4.g. CASH AND CASH EQUIVALENTS

Consist of cash, short-term deposits and other investments that can be liquidated immediately with an initial maturity of no more than three months and short term, highly liquid investments that are readily convertible to specific amounts of cash and their value is subject to insignificant risk of fluctuation.

4.k. INTEREST BEARING BORROWINGS

All borrowings are initially recognized at cost, that being the fair value of the received consideration less the issuance expenses related to the borrowing. After the initial entry, interest-bearing borrowings are valuated at their undepreciated cost using the method of effective interest rate. The undepreciated cost is calculated after allowing for issuance expenses and the difference between the principal amount and the ending amount. Profit and loss is recognized in the net profit or loss when the commitments are deleted or impaired through the depreciation procedure.

Borrowings are classified as short term liabilities when the Group or the Company has the commitment to repay them within twelve (12) months from the date of the balance sheets. In the contrary case, borrowings are classified as long-term liabilities.

4.l. PROVISIONS FOR RISKS AND EXPENSES, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Provisions are recognized as required by IAS 37 requirements, when:

• the Group has a current commitment (legal or inferred) as a result of a past event;

• it is likely that an outflow of resources shall be required incorporating financial benefits for the settlement of the commitment; and

• it is possible to valuate the amount of the commitment reliably.

The provisions are reviewed on the date of every financial statement and are adjusted so as to reflect the present value of the expenses that are expected to be incurred for the settlement of the liability. If the effect of the time value of money is significant, the provisions are calculated discounting the expected future cash flows with a factor before tax that reflects the current estimates of the market for the time value of money and, where necessary, the risks related explicitly to the liability. The contingent liabilities are not accrued in the financial statements but are disclosed, except if the probability of an outflow of resources including economic benefits is minimal. Probable contingent receivables are not recognized in the financial statements but are disclosed when an inflow of economic benefit is probable

4.m. PROVISIONS FOR PENSION LIABILITIES

According to the provisions of the Law 2112/20 each employee is entitled to compensation in case of retirement or dismissal from employment. The amount of compensation is related to the longevity of the employment and the salary of the employee at the time of dismissal or retirement.

The liabilities for pension compensation are calculated at the discounted value of the future compensations that are accrued at year end on the basis of the recognition of the employees' right to compensations during their expected employment life. The liabilities are calculated according to the financial and actuarial assumptions that are detailed in Note 28 and are determined using the actuarial method of projected units.

The net pension cost of the year is included in the wage costs in the attached income statement and consists of the present value of compensations that were incurred during the year, the interest on the compensation liability, the cost of former employment (if any), the actuarial profit or loss that are recognized in the year and any other additional pension costs.. The cost of former employment is recognized on a fixed basis on the average period until the benefits of the program are established.

The unrecognized actuarial profit or loss is recognized in the average remaining period of employment of active employees and is part of the net pension cost of each year if at the beginning of the year they exceed the estimated future liability for compensation by 10%. The liabilities for pension compensations are not financed.

The pension liabilities provision recognized in the income statement of the financial year ended on 31.12.2007 was determined after an actuarial study.

4.n. STATE PENSION PLANS

The personnel of the Group are covered in terms of pension and medical insurance by the Press Funds (primarily by T.S.P.E.A.TH., E.D.O.E.A.P., T.A.I.S.Y.T.) and the main public insurance fund (I.K.A.). Every employee is obliged to contribute part of his/her monthly salary to the fund while especially for the employees insured in I.K.A., part of their total contribution is covered by the employer. At retirement, the pension fund is responsible for the payment of the pension allowances to the employees and as a result the Group has no legal or constructive liability to pay any pension allowances or medical care to its employees.

4.o. REVENUE / EXPENSES RECOGNITION

Revenue from the sale of products or services rendered is recognized in the year that it incurred only if the economic benefit related to the transaction is expected to be realized by the company. The nature of the goods of the Company and the other companies of the Group is such that the transfer of risk and ownership coincides with the issuance of the documents of sale.

Rental revenue is recognized systematically during the lease period according to the lease contract.

Interest is recognized on the accrued revenue basis (taking into consideration the actual return of the asset).

Dividends are recognized when the shareholders' right to collect is established.

Expenses are recognized in the income statement on an accrual basis.

4.p. INCOME TAX (CURRENT AND DEFERRED)

Current and deferred income tax are calculated according to the relevant amounts of the financial statements according to the tax legislation applicable in Greece. The current income tax refers to tax on the Company's taxable profit as restated according to the requirements of the tax legislation and is calculated according to the applicable tax rate. The deferred tax is calculated using the liability method to all temporary tax differences on the date of the balance sheet between the tax basis and the book value of assets and liabilities. The expected tax effects from the temporary tax differences are determined and recorded either as future (deferred) tax liabilities or as future (deferred) tax assets. Deferred tax assets are recorded for all tax deductible temporary differences and the tax losses carried forward to the extent that it is estimated that a taxable profit will exist, against which this deductible temporary tax difference can be applied. The book value of deferred tax assets is revised on the date of each balance sheet. The deferred tax assets and liabilities for the current and previous years are evaluated at the amount that is expected to be paid to the tax authorities (or be recovered from them), using tax rates (and tax legislation) that have been established or actually established, until the date of the balance sheet.

4.q. FINANCIAL AND OPERATING LEASES

Financial leases that transfer to the Company or the companies of the Group in essence all the risks and benefits related to the leased fixed asset are capitalized at the beginning of the leasing period at the fair value of the leased fixed asset or, if this is lower, at the present value of the minimum lease payments. The payments for financial leases are allocated between the financial expenses and the reduction of the financial liability so as to attain a fixed interest rate for the remaining balance of the liability. The financial costs are expensed directly to earnings. The capitalized leased fixed assets are depreciated according to the shortest period of the expected useful life of the fixed asset or the duration of the lease.

Leases where the lessor retains all risks and benefits arising from the ownership of the fixed asset are recognized as operating leases. The payments of operating leases are recognized as an expense in the income statement on a fixed basis during the lease period.

4.r FINANCIAL INSTRUMENTS – RISK FACTORS

The financial receivables and liabilities in the balance sheet include cash and cash equivalents, assets, investments, short and long term liabilities. The accounting policies of recognition and valuation of items are referred to in this Note. The Group does not use derivative financial instruments either for hedging risks or for profiteering. The financial instruments are classified as assets, liabilities or equity items according to the nature and content of the relevant contracts from which they arise . Interest, dividend, profit and loss that arise from the financial instruments that are classified as assets or liabilities are recognized as expenses or revenue respectively. he distribution of dividends to shareholders is accounted directly to the net position. Financial instruments are offset when the Company, according to the law, has the legal right and intends to offset the net position (between them) or to recover the asset and to offset the liability at the same time.

The management of financial risk aims to minimize the probable negative impacts. Specifically:

- **Fair value**: The amounts carried in the attached balance sheets for cash and cash equivalents, short-term receivables and short-term liabilities approximate their respective fair values due to their short duration of these financial instruments. The fair value of long-term bank loans is not differentiated from their book value because of the application of floating interest rates.
- **Credit risk:** the Company and the other companies of the Group do not have significant concentration of their credit risk against their counterparties, since a large part of the Group's sales is against cash. The sales against credit are collected on an average of 7 months and there is no significant concentration of credit risk in large clients, that are monitored regularly for their creditworthiness. Finally part of the sales against credit is covered by an insurance policy against counterparty risk.
- **Interest rate risk and foreign exchange risk**: Until the date of the preparation of these financial statements the company and the Group did not use derivatives on financial products in order to lower their exposure to exchange rate risk. The exchange rate risk arises from the long-term bond loans carrying variable interest rates (euribor plus margin) that are drawn by the parent Company and the Group companies Ellinika Grammata SA and IRIS Printing SA. The foreign exchange risk is deemed insignificant since the majority of the companies of the Group makes minimal trade or other transactions in foreign currency.
- **Market risk:** The parent Company and the other companies of the Group have not entered into contracts to hedge market risks arising from their exposure to the fluctuation of the prices of raw materials they use in their production process.

4.s EARNINGS / LOSSES PER SHARE

The basic earnings/losses per share are calculated by dividing the profit or loss after tax that is attributable to the holders of common shares of the Parent Company with the weighted average number of common shares in circulation during the year. The Company does not calculate diluted earnings per share as it has not issued preferred shares, warrants, share options or share rights that would potentially be converted to common shares (Note 17).

4.t. DIVIDEND DISTRIBUTION

Dividend distribution to the Company's shareholders is recognized as a liability in the parent's separate financial statements and in the consolidated financial statements in the period in which the dividends are approved by the General Meeting of the company's Shareholders.

5. PRINCIPLES OF CONSOLIDATION AND CONSOLIDATED COMPANIES

The consolidated financial statements comprise the financial statements of the parent company, its subsidiaries, jointly controlled entities and associates as detailed below.

5.a. Subsidiary companies: Subsidiaries are all companies managed and controlled directly or indirectly by the parent company. Control exists when the parent company through a direct or indirect investment maintains the majority (over 50%) of the voting rights or has the power to control the Board of Directors of the companies. Subsidiaries are fully consolidated using the purchase method of accounting from the date of acquisition of such control and cease being consolidated on the date that such control is lost.

The purchase method of accounting is used to account for acquisitions of subsidiaries of the Group. The consideration paid plus the expenses directly related to the acquisition is regarded as acquisition cost. The recognized assets and liabilities, as well as the contingent liabilities of the acquired company are initially measured at their fair value on the date of the acquisition. The part of the acquisition cost that exceeds the fair value of the acquired company's equity that corresponds to the shareholders of the acquiring company is recognized as goodwill in the intangible assets. In case the acquisition cost is less than the fair value of the acquired company's equity that corresponds to the shareholders of the acquiring company, the difference is recognized as income directly to the profit and loss statement of the company. Intercompany transactions, intercompany balances and unrealized profit and loss among the Group companies are written off.

The subsidiaries follow the same accounting policies that have been adopted by the Group.

The table below shows all the subsidiary companies along with the respective holding percentages of the Group.

Sector	Company	% of direct investment	% of indirect investment	Country of business	Activity
Publishing	Special Publications SA	100,00%	-	Greece	Magazine publishing
	Nea Aktina SA	50,50%	-	Greece	Magazine publishing
Printing	Multimedia SA	100,00%	-	Greece	Pre-press
Tourism	Eurostar SA	95,50%	-	Greece	Tourist agency
	Triaina Travel – St. Lagas SA	-	95,50%	Greece	Tourist agency
IT and new technologies	DOL Digital SA	84,22%	-	Greece	Holding company
	Ramnet AE	-	84,22%	Greece	Portal
Other activities	Ellinika Grammata SA	100,00%	-	Greece	Publishing house - bookstore
	Michalakopoulou – Real estate – tourism SA	100,00%	-	Greece	Real estate management
	Studio ATA SA	99,30%	-	Greece	TV productions studio
	Ramnet Shop SA	-	84,22%	Greece	e-Commerce

5.b. Jointly controlled entities: The investments of the Group in jointly controlled entities are consolidated in the consolidated financial statements using the method of proportional consolidation, taking into consideration the investment percentage that the Group holds on the date of consolidation. In the consolidated statements such companies are accounted for at their acquisition value less any impairment provisions. According to this method the Group's holding percentage in the assets, liabilities, income and expenses of the entities is consolidated «line per line».

The following table shows all the jointly controlled entities and the respective holding percentages:

Sector	Company	% of direct investment	% of indirect investment	Country of business	Activity
Publishing	MC Hellas SA	50,00%	-	Greece	Magazine publishing
	Hearst Lambrakis Publishing LTD	50,00%	-	Greece	Magazine publishing
	Mikres Aggelies SA	33,33%	-	Greece	Magazine publishing
Printing	Iris Printing SA	50,00%	-	Greece	Printing

5.c . Investments in associates: The investments of the Group in associated companies are accounted for in the consolidated financial statements using the method of equity accounting. Associates are the companies in which the Group holds an investment of 20% to 50% and exercises significant influence but does not control them. According to the net equity accounting, in the initial consolidation the participation of the Group in the affiliate is recognized in the consolidated financial statements with the amount representing its share in the net equity of the affiliate. Furthermore, the share of the Group on the annual profit or loss of affiliates is recognized in the income statement. If the share of the Group in the loss of an affiliate equals or exceeds the Groups participation in this affiliate, then the Group ceases to recognize its share on the additional loss, unless the Group has current obligations or has effected payments on behalf of the affiliate.
The dividends received by the investor from an associate company decrease the associate's book value in the consolidated financial statements.

The following table shows all the associate entities and the respective holding percentages:

Sector	Company	% of direct investment	% of indirect investment	Country of business	Activity
Publishing	Mellon Group SA	50,00%	-	Greece	Magazine publishing
	Northern Greece Publishing SA	33,33%	-	Greece	Publishing printing
Other Activities	Argos SA	38,70%	-	Greece	Press Distribution
	Papasotiriou International Bookstore SA	30,00%	-	Greece	Publishing house – bookstore
	Tiletypos SA	22,11%	-	Greece	TV station "Mega channel"

5.d. Companies not included in consolidated financial statements: The attached financial statements of the Group do not include the financial statements of the following companies :

Sector	Company	% Holding	Register Office	Remarks	Activity
Publishing	Ekdoseis 4 LTD	45,30%	Athens	No business activity – under liquidation	No business activity
IT and new technologies	Phaistos Networks AE	41,31%	Heraclion - Creta	No Control	IT Applications – Digital Publications
	Interoptics SA	37,18%	Athens	No Control	IT Applications – Digital Publications

6. SEGMENT REPORTING

An **operating segment (sector)** is defined as a group of companies, with relative activities and operations which yield products and services subject to different risks and returns from the ones of other business sectors.

The Group is active in the following sectors:

- **Publishing sector:** The publishing sector includes the parent and the following companies: Special Publications SA, Nea Aktina SA, MC Hellas SA, Hearst-DOL Publishing LTD and Mikres Aggelies SA, that publish newspapers and magazines. The Group publishes the top Greek newspapers "TO VIMA" and "TA NEA" and magazines covering an especially wide spectrum of interests and reading audience.
- **Printing sector:** The printing sector includes the companies Multimedia SA and Iris Printing SA, operating in electronic pre-press and printing of all kinds of publications respectively.
- **Tourist sector:** The tourist sector includes the companies Eurostar SA and Triaina Travel – St Lagas operating in rendering tourist services through the operation of two travel agencies.
- **IT and new technologies sector:** The IT sector includes the companies DOL Digital SA and Ramnet SA operating the first and largest Greek internet portal "in.gr" (www.in.gr)
- **Other investments :** Includes the companies Ellinika Grammata SA, Michalakopoulou SA, Studio ATA SA, Ramnet Shop SA, As a result the Group comprises a wide spectrum of business covering publishing houses and bookstores, real estate, a TV productions studio, a distribution agency, company and an internet store (www.shop21.gr).

The Group recognizes the sales and the other transactions among the sectors as sales or transactions to third parties at current market prices.

There is no geographical separation, as the Group is active solely in Greece.

The following tables present information on revenue and profit as well as information on assets and liabilities that refer to the business sectors for the years ending on 31.12.2007 and 31.12. 2006.

SEGMENT REPORTING

1.1. - 31. 12. 2007

in euros	Publishing sector	Printing sector	Tourist sector	IT and New Technologies Sector	Other sectors	Total
Revenue						
Total sales	162.295.087,22	63.724.335,18	46.960.174,89	3.633.563,77	38.269.434,55	**314.882.595,61**
Intra-group sales	-4.082.821,73	-24.913.772,04	-1.850.495,89	-367.907,65	-1.549.060,43	**-32.764.057,74**
Sales to third parties	**158.212.265,49**	**38.810.563,14**	**45.109.679,00**	**3.265.656,12**	**36.720.374,12**	**282.118.537,87**
Results						
Operating Results	-3.358.482,51	2.019.522,36	1.895.060,34	571.994,90	-2.724.469,05	**-1.596.373,96**
Income from investments and securities	6.291.948,09	17.911,94	0,00	50.750,00	0,00	**6.360.610,03**
Net interest expenses	-1.268.823,20	-2.662.066,60	-163.883,28	-425.901,08	-1.331.101,65	**-5.851.775,81**
Profit before tax / (loss)	**1.664.642,38**	**-624.632,30**	**1.731.177,06**	**196.843,82**	**-4.055.570,70**	**-1.087.539,74**
Income tax expenses	-1.498.486,92	-122.711,30	-614.756,99	417.965,00	-1.662.856,55	**-3.480.846,76**
Minority interest	29.888,57	0,00	-50.238,90	-97.016,83	20.158,70	**-97.208,46**
Net profit / (loss)	**196.044,03**	**-747.343,60**	**1.066.181,17**	**517.791,99**	**-5.698.268,55**	**-4.665.594,96**
Other information						
Assets in sector	85.049.076,16	91.834.684,71	17.511.727,95	12.529.470,35	59.462.339,66	**266.387.298,83**
Investments in associates	31.211.793.52	0,00	0,00	0,00	0,00	**31.211.793,52**
Total assets	**116.260.869,68**	**91.834.684,71**	**17.511.727,95**	**12.529.470,35**	**59.462.339,66**	**297.599.092,35**
Sector liabilities	62.178.744,99	59.133.633,62	8.686.793,86	8.130.493,65	33.209.572,74	171.339.238,86
Capital expenditure (capital assets)	363.611,45	627.455,89	97.826,20	21.892,35	628.885,47	1.739.671,36
Additions in intangible assets	144.671,13	16.114,61	0,00	4.746,42	12.246,29	177.778,45
Depreciation of intangible assets	289.063,53	7.501,53	21.320,35	6.375,88	184.470,31	508.731,60
Depreciation of tangible assets	1.291.543,80	4.299.471,45	68.387,39	19.264,97	768.413,38	6.447.080,99

SEGMENT REPORTING						
1.1. - 31. 12. 2006						
in euros	in euros	in euros	in euros	in euros	in euros	in euros
Revenue						
Total sales	158.864.285,00	63.886.326,14	35.580.051,92	3.121.239,72	53.818.730,31	315.270.633,09
Intra-group sales	-4.809.974,06	-25.400.529,70	-3.796.729,84	-651.927,46	-3.842.109,32	-38.501.270,38
Sales to third parties	**154.054.310,94**	**38.485.796,44**	**31.783.322,08**	**2.469.312,26**	**49.976.620,99**	**276.769.362,71**
Results						
Operating Results	-836.258,12	2.773.036,55	415.575,90	1.037.258,68	1.629.215,66	5.018.828,67
Income from investments and securities	-7.068.402,39	26.478,52	752,23	28.000,00	0,00	-7.013.171,64
Net interest expenses	-1.370.388,42	-2.234.867,98	-212.472,99	-322.379,40	-1.046.554,92	-5.186.663,71
Profit before tax / (loss)	**-9.275.048,93**	**564.647,09**	**203.855,14**	**742.879,28**	**582.660,74**	**-7.181.006,68**
Income tax expenses	-1.109.613,02	-166.490,30	20.115,00	0,00	-505.714,31	-1.761.702,63
Minority interest	-114.004,23	0,00	-8.153,14	-129.112,42	10.279,12	-240.990,67
Net profit / (loss)	**-10.498.666,18**	**398.156,79**	**215.817,00**	**613.766,86**	**87.225,55**	**-9.183.699,98**
Other information						
Assets in sector	97.401.709,79	94.369.817,46	18.478.978,43	2.743.651,91	70.217.176,23	283.211.333,82
Investments in associates	29.068.722,25	0,00	0,00	0,00	0,00	29.068.722,25
Total assets	**126.470.432,04**	**94.369.817,46**	**18.478.978,43**	**2.743.651,91**	**70.217.176,23**	**312.280.056,07**
Sector liabilities	61.204.896,75	57.722.503,66	11.034.245,54	7.706.676,90	39.108.486,41	176.776.809,26
Capital expenditure (capital assets)	258.426,59	234.651,04	45.782,56	20.700,28	557.718,80	1.117.279,27
Additions in intangible assets	277.495,75	8.106,77	888,49	0,00	7.912,00	294.403,01
Depreciation of intangible assets	252.889,40	5.657,12	21.098,23	30.969,95	184.801,18	495.415,88
Depreciation of tangible assets	1.539.016,15	4.358.639,27	63.642,43	14.955,00	796.762,69	6.773.015,54

7. ANALYSIS OF THE TURNOVER

The analysis of the operations of the Group and the Company activity for the years ending on 31.12.2007 and 31.12.2006 is shown in the following table:

The Group				
Activity	1.1 - 31.12.2007		1.1 - 31.12.2006	
	euros	%	euros	%
Circulation income	74.080.678,17	50,4%	79.484.615,59	56,6%
Advertisement income	52.745.051,27	35,9%	48.562.616,71	34,6%
Income form complementary sales	12.979.790,51	8,8%	5.789.086,57	4,1%
Total Income from publishing operations	**139.805.519,95**	**95,1%**	**133.836.318,87**	**95,3%**
Income from services rendered	**6.737.889,91**	**4,6%**	**6.182.798,60**	**4,4%**
Income from the sale of by products	**470.951,91**	**0,3%**	**373.025,11**	**0,3%**
Total turnover	**147.014.361,77**	**100,0%**	**140.392.142,58**	**100,0%**

The sole sector that the Parent Company is active is the publishing.

The Group				
Activity	**1.1 - 31.12.2007**		**1.1 - 31.12.2006**	
	euros	**%**	**euros**	**%**
Circulation income	94.992.105,85	33,67	95.130.131,99	34,37
Advertisement income	59.372.168,06	21,05	55.741.594,31	20,14
Total income from publishing operations	**154.364.273,91**	**54,72**	**150.871.726,30**	**54,51**
Printing operations	**34.681.123,15**	**12,29**	**35.640.473,14**	**12,88**
Travel agency operations	**45.109.679,00**	**15,99**	**31.783.322,08**	**11,48**
Television operations	**25.127.851,28**	**8,91**	**26.230.891,61**	**9,48**
Retail sale of books and stationary	**9.189.801,03**	**3,26**	**12.401.176,93**	**4,48**
Call center operations	**0,00**	**0,00**	**7.673.575,17**	**2,77**
Pre-press	**4.516.682,02**	**1,60**	**3.288.203,44**	**1,19**
Internet advertisement income and subscriptions	**3.220.938,30**	**1,14**	**2.439.312,26**	**0,88**
Retail sales through mail order and the internet	**2.012.692,23**	**0,71**	**2.228.246,25**	**0,81**
Income from services rendered	**3.408.763,62**	**1,21**	**2.789.455,28**	**1,00**
Temporary employment fees	**0,00**	**0,00**	**993.954,34**	**0,36**
Wholesale of byproducts and waste	**486.733,33**	**0,17**	**429.025,91**	**0,16**
Total turnover	**282.118.537,87**	**100,00**	**276.769.362,71**	**100,00**

During the year 2006 the income from call center operations amounted 7.673.575,93 corresponded to ACTION PLAN SA and the income from temporary employment fee amounted to 993.954,94 corresponded to ACTION PLAN HR SA. Both subsidiary companies sold during the year 2007.

8. COST OF GOODS SOLD

The analysis of the cost of goods sold of the Group and the Company for the years ending on 31.12.2007 and 31.12.2006 is shown in the following table:

In euros	The Group		The Company	
	2007	2006	2007	2006
Consumptions	41.740.419,17	44.835.771,21	6.753.681,51	7.403.368,90
Salaries and wages	41.185.803,82	47.701.281,26	22.437.262,12	22.845.224,87
Third party allowances	60.333.681,52	48.786.242,92	53.888.800,91	48.551.064,22
Third party benefits	6.317.711,11	8.330.793,13	1.502.863,70	3.017.726,82
Taxes	458.961,94	0,00	56.789,37	0,00
Other	46.451.996,15	38.091.466,52	4.332.602,78	3.263.032,24
Cost of goods sold before depreciation	**196.488.573,71**	**187.745.555,04**	**88.972.000,41**	**85.080.417,05**
Depreciation included in cost of goods sold	5.545.770,67	6.113.839,36	595.491,03	1.111.137,53
Cost of goods sold after depreciations	**202.034.344,38**	**193.859.394,40**	**89.567.491,44**	**86.191.554,58**

During the year 2006 the cost of goods sold corresponding to ACTION PLAN SA and ACTION PLAN HR SA – the subsidiary companies sold during the year 2007- amounted to 7.162.263,41 euros.

9. ADMINISTRATIVE EXPENSES

The analysis of the administrative expenses of the Group and the Company for the years ending on 31.12.2007 and 31.12.2006 is shown in the following table:

in euros	The Group		The Company	
	2007	2006	2007	2006
Salaries and wages	12.299.673,96	9.952.706,17	8.026.249,74	5.572.598,54
Third party allowances	5.404.898,66	6.284.813,31	1.962.242,82	3.146.641,60
Rents	1.245.579,92	399.312,56	898.624,66	170.591,36
Third party benefits	2.291.782,82	1.610.853,68	1.559.272,14	780.103,72
Taxes	312.282,71	880.053,63	110.313,98	418.734,49
Travel expenses	297.049,06	582.076,31	246.492,78	521.769,74
Donations - sponsorships	173.494,59	91.788,30	147.747,93	75.109,71
Other	377.210,55	2.925.923,82	712.212,91	2.525.841,44
Administrative expenses before depreciation	**22.401.972,27**	**22.727.527,78**	**13.663.156,96**	**13.211.390,60**
Depreciation included in administrative expenses	1.004.523,31	690.705,60	800.946,24	467.497,89
Administrative expenses after depreciation	**23.406.495,58**	**23.418.233,38**	**14.464.103,20**	**13.678.888,49**

During the year 2006 the administrative expenses corresponding to ACTION PLAN SA and ACTION PLAN HR SA – the subsidiary companies sold during the year 2007- amounted to 669.092,84 euros.

10. SELLING EXPENSES

The analysis of the selling expenses of the Group and the Company for the years ending on 31.12.2007 and 31.12.2006 is shown in the following table:

in euros	The Group		The Company	
	2007	2006	2007	2006
Salaries and wages	10.438.800,47	9.271.906,55	6.731.485,56	4.920.615,06
Commission fees	29.164.704,81	28.546.406,81	26.085.107,59	25.836.000,62
Third party allowances	3.101.551,78	6.931.409,48	2.200.903,67	4.617.250,66
Third party benefits	2.220.056,76	2.246.350,59	1.171.007,85	1.031.099,19
Taxes	58.062,19	344.709,75	57.460,91	0,00
Advertising	8.969.476,34	8.136.329,24	6.938.399,50	6.151.631,98
Transportation	1.430.790,30	1.688.616,65	1.299.442,67	1.441.320,19
Special expenses	2.210.252,26	2.265.958,79	2.114.427,36	2.118.448,82
Other	3.479.163,38	2.154.648,05	940.339,29	570.994,77
Selling expenses before depreciation	**61.072.858,29**	**61.586.335,91**	**47.538.574,40**	**46.687.361,29**
Depreciation included in selling cost	405.518,61	463.886,46	135.035,21	156.404,10
Selling expenses after depreciation	**61.478.376,90**	**62.050.222,37**	**47.673.609,61**	**46.843.765,39**

During the year 2006 the selling expenses corresponding to ACTION PLAN SA and ACTION PLAN HR SA – the subsidiary companies sold during the year 2007- amounted to 470.751,11 euros.

11. OTHER OPERATING INCOME

The analysis of the other operating income of the Group and the Company for the years ending on 31.12.2007 and 31.12.2006 is shown in the following table:

in euros	The Group		The Company	
	2007	2006	2007	2006
Income from services rendered	760.531,50	492.096,32	974.320,01	786.222,63
Income from office space rents	800.438,56	813.890,83	647.765,94	713.555,69
Profit from tangible assets sales	27.050,95	169.024,32	38.314,86	163.064,79
Income from proceeds of bad debts	112.855,60	4.547.968,56	73.251,46	3.546.231,52
Foreign exchange differences	90.796,24	67.549,51	39.873,57	26.564,04
Other	1.594.884,62	1.777.431,62	35.637,73	261.013,35
Total	**3.386.557,47**	**7.867.961,16**	**1.809.163,57**	**5.496.652,02**

12. DEPRECIATION

The analysis of the depreciation of the Group and the Company for the years ending on 31.12.2007 and 31.12.2006 is shown in the following table:

in euros	The Group		The Company	
	2007	2006	2007	2006
Depreciation of tangible assets (note 19)	6.447.080,99	6.773.015,54	1.259.119,99	1.505.897,30
Amortization of intangible assets (note 20)	508.731,60	495.415,88	272.352,49	229.142,22
Total	**6.955.812,59**	**7.268.431,42**	**1.531.472,48**	**1.735.039,52**
Depreciation included in cost of production	5.545.770,67	6.113.839,36	595.491,03	1.111.137,53
Depreciation in administrative expenses	1.004.523,31	690.705,60	800.946,24	467.497,89
Depreciation in selling expenses	405.518,61	463.886,46	135.035,21	156.404,10

During the year 2006 the depreciation corresponding to ACTION PLAN SA and ACTION PLAN HR SA – the subsidiary companies sold during the year 2007- amounted to 35.108,56 euros.

13. EMPLOYEE SALARIES AND BENEFITS

The analysis of the employee salaries and benefits of the Group and the Company for the years ending on 31.12.2007 and 31.12.2006 is shown in the following table:

in euros	The Group		The Company	
	2007	2006	2007	2006
Salaries and wages	54.894.067,28	57.332.669,90	32.750.880,24	29.735.275,28
Employer's contributions	5.968.098,16	7.266.682,14	1.915.116,65	1.723.384,59
Pension cost (note 33)	2.919.544,00	2.242.167,59	2.400.040,00	1.578.830,00
Other personnel expenses	324.821,25	375.019,40	128.960,53	300.948,60
Total salaries and wages	**64.106.530,69**	**67.216.539,03**	**37.194.997,42**	**33.338.438,47**
Expenses included in cost of production	41.185.803,82	47.701.281,26	22.437.262,12	22.845.224,87
Expenses included in administrative expenses	12.299.673,96	9.952.706,17	8.026.249,74	5.572.598,54
Expenses included in selling expenses	10.438.800,47	9.271.906,55	6.731.485,56	4.920.615,06
Expenses included in R&D expenses	182.252,44	290.645,05	0,00	0,00

During the year 2006 the employee salaries and benefits corresponding to ACTION PLAN SA and ACTION PLAN HR SA – the subsidiary companies sold during the year 2007- amounted to 7.585.891,39 euros.

The average number of personnel of the Parent Company for the year 1.1.– 31.12.2007 was 812 employees (year 1.1.– 31.12.2006: 814 employees). and the average number of personnel of the Group for the year 1.1.– 31.12.2007 was 1.810 employees (year 1.1.– 31.12.2006: 2.356 employees from which ACTION PLAN SA and ACTION PLAN HR SA employed 480).

14. INCOME / EXPENSES FROM INVESTMENTS AND SECURITIES

The analysis of the income and expenses from investments and securities of the Group and the Company for the years ending on 31.12.2007 and 31.12.2006 is shown in the following table:

in euros	The Group		The Company	
	2007	2006	2007	2006
Income				
Valuation of investments (ARGOS SA and TILETIPOS SA) due to their consolidation using the net equity method	2.898.296,02	2.059.448,34	0,00	0,00
Profit from the valuation of listed securities	0,00	145.791,02	0,00	118.561,09
Reversal of impairment loss of the investment in the subsidiary company DOL DIGITAL SA	0,00	0,00	8.300.000,00	0,00
Profit from the sale of listed securities	4.063,60	758,20	4.063,60	758,20
Profit from the sale of the ACTION PLAN SA	3.698.674,04	0,00	0,00	0,00
Profit from the sale of the IRIS SA	0,00	0,00	0,00	6.072.699,90
Dividend received	51.937,60	80.415,02	1.971.735,26	1.381.814,35
Total income	**6.652.971,26**	**2.286.412,58**	**10.275.798,86**	**7.573.833,54**
Expenses				
Loss from the valuation of listed securities	286.421,86	0,00	304.333,80	0,00
Loss from the valuation of Ilissos SA	0,00	124.872,61	0,00	124.872,61
impairment of investment in TILETIPOS SA (due to its consolidation using the equity accounting method)	0,00	8.511.754,67	0,00	0,00
Corrective entry for FREEGATE SA	0,00	19.553,47	0,00	19.553,47
Tax and other expenses on the sale of shares	5.939,37	643.083,38	5.939,37	10,71
Loss from the valuation of M. Aggelies SA and loss from the sale of Action Plan SA & Action Plan H/R SA	0,00	0,00	1.079.155,93	0,00
Other expenses	0,00	320,09	0,00	320,91
Total expenses	**292.361,23**	**9.299.584,22**	**1.389.429,10**	**144.757,70**
Earnings / (loss) from investments and securities	**6.360.610,03**	**-7.013.171,64**	**8.886.369,76**	**7.429.075,84**

Applying IAS 36 and 39, the parent company, reversed partially the impairment loss of its investment in the subsidiary company DOL DIGITAL SA by 8.300.000 euros, that was recognized in the income statement of the period 1.1.-31.12.2007. The Company impaired this investment at the first adoption of I.A.S. by charging its net equity of 31.12.2005 with 17.695.882,08 euros. After the revaluation of this investment and the related resolution of the Board of Directors, the Company reversed partially the impairment provision. This reversal does not affect the consolidated earnings, as it is fully written off (for more details, see Note 2.e.

15. FINANCIAL INCOME / EXPENSES

The analysis of the financial income and expenses of the Group and the Company for the years ending on 31.12.2007 and 31.12.2006 is shown in the following table:

in euros	The Group		The Company	
	2007	2006	2007	2006
Financial Income				
Received interest from repos	71.489,75	24.402,22	0,00	5.635,18
Other interest received	49.099,44	87.642,00	16.834,51	19.887,45
Other financial income	73.512,79	6.749,19	60.658,22	1.803,39
Total financial income	**194.101,98**	**118.793,41**	**77.492,73**	**27.326,02**
Financial expenses				
Interest paid on long-term loans (Note 32)	2.255.904,66	1.823.454,15	429.275,67	458.473,58
Interest paid on short-term loans (Note 36)	3.397.630,62	3.076.300,48	578.915,21	653.193,22
Other financial expenses	392.342,51	405.702,49	13.786,32	15.470,24
Total financial expenses	**6.045.877,79**	**5.305.457,12**	**1.021.977,20**	**1.127.137,04**
Net financial earnings	**-5.851.775,81**	**-5.186.663,71**	**-944.484,47**	**-1.099.811,02**

16. INCOME TAX

The analysis of the income tax expense of the Group and the Company for the years ending on 31.12.2007 and 31.12.2006 is shown in the following table:

in euros	The Group		The Company	
	2007	2006	2007	2006
Income tax	1.045.020,54	773.062,81	573.006,64	0,00
Tax on distributed profits	577.581,68	0,00	577.581,68	0,00
Deferred income tax	634.102,33	594.718,10	129.572,00	847.880,00
Tax audit differences	1.089.828,57	225.390,00	0,00	0,00
Other taxes	134.313,64	168.531,72	39.797,61	72.135,70
Total income tax	**3.480.846,76**	**1.761.702,63**	**1.319.957,93**	**920.015,70**

According to the tax law passed in November 2004, the income tax rater for the fiscal year 2006 was set at 29% while for the fiscal year 2007 it was reduced to 25%.

Deferred income tax

The analysis of the deferred income tax of the Group and the Company for the years ending on 31.12.2007 and 31.12.2006 is shown in the following table:

in euros	Balance Sheet				Income Statement			
	The Group		The Company		The Group		The Company	
	31.12.2007	31.12.2006	31.12.2007	31.12.2006	1.1.-31.12.2007	1.1.-31.12.2006	1.1.-31.12.2007	1.1.-31.12.2006
Deferred tax liabilities								
Recognition of property in fair value as inferred cost	7.793.796,50	7.624.358,50	2.538.466,00	2.371.956,00	-169.438,00	708.472,00	-166.510,00	708.472,00
Other provisions, adjustment of intangible assets, write-off of borrowing cost	362,50	112,00	0,00	0,00	-250,50	25.893,00	0,00	0,00
Adjustment of depreciation of fixed assets on the basis of their useful life	2.255.093,00	1.979.417,50	0,00	0,00	-275.675,50	-286.406,00	0,00	0,00
Gross deferred tax liabilities	**10.049.252,00**	**9.603.888,00**	**2.538.466,00**	**2.371.956,00**	**-445.364,00**	**447.959,00**	**-166.510,00**	**708.472,00**
Deferred tax receivables								
Write-off of installation expenses that do not qualify for recognition as intangible assets	244.986,50	449.434,68	226.502,00	399.020,00	-203.929,18	-498.444,76	-172.518,00	-304.277,00
Valuation of buildings at their fair value	916.475,22	916.475,47	0,00	0,00	-0,25	0,75	0,00	0,00
Adjustment of provision for pension liabilities	3.391.716,96	3.221.061,58	2.814.131,00	2.658.495,00	221.677,38	323.667,95	155.636,00	245.979,00
Adjustment of provision for doubtful receivables	4.645.772,18	4.466.239,46	2.825.042,00	2.771.222,00	213.642,80	-280.162,54	53.820,00	-509.122,00
Adjustment of provision for inventory write off	6.612,00	722.027,00	0,00	0,00	-715.415,00	1,00	0,00	0,00
Other provisions	81.341,50	152.804,00	0,00	0,00	-71.462,50	-4.405,00	0,00	0,00
Tax deductible loss	2.059.188,00	1.859.773,50	0,00	0,00	367.271,50	-583.858,50	0,00	-988.932,00
Other items	0,00	524,00	0,00	0,00	-523,08	524,00	0,00	0,00
Gross deferred tax receivables	**11.346.092,36**	**11.788.339,69**	**5.865.675,00**	**5.828.737,00**	**-188.738,33**	**-1.042.677,10**	**36.938,00**	**-1.556.352,00**
Net deferred tax receivables	**5.079.373,14**	**5.716.072,22**	**3.327.209,00**	**3.456.781,00**				
Net deferred tax liabilities	**3.782.532,78**	**3.531.620,53**		**0,00**				
Deferred tax in income statement					**-634.102,33**	**-594.718,10**	**-129.572,00**	**-847.880,00**

On 31.12.2007 the deferred income tax corresponding to ACTION PLAN SA and ACTION PLAN HR SA – the subsidiary companies sold during the year 2007- amounted to 252.509 euros.
In addition to the above tax-deductible loss for which deferred tax was recognized, the Group has additional tax-deductible loss amounting to 27.724.965,24 euros, for which no deferred tax receivable was recognized because currently their tax utilization is deemed uncertain. According to the legislation the Group is entitled to utilize the above loss within a period of five years from the fiscal year in which they arose.

17. PROFITS / LOSS PER SHARE

The basic profit/(loss) per share is calculated by dividing the profit or loss that is allocated to the holders of common shares of the Parent Company over the weighted average number of common shares outstanding during the year.
For the purpose of the calculation of basic profit / (loss) the following were taken into consideration:
i) Profit or loss that is allocated to the shareholders of the Parent Company. It is noted that the Parent Company has not issued preferred shares, options or rights convertible to shares.
The earnings of the Company and the Group have no further adjustments.
ii) The average weighted number of common shares outstanding during the period, i.e. the number of common shares outstanding at the beginning of the periods 1.1.2006 and 1.1.2007 respectively) adjusted by the number of common shares issued during these years, multiplied by a factor of weighted duration of circulation. This factor is the number of days that such shares are outstanding in relation to the total number of days in the period.
During the year 2007 there was no change in the company's share capital. According to the above, the basic profit / (loss) per share for the Group and the Parent Company are as follows:

in euros	The Group		The Company	
	2007	2006	2007	2006
Net earnings allocated to the shareholders of the parent company for the basic earnings per share	**-4.665.594,96**	**-9.183.699,98**	**3.740.248,45**	**4.583.835,26**
Basic profit / (loss) per share	-0,0562	-0,1106	0,0451	0,0552
Number of common registered shares outstanding at the end of the period	83.000.000	83.000.000	83.000.000	83.000.000
Average weighted number of shares on the basis of the issue of bonus shares	83.000.000	83.000.000	83.000.000	83.000.000

There is no reason to quote diluted profit/ loss per share.

18. PROPOSED DIVIDENT PER SHARE

On March 4, 2008 the Company's Board of Directors proposed the distribution of dividend amounting to 4.150.000 € (full amount 0,05 € per share) from the profit of the fiscal year 2007 and the distribution of reserves from previous years. The dividend proposal is subject to approval by the General Meeting of the Shareholders. Under IFRS, the above dividend appears in the equity accounts of December 31, 2007. Following the approval of the distribution of dividend, the above amount will be moved from equity to other short-term liabilities. The dividend was distributed in the fiscal year 2005.

During the year 2007 the distribution of dividend amounting to 4.150.000 € (full amount 0,05 € per share) from the profit of the fiscal year 2006 and the distribution of reserves from previous years.

19. PROPERTY, PLANT AND EQUIPMENT

MOVEMENTS IN PROPERTY, PLANT AND EQUIPMENT

1.1.-31.12. 2007

The Group

in euros	Land	Buildings and installations	Machinery – Technical and other installations	Transportation vehicles	Furniture and other fixtures	Fixed assets under construction	TOTAL
Opening balance on 31.12.2006	**38.085.773,79**	**52.228.996,08**	**51.358.554,66**	**1.412.382,69**	**18.783.652,02**	**0,00**	**161.869.359,24**
Adjustment due to the sale of subsidiary companies	0,00	-105.392,50	0,00	0,00	-947.268,75	0,00	**-1.052.661,25**
Period's additions (+)	0,00	102.950,18	721.143,87	28.000,00	697.307,50	190.269,81	**1.739.671,36**
Period's deductions (-)	0,00	-235.380,95	-195.483,79	-172.957,66	-661.653,56	0,00	**-1.265.475,96**
Balance on 31.12.2007	**38.085.773,79**	**51.991.172,81**	**51.884.214,74**	**1.267.425,03**	**17.872.037,21**	**190.269,81**	**161.290.893,39**
Accumulated depreciation on 31.12.2006	**0,00**	**4.847.407,43**	**23.234.374,32**	**1.280.600,65**	**16.525.459,14**	**0,00**	**45.887.841,54**
Adjustment due to the sale of subsidiary companies	0,00	-23.576,54	0,00	0,00	-926.000,69	0,00	**-949.577,23**
Period's depreciation	0,00	1.372.672,55	3.891.672,62	51.320,29	1.131.415,53	0,00	**6.447.080,99**
Depreciation of deductions	0,00	-232.917,99	-192.122,40	-163.811,58	-621.078,15	0,00	**-1.209.930,12**
Depreciated total on **31.12.2007**	**0,00**	**5.963.585,45**	**26.933.924,54**	**1.168.109,36**	**16.109.795,83**	**0,00**	**50.175.415,18**
Net carrying amount on 31.12.2007	**38.085.773,79**	**46.027.587,36**	**24.950.290,20**	**99.315,67**	**1.762.241,38**	**190.269,81**	**111.115.478,21**
Net carrying amount on 31.12.2006	**38.085.773,79**	**47.381.588,65**	**28.124.180,34**	**131.782,04**	**2.258.192,88**	**0,00**	**115.981.517,70**

For the registered encumbrances on fixed assets of the Group, see Note 38.

On 31.12.2007 the above tangible assets include investments in land and buildings of a total acquisition cost of 1.166.697 euros. Their depreciation amounted to 12.538 euros for 2007 and to 12.538 euros for 2006.

In 2007 Lambrakis Press SA sold its participation in the share capital of the companies ACTION PLAN SA and ACTION PLAN HR SA.

On 31.12.2006 the acquisition cost of operational tangible assets of these companies amounted to 1.052.661,25 euros and their undepreciated net value to 103.084,02 euros.

MOVEMENTS IN PROPERTY, PLANT AND EQUIPMENT

1.1.-31.12.2007

The Company

in euros	Land	Buildings and installations	Machinery – Technical and other installations	Transportation vehicles	Furniture and other fixtures	Fixed assets under construction	TOTAL
Opening balance on 31.12.2006	**7.871.055,81**	**14.887.499,73**	**1.064.548,50**	**379.100,57**	**8.745.399,44**	**0,00**	**32.947.604,05**
Period's additions (+)			3.971,14		323.192,53		**327.163,67**
Period's deductions (-)				-145.829,09	-271.587,62		**-417.416,71**
Balance on 31.12.2007	**7.871.055,81**	**14.887.499,73**	**1.068.519,64**	**233.271,48**	**8.797.004,35**	**0,00**	**32.857.351,01**
Accumulated depreciation on 31.12.2006	**0,00**	**1.204.511,83**	**974.872,21**	**350.812,13**	**7.195.716,12**	**0,00**	**9.725.912,29**
Period's depreciation		374.173,15	66.712,81	9.033,24	809.200,79	0,00	**1.259.119,99**
Depreciation of deductions				-140.194,95	-256.789,30		**-396.984,25**
Depreciated total on 31.12.2007	**0,00**	**1.578.684,98**	**1.041.585,02**	**219.650,42**	**7.748.127,61**	**0,00**	**10.588.048,03**
Net carrying amount on 31.12.2007	**7.871.055,81**	**13.308.814,75**	**26.934,62**	**13.621,06**	**1.048.876,74**	**0,00**	**22.269.302,98**
Net carrying amount on 31.12.2006	**7.871.055,81**	**13.682.987,90**	**89.676,29**	**28.288,44**	**1.549.683,32**	**0,00**	**23.221.691,76**

The above tangible assets at 31.12.2007 include investments in real estate of an acquisition value of 13.173.158 euros. Their depreciation amounted to 135.549,01 euros for 2007 and to 135.549,01 euros for 2006.

20. INTANGIBLE ASSETS

MOVEMENTS IN INTANGIBLE ASSETS 1.1.-31.12.2007 The Group			
in euros	**Internally generated intangible assets**	**Software and other rights**	**Total**
Opening balance on 31.12.2006	**1.105.456,47**	**5.483.302,73**	**6.588.759,20**
Adjustment due to the sale of subsidiary companies	0,00	-1.031.688,43	**-1.031.688,43**
Period's additions (+)	0,00	177.778,45	**177.778,45**
Period's deductions (-)	0,00	-1.701,39	**-1.701,39**
Balance on 31.12.2007	**1.105.456,47**	**4.627.691,36**	**5.733.147,83**
Accumulated depreciation on 31.12.2006	**542.360,67**	**4.953.133,00**	**5.495.493,67**
Adjustment due to the sale of subsidiary companies	0,00	-1.031.351,24	**-1.031.351,24**
Period's depreciation	281.972,08	226.759,52	**508.731,60**
Depreciation of deductions	0,00	-1.011,63	**-1.011,63**
Depreciated total on **31.12.2007**	**824.332,75**	**4.147.529,65**	**4.971.862,40**
Net carrying amount on 31.12.2007	**281.123,72**	**480.161,71**	**761.285,43**
Net carrying amount on 31.12.2006	**563.095,80**	**530.169,73**	**1.093.265,53**

In 2007 Lambrakis Press SA sold its participation in the share capital of ACTION PLAN SA and ACTION PLAN HR SA. On 31.12.2006 the acquisition cost of the intangible assets of these companies amounted to 1.031.688,43 euros and their undepreciated net value to 337,19 euros.

MOVEMENTS IN INTANGIBLE ASSETS 1.1.-31.12.2007 The Company			
in euros	**Internally generated intangible assets**	**Software and other rights**	**Total**
Opening balance on 31.12.2006	**648.849,44**	**1.979.922,41**	**2.628.771,85**
Period's additions (+)	0,00	127.381,63	**127.381,63**
Period's deductions (-)	0,00	0,00	**0,00**
Balance on 31.12.2007	**648.849,44**	**2.107.304,04**	**2.756.153,48**
Accumulated depreciation on 31.12.2006	**389.309,67**	**1.705.490,76**	**2.094.800,43**
Period's depreciation	129.769,89	142.582,60	**272.352,49**
Depreciation of deductions	0,00	0,00	**0,00**
Depreciated total on **31.12.2007**	**519.079,56**	**1.848.073,36**	**2.367.152,92**
Net carrying amount on 31.12.2007	**129.769,88**	**259.230,68**	**389.000,56**
Net carrying amount on 31.12.2006	**259.539,77**	**274.431,65**	**533.971,42**

21. . INVESTMENTS IN SUBSIDIARIES, JOINTLY CONTROLLED AND ASSOCIATES COMPANIES.

The analysis of the investments in subsidiary, jointly controlled and associate companies of the Group and the Company for the years ending on 31.12.2007 and 31.12.2006 is shown in the following table:

INVESTMENTS IN ASSOCIATE COMPANIES						
The Group						
in euros	31.12.2007			31.12.2006		
	Acquisition cost	Share of profit/loss	Book value	Acquisition cost	Share of profit/loss	Book value
Mellon Group SA	733.675,72	-733.675,72	0,00	733.675,72	-733.675,72	0,00
Northern Greece Publishing SA	5.926.410,70	-3.949.713,70	1.976.697,00	5.693.900,00	-3.958.126,96	1.735.773,04
Argos SA	1.126.247,60	943.890,46	2.070.138,06	1.126.247,60	321.820,69	1.448.068,29
Tiletipos SA	34.316.255,89	-7.412.435,54	26.903.820,35	34.316.255,89	-9.001.103,20	25.315.152,69
Papasotiriou SA	2.054.310,52	-1.793.172,41	261.138,11	2.054.310,52	-1.484.582,29	569.728,23
Total	**44.156.900,43**	**-12.945.106,91**	**31.211.793,52**	**43.924.389,73**	**-14.855.667,48**	**29.068.722,25**

INVESTMENTS IN OTHER ENTITIES		
The Group		
in euros	31.12.2007	31.12.2006
	Book Value	Book Value
Phaistos SA	310.429,20	310.429,20
Ilissos Publishing SA	0,00	125.127,39
Interoptics SA	560.585,00	560.585,00
Total	**871.014,20**	**996.141,59**

On 31.12.2007 the affiliate companies Northern Greece Publishing SA, Argos SA and Apasotiriou SA were included in the consolidated financial statements of the Group applying the net equity accounting method using their net equity that was published in their financial statements of 31.12..2006; the company TILETYPOS SA with its net equity of 31.12.2007 and the company Mellon group SA with its net equity of 30.09.2007.
Lambrakis Press SA believes that on 31.12.2007 there will not be any significant changes in the consolidation of affiliates compared to 31.12.2006.

INVESTMENTS IN SUBSIDIARIES, JOINTLY CONTROLLED AND AFFILIATED ENTITIES		
The Company		
in euros	**31.12.2007**	**31.12.2006**
Affiliate Companies		
DOL DIGITAL SA	13.743.221,84	5.001.339,84
MULTIMEDIA SA	1.802.093,27	1.802.093,27
STUDIO ATA SA	2.816.287,83	2.816.287,83
ACTION PLAN SA	0,00	4.108.500,03
NEA AKTINA SA	44.460,75	44.460,75
EUROSTAR SA	6.784.832,00	6.784.832,00
SPECIAL PUBLICATIONS SA	0,00	0,00
ELLINIKA GRAMMATA SA	813.593,88	603.593,88
ACTION PLAN HR SA	0,00	2.349,00
MICHALAKOPOULOU SA	24.781.245,00	24.781.245,00
Total	**50.785.734,57**	**45.944.701,60**
Jointly controlled entities		
MIKRES AGGELIES SA	0,00	800.000,00
MC HELLAS SA	733.750,00	733.750,00
HEARST LAMBRAKIS PUBLISHING LTD	748.350,00	748.350,00
IRIS PRINTING SA	27.318.227,22	27.318.227,22
ILISSOS PUBLISHING SA	0,00	125.127,39
Total	**28.800.327,22**	**29.725.454,61**
Affiliates		
MELLON GROUP SA	733.675,72	733.675,72
NORTHERN GREECE PUBLISHING SA	5.926.410,70	5.693.900,00
ARGOS SA	1.126.247,60	1.126.247,60
TILETIPOS SA	34.316.255,89	34.316.255,89
PAPASOTIRIOU SA	2.054.310,52	2.054.310,52
Total	**44.156.900,43**	**43.924.389,73**

Applying IAS 36 and 39 the parent company effected a partial reversal of its impairment loss in the investment in the affiliated company DOL DIGITAL SA, amounting to 8.300.000 euros, that was recognized in the earnings of the period 1.1.-30.9.2007. This investment was impaired at the first adoption of IAS by the Company reducing the net equity of the company of 31.12.2005 by 17.695.882,08 euros. After the revaluation of this investment and the related resolution of the Board of Directors, the Company effected the partial reversal of the impairment loss. This reversal is not reflected in the consolidated earnings as it is fully written off. See Note 2.e for details.

In March 2007, Lambrakis Press SA acquired the remaining 49% of the share capital of the affiliate company Ellinika Grammata SA through the purchase of 13.867 shares owned by minority shareholders for a consideration of 210.000 euros.

By acquiring these minority shares, Lambrakis Press SA became the sole shareholder of the company Ellinika Grammata SA (holding 100%). This company has long been included in the consolidated financial statements of the Group. The acquisition of the remaining minority stake offers the Management of the Group increased flexibility to design and apply a strategy in the affiliated company aiming to exploit efficiently its position and its comparative advantage in the book market in order to improve its financial condition and rationalize its capital structure.

On August 31, 2006 the company EKDOSEIS ILISSOS SA that never went into business was set under liquidation and is no longer included in the consolidated financial statements of Lambrakis Group SA.

On June 30, 2007 Lambrakis Press SA effected a full impairment of its investment in the jointly controlled entity MIKRES AGGELIES SA, due to the latter's negative equity and the resolution to suspend its operation temporarily (suspension of the publication of the classified ads newspaper "Nees Aggelies"). Furthermore on 30.11.2007 Lambrakis Press SA participated in the rights issue of the company paying in cash 200.000,00 while it concurrently impaired the value of this participation.

Lambrakis Press SA participated in the rights issue of the associate company NORTHERN GREECE PUBLISHING SA paying in cash 232.510,70 and consequently increasing the value of its investment.

On July 24, 2007 Lambrakis Press SA purchased 75.000 shares of DOL Digital SA against a total amount of 441 thousand euros, consequently increasing its holding in the Company from 82,62% to 84,22%.

See note 2.f. concerning the investment of Lambrakis Press SA in the companies Action Plan SA and Action Plan HR SA.

As reported in Note 5.b the Group's investments in jointly controlled entities are accounted for in the consolidated financial statements using the method of proportional consolidation. The relevant amounts included in the consolidated financial statements of 31.12.2007 and 31.12.2006 are the following:

in euros	31.12.2007	31.12.2006
Fixed assets	60.424.347,76	64.016.791,03
Current assets	43.860.650,77	40.680.429,32
Short term liabilities	20.358.754,78	33.990.571,05
Total income	64.046.253,44	68.015.322,84
Total expenses	64.971.061,32	68.128.410,92

22. FINANCIAL ASSETS AVAILABLE FOR SALE

The financial assets available for sale are investments in the share capital of two non listed companies as follows:

in euros	The Group		The Company	
	31.12.2007	31.12.2006	31.12.2007	31.12.2006
M. Levis SA	18.745,80	18.745,80	18.745,80	18.745,80
Ekdoseis 4 SA	20.000,00	20.000,00	0,00	0,00
Total	**38.745,80**	**38.745,80**	**18.745,80**	**18.745,80**

23. INVENTORIES

The analysis of inventories of the Group and the Company for the years ending on 31.12.2007 and 31.12.2006 is shown in the following table:

in euros	The Group		The Company	
	31.12.2007	31.12.2006	31.12.2007	31.12.2006
Merchandise	3.724.455,90	4.411.930,21	2.448.717,73	2.561.942,44
Finished and unfinished goods, by-products and residuals	7.498.215,14	6.733.864,43	2.568.679,79	1.968.399,27
Work in progress	3.436.374,96	1.793.019,63	774.551,30	0,00
Raw and secondary materials, consumables, spare parts and packaging materials	8.729.282,78	8.990.604,56	2,92	228,73
Advance payments for purchases of inventories	2.312.949,22	3.311.382,21	0,00	0,00
Total	**25.701.278,00**	**25.240.801,04**	**5.791.951,74**	**4.530.570,44**

The movement of provisions for impaired inventory (referring to the classes of goods and merchandise) for the year 1.1- 31.12.2007 is the following:

in euros	The Group	The Company
Balance on 1.1.2007	**3.432.830,80**	**0,00**
Less: Usage of provision	3.467.721,96	0,00
Plus: Additional provision for the period	1.250.000,00	0,00
Balance on 31.12.2007	**1.215.108,84**	**0,00**

24. TRADE RECEIVABLES

The analysis of the trade receivables of the Group and the Company for the years ending on 31.12.2007 and 31.12.2006 is shown in the following table:

in euros	The Group		The Company	
	31.12.2007	31.12.2006	31.12.2007	31.12.2006
Domestic customers	73.263.384,19	75.638.625,14	32.457.809,93	28.251.180,33
Post-dated cheques receivable and promissory notes receivable	30.061.524,82	37.586.010,11	20.603.402,61	22.939.667,78
Foreign customers	694.072,15	1.048.204,85	254.767,60	257.446,95
Overdue cheques and promissory notes	5.071.906,00	4.780.641,09	11.458,49	11.458,49
Total trade receivables	**109.090.887,16**	**119.053.481,19**	**53.327.438,63**	**51.459.753,55**
Provisions for doubtful receivables	-21.602.350,19	-19.818.162,76	-12.066.463,47	-11.581.778,69
Total	**87.488.536,97**	**99.235.318,43**	**41.260.975,16**	**39.877.974,86**

The movement of provisions for doubtful receivables for the year 1.1- 31.12.2007 is the following:

in euros	The Group	The Company
Balance on 1.1.2007	**19.818.162,76**	**11.581.778,69**
Plus : provision for the year 1.1-31.12.2007	2.162.362,07	578.565,11
Less: Transfer of provisions to revenues after the reassessment of bad receivables	169.600,51	93.880,33
Less: Provisions of Action Plan SA & Action Plan HR SA	208.574,13	0,00
Balance on 31.12. 2007	**21.602.350,19**	**12.066.463,47**

On 31.12.2006 the provisions for doubtful debtors corresponding to ACTION PLAN SA and ACTION PLAN HR SA – the subsidiary companies sold during the year 2007- amounted to 208.574,13 euros.

25 OTHER SHORT TERM RECEIVABLES

The analysis of the other short term receivables of the Group and the Company for the years ending on 31.12.2007 and 31.12.2006 is shown in the following table:

in euros	The Group		The Company	
	31.12.2007	31.12.2006	31.12.2007	31.12.2006
Prepaid and withholding taxes	1.031.062,31	1.438.565,80	304.830,39	907.257,06
VAT receivable	641.911,87	689.588,66	108.483,29	44.805,80
Prepaid income tax	490.571,38	287.444,18	0,00	0,00
Accrued income	4.430.816,76	9.534.086,34	3.121.800,20	7.818.205,04
Prepaid expenses	3.256.116,36	2.226.662,61	2.577.810,08	1.202.945,50
Advance payments	839.578,14	924.601,87	201.591,95	61.620,18
Loans and advance payments to personnel	1.427.670,97	1.151.139,48	1.087.395,94	760.541,88
Other	2.792.178,98	2.503.587,32	242.903,78	255.787,88
Total	**14.909.906,77**	**18.755.676,26**	**7.644.815,63**	**11.051.163,34**

26. RECEIVABLES FROM AFFILIATED COMPANIES

The Company's receivables from the associate and subsidiary companies on .12.2007 amounted to 5.582.595,29 euros (31.12.2006 : 5.092.196,56 euros) and mainly referred to income from administrative, financial, accounting, legal, commercial and IT services rendered from Lambrakis Press SA renders to the above companies. The Group's receivables from the associate companies on 31.12.2007 amounted to 8.792.980,04 euros (31.12.2006 : 6.399.345,64 euros)

27. FINANCIAL ASSETS HELD FOR TRADING

The Company's investments held for trading pertain to shares listed on the Athens Stock Exchange and are detailed as follows:

in euros	The Group		The Company	
	31.12.2007	31.12.2006	31.12.2007	31.12.2006
Haidemenos SA	64.130,40	88.759,10	64.130,40	88.759,10
Microland Computer SA	2.830.824,36	2.648.446,32	2.552.799,90	2.388.333,80
Paper Pack I. Tsoukaridis SA	0,00	2.454.251,80	0,00	2.454.251,80
Total listed shares	**2.894.954,76**	**5.191.457,22**	**2.616.930,30**	**4.931.344,70**

In the context of restructuring the Lambrakis Press Group and the strategy of the Management to focus the Group's business activities exclusively on the media sector, Lambrakis Press SA sold on July 25, 2007 to the majority shareholder of the company PAPERPACK – I.TSOUKARIDIS SA, Mr. Ioannis Tsoukaridis and to persons nominated by him, the total number of shares in PAPERPACK – I.TSOUKARIDIS SA (1.452.220 shares, i.e. 36,736% of the company's share capital) that Lambrakis Press held for a total consideration of 2.004.064 euros through a block transaction on the Athens Exchange. Post transaction, Lambrakis Press SA does not hold any direct or indirect investment in the share capital of PAPER PACK – I. TSOUKARIDIS SA.

28. CASH AND CASH EQUIVALENTS

On 31.12.2007 and 31.12.2006 the cash and cash equivalents are detailed as follows:

in euros	The Group		The Company	
	31.12.2007	31.12.2006	31.12.2007	31.12.2006
Cash	334.095,39	261.006,46	75.509,29	30.837,27
Deposits with banks				
- Demand deposits	7.735.992,46	3.525.702,15	327.962,63	225.624,28
- Time deposits	0,00	0,00	0,00	0,00
Total	**8.070.087,85**	**3.786.708,61**	**403.471,92**	**256.461,55**

The deposits with banks are denominated in euros. The time deposits refer primarily to repos. The deposits with banks are subject to floating interest rates based on the monthly bank deposit interest rates.

29. SHAREHOLDERS' EQUITY, SHARE PREMIUM

On 31.12.2007, the issued, approved and fully paid-up share capital of the Company amounted to 45.650.000 euros, divided into 83.000.000 common shares, of 0,55 euros nominal value each and the share premium amounted to 89.759.298,10 euros. During the year 1.1-31.12.2007 was no change in the share capital of the Company.

30. RESERVES

On 31.12.2007 and 31.12.2006 the reserves are detailed as follows:

in euros	The Group		The Company	
	31.12.2007	31.12.2006	31.12.2007	31.12.2006
Statutory reserve	3.573.107,07	3.423.195,10	3.037.641,00	2.877.769,63
Tax exempt and specially taxed reserves	11.846.253,44	13.811.390,64	6.100.280,28	8.066.142,55
Special reserves	16.880,38	16.582,46	0,00	0,00
Other reserves	427.713,30	425.327,03	305.059,11	305.059,11
Total	**15.863.954,18**	**17.676.495,23**	**9.442.980,39**	**11.248.971,29**

Statutory reserves: According to the Greek commercial law, the companies are required to form a statutory reserve of at least 5% of their annual net profit, as these profits appear in their accounting books, until the accrued amount of the statutory reserve reaches at least 1/3 of the share capital. This reserve cannot be distributed to shareholders during the life of the Company.

Tax exempt and specially taxed reserves: They have been formed according to various laws. According to the Greek tax legislation, specially taxed reserves are exempt from income tax, provided that they will not be distributed to shareholders. This figure includes an amount of 571.951,76 euros of the parent company, the tax liability of which is already fully paid up.

31. DIVIDEND DISTRIBUTION

On May 24, 2007 the Annual General Meeting of the Shareholders approved the distribution of dividend amounting to 4.150.000 € (full amount 0,05 € per share) from the profit of the fiscal year 2006 and the distribution of taxed inventories from previous years. Beneficiaries of the dividend were all holders of shares of the Company at the closing of the Athens Stock Exchange of May 29, 2007. The payment of the dividend to the beneficiary shareholders commenced on June 7, 2007.

32. LONG TERM LOANS

The long term loans are analyzed as follows:

in euros	The Group		The Company	
	31.12.2007	31.12.2006	31.12.2007	31.12.2006
Bond loan	57.525.599,38	10.711.949,32	6.000.000,00	10.711.949,32
Syndicated loan	0,00	27.534.465,96	0,00	0,00
Long term loans	**57.525.599,38**	**38.246.415,28**	**6.000.000,00**	**10.711.949,32**
Portion of long term loans payable in the next year (note 36)	-6.838.712,00	-9.153.661,77	-3.000.000,00	-4.711.949,32
Grand total	**50.686.887,38**	**29.092.753,51**	**3.000.000,00**	**6.000.000,00**

The long term loans are payable as follows:

in euros	The Group		The Company	
	31.12.2007	31.12.2006	31.12.2007	31.12.2006
Payable in the next fiscal year	6.838.712,00	9.153.661,77	3.000.000,00	4.711.949,32
Payable from 1 to 5 years	26.873.560,00	28.208.562,25	3.000.000,00	6.000.000,00
Payable after 5 years	23.813.327,38	884.191,26	0,00	0,00
Total	**57.525.599,38**	**38.246.415,28**	**6.000.000,00**	**10.711.949,32**

Bond Loan issued by the jointly controlled company Iris Printing SA

On 27.7.2007 IRIS Printing SA issued a common (non-convertible) floating rate (Euribor plus margin) loan of initial amount of 85.000.000 euros, and a duration of 8 years. The bond loan is anticipated to be fully paid in 32 quarterly installments until 2015. The loan's disbursement by 14.8.2007, amounting to 70.000.000 euros, was allocated to the repayment of the company's syndicated loan and to the partial substitution of short term borrowing. The remaining loan amount of 15.000.000 euros was disbursed by 30.11.2007 and utilized by the company as medium-term working capital.

Bond loan issued by Lambrakis Press SA

On 29.7.2004 LP SA issued a common (non-convertible) floating rate (Euribor plus 1,10% margin) bond loan of an initial amount of 15.000.000 euros and a duration of 5,5 years plus a 1 year grace period, that is, the principal is anticipated to be fully repaid in 10 equal semi-annual installments of 1.500.000 euros each until July 30, 2009.

Bond Loan issued by the subsidiary company Ellinika Grammata SA

On 14.12.2007 Ellinika Grammata SA issued a common (non-convertible) floating rate (Euribor plus margin 1,00%) loan of initial amount of 10.000.000 euros, and a duration of 10 years. The bond loan is anticipated to be fully paid until 2017.The loan's was allocated to the substitution of short term borrowing and to be utilized by the company as medium-term working capital.

During the year 1.1.-31.12.2007 the total interest expense of long term loans of the Group amounted to 2.255.904,66 euros (1.1.-31.12.2006: 1.823.454,15 euros) and of the Company amounted to 429.275,67 euros (1.1.-31.12.2006: 458.473,58 euros) and is included in the interest expense in the attached income statement.

33. PROVISION FOR PENSION LIABILITIES

The pension liabilities were determined after an actuarial study.

The pension liabilities provision recognized in the income statement of the years ended on 31.12.2007 and 31.12.2006 has as follows :

in euros	The Group		The Company	
	31.12.2007	31.12.2006	31.12.2007	31.12.2006
Provision for pension liabilities	**13.616.222,88**	**13.048.391,46**	**11.256.525,00**	**10.633.979,00**

According to the Greek labour law each employee is entitled to compensation in case of retirement or dismissal from employment. The amount of compensation is related to the longevity of the employment and the salary of the employee at the time of dismissal or retirement. If the employee remains with the Company until his/her retirement, the employee is entitled to a benefit equal at least to 40% of the compensation he/she would be entitled to if he/she were dismissed from employment on the same date, unless otherwise provided for in the respective collective wage agreements. The Greek commercial law provides that the companies must form a provision pertaining to all personnel and at least for the liability created by retirement benefits (at least 40% of the total liability unless otherwise provided for in the respective collective wage agreements). This scheme is not financed. The pension liabilities were determined after an actuarial study.

The pension liabilities provision recognized in the income statement of the financial years ended on 31.12.2007 and 31.12.2006 has as follows :

	The Group		The Company	
	31.12.2007	31.12.2006	31.12.2007	31.12.2006
Accounting Entries according to IAS 19				
Present value of non financed liabilities	15.336.808,00	15.598.782,33	12.847.160,00	12.668.682,00
Unrecognized actuarial profit / loss	-1.720.585,12	-2.550.390,87	-1.590.635,00	-2.034.703,00
Net liability recognized on the balance sheet	**13.616.222,88**	**13.048.391,46**	**11.256.525,00**	**10.633.979,00**
Amounts recognized in the income statement				
Current service cost	1.100.766,50	1.137.362,11	806.454,00	787.657,00
Interest cost on benefit obligation	612.538,50	556.184,28	499.711,00	445.178,00
Cut-backs due to transfer of employees	0,00	-69.082,00	0,00	-3.601,00
Cost due to transfer of employees	0,00	68.768,52	0,00	0
Past service cost	0,00	0	0,00	0
Recognition of actuarial loss / (profit)	74.043,50	99.946,00	59.384,00	73.283,00
Regular expense in the income statement	**1.787.348,50**	**1.793.178,91**	**1.365.549,00**	**1.302.517,00**
Cost of additional benefits paid	29.603,00	424.706,.68	0,00	276.313,00
Cost of cut-backs / settlements / service termination	1.102.592,50	24.282,00	1.034.491,00	0
Total expense in the income statement	**2.919.544,00**	**2.242.167,59**	**2.400.040,00**	**1.578.830,00**
Changes in net liability recognized on the balance sheet				
Net liability at the beginning of the fiscal year	12.827.202,50	11.708.510,02	10.633.979,00	9.650.065,00
Benefits paid	-2.130.523,62	-902.286,15	-1.777.494,00	-594.916,00
Total expense recognized in the income statement	2.919.544,00	2.242.167,59	2.400.040,00	1.578.830,00
Net liability at year-end	**13.616.222,88**	**13.048.391,46**	**11.256.525,00**	**10.633.979,00**

The main assumptions that were applied in the actuarial valuation of pension liabilities (retirement and health care) are the following:

	31.12.2007	31.12.2006
Financing interest rate	4.8%	4.2%
Expected salary increase	3,5%	4,0%
Inflation	2,5%	2,5%

34. DEFERRED INCOME

Deferred income refers to state grants for fixed assets. The movement of these grants during the years 1.1.- 31.12.2007 and 1.1.-31.12.2006 was the following:

in euros	The Group		The Company	
	31.12.2007	31.12.2006	31.12.2007	31.12.2006
Opening balance of the year (1.1.2007 and 1.1.2006)	**1.741.272,24**	**4.034.956,05**	**0,00**	**0,00**
Difference due to the change of the consolidation method of IRIS PRINTING SA	0,00	-1.955.920,69	0,00	0,00
Additions	0,00	75.809,33	0,00	0,00
Depreciation	-366.267,11	-413.572,45	0,00	0,00
Closing balance of the year (31.12.2007 and 31.12.2006)	**1.375.005,13**	**1.741.272,24**	**0,00**	**0,00**

35. TRADE LIABILITIES

The trade liabilities included in the financial statements are analyzed as follows:

in euros	The Group		The Company	
	31.12.2007	31.12.2006	31.12.2007	31.12.2006
Domestic suppliers	36.279.188,76	26.350.974,40	21.594.820,42	13.171.689,17
Foreign suppliers	6.241.173,39	6.394.327,06	1.853.186,55	834.519,89
Post dated cheques payable	5.585.426,04	11.525.411,84	5.235.039,15	6.642.927,78
Promissory notes payable	0,00	43.957,53	0,00	0,00
Total	**48.105.788,19**	**44.314.670,83**	**28.683.046,12**	**20.649.136,84**

36. SHORT TERM BORROWING

Short term borrowings are overdrafts drawn from specific credit lines that the Company maintains with various banks. The utilization of these credit lines is shown below:

in euros	The Group		The Company	
	31.12.2007	31.12.2006	31.12.2007	31.12.2006
Available credit line	100.441.344,95	113.203.811,55	31.686.000,00	34.400.000,00
Unutilized credit line	-67.489.620,27	-53.883.809,86	-26.424.546,48	-28.950.000,00
Short term borrowing	**32.951.724,68**	**59.320.001,69**	**5.261.453,52**	**5.450.000,00**
Long term liabilities payable within 12 months (Note 32)	6.838.712,00	9.153.661,77	3.000.000,00	4.711.949,32
Short term borrowing	**39.790.436,68**	**68.473.663,46**	**8.261.453,52**	**10.161.949,32**

The short term borrowings for the year were denominated in euros.

The weighted average interest rate of short term borrowing on 31.12 2007 was 6% (5,5% for the year ended on 31.12 2006).

For the year 1.1.-31.12.2007 the group's interest expense of short term borrowing amounted to 3.397.630,62 euros (1.1.-31.12.2006: 3.076.300,48 euros) and the company's expense to 578.915,21 euros (1.1.-31.12.2006: 653.193,22 euros) These expenses are included in the interest expense of the attached income statement.

37. OTHER SHORT TERM LIABILITIES AND DEFERRED EXPENSES

Other short term liabilities and deferred expenses included in the attached consolidated balance sheet are analyzed as follows:

in euros	The Group		The Company	
	31.12.2007	31.12.2006	31.12.2007	31.12.2006
Advance payments of clients	3.787.519,02	6.522.096,17	2.429.576,29	5.367.017,32
Tax payable excluding income tax	3.295.806,55	4.145.072,15	1.488.025,64	1.448.203,88
Income tax payable	711.919,84	0,00	309.886,48	0,00
Insurance premia payable	2.225.454,28	2.553.203,69	967.592,23	844.244,89
Accrued expenses	13.224.247,25	12.899.515,16	4.490.203,51	5.121.674,52
Salaries and wages payable	586.536,68	172.738,93	561.687,29	82.074,22
Dividend payable	15.980,10	135.817,61	15.980,10	135.817,61
Deferred income	1.733.522,73	1.745.779,64	1.022.974,14	924.433,35
Other transitory accounts and creditors payables	3.136.682,98	3.004.575,65	1.502.659,59	1.242.860,11
Total	**28.717.669,43**	**31.178.799,00**	**12.788.585,27**	**15.166.325,90**

38. CONTINGENT LIABILITIES AND COMMITMENTS

- **Commitments from operating leases:** On 31.12.2007 the commitments from binding operating leases (minimum future lease payments) are analyzed as follows:

in euros	Future commitments from operating leases on 31.12.2007	
	The Group	The Company
Payable up to 1 year	487.997,93	333.105,27
Payable from 1 to 5 years	1.877.192,14	1.332.421,08
Total	**2.365.190,07**	**1.665.526,35**

- **Commitments from financial leases:** On 31.12.2007 the Group and the Company do not have any commitments for financial leases.

- **Commitments for capital expenditures**: On 31.12.2007 the Group and the Company do not have any commitments for capital expenditures.

- **Fiscal years not audited by tax authorities:** The Company has not been audited by the tax authorities for the fiscal years from 2000 to 2007. Furthermore, the affiliates of the Group have not been audited by tax authorities mainly for the fiscal years 2003 – 2007. As a result their tax liabilities are not considered final. In a probable future tax audit, the tax authorities may disallow some expenses, in this way increasing the taxable earnings of the Parent Company and its subsidiaries and may impose additional tax, fines and penalties. At this point in time, it is not possible to determine accurately the amount of additional taxes and fines that may be imposed as this depends on the findings of the tax audit and the negotiations that will follow. For this reason a relevant provision has not been formed in the attached interim financial statements.

COMPANIES INCLUDED TO CONSOLIDATED STATEMENT

COMPANY NAME	BUSINESS	GROUP HOLDING	METHOD OF CONSOLIDATION	FISCAL YEARS UNAUDITED BY THE TAX AUTHORITIES
1. SPECIAL PUBLICATIONS SA	**Magazine publishing**	100,00%	**FULL**	6
2. MULTIMEDIA SA	**Pre-press**	100,00%	**FULL**	5
3. MICHALAKOPOULOU TOURIST-REAL ESTATE SA	**Real estate**	100,00%	**FULL**	6
4. ELLINIKA GRAMMATA SA	**Publishing house - bookstore**	100,00%	**FULL**	1
5. STUDIO ATA SA	**TV productions**	**99,30%**	**FULL**	1
6. EUROSTAR SA	**Travel agency**	**95,50%**	**FULL**	3
7. TRIAINA TRAVEL - ST. LAGAS SA	**Travel agency**	**95,50%**	**FULL**	5
8. DOL DIGITAL SA	**Digital economy holdings - IT - internet**	**84,22%**	**FULL**	5
9. RAMNET SA	**IT applications - digital publications**	**84,22%**	**FULL**	5
10. RAMNET SHOP SA	**e-Commerce**	**84,22%**	**FULL**	5
11. NEA AKTINA SA	**Publishing**	**50,50%**	**FULL**	1
12. MC HELLAS SA	**Publishing**	**50,00%**	**PROPORTIONAL**	2
13. HEARST LAMBRAKIS PUBLISHING LTD	**Publishing**	**50,00%**	**PROPORTIONAL**	3
14. IRIS PRINTING SA	**Printing**	**50,00%**	**PROPORTIONAL**	2
15. MIKRES AGGELIES SA	**Publishing**	**33,33%**	**PROPORTIONAL**	2
16. MELLON GROUP SA	**Publishing**	**50,00%**	**NET EQUITY**	2
17. ARGOS SA	**Press distribution agency**	**38,70%**	**NET EQUITY**	1
18. NORTHERN GREECE PUBLISHING SA	**Publishing - printing**	**33,33%**	**NET EQUITY**	5

19. PAPASOTIRIOU SA	**Bookstore chain-publishing house**	**30,00%**	**NET EQUITY**	2
20. TILETIPOS SA	**Mega Channel TV station**	**22,11%**	**NET EQUITY**	8

- **Pending litigation against the company:** There is pending litigation against the parent company and associate companies of the Group arising mainly from articles in the newspapers, the final ruling on which is not expected to have a material impact on the financial status or operation of the Company or its Group. There is also pending litigation on a petition at the Administrative Court of First Instance of Athens filed by the jointly controlled entity IRIS PRINTING SA concerning the payment of additional contributions amounting to approximately 6,1 million euros to a pension fund. This petition is expected to stand at the Administrative Court of First Instance and so no financial liability is expected for the jointly controlled entity and the Group.

- **Registered encumbrances and collaterals:** There are no registered encumbrances on the fixed assets of Lambrakis Press SA . On the fixed assets of the subsidiary ELLINIKA GRAMMATA SA there is a prenotation of mortgage registered on 23.7.1999 amounting to 352 thousand euros securing bank loans.

39. DISCLOSURES OF RELATED PARTIES

- **Subsidiaries, associates and jointly controlled entities**

Trade and other contracts

Lambrakis Press SA has signed private contracts with the subsidiary MULTIMEDIA SA and the jointly controlled IRIS PRINTING SA according to which LAMBRAKIS PRESS SA assigns to them all the pre-press and printing work required for the group's publications.

The associate company ARGOS SA undertakes on a fee basis the handling and distribution of all the publications of the parent company and the group.

Additionally, LAMBRAKIS PRESS SA has signed private contracts with associates and subsidiaries according to which the former renders to the above companies administrative, financial, accounting, legal, commercial and IT services and holds leasing contracts mainly as lessor.

Finally, LAMBRAKIS PRESS SA has signed private contracts with subsidiaries and associates for advertisements running in the publications of LAMBRAKIS PRESS SA as well as advertisement barter agreements. Also, within its normal course of business LAMBRAKIS PRESS SA enters occasionally into agreements with subsidiaries that pertain to sales promotion, sales of goods, mutual rendering of services or editing publications. The financial scope of these agreements is very limited.

The transactions between DOL SA and its subsidiaries, associates and jointly controlled companies are the following (in euros):

Sales		Purchases		Dividends	
1.1-31.12.2007	1.1-31.12.2006	1.1-31.12.2007	1.1-31.12.2006	1.1-31.12.2007	1.1-31.12.2006
92.210.495,43	89.139.399,99	65.275.465,35	68.969.126,73	1.970.547,66	1.380.139,65

Receivables		Liabilities	
31.12.2007	31.12.2006	31.12.2007	31.12.2006
13.207.627,11	16.910.409,42	14.442.026,83	16.740.741,09

The commercial transactions of the above related parties are carried out in the context of the usual trade terms and practices of Lambrakis Press SA.

Granted guarantees

On 31.12.2007 and 31.12.2006 the guarantees granted by Lambrakis Press SA to the associate companies of the Group were the following (in thousand euros) :

Granted guarantees	2007	2006
DOL Digital SA	8.300,00	8.300,00
Studio ATA SA	1.291,27	1.291,27
Ramnet SA	1.500,00	1.500,00
Michalakopoulou SA	1.950,00	1.950,00
Action Plan SA	0,00	1.000,00
Eurostar SA	1.300,00	1.300,00
Triaena Travel SA	1.200,00	1.200,00
Special Publications SA	1.500,00	1.500,00
Ellinika Grammata SA	10.000,00	0,00
Other	200,00	200,00
Total	27.241,27	18.241,27

Companies in which Shareholders and Members of the Board of Directors of Lambrakis Press participate

On 31.12.2007 the Members of the Board of Directors and the major shareholders of the company (with a holding interest exceeding 5%) participate in the share capital of companies, as holders of interest of no less than 5% as follows:

Member of DOL SA Board of Directors	Company	Position in The Board of Directors / Administrator
Ch. D. Lambrakis	DOL Digital SA	President of the Board
Tr. I. Koutalidis	Tr. I. Koutalidis Law Office – Law Firm	Administrator
Sterghios Nezis	G. Dinos S Nezis Ltd "The Body Shop"	-
	Xanthi Nezi Ltd "The Body Shop"	-

DOL SA assigns its legal issues to the Tr. I. Koutalidis Law Office on a fee basis.

Companies having common management with DOL SA

In the year 1.1.-31.12.2007 the sales of Lambrakis Press SA to Athinaika Nea SA amounted to 265.619,30 euros (1.1.-31.12.2006: 261.754,54 euros) while there were no purchases (1.1.-31.12.2006: 48.129,00 euros). The Lambrakis Press receivables from Athinaika Nea on 31.12.2007 amounted to 745.599,05 euros (31.12.2006: 357.375,44 euros)

There were no transactions between Lambrakis Press SA and the public benefit institution Lambrakis Foundation other than office space rent of 66.453,50 euros plus miscellaneous expenses of 30.298,31 euros (during the period 1.1-31.12.2006 Lambrakis Press SA received from Lambrakis Foundation 67.164,00 euros in office space rents plus miscellaneous expenses of 32.807,03). In the year 1.1.-31.122007 Lambrakis Press SA did not make any donations to Lambrakis Foundation.

(d) Remuneration of the Board of Directors

During the year 1.1.-31.12.2007 the remuneration expenses for the Members of the Board of Directors that render their services to the Company as senior managers amounted to 1.766.171,33 euros ((resolution of the Shareholders Ordinary General Meeting held on 24.5.2007: 1.900.000 euros) while for the year 1.1.-31.12.2006 they amounted to 791.050,61 (resolution of the Shareholders General Meeting held on 31.5.2006: 730.000 euros).
The remuneration expenses for the members of the Board of Directors – except those Members rendering their services to the Company as senior managers - were setting by the Ordinary General Meeting of the Shareholders of 24.5.2007 at 1.570 euros monthly (financial year of 2006: 1.570 euros monthly) regardless of the number of sessions of the Board or other corporate bodies in which the members participate. During the year 1.1.-31.2.2007 remuneration expenses of a gross total of 120.890,00 euros were paid to the Members of the Board of Directors that were debited to the earnings of the year (1.1.-31.12.2006: 131.880,00 euros).

TRANSACTIONS AND REMUNERATION OF MANAGERS AND DIRECTORS				
in euros	The Group		The Company	
	1.1-31.12.2007	1.1-31.12.2006	1.1-31.12.2007	1.1-31.12.2006
Transactions and remuneration of managers and directors	8.624.061,61	7.686.389,22	5.177.269,15	4.481.272,71

RECEIVABLES FROM AND LIABILITIES TO MANAGERS AND DIRECTORS				
in euros	The Group		The Company	
	1.1-31.12.2007	1.1-31.12.2006	1.1-31.12.2007	1.1-31.12.2006
Receivables from managers and directors	0,00	0,00	0,00	0,00
Liabilities to managers and directors	0,00	0,00	0,00	0,00

40. SUBSEQUENT EVENTS

On 25.2.2998 Mr. Victor Restis purchased indirectly, through Benbay Limited, a company controlled by him, common registered voting shares of the company Lambrakis Press SA corresponding to 0,77% of the share capital and the total voting rights of the company. Prior to this change, Mr. Victor Restis owned indirectly, through Benbay Limited, 4,84% of the total share capital and the voting rights of Lambrakis Press SA, while after the aforementioned change the percentage of voting rights and share capital owned by Mr. Victor Restis stood at 5,61%

There are no other events after the balance sheet date which concern the company and disclosure of which is required by the International Financial Reporting Standards.

CERTIFICATION

The above «ANNUAL FINANCIAL STATEMENTS OF THE PARENT COMPANY AND ITS GROUP ON DECEMBER 31, 2007» and the attached «NOTES 1- 40» were approved by the Company's Board of Directors in its meeting on March 4, 2008.

Athens, March 4, 2008

THE PRESIDENT OF THE BOARD OF DIRECTORS	THE VICE PRESIDENT OF THE BOARD OF DIRECTORS AND MANAGING DIRECTOR	THE MEMBER OF THE BOARD OF DIRECTORS AND GENERAL MANAGER OF THE BUSINESS DEVELOPMENT CENTER	THE MEMBER OF THE BOARD OF DIRECTORS AND GENERAL MANAGER OF THE CORPORATE CENTER	THE ACCOUNTING MANAGER
CHRISTOS D. LAMBRAKIS Id No.: M 154944	STAVROS P. PSYCHARIS ID No.: Λ 352089	STERGIOS G. NEZIS ID No.: Ξ 305492	NICHOLAS J. PEFANIS ID No.: Ξ 199212	THEODOROS D. DOLOS ID No.: AE 103596 Reg.No.0001984 Class A'