

CH. K. TEGOPOULOS EDITIONS S.A.

**FINANCIAL STATEMENTS
FROM THE 1ST OF JANUARY TO 31ST MARCH 2006
COMPILED IN ACCORDANCE
WITH INTERNATIONAL FINANCIAL REPORTING STANDARDS THAT
HAVE BEEN ADOPTED BY THE EUROPEAN UNION**

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CH.K. TEGOPOULOS EDITIONS S.A.
FINANCIAL STATEMENTS 01.01.2006- 31.03.2006

1. BALANCE SHEET

	Notes	31.03.2006	31.12.2005
Assets			
Non current assets			
Tangible assets	6	69.668.951,95	70.589.943,06
Investments in properties		0,00	0,00
Biological financial assets		0,00	0,00
Immaterial financial assets		0,00	0,00
Investments in associates	7	3.292.746,60	3.292.746,60
Deffered income tax	8	3.948.581,36	3.879.787,50
Derivative financial assets		0,00	0,00
Trade receivables and other receivables	9	21.145,18	21.120,18
		76.931.425,09	77.783.597,34
Current assets			
Inventories	10	5.233.781,55	3.982.663,06
Biological financial assets		0,00	0,00
Trade receivables and other receivables	11	30.890.397,01	33.654.383,57
Financial assets available for sale	12	4.983.787,37	15.211.495,80
Financial assets that are valued to the reasonable price through the results		0,00	0,00
Cash and cash equivalents	13	6.057.546,69	2.732.613,24
Financial assets in disposal		0,00	0,00
		47.165.512,62	55.581.155,67
Total of assets		124.096.937,71	133.364.753,01
Equity			
Capital & Capital reserves given to the shareholders of the parent company			
Share Capital	14	27.273.817,00	27.273.817,00
Above par	14	51.396.268,09	51.396.268,09
Own Shares		0,00	-1.085.311,77
Reserves at fair value	14	8.408.264,14	8.408.264,14
Exchange differences		0,00	0,00
Other reserves	14	2.733.010,15	794.645,45
Retained earnings	14	-19.184.332,26	-17.270.166,73
Assets of equity that are related to financial assets that are in disposal		0,00	0,00
		70.627.027,12	69.517.516,18
Minority rights		0,00	0,00
Total of equity		70.627.027,12	69.517.516,18
LIABILITIES			
Long term liabilities			
Loans	15	10.930.000,00	15.100.000,00
Deffered income tax	8	4.580.022,69	4.520.348,67
Provision for pension liabilities	16	9.115.995,48	8.946.228,44
Other Provisions	16	2.083.841,71	2.083.841,71
Grants for investments in fixed assets	17	2.456.539,35	2.540.998,79
		29.166.399,23	33.191.417,61
Short term liabilities			
Suppliers and other liabilities	18	20.903.511,36	19.353.830,78
Current Income tax		0,00	0,00
Short term borrowing	15	3.400.000,00	11.165.660,51
Provisions and other liabilities		0,00	136.327,93
		24.303.511,36	30.655.819,22
Total of Liabilities		53.469.910,59	63.847.236,83
Total of Equity and Liabilities		124.096.937,71	133.364.753,01

**TABLE OF CHANGES IN EQUITY FOR THE PERIOD
 1st JANUARY - 31st MARCH 2006**

		<u>31.03.06</u>	<u>31.03.05</u>
	Notes		
Revenue (Sales)	19	26.966.005,72	26.565.981,87
Cost of sales	21	20.211.290,20	19.233.588,30
MIXED OPERATING RESULTS		<u>6.754.715,52</u>	<u>7.332.393,57</u>
Other Operating Income	19	219.275,19	198.040,63
TOTAL OF MIXED OPERATING RESULTS		<u>6.973.990,71</u>	<u>7.530.434,20</u>
Expenses of administrative functioning	21	1.137.122,13	1.153.714,05
Expenses of functioning selling	21	8.619.086,57	6.548.484,81
Operating Gains		<u>-2.782.217,99</u>	<u>-171.764,66</u>
Income from non functioning activities			
Gains from participations and interest income	19-20	1.071.826,69	532.050,20
Gains from sales of net equity		0,00	0,00
Income of previous years		0,00	0,00
Other income		0,00	0,00
		<u>-1.710.391,30</u>	<u>360.285,54</u>
Expenses of non functional activities			
Debit interest expense and similar charges	21	212.894,07	12.107,73
Expenses of previous years		0,00	0,00
Other expenses		0,00	0,00
		<u>-1.923.285,37</u>	<u>348.177,81</u>
TOTAL NET RESULTS before taxes		<u>-1.923.285,37</u>	<u>348.177,81</u>
Taxes	22	9.119,84	-
INCOME/ (LOSS) OF THE PERIOD AFTER TAXES		<u>-1.914.165,53</u>	<u>-</u>
Gains per share	25	-0,035	0,006

CASH FLOW STATEMENT

	1/1/2005 31/3/2006	1/1/2004 31/3/2005
Cash flows related to Operating Activities		
Net Profit before taxes	-1.923.285,37	348.177,81
Adjustments in respect of non - cash transactions :		
Depreciation and amortisation	1.122.171,15	1.038.924,85
Provisions	285.220,22	27.074,55
Other non cash assets	0,00	16.139,42
Exchange rate differences	0,00	0,00
Net cash (income, expenses, profit and loss) from investing activities	-1.071.826,69	-532.050,20
Interest expense and similar charges	212.894,07	12.107,73
Operating profit before adjustments of working capital or that are related to the Operating Activities:		
Decrease/ (increase) of Inventories	-1.251.118,49	67.121,40
Decrease / (increase) of Receivables	4.365.789,23	6.197.228,39
(Decrease)/increase of payable accounts (except Banks)	1.177.405,77	-3.270.812,30
Less :		
Interest paid and similar expenses	-212.894,07	-12.107,73
Income tax paid	-1.474.916,32	-128.940,35
Net cash inflows/(oytflows) generated from Operating Activities (a)	1.229.439,50	3.762.863,57
Cash Flows related to Investing Activities		
Purchase of subsidiaries, associates and other investments	0,00	-5.300.974,17
Purchases of tangible and intangible assets	-201.180,05	-142.060,96
Proceeds from sale of tangible and intangible assets	1.000,00	0,00
Proceeds from sale of available financial assets	14.235.800,01	0,00
Interest received	11.826,69	24.770,76
Dividends received	0,00	507.279,44
Net cash inflows/(outflows) generated from Investing Activities (b)	14.047.446,65	-4.910.984,93
Cash Flows related to Financing Activities		
Proceeds from increase of the participial capital	0,00	0,00
Proceeds from issuance of loans	1.565.077,60	0,00
Repayment of loans	-13.500.738,11	0,00
Repayment of finance lease liabilities (annuity)	-16.179,35	0,00
Dividends paid	-112,84	-16,73
Net cash inflows/(outflows) generated from Financing Activities (c)	-11.951.952,70	-16,73
Net increase/(decrease) in cash and cash equivalents for the period (a) + (b) + ©	3.324.933,45	-1.148.138,09
Cash and cash equivalents at beginning of period	2.732.613,24	9.566.361,87
Cash and cash equivalents at end of period	6.057.546,69	8.418.223,78

III. Table of changes in equity

	Share Capital	Above Par	Own Shares	Inventories at fair value	Other Inventories	Accumulated losses	Total Equity
Balance 01.01.2004	16.364.290,20	92.852.469,93		8.037.339,86	9.257,37	-8.830.608,30	108.432.749,06
Changes in method and error corrections							0,00
Corrected balance	16.364.290,20	92.852.469,93	0,00	8.037.339,86	9.257,37	-8.830.608,30	108.432.749,06
- Valuation of available-for-sale financial assets							0,00
• Profit from valuation					303.349,56		303.349,56
- Income Tax To and Forth Equity						-191.814,19	-191.814,19
Net profit (loss) recognized in equity	0,00	0,00	0,00	0,00	303.349,56	-191.814,19	111.535,37
- Profit/Loss for the period					653.060,55	4.066.117,92	4.719.178,47
Total profit (loss) for the period	0,00	0,00	0,00	0,00	956.410,11	3.874.303,73	4.830.713,84
- Dividend payable						-7.091.192,42	-7.091.192,42
- Own shares							-1.324.224,57
Balance 31.12.2004	16.364.290,20	92.852.469,93	-1.324.224,57	8.037.339,86	965.667,48	-12.047.496,99	104.848.045,91
Balance 01.01.2005	16.364.290,20	92.852.469,93	-1.324.224,57	8.037.339,86	965.667,48	-12.047.496,99	104.848.045,91
- Revaluation of property, plant and equipment				370.924,28			370.924,28
- Valuation of available-for-sale financial assets							0,00
• Loss from valuation					-171.022,03		-171.022,03
Net profit (loss) recognized in equity	0,00	0,00	0,00	370.924,28	-171.022,03	0,00	199.902,25
- Profit/Loss for the period						-1.434.199,46	-1.434.199,46
Total profit (loss) for the period	0,00	0,00	0,00	370.924,28	-171.022,03	-1.434.199,46	-1.234.297,21
- Dividend paid						-3.788.470,28	-3.788.470,28
- Raise of share capital	10.909.526,80						10.909.526,80
- Capitalization - Distribution of reserves - Decrease of Capital		-41.456.201,84					-41.456.201,84
- Own Shares							238.912,80
Balance 31.12.2005	27.273.817,00	51.396.268,09	-1.085.311,77	8.408.264,14	794.645,45	-17.270.166,73	69.517.516,18
Balance 01.01.2006	27.273.817,00	51.396.268,09	-1.085.311,77	8.408.264,14	794.645,45	-17.270.166,73	69.517.516,18
- Revaluation of property, plant and equipment				0,00			0,00
- Valuation of available-for-sale financial assets							0,00
• Loss from valuation					1.938.364,70		1.938.364,70
Net profit (loss) recognized in equity	0,00	0,00	0,00	0,00	1.938.364,70	0,00	1.938.364,70
- Profit/Loss for the period						-1.914.165,53	-1.914.165,53
Total profit (loss) for the period	0,00	0,00	0,00	0,00	1.938.364,70	-1.914.165,53	24.199,17
- Revaluation of property, plant and equipment				0,00			0,00
- Capitalization - Distribution of reserves - Decrease of Capital		0,00					0,00
- Sale of own Shares				1.085.311,77			1.085.311,77
- Dividend paid						0,00	0,00
Balance 31.12.2005	27.273.817,00	51.396.268,09	0,00	8.408.264,14	2.733.010,15	-19.184.332,26	70.627.027,12

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Notes to the financial statements

Prepared in accordance with

International Financial Reporting Standards (IFRS)

1 January 2005 - 31 March 2006

(Amounts reported in Euro)

1. General Information

- Presentation of the financial statements and adoption of International Financial Reporting Standards

The accompanying Financial Statements have been prepared in accordance with International Financial Reporting Standards (IFRS).

The accounting books and records of the company are kept according to Greek GAAP. Provided that these financial statements are not consistent with IFRS' s in all respects, the interim financial statements have been appropriately adjusted (page 20).

- Establishment of Company

The company was established in 1974 (Gov. Gazz. 1625/23.07.74) and its duration was set to 100 years, that is, until 22.07.2074.

The company is subject to Greek Legislation, is a Limited Liability company and operates according to L. 2190/20.

- Object of the Company is according to article 2 of its Articles of Association:

1. The carrying out of any publication process on installations and non-installations of the Company, on its own behalf or on the behalf of third parties, the publication of any kind of newspaper, books, magazines and generally any kind of publication, published domestically or abroad, their circulation and trade domestically and abroad, the production and trade of any kind of educational material, trading of paper and representation of foreign publishing houses and houses that produce or trade paper, as also the performance of any similar to the above activities of the business and participation in other Companies or Enterprises, domestic or foreign, pursuing same or similar objectives.
2. The establishment and participation in radio and television stations, in companies providing audiotex services, telemarketing and generally in companies that provide any kind of service via electronic means.

3. Brokerage and distribution of any kind of newspaper, books magazines and generally every kind of publication as well as also the establishment and participation in companies with same objectives.
4. The supply of any kind of services relative to the internet as well as also the establishment and participation in companies that provide such services.
5. The production of TV series and films and generally the production of any kind of audiovisual products as well as also the establishment and participation in companies with this objective.
6. The supply of any kind of telecommunication services as well as also the establishment and participation in companies with this objective.
7. The investment of the company's cash and cash equivalents in movables of any nature.
8. The establishment of companies or the participation in other companies, enterprises or joint ventures whose objective is either connected directly or indirectly with the object of the company or also independent from it, indicatively such as research, construction, hotel, touristic, airline, shipping, advertising, exhibition, banking and investment companies.

2. Summary of significant accounting policies

2.1 Historical Cost Convention

The financial statements have been prepared under the historical cost convention, except for the revaluation of land and buildings prepared under fair value.

The preparation of the financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies.

2.2 Foreign currency translation

Foreign currency transactions are accounted for using the exchange rates prevailing at the dates of the transactions.

All receivables and liabilities in foreign currency is measured in Euro using the closing rate at the date of the Balance Sheet.

All resulting debit or credit exchange differences are taken to the income statement of the period.

2.3 Depreciation

Non-current assets

The company's non-current assets are depreciated according to the following rates:

	%
Buildings & other installations	2-2,5

Improvements on third party property	20
Plant & machinery	8
Furniture & utensils	20-24
Transportation equipment	11-15

2.4 Property, plant and equipment (measurement)

Property, plant and equipment (PPE), except for land is shown at cost less subsequent depreciation and impairment loss. Cost includes expenditure that is directly attributable to the acquisition of the items. Cost may also include transfers from equity of any gains/losses on qualifying cash flow hedges of foreign currency purchases of PPE.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

Land is shown at fair value, based on valuations by independent valuers, less subsequent depreciation and impairment loss. Land is revalued at regular time periods so that the carrying amount does not differ to the fair values at the closing dates of the Balance Sheet.

Increases in the carrying amount arising on revaluation of land at fair value is credited to other reserves in shareholders' equity, except if it concerns to reversal of decreased revaluation (devaluation) of a specific land that had been recognised in expenses. In this circumstance an equal amount of the revaluation is recognised in income.

Decreases in the carrying amount arising on revaluation, are recognised in expenses after firstly writing off any set up revaluation surplus for the specific asset.

2.5 Taxation

Income tax is calculated on the taxable profit for the period with the each time effective rate (29% for the year 2006, 32% for the year 2005). The taxable profit differ from the company's net profit as disclosed in the financial statements, since they do not include income or expenses that are not taxed or accepted as deductible in other years and do not include amounts which are never taxed or accepted as deductible.

Deferred income tax is the tax either due or payable owing to time difference between income tax payment or tax recognition of expenses and it is accounted for to the extent that it is probable that future taxable profit will be available.

Deferred income tax liability is recognised mainly for all the temporary differences and deferred income tax assets are recognised to the extent that it is probable that future taxable profit will be available and be set off with the respective arising deferred income tax liability.

The amounts of deferred income tax (assets and liabilities) are reviewed at each Balance Sheet date and are reconsidered if payable, taking into account new facts and coincides that affect the availability of future taxable profit for their development.

Deferred income tax is determined using tax rates that have been enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax is charged or credited to the income statement, except when it relates to items transferred directly to equity in which case the deferred tax has the same accounting treatment.

2.6 Inventories (merchandise-products-disposals-spare parts)

Inventories are stated at the lower of cost and net realisable value. Cost is determined using the Weighted Average Cost of balances. Net realisable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses.

2.7 Revenue

Revenue is accounted for on its realisation and mainly represents income from sale of newspapers, advertisements and income from printing on behalf of third parties.

2.8 Impairment of assets

At each Balance Sheet date the company's management reviews the carrying amount of property, plant and equipment in order to determine if these assets have been subjected to impairment. No such indication existed at 31.03.2006.

2.9 Investments in associates

- Investments in associates are stated at their fair value: a) the listed on the Athens Stock Exchange at the average market capitalisation during the last month of the period, b) the unlisted on the Athens Stock Exchange at cost initially and then is reduced or increased the cost based on the equity method of each associate company.

- Consided financial statements are not reported due to minimal significance (our participation is bigger than 50%) for the companies(FOTOEKDOTIKI S.A. 90% - EPSILON NET 51% - EPSILON GRAPHIC ARTS EDITIONS S.A. 100%).

2.10 Trade receivables

Trade receivables are measured at nominal value of receivables after being reduced by bad receivables.

2.11 Creditors

Creditors are measured at nominal value of liabilities.

2.12 Employee benefits

According to the Greek Labour Law, the company has an obligation to pay all employees a specific benefit on retirement. This benefit is due on retirement and is equal to 40% or 70% of the amount dependent on factors:

- a) years of service at company
- b) monthly salary during the year of retirement and
- c) other factors as specified by the relative legislation

This liability is determined as present value of the defined benefit obligation together with actuarial factors existing at the Balance Sheet date.

The company assigned the above calculation to independent actuaries and the estimated obligation at 31/03/2006 is included and presented in the financial statements. Obligation that concerns previous years has been separated and charged directly to Shareholders' equity until 31.12.2004 and the obligation that concerns the period from 01.01.2005 until 31.03.2006 has been charged to the income statement.

The company has not adopted any kind of investment and security plan for the availability of required funds to face this obligation when arisen.

2.13 Investments

The company classifies its investments in the following categories:

a) Financial assets at fair value through profit or loss

A financial asset is classified in this category if acquired principally for the purpose of selling including also derivatives.

b) Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities that the Company has the positive intention and ability to hold to maturity.

c) Available-for-sale financial assets

Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless management intends to dispose of the investment within 12 months of the balance sheet date.

Purchases and sales of investments are recognised on trade-date-the date on which the company commits to purchase or sell the asset. Investments are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Investments are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the Company has transferred substantially all risks and rewards of ownership. Available-for-sale financial assets and financial assets at fair value through profit or loss are subsequently carried at fair value until sold or impaired. At sale or impairment the gains and losses are transferred to the income statement.

The fair values of quoted investments are based on current bid prices. If the market for a financial asset is not active, the Company establishes fair value by using valuation techniques. These include the use of recent arm's length transactions, reference to other instruments that are substantially the same, discounted cash flow analysis, and option pricing models refined to reflect the issuer's specific circumstances.

2.14 Government grants

The Government grants for staff training or other expenses are recognised in the income statement over the period necessary to match them with the costs that they are intended to compensate.

Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred government grants and are credited to the income statement on a straight line basis over the expected lives of the related assets.

2.15. Predictions

- The management of the company audits the collectivity of the demands in frequent time spaces. For any probable unsafe, a prediction is being held
- The company also holds predictions for probable refunds of the personnel and probable differences in tax auditing.

3. Financial Risk Management

- Prices risk: There is no exchanging risk due to the fact that there are no exchanges in foreign currency.
- Credit risk : Credit risk is feasible only for earnings from different inserts. The management of the company attends this risk on a constant basis and evaluates the need to take further guarantees.
- Liquidation risk : Due to the fact that 70% of the earnings comes from sales through agents there is no such risk.
- Cash flow risk : This can pure from the rise of interest for the debenture loans. It is of crucial importance to mention that the value of the loans is very small in comparison with the total of the liabilities of the

company.

4. Important Accounting Estimations

The estimations and Judgements of the company's management are reevaluated constantly and are based on historical facts and future evaluations.

5. Information in section of activity

The main activity of the company is the publication of newspapers, "ELEFROTERTYPIA" together with its inserts ("E-9, E-PROTOPOROI, BIBLIOTHIKI, GEOTROPIO"), "E- YGEIA & DIATROFI", KYRIAKATI KI ELEFROTERTYPIA, together with its inserts (the magazine "EPSILON", "ECONOMIA", "7", "ON-OFF", "LE MONDE DIPLOMATIQUE", "GOURMET", "TO PEMPTO GRAMMA") and the newspaper of classified advertisements "CHRYSI EFKAIRIA" with the inserts "FOTO AUTO MOTO", "BUSINESS", "REAL ESTATE", "AUTO MOTO". The commercial exploitation of the advertisements of the newspaper "CHRYSI EFKAIRIA" is also made via internet (at the website address www.xe.gr).

The company's income mainly comes from the sale of newspapers and from the advertisement entries made in the newspapers and its inserts.

Moreover, the company has income from printing on behalf of third parties, at its factory situated in Koropi Attica, as well as income from sales of merchandise through offers at very low prices.

Are in detail as follows:

• Merchandise sales	2.870.271,34
• Finished goods Sales	14.812.571,70
• Other reserves sales	188.274,94
• Income from services rendered	<u>9.094.887,74</u>
	26.966.005,72

Finally, there is no reason for further information in section of activity because the total of the earnings comes primarily from publishing section and secondly from the printing section.

6. TABLE OF ADJUSTMENT OF THE OPENING NET EQUITY OF THE PERIOD (01.01.-31.03.2006)

	Balance 31/12/2005	Additions	Disposals	Total 31/03/2006	Depreciation at 1/1/2006	Additions 58.66	Readjustment	Disposals	Depreciation at 31/03/2006	Net carrying amount
Land Minoos 10 - 16, N. Kosmos	5.823.318,00			5.823.318,00	0,00				0,00	5.823.318,00
Land (Proportion Apt. C2 Pytheou 96)	40.263,00			40.263,00	0,00				0,00	40.263,00
Land (Proportion Basement Y5 Pytheou 96)	13.577,00			13.577,00	0,00				0,00	13.577,00
Land (Proportion Basement Y1 Pytheou 96)	13.577,00			13.577,00	0,00				0,00	13.577,00
Land at Koropi	8.419.600,00			8.419.600,00	0,00				0,00	8.419.600,00
	14.310.335,00	0,00	0,00	14.310.335,00	0,00	0,00	0,00	0,00	0,00	14.310.335,00
Building Minoos 10 N. Kosmos	9.179.817,94			9.179.817,94	458.397,61	57.373,86			515.771,47	8.664.046,47
Apartment Pytheou 96	43.504,62			43.504,62	2.175,24	271,91			2.447,15	41.057,47
Basement /Y-5 Pytheou 96	19.726,15			19.726,15	986,30	123,29			1.109,59	18.616,56
Basement Y 1 Pytheou 96	19.726,15			19.726,15	986,30	123,29			1.109,59	18.616,56
Building Koropi	18.296.819,97	62.750,00		18.359.569,97	744.824,89	91.654,10			836.478,99	17.523.090,98
B Building Koropi	2.579.533,20			2.579.533,20	55.884,21	12.897,67			68.781,88	2.510.751,32
Γ Building Koropi	3.239.883,30			3.239.883,30	0,00	40.498,54			40.498,54	3.199.384,76
Building Aggelaki 8- Thessaloniki (third)	81.113,29			81.113,29	4.404,20	1.013,92			5.418,12	75.695,17
	33.460.124,62	62.750,00	0,00	33.522.874,62	1.267.658,75	203.956,58	0,00	0,00	1.471.615,33	32.051.259,29
Machinery at N. Kosmos	1.367.968,59			1.367.968,59	1.063.104,25	16.154,94			1.079.259,19	288.709,40
Machinery at Koropi	35.897.583,35	12.700,00	11.051,65	35.899.231,70	13.358.134,34	708.378,66		11.051,64	14.055.461,36	21.843.770,34
Technical Installations Minoos 10	169.664,02			169.664,02	139.893,37	1.552,47			141.445,84	28.218,18
Tools	32.923,22			32.923,22	22.394,30	414,56			22.808,86	10.114,36
Mechanical Tools	12.649,12	2.270,00		14.919,12	6.304,30	236,95			6.541,25	8.377,87
	37.480.788,30	14.970,00	11.051,65	37.484.706,65	14.589.830,56	726.737,58	0,00	11.051,64	15.305.516,50	22.179.190,15
Other passenger car	316.438,14			316.438,14	231.808,16	4.848,47			236.656,63	79.781,51
Trucks	116.346,09			116.346,09	104.940,94	1.656,08			106.597,02	9.749,07
Means of internal transport	147.586,98	700,00		148.286,98	76.931,29	4.316,05			81.247,34	67.039,64
Other Means of transport	90.220,31	4.300,00		94.520,31	45.073,48	2.046,22			47.119,70	47.400,61
	670.591,52	5.000,00	0,00	675.591,52	458.753,87	12.866,82	0,00	0,00	471.620,69	203.970,83
Furniture	1.177.778,45	48.198,00		1.225.976,45	955.963,11	21.908,09			977.871,20	248.105,25
Utensils	46.400,78			46.400,78	42.387,14	760,45			43.147,59	3.253,19
Office Machines	12.184,88			12.184,88	12.184,68	0,00			12.184,68	0,20
Computers	2.895.993,69	52.700,00	10.295,60	2.938.398,09	2.506.814,50	40.379,45		10.295,60	2.536.898,35	401.499,74
Means of storage of transport	18.397,93			18.397,93	23.916,83	505,95			24.422,78	-6.024,85
Equipment of Telecommunications	645.979,62	1.288,19		647.267,81	540.996,30	6.745,50			547.741,80	99.526,01
Other equipment	601.207,53	5.643,86		606.851,39	461.335,16	14.211,06			475.546,22	131.305,17
Software	1.567.751,19	10.630,00		1.578.381,19	1.437.749,55	94.099,67			1.531.849,22	46.531,97
	6.965.694,07	118.460,05	10.295,60	7.073.858,52	5.981.347,27	178.610,17	0,00	10.295,60	6.149.661,84	924.196,68
TOTAL	92.887.533,51	201.180,05	21.347,25	93.067.366,31	22.297.590,45	1.122.171,15	0,00	21.347,24	23.398.414,36	69.668.951,95

7. TABLE OF ASSOCIATES

<i>Type of investment</i>	PERCENTAGE OF INVESTMENT 31/03/2006	31/3/2006	PERCENTAGE OF INVESTMENT 31/12/2005	31/12/2005
Investments in associate Companies				
FOTOEKDOTIKI S.A.	90%	0,00	90%	0,00
EPSILON NET S.A.	51%	216.750,00	51%	216.750,00
MEDIATEL S.A.	44%	1.393.392,00	44%	1.393.392,00
ARGOS S.A.	24,12%	1.248.412,28	24,12%	1.248.412,28
MEDIA CALL CENTER S.A.	20%	90.048,00	20%	90.048,00
EPSILON GRAPHIC ARTS S.A.	100%	30.827,93	100%	30.827,93
PLANATECH S.A.	20%	74.060,00	20%	74.060,00
EMFASIS S.A.	9,37%	126.250,50	9,37%	126.250,50
EPSILON TELEKOM S.A.	16%	0,00	16%	0,00
DRAGOUNIS EDITIONS S.A.	15%	113.005,89	15%	113.005,89
TOTAL		3.292.746,60		3.292.746,60
Financial assets available for sale				
THLETYPOS S.A.	2,68%	4.498.551,56	12,28%	14.807.585,32
TOTAL		4.498.551,56		14.807.585,32

8. TABLE OF DEFERRED TAXES

	<u>31/3/2006</u>	<u>31/3/2005</u>
<u>RECEIVABLES</u>		
FROM AMORTIZATION ON PRELIMINARY EXPENSES	0,00	0,00
FROM PROVISION FOR DOUBTFUL ACCOUNTS	666.829,35	666.829,35
FROM TAXATION LOSS FOR THE PERIOD	501.282,26	501.282,26
FROM RETIREMENT BENEFITS	2.780.469,75	2.711.675,89
TOTAL	3.948.581,36	3.879.787,50
<u>LIABILITIES</u>		
FROM REVALUATION OF LAND	3.081.123,48	3.081.123,48
FROM REVALUATION OF BUILDINGS	1.439.225,19	1.146.861,55
FROM DEPRECIATION OF BUILDINGS	59.674,02	292.363,64
TOTAL	4.580.022,69	4.520.348,67

CH.K. TEGOPOULOS EDITIONS S.A.
 Notes to the financial statements
 Prepared in accordance with
 International Financial Reporting Standards (IFRS)
 31st March 2006
 (Amounts reported in Euro)

	<u>31.03.2006</u>	<u>31.12.2005</u>
9. Other Receivables		
Given guarantees :		
PPC for Plant electricity supply	17.222,36	17.197,36
Rent deposit for Thessaloniki Branch	3.600,00	3.600,00
Rent deposit for Crete Office	322,82	322,82
	<u>21.145,18</u>	<u>21.120,18</u>
10. Inventories		
Merchandise	1.049.040,30	653.473,58
Finished goods	2.196.913,40	1.358.422,44
Sub - products	2.870,74	21.638,48
Raw and auxiliary materials	1.468.989,28	1.283.219,64
Consumables	136.547,99	198.702,72
Spare parts	379.419,84	467.206,20
	<u>5.233.781,55</u>	<u>3.982.663,06</u>
11. Trade and other receivables		
Trade receivables	14.016.328,81	14.445.879,80
Notes receivable	40.845,45	34.272,50
Cheques receivable	4.210.472,69	2.890.848,68
Cheques overdue	1.633.325,77	1.409.680,85
Cheques pledged	7.685.978,38	12.960.650,01
Loans to personnel	34.936,18	32.071,88
Receivables due from Greek Government	1.090.036,19	1.095.333,32
Other receivables	848.327,34	218.405,57
Transit debit balances	1.007,66	241.432,30
Blocked deposits	1.329.138,54	325.808,66
	<u>30.890.397,01</u>	<u>33.654.383,57</u>
12. Financial Assets available for sale		
Share of reciprocal capital EUROBANK S.A.	485.235,81	403.910,48
Participation to THLETYPOS S.A.	4.498.551,56	14.807.585,32
	<u>4.983.787,37</u>	<u>15.211.495,80</u>

13. Cash and cash equivalents

Cash in hand	2.069.012,71	572.646,10
Current and time deposits	3.988.533,98	2.159.967,14
	<u>6.057.546,69</u>	<u>2.732.613,24</u>

14. Share Capital (equity)

Analysed in statement of changes in equity (page 4)

15. Non - current - Current Loans

	<u>31.03.2006</u>	<u>31.12.2005</u>
Non - current Bank Borrowings towards National Bank of Greece	10.930.000,00	15.100.000,00
Current Bank Borrowings towards National Bank of Greece	3.400.000,00	11.165.660,51
	<u>14.330.000,00</u>	<u>26.265.660,51</u>

Concern issue by the Company on 23/06/2005 of two debenture loans where the National Bank of Greece participates fully in both underwritings under the following terms and conditions :

a) Issue of a debenture loan of Euro 20 million, two (2) year duration, monthly interest charge at Euribor +1 , secured by trade receivables (clients' cheques) at rate 90%, maturity within twelve (12) months and possibility for anticipated redemption.

and

b) Issue of a debenture loan of Euro 10 million, five (5) year duration, two (2) year grace period, at a quarterly interest charge, and quarterly instalments of principal interest Euribor + 1 without securing and possibility for anticipated redemption.

The loans were issued in order to strengthen the company's liquidity and finance the most permanent working capital requirements.

16. Provisions

Provisions for retirement benefits to employees	8.753.995,48	8.516.775,26
Provisions for bad receivables	2.083.841,71	2.083.841,71
Provisions for tax audit differences	362.000,00	314.000,00
	<u>11.199.837,19</u>	<u>10.914.616,97</u>

17. Grants of Property Plant and Equipment

The difference of EURO (2.540.998,79 - 2.456.539,35 =) 84.459,44 concern the transfer to the income according to the beneficial duration of life intangible assets of the company

CH.K. TEGOPOULOS EDITIONS S.A.
FINANCIAL STATEMENTS 01.01.2006 - 31.03.2006

18. Trade and other payables

Trade payables	6.124.502,23	6.764.998,09
Amounts due to related parties	13.829.004,00	10.854.147,50
Taxes - duties	151.487,44	547.275,49
Social security	798.517,69	1.187.409,70
	<u>20.903.511,36</u>	<u>19.353.830,78</u>

18a. Trade payables

Concerns liabilities from ordinary company transactions.	<u>6.124.502,23</u>	<u>6.764.998,09</u>
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18b. Amounts due to related parties

Salaries and wages payable	54.120,81	194.154,12
Dividends payable	134.377,37	134.490,21
Beneficiaries of guarantees	27.896,42	74.361,31
Advances due to trade debtors	-	-
Cheques payable	9.383.297,11	10.382.680,15
Outstanding Bank credits	46.087,53	63.789,27
Other payables	4.183.224,76	4.672,44
	<u>13.829.004,00</u>	<u>10.854.147,50</u>

31.03.2006 31.12.2005

18c. Taxes - duties

V.A.T.	-287.039,23	-205.062,38
Payroll tax - ER's Contributions	345.588,47	695.939,92
Other taxies - duties	90.991,06	52.043,90
Stamp tax	1.947,14	4.354,05
	<u>151.487,44</u>	<u>547.275,49</u>

18d. Social Security

Social Security Institution (IKA TEAM)	208.138,49	457.400,14
Other Pension Funds of main insurance	144.782,34	278.920,72
Auxiliary Insurance Pension Funds	41.856,51	79.857,51
AD Stamp	403.740,35	371.231,33
	<u>798.517,69</u>	<u>1.187.409,70</u>

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19. Revenue - Other operating income

Income from sale of newspapers etc.	14.812.571,70	16.358.982,50
Income from services rendered (entries)	9.094.887,74	9.206.077,28
Income from sale of merchandise	2.870.271,34	876.608,11
Income from sale of other inventories	188.274,94	124.313,98
Income from side business	231.101,88	198.067,51
	<u>27.197.107,60</u>	<u>26.764.049,38</u>

20. Gains from participations & interest income

Gains from participations	1.060.000,00	532.050,20
	<u>1.060.000,00</u>	<u>532.050,20</u>

21. Operating expenses

Payroll costs	7.541.281,34	7.206.133,06
Third parties' fees and expenses	9.286.617,51	7.522.694,82
Third parties' utilities and services	605.746,94	626.069,47
Taxes - duties	322.414,58	255.527,84
Sundry expenses	3.897.649,57	2.990.232,41
Interest expense and similar charges	212.894,07	12.107,73
Depreciation of PPE	1.119.310,94	1.038.924,85
Special expenses	-	-
Operating provisions	285.220,22	27.074,55
	<u>23.271.135,17</u>	<u>19.678.764,73</u>

31.03.2006 31.12.2005

The above amounts have been allocated as follows :

Production costs	13.302.032,40	11.964.458,14
Administrative expenses	1.137.122,13	1.153.714,05
Selling and marketing costs	8.619.086,57	6.548.484,81
Finance cost - expenses	212.894,07	12.107,73
	<u>23.271.135,17</u>	<u>19.678.764,73</u>

22. Income Tax Analysis

INCOME TAX AGREEMENT

	<u>31/3/2006</u>	<u>31/3/2005</u>
<u>EXPENSES</u>		
FROM AMORTIZATION ON PRELIMINARY EXPENSES	0,00	0,00
FROM CHANGE IN TAX RATES FOR PROVISION FOR DOUBTFUL ACCOUNTS	0,00	0,00
FROM DEPRICIATION OF BUILDINGS	59.674,02	0,00
FROM CHANGE IN TAX RATES FOR PROVISION FOR RETIREMENT BENEFITS	0,00	0,00
FROM INCOME TAX FOR THE PERIOD	0,00	0,00
TOTAL	59.674,02	0,00
<u>REVENUES</u>		
FROM PROVISION FOR RETIREMENT BENEFITS FOR THE PERIOD	68.793,86	0,00
TOTAL	68.793,86	0,00
TOTAL INCOME TAX	-9.119,84	0,00

The company's earnings were taxed for the year 2006 with the tax rate applicable 29% and for the year 2005 with 32% after having taken into consideration the non deductible expenses and the probability of creating tax exempt reserves.

The tax obligation of the company is not final before all the books and elements are audited from the Greek Tax Authorities. Such an audit has been done until the year 2001 and has been a prediction of 362.000,00 € for the uses 2002-2006 (31.03.2006).

23. TABLE OF ADJUSTMENTS OF THE PERIOD OPENING NET EQUITY

TABLE OF ADJUSTMENTS OF THE PERIOD OPENING NET EQUITY (1/1/2005 AND 1/1/2004 RESPECTIVELY) BETWEEN GREEK GAAP AND INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRS)		
Amounts reported in Euro		
	1/1/2005	1/1/2004
Net Equity Opening Balance (1/1/2005 and 1/1/2004) according to the Greek Accounting Standards	102.790.337,13	107.512.588,05
Transfer of carrying amount of investment grants of assets to deferred income	-2.878.836,55	-3.216.674,31
Revaluation surplus of property at fair value	7.449.298,74	8.037.339,86
Transfer of carrying amount of formation expenses	-669.097,32	-477.283,13
Provision for bad receivables	-1.354.497,11	-1.354.497,11
Income tax provisions for tax audit differences	-186.000,00	-122.000,00
Provision for employee retirement benefit	-5.027.913,73	-4.472.910,94
Tax difference year 2004	-163.506,59	0,00
Depreciation difference of formation expenses and buildings under IAS	1.099.791,06	0,00
Dividends proposed	3.788.470,28	7.091.192,42
Impairment Value of Participation in Company	0,00	-4.565.005,78
Net Equity Opening Balance (1/1/2005 and 1/1/2004)restated according to IFRS	104.848.045,91	108.432.749,06

24. Shares issued

	<u>Number</u> <u>of Shares</u>	<u>Proportion</u> <u>for period</u>	<u>Weighted</u> <u>average number</u> <u>of shares</u>
<u>2005</u>			
1 January to 31 December 2005			
Weighted average number of shares	54.190.046	12/12	<u>54.250.738</u>

2006

1 January to 31 March 2006			
Weighted average number of shares	54.547.634	3/3	<u>54.547.634</u>

25. Earnings / (Loss) per share

Earnings per share is calculated by dividing the net profit for the period by the weighted average number of ordinary shares in issue during the year:

	<u>31.03.2006</u>	<u>31.03.2005</u>
Profit for the period after taxes	(1.914.165,53)	348.177,81
Weighted average number of ordinary shares in issue	<u>54.547.634</u>	<u>54.250.738</u>
Earnings / (Loss) per share (€per share)	<u>- 0,035</u>	<u>0,0064</u>

26. Analysis of Bindings

It is important to note that none of the company's current assets is attached or mortgageable.

27. Analysis of the sales (participations) that have been done through the year.

In January 2006 through the Athens Stock Exchange were sold from the company 3.000.000 shares of the company THLETYPOS S.A. After this sale, the percentage of CH. K. TEGOPOULOS EDITIONS S.A. to the participial capital of THLETYPOS S.A. was reduced from 12,28% to 2,68%.

28. Own Shares

In February 2006 through the Athens Stock Exchange were sold from the company 426.630 own shares. After this sale, CH. K. TEGOPOULOS EDITIONS S.A. has no own shares.

29. ANALYSIS OF TRADING IN ASSOCIATE COMPANIES 01/01/2005 - 31/03/2006

<u>ASSOCIATE</u>	<u>PURCHASES FROM ASSOCIATE</u>	<u>SALES TO ASSOCIATE</u>	<u>DISPOSALS 31/03/2006</u>		<u>GIVEN GUARANTEES</u>
FOTOEKDOTIKI S.A.	1.192.032,12	1.053,15	(73.706,50)	Π	-
EPSILON NET S.A.	-	449,21	3.338,67	X	-
MEDIATEL S.A.	-	76.909,01	88.261,52	X	-
EPSILON GRAPHIC ARTS S.A.	-	0,74	3.813,95	X	-
PLANATECH SA	-	20.071,11	38.793,58	X	200.000,00

30. Subsequent events from the day of drafting the financial statements.

There were no substantial facts after the day of drafting of the Balance Sheet which can effect the financial state of the company.

31. Payments of the board of directors

- The payments of the executive members of the Board of Directors which provide services as in the company as executive cadres during the first trimester of 2006 were amounting the total of 91.000 € as same as in the first trimester of 2005.
- The non executive members of the Board of Directors for the first trimester of 2006 did not receive any payment.

32. Approval of financial statements

The present interim financial statements have been approved for issue by the Board of Directors on 15.05.2006.

33. Auditor's Report

For the financial statements 01.01.2006 – 31.03.2006 the Auditor's Report is not required.

Athens, 26 May 2006

**THE CHAIRMAN OF
THE BOARD OF DIRECTORS**

**Christos Tegopoulos
ID. No. A 102836**

**THE VICE CHAIRMAN OF
THE BOARD OF DIRECTORS**

**Dionysios Avgoustiniatos
ID. No. A 092664**

THE ACCOUNTS DEPT. MANAGER

**Vasileios Tsabokas
ID. No. N 244187**

THE HEAD OF ACCOUNTS DEPT.

**Evangelos Tatsis
ID. No. P 673041**