ATHENS EXCHANGE SA

ANNUAL FINANCIAL STATEMENTS

2008

The 2008 Annual Financial Statements have been approved by the BoD of Athens Stock Exchange S.A. on February 19th 2009

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1. DECLARATIONS BY MANAGEMENT ON THE FINANCIAL STATEMENTS OF 31.12.2008 AND THE REPORT OF THE BoD FOR THE YEAR 2008

WE DECLARE THAT

“to the best of our knowledge, the annual financial statements, which have been prepared in accordance with the international accounting standards in effect, reflect in a true manner the assets, liabilities and equity on 31.12.2008 and the results of fiscal year 2008 of Athens Stock Exchange S.A.”

AND

“to the best of our knowledge, the report of the Board of Directors for fiscal year 2008 reports in a truthful manner the performance and position of Athens Exchange S.A, and include a description of the main risks and uncertainties that it faces.”

Athens, 19.02.2009

THE	THE	THE
CHAIRMAN OF THE BoD	**CHIEF EXECUTIVE OFFICER**	**MEMBER OF THE BoD**
SPYROS I. CAPRALOS **ID: I-365608**	**SOCRATIS LAZARIDIS** **ID: Λ-351782**	**ILIAS SKAFIDAS** **ID: AZ-045541**

2. REPORT OF THE BOARD OF DIRECTORS FOR FISCAL YEAR 2008

REPORT BY THE BOARD OF DIRECTORS FOR FISCAL YEAR 2008

The Greek capital market

2008 was marked by a large financial crisis, which began in the United States, but quickly spread to Europe and the rest of the world.

The end of 2008 finds the world economy badly mauled. The increase in the cost of capital, in conjunction with the reduction in spending, are affecting even the healthiest of companies, which are already facing problems, such as reduced cash flows and increased price volatility. Even companies that wish to invest have discovered that access to capital has become more difficult and more expensive.

In Greece, we have already started feeling the consequences of the crisis in the real economy, but not in the degree that has affected the advanced economies of Western Europe and America. 2009 is expected to be even more difficult for Greece, as sectors which contribute significantly to GDP, such as tourism, shipping and construction, look like they will be facing problems.

The Athens Exchange, just like most exchanges worldwide, found itself in the middle of a maelstrom of liquidations by international institutional investors. Thus in 2008, the General index lost 65.6% of its value (1,786.5 points on 31.12.2008 vs. 5,178.8 points on 31.12.2008), while transaction activity (total value of transactions) in 2008 dropped by 35.5% compared to the previous year (€78.2bn vs. €121.3bn in 2008).

The total capitalization of the cash market of the Athens Exchange on 31.12.2008 amounted to €69bn vs. €196bn on 31.12.2008, a 64.9% reduction.

The derivatives market saw an increase in the volume of transactions (average daily number of contracts) and as a result in 2008 climbed to 40,145 contracts vs. 34,833 contracts for 2007, a 15.3% increase.

The participation of international investors in the total market capitalization decreased by 7.7% and stood at 47.8% at the end of December 2008 vs. 51.8% at the end of December 2007.

Business Development

Organised Market

During the period from 01.01.2008 to 31.12.2008, PASAL was listed on the Athens Exchange, in the the Small and Mid Cap market segment, raising a total of €23.3m. Furthermore, the application of MIG Real Estate to list its shares in ATHEX was approved, and the application is currently pending in the Hellenic Capital Market Commission.

In addition, trading commenced on the first Exchange Traded Fund (ETF) with the name ALFA ETF FTSE ATHEX 20, in the ETF segment of ATHEX; the assets at the start of trading were €131.5m.

During the same period, ten listed companies (Hatziioannou, NEL, Forthnet, Ideal Group, Intracom Constructions, Plias, Astir Palas, Multirama, Unibios and AEGEK) raised a total of €599m in cash through rights issues, while two companies (Multirama and Bank of Cyprus) raised €604m through the issuance of corporate bonds.

In implementing the trend for more effective and rational organization of their activities, eight listed companies (Vivere –Casino of Thrace, Unibrain – HOL, Imperio – Argo, Axon – ABYT, Unisystems – Decision, Nireas – Kego, Euromedica – Thessaloniki General Hospital – Medical Institute of Crete – Euromedica W. Macedonia, Dias – Global) merged with other listed or non-listed companies, out of which larger capitalization entities emerged, which better attract investor interest.

Finally, the ATHEX rulebook was revised, in order to reflect the changes of Common Law 2190/1920 and include the changes that resulted from the implementation of MiFID in Greece.

Alternative Market (EN.A)

As part of the efforts to increase the competitiveness of Athens Exchange and to provide more choices to investors and to companies that which to raise capital at a low cost, a new semi-regulated market was developed, similar to those that exist in other foreign markets (AIM, Alternext etc.).

This Alternative Market (EN.A.) is managed by ATHEX as a Multilateral Trading Facility (MTF). Due to the flexibility that governs its operation (reduced listing costs, less stringent corporate governance and listing criteria), EN.A. allows dynamic small and mid-sized companies, with development potential, but which due to their small size cannot fulfill the increased listing and trading requirements, to raise capital and list on the Exchange, thus obtaining easy access to the secondary market and preparing for, if they wish, the transfer to the organized markets of Athens Exchange.

On 21.2.2008 **Epsilon Net** was the first company listed on EN.A. By the middle of March of the same year 2 more companies had been listed (**Mediterra – Mastiha shop** and **Envitec**). **Doppler** started trading on 7.5.2008, **Euroxx** on 12.5.2008, **Entersoft** on 3.6.2008, **Alpha Trust** on 1.8.2008, **Performance Technologies** on 17.9.2008, with the final company entering EN.A. in 2008, **Optronics Technologies**, started trading on 9.12.2008.

The revenues of the Group from ENA for the period 1.1.2008 – 31.12.2008 amounted to €125 thousand.

At the same time as the start of operation of the new Alternative Market (EN.A), the new EN.A. website was also launched.

Remote Members

The ATHEX-CSE Common Platform paved the way for remote members to become active in Athens Exchange. Already 11 Cypriot brokers are successfully using the infrastructure to transact in ATHEX.

The implementation of MiFID resulted in the elimination of the last barriers to the entry of remote members, something that is expected to increase competition, reduce the cost of accessing the Greek market and significantly increase transaction activity. At the end of 2007, Athens Exchange approved as remote members SOCIETE GENERALE S.A., MERRILL LYNCH INTERNATIONAL Ltd, while in 2008 the applications of DEUTSCHE BANK AG., UBS Ltd and Cheuvreux S.A. were approved.

The revenue from remote members in the few months of operation in 2008 amounted to €667 thousand, of which €480 thousand are fees on transactions.

Introduction of ETFs

Exchange Traded Funds are mutual fund shares which are issued by Mutual Fund Management Companies and are listed for trading on the exchange, and are bought and sold just like shares. An ETF allows an investor to diversify investment risk through the exposure to a diversified share portfolio; the primary investment aim of ETFs is to replicate the returns of a particular index.

The Alpha Bank Group was selected to issue the first ETF on the FTSE/ATHEX 20 index, with initial assets of €140m. On 24.1.2008 this ETF began trading at Athens Exchange.

International experience proves that ETFs can operate effectively as a mechanism that allows local exchanges to increase the interest of small investors for securities and satisfy their interest for international investments through the local exchange. The goal is to issue more ETFs in other market indices (FTSE/ATHEX 40 and ATHEX General Index) as well as in regional market indices.

The revenues of the Group from this service in 2008 amounted to €322 thousand.

Comment on the results

The net after tax profit of the Group in 2008 amounted to €26.8m vs. €41.9m in the corresponding period last year, reduced by 36.0%.

The reduction in the Group's revenues in 2008 compared to the same period last year is due to:

a) the reduction of the average daily traded value by 34%, in conjunction with the five fewer trading sessions in 2008 compared to 2007 – due to Catholic Easter and the strike at the Bank of Greece - which resulted in the reduction in the revenue from stock trading by 34.9% (€22.6m vs. €34.7m);

b) the sharply reduced revenue, by 70,6%, from new listings and rights issues (€7.5m vs. €25.5m) compared to the same period last year, when there was recorded revenue from Marfin, Eurobank, Piraeus Bank, Alapis and Aegean in the amount of €13.6m;

Total operating expenses amounted to €14.9m vs. €16.4m, a reduction of 9.4% compared to 2007.

Earnings Before Interest and Taxes (EBIT) in 2008 amounted to €31.6m vs. €52.4m in the corresponding period last year, reduced by 39.8%.

Including financial revenue, Earnings Before Taxes (EBT) amounted to €37.0m vs. €56.4m in the corresponding period last year, reduced by 34.3%.

Revenues

The Company turnover in 2008 amounted to €46.5m vs €76.4m in the corresponding period last year, posting a 39.1% reduction; approximately 63% comes from the trading, clearing and settlement of transactions in the cash and derivatives markets that take place at Athens Exchange (including revenues from the operation of the ATHEX-CSE Common Platform).

The total revenue of the Company in 2008 includes non-recurring revenue in the amount of €3.7m, which breaks down as follows:

1. €3.24m profit from the sale of the building at 1 Pesmazoglou St.;
2. €125 thousand from the sale of old equipment;
3. €329 thousand in rental income from the Pesmazoglou building from March until July, when it was sold;

Expenses

The operating expenses of the Company in 2008 amounted to €14.9m vs. €16.4m in 2007, posting a 9.4% reduction.

Personnel remuneration and related expenses which contribute to 50.8% of total Operating expenses, came to €7.6m posting an 8.1% reduction to 2007. Almost all expense categories were reduced compared to the previous fiscal year, except utilities expenses, which amounted to €1.1m being a 49.5% increase to 2007. It should be noted that €957 thousand of utilities expenses is invoiced to members, while Taxes-VAT include the contribution to ETAK and the increased VAT on internet charges.

Important Events

- The Company has invested part of its liquidity in bank bonds which it has classified as a commercial portfolio. These bonds are not expected to be sold in the near future. Taking into consideration the recent modifications of IAS 39, the company on 1.7.2008 transferred the abovementioned bonds in the securities for sale portfolio. The result of the revaluation of the bonds which was recognized in the financial statements up until 30.6.2008 was a loss of €472 thousand, while the amount of the valuation from 1.7.2008 to 30.8.2008 was a loss of €1.23m and was recognized directly to a special reserve.
- The BoD of ATHEX on 24.1.2008 approved the sale of the five-story building located at 1 Pesmazoglou St. to the National Bank of Greece (NBG) for €13.3m. The NBG BoD approved the purchase, and the transaction was completed on July 27th 2008. The profit from the sale of the property was €3.24m and it appears in the 2008 financial statements. Until the sale was completed, the property was being leased to the Greek Postal Savings Bank at a monthly lease payment of €65.7 thousand

Share Capital

In 2008, the share capital of the company did not change, and amounts to €20.012.539,62 consisting of 5.467.907 shares with a par value of €3.66 each.

Dividend Policy

The Annual General Meeting of ATHEX on 6.5.2008 approved the distribution of dividend at €10.0 per share, or €54.679.907 in total, for fiscal year 2007, which was paid to HELEX the sole shareholder (owner of 100% of share capital).

Transactions between associated persons

The total value of the transactions with associated persons amounts to €1.4m and concerns the remuneration of executives and members of the Boards of Directors of the companies of the Company. Besides these, there were no other transactions with associated persons in the year, in accordance with the provisions of IAS 24, which could materially affect the financial position or the performance of the Company for the period in question. There is no (credit or debit) balance arising from these transactions on 31.12.2008.

Use of financial instruments

The Company does not use financial means in order to value assets and liabilities, or in the financial position or in the profit and loss statement, and therefore does not apply accounting offsets.

Post Balance Sheet Events

There are no significant events, worth noting, that have taken place after the balance sheet date of 31.12.2008, and until the date the Annual Financial Statements are approved by the Board of Directors on 19.2.2009.

Expectations for 2009

Indices continue to drop in all exchanges across the world with the same intensity in 2009. In addition, the daily value of transactions is also dropping significantly. The combination of the above in the Greek exchange results in a reduction in the revenues of Athens Exchange, an event that is expected to negatively affect its profitability in the current fiscal year. Of course, the Company, in its continuous effort to reduce its operating expenses over the past few years, is in a position to face the challenges of a difficult 2009 successfully.

Turnover – Risks and Uncertainties

The revenues of the Company depend, to a large extent, on factors over which it has no influence, since they are connected with developments in the Greek capital market, which in turn are affected by a series of factors such as, the financial results of listed companies, the fundamental macroeconomic data of the Greek economy as well as developments in international capital markets. In the last few months the condition of the markets internationally and the large drop in share prices reduced transaction activity at Athens Exchange, and as a result the revenues of the HELEX Group were negatively affected, something that is continuing in the current fiscal year, which has began with very low transaction activity.

Besides the fees from transactions that take place in the ATHEX markets and are collected through the

Members, important revenue streams for the Group are also revenues from orders and Member terminals, revenues from subscriptions and rights issues of listed companies, revenues from data vendors, revenues from IT support and services, educational services etc.

Contrary to revenues, which cannot be controlled by the Company, on the cost side concerted efforts are being made to reduce them, with the aim of reducing negative consequences to the financial results of the Group from possible adverse developments in the market.

Risk Management

Financial Risk Factors: The Company is exposed to a limited range of financial risks. The usual risks to which the company is theoretically subjected are market risks (changes in exchange rates, interest, market prices), credit risk, liquidity risk, cash flow risk.

Risk management is performed by the relevant departments of the Company and the basic elements are described below.

Foreign exchange risk: This risk does not materially influence the operation of the Company, since there are very few transactions with customers & suppliers in foreign currencies.

Price risk: The Company is exposed to the risk of change in the value of the securities it possesses. On 31.12.2008 the Company possessed Greek bank bonds valued at €10,2m. This risk from these bonds is considered to be limited.

Credit risk: The turnover of the Company mainly consists of transactions with members of the cash and derivatives markets as well as with reliable foreign houses which have a high credit rating. On this basis, it is estimated that the credit risk is minimal

Liquidity risk: Liquidity risk is maintained at low levels by keeping adequate cash in hand and highly liquid securities while the revenue from transactions, both in the cash and derivatives market, is immediately (T+3 for stocks, T+1 for bonds).

Cash flow risk and risk from the change of the fair value due to interest rate changes: The operating revenue, as well as the cash flows of the Company are independent of interest rate changes.

Corporate Social Responsibility

The Company is active in a continuously changing global environment. The Company is faced, on a daily basis, with challenges concerning its efficiency and its status as an integral part of society and business.

In response to a multitude of financial, social and environmental challenges, ATHEX as a subsidiary of the Hellenic Exchanges Group has integrated in its strategy the spirit of Corporate Social Responsibility (CSR). We have declared our own social responsibility, and voluntarily undertake commitments that go beyond our obligations as stipulated in the regulations and contracts, obligations that have to be fulfilled in any case.

Closely related with CSR is our active concern for fellow human beings, both in our business as well as in our social activities. The constant improvement of the already high level working, health and safety conditions is a priority for HELEX. The same is true for education, which is not only the subject of constant and intense interest to the Group, but is also a means to strengthen and enrich its social contributions.

The framework of our actions that we recognize as important and necessary for the long term well being of our Company within society is along the following axes:

- Development of Corporate Governance having as its main criteria transparency, trust and reliability
- Restructuring the operation of the company in a socially responsible manner
- Investment in knowledge
- Investment in our human resources
- Protection of the environment
- Respect for human rights
- Support groups of people that are socially excluded
- Contribution in the development of the arts.

3. AUDIT REPORT BY THE INDEPENDENT CERTIFIED AUDITORS PRICEWATERHOUSECOOPERS

Independent Auditor's Report

To the Shareholders of Athens Exchange S.A.

Reg. No. 33940/06/B/95/23

Report on the Financial Statements

We have audited the accompanying financial statements of Athens Exchange S.A. (the "Company") which comprise the balance sheet as of 31 December 2008, the income statement, the statement of changes in equity and the 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 European Union. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with 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 the system of 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 system of 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 financial statements present fairly, in all material respects, the financial position of the Company as of 31 December 2008, and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards, as adopted by the European Union.

Reference to Other Legal Matters

We verified the agreement and correspondence of the content of the Board of Directors' report with the accompanying financial statements, in the context of the requirements of articles 43a and 37 of Law 2190/1920.

Athens, 19 February 2009

PRICEWATERHOUSECOOPERS

The Certified Auditors - Accountants

PricewaterhouseCoopers
Certified Auditors - Accountants
268 Kifissias Avenue, Halandri 152 32
SOEL Reg. No. 113

Constantinos Michalatos SOEL Reg. No. 17701	Dimitrios Sourbis SOEL Reg. No. 16891

4. ANNUAL FINANCIAL STATEMENTS 2008

4.1. PROFIT & LOSS STATEMENT

	Notes	01.01-31.12.08	01.01-31.12.07	Variance %
Revenue				
Revenue from stock market (trading, clearing & settl)	5.6	22.630	34.751	-34,88%
Revenue from listed companies & new listings	5.7	7.513	25.525	-70,57%
Revenue from subscriptions & member terminals	5.8	3.212	3.702	-13,24%
Revenue from derivatives (trading, clearing & settl)	5.9	5.956	5.351	11,31%
Revenue from data vendors	5.10	4.539	3.830	18,51%
Revenue from ATHEX-CSE Common Platform	5.11	738	846	-12,77%
Revenue from IT services	5.12	1.481	1.018	45,48%
Revenue from other activities	5.13	439	1.379	-68,17%
Turnover		**46.508**	**76.402**	**-39,13%**
Capital Market Commission fee	5.24	(2.534)	(3.673)	-31,01%
Total operating revenue		**43.974**	**72.729**	**-39,54%**
Non-recurring revenue	5.14	3.694	200	
Total revenue		**47.668**	**72.929**	**-34,64%**
Costs & Expenses				
Personnel remuneration and expenses	5.15	7.562	8.226	-8,07%
Third party remuneration and expenses	5.16	1.181	932	26,72%
Utilities	5.17	1.112	744	49,46%
Maintenance / IT support	5.18	1.435	1.679	-14,53%
Taxes - VAT	5.19	692	625	10,72%
Building / equipment management	5.20	258	407	-36,61%
Marketing and advertising costs	5.21	308	386	-20,21%
Other expenses	5.22	2.316	3.415	-32,18%
Total operating expenses		**14.864**	**16.414**	**-9,44%**
Donations to fire victims			217	
Equipment upgrades / relocation expenses	5.23	0	2.953	-100,00%
Total operating costs & expenses after extraordinary costs of equipment upgrades / relocation		**14.864**	**19.584**	**-24,10%**
Operating Result (EBITDA)		**32.804**	**53.345**	**-38,51%**
Depreciation	5.27	(1.287)	(938)	37,21%
Earnings Before Interest and Taxes (EBIT)		**31.517**	**52.407**	**-39,86%**
Capital Income	5.26	6.021	4.405	36,69%
Revaluation of securities and other financial income	5.26	(482)	(400)	20,50%
Profits before taxes		**37.056**	**56.412**	**-34,31%**
Income tax	5.33	(10.256)	(14.509)	-29,31%
Net profit after tax		**26.800**	**41.903**	**-36,04%**
Distributed to:				
Minority interest		0	0	
Shareholders		26.800	41.903	-36,04%
After tax profits per share (basic & adjusted)	5.37	4,90	7,66	-36,04%

4.2. BALANCE SHEET

	Notes	31.12.2008	31.12.2007
ASSETS			
Current Assets			
Cash and cash equivalents	5.26	101.394	95.554
Clients	5.25	3.220	2.553
Other receivables	5.25	1.898	26.397
Securities at fair value	5.26	10.200	17.886
		116.712	**142.390**
Non Current Assets			
Property, plant and equipment	5.27	2.183	2.617
Intangible assets	5.27	0	406
Non current assets reclassified as held for sale	5.27	0	10.202
Participations and other long-term receivables	5.28	4.068	4.082
Deferred tax	5.32	828	508
		7.079	**17.815**
TOTAL ASSETS		**123.791**	**160.205**
LIABILITIES & SHAREHOLDERS' EQUITY			
Short term liabilities			
Suppliers and other liabilities	5.29	4.751	8.778
Taxes payable	5.33	1.114	4.933
Social security		260	264
		6.125	**13.975**
Long term liabilities			
Subsidies and other long term liabilities	5.31	344	344
Provisions	5.30	1.284	1.217
		1.628	**1.561**
Equity and reserves			
Share Capital	5.34	20.012	20.012
Share premium		55	55
Reserves	5.34	65.736	66.488
Retained earnings		30.235	58.114
Total Equity		**116.038**	**144.669**
TOTAL LIABILITIES & SHAREHOLDERS' EQUITY		**123.791**	**160.205**

4.3. STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD

CHANGES IN EQUITY	Note	Share Capital	Share Premium	Reserves	Retained Earnings	Minority Interest	Total Equity
Balance on 01/01/2007		**20.012**	**55**	**66.124**	**46.229**	**0**	**132.420**
Profit for the period					41.903		41.903
Dividends paid					(30.018)		(30.018)
Stock option plan reserve				364			364
Reserve transfer					0		0
Balance on 31/12/2007		**20.012**	**55**	**66.488**	**58.114**	**0**	**144.669**
Profit for the period					26.800		26.800
Stock option plan reserve				169			169
Dividends paid					(54.679)		(54.679)
Special security valuation reserve				(921)			(921)
Balance on 31/12/2008		**20.012**	**55**	**65.736**	**30.235**	**0**	**116.038**

(Amounts in thousand euro unless otherwise stated) 17

4.4. CASH FLOW STATEMENT

	Note	31.12.2008	31.12.2007
Operating activities			
Profit before tax		37.056	56.412
Plus / minus adjustments for:			
Proceeds from disposal of assets		(3.334)	
Income from securities		(14)	(2)
Depreciation	5.27	1.287	938
Provisions	5.30	160	421
Interest/ securities provisions		496	394
Interest income		(6.021)	(4.405)
Dividends received			4
Interest and related expenses paid		2	
Other non cash changes		33	(1)
Stock option plan provisions		169	364
Provisions used	5.30		
Plus / minus adjustments for changes in working capital or concerning operating activities			
Increase in receivables		(667)	(441)
Decrease in other receivables		24.499	1.306
(Decrease) / increase in liabilities (except to banks)		(4.031)	4.776
Interest received		5.857	4.011
Taxes paid	5.33	(14.075)	(19.412)
Net cash generated from operating activities (a)		**41.417**	**44.365**
Investing activities			
Purchase of tangible & intangible assets	5.27	(312)	(3.505)
Dividends paid			
Sale of tangible & intangible assets		13.402	48
Securities	5.26	6.000	16.358
Decrease in participations		14	
Dividends received			
Net cash from investing activities (b)		**19.104**	**12.901**
Financing activities			
Interest and related expenses paid		(2)	(4)
Share capital increase			
Increase in reservces			
Increase in share premium			
Dividends paid		(54.679)	(30.018)
Net cash generated from financing activities (c)		**(54.681)**	**(30.022)**
Net increase in cash and cash equivalents since the beginning of the period (a) + (b) + (c)		5.840	27.244
Cash and cash equivalents at beginning of period		**95.554**	**68.310**
Cash and cash equivalents at end of period	5.26	**101.394**	**95.554**

(Amounts in thousand euro unless otherwise stated) 18

5. NOTES TO THE FINANCIAL STATEMENTS OF 31.12.2008

5.1. Information about the Company

The Company "Athens Exchange S.A." was founded in 01/08/1995 based on Law 2324/95 (Government Gazette number 146/17-7-95) and is registered in the Companies Register with No 33940/06/B/95/23 (Government Gazette number 4620/02-08-95). Its head office is in the Municipality of Athens at 110 Athinon Ave. P.O 10442. The duration of the company is defined to 200 years from its legal foundation. The company's scope of business is the support and operation of organized capital markets, derivatives markets and other financial means in Greece and on abroad. The Company belongs to the "Hellenic Exchanges Group", which owns 100% of its shares. The financial statements of 2008 have been approved by the Board of Directors of ATHEX on 19.02.2009 and are included in the consolidated financial statements of the Hellenic Exchanges Group.

5.2. Basis of preparation of financial statements

The corporate financial statements of December 31st 2008 have been compiled on the basis of the historical cost as modified by the revaluation of specific assets and liabilities to fair values (mainly the trading portfolio of securities and real estate), and are in accordance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standard Board (IASB) as well as their interpretations issued by the International Financial Reporting Interpretations Committee (IFRIC) of IASB and adopted by the European Union with regulation 1606/2002 up until 31.12.2008.

The accounting principles mentioned below have been applied consistently in all the periods presented.

The preparation of financial statements in accordance with the IFRS requires the use of estimates and judgment during the application of the accounting principles by the HELEX Group. The most important of the assumptions made are mentioned in the notes to the Financial Statements, whenever deemed necessary. It should be noted that, despite the fact that these estimates are based on the best possible knowledge of the Management of the Company as regards the current conditions and actions, actual results might be different in the end.

For the purpose of providing better information, the classification of certain amounts in the profit and loss statement and the balance sheet has changed, and the corresponding amounts from the same period last year have been restated so as to be comparable.

Modifications that concern the published data of the Company for fiscal year 2007

In order to provide better and more material information to investors in 2008, the presentation in the financial statements was modified in a number of accounts due to changes in the classification and fund item grouping. As a result, the data of the corresponding period last year must also be modified, in order to make them comparable.

The abovementioned changes have no effect on the results of the Group and the Company.

The table below shows the changes in the accounts in 2007, in order to make them comparable with those of 2008:

PROFIT & LOSS STATEMENT	Published	Modified
	01.01-31-12-07	01.01-31-12-07
Revenue		
Revenue from stock market (trading, clearing & settl.)	34.751	34.751
Revenue from listed companies & new listings	25.525	25.525
Reveneu from subscriptions & member terminals	3.702	3.702
Revenue from derivatives (trading, clearing & settl.)	5.351	5.351
Revenue from data vendors	3830	3.830
Revenue from the ATHEX-CSE Common Platform	846	846
Revenue from DAC project	874	
Revenue from IT services	934	1.018
Revenue from other activities	789	1.379
Total revenue	**76.602**	**76.402**
Capital Market Commission fee	-3.673	-3.673
Total operating revenue	**72.929**	**72.729**
Non-recurring revenue	0	200
Total operating revenue	**72.929**	**72.929**
Costs & Expenses		
Personnel remuneration and expenses	8.226	8.226
Third party remuneration and expenses	1040	932
Telephone expenses	617	
Utilities		744
Repairs/ maintenance	1722	
Maintenance / IT support		1.679
Taxes - VAT	625	625
Rents	642	
Building / equipment management		407
Building / equipment insurances	30	
Marketing and advertising costs	386	386
Other expenses	3126	3.415
Total operating expenses	**16.414**	**16.414**
Donations to fire victims	217	217
Relocation expenses	2.953	2.953
Total operating expenses & extraordinary expenses of relocation	**19.584**	**19.584**
EBITDA	**53.345**	**53.345**
Depreciation	-938	-938
Earnings Before Interest and Taxes (EBIT)	**52.407**	**52.407**
Capital Income	4.405	4.405
Securities revaluation difference	-394	
Financial expenses	-4	-400
Profits/ losses from participations and securities	-2	
Profits / (loss) from operations before taxes and minority interest	**56.412**	**56.412**
Income Tax	-14.509	-14.509
Net after tax profits	**41.903**	**41.903**

BALANCE SHEET	Published	Modified
	01.01-31.12.07	01.01-31.12.07
Property, plant and equipment	13.225	
Tangible assets used		2.617
Intangible assets		406
Non current assets reclassified as held for sale		10.202

(Amounts in thousand euro unless otherwise stated) 20

5.3. Basic Accounting Principles

The accounting principles used by the Company for preparing its financial statements are the following:

5.3.1. Property, plant and equipment

Real Estate

Real estate belonging to the fixed assets is presented in the financial statements at its fair value, minus accumulated depreciation and possible value impairment. Real estate assets that are to be sold are reported separately in the financial statements (IFRS-5).

Other tangible assets

Other tangible assets are presented in the financial statements at their acquisition values less accumulated depreciation and possible value impairment.

The acquisition cost includes all the direct expenses for the acquisition of the assets. Later expenses are recognized as an increase in the book value of the tangible fixed assets or as a separate fixed asset only to the extent that these expenses increase the future financial benefits expected to flow in from the use of the fixed asset and their cost can be reliably measured. The cost of repairs and maintenance is recognized in the results when incurred. Assets with an acquisition value less than €1,200 per unit are expensed in full in the fiscal year in which they are acquired.

Depreciation of other tangible assets (except plots of land which are not depreciated) is calculated with the straight line method during their useful life as follows:

	Depreciation rate
– Plots of land	0%
– Buildings	5%
– Machinery and equipment	12%-20%
– Motor vehicles	15%-20%
– Other equipment	10%-30%

The useful life of the tangible fixed assets is periodically revised and the depreciation rates are readjusted for the current and future periods if they are considerably different from previous estimates. When the accounting values of the fixed assets exceed their recoverable value, the difference (impairment) is recognized in the results as an expense.

5.3.2. Intangible assets

Intangible assets include software licenses valued at the acquisition cost minus depreciation. Only intangible assets of a considerable value are recognized as assets. Depreciation is calculated using the straight line method during the useful life of these assets, which is estimated at approximately 3 years.

5.3.3. Asset impairment

Depreciated assets are subjected to an impairment check when there are indications that their book values shall not be recovered. The recoverable value is the largest of the net selling price (selling price minus selling expenses) and the value-in-use (as calculated from the net cash flows).

Loss due to a reduction in the value of the assets is recognized when the book value of these assets (or the Cash Flow Generating Unit) is greater than their recoverable amounts.

5.3.4. Financial instruments

The financial receivables and financial liabilities in the balance sheet consist of cash at hand and at bank, securities, other receivables, participations, short and long-term liabilities.

(Amounts in thousand euro unless otherwise stated) 21

Financial instruments are presented as claims, liabilities, or elements of equity, based on the substance or contents of the relevant contracts from which they arise. Interest, dividends, profits or losses which arise from the financial products which are characterized as claims or liabilities are recognized as revenue or expenses respectively. The distribution of dividends to shareholders is recognized directly to equity. According to the law, financial instruments are offset when the Company has this legal right and intends to offset on a net basis (between them) or to recover the asset and to offset the liability at the same time.

Securities (IAS 32 & 39) are documents (titles) incorporating rights on a specific asset which can be valued in cash. Securities are either registered or bearer. The main types of securities are shares, bonds (government, bank or corporate), treasury bills, mutual funds etc.

Purchases and sales of financial instruments are recognized on the day of the transaction, which is the day the Group is obliged to purchase or sell the instrument.

For ATHEX, securities are characterised as being in a trading portfolio; that is, it is assumed that securities are bought and kept with the aim of being liquidated in the short-term for profit. Therefore, they fall under IAS 39 "Financial Instruments: Recognition and Measurement" and their valuation is conducted at their fair value while the profits or losses from the valuation are recognized in the results of the period.

Financial assets are classified in the following categories: a) financial assets at fair value through profit or loss b) loans and receivables, c) investments withheld until maturity and d) available-for sale. The decision on the classification is taken by management when the asset is initially recognized.

Financial assets designated at fair value through profit or loss

This category includes two subcategories: the financial assets for sale, and those that have been designated as investments at fair value through profit or loss, upon the initial recognition. A financial asset is classified in this category, mainly when it is obtained with the aim of a short term sale or when it is designated as such. Furthermore, derivatives for sale as classified in this category, unless they are classified as hedging.

Available-for-sale investment securities

Available-for-sale investment securities are securities that are obtained for an unspecified time period, and which can be sold, for liquidity needs, or changes in interest rates, exchange rates, or stock prices.

Accounting treatment and valuation

Purchases and sales of financial assets at fair value through profit or loss, held until maturity and available-for-sale, are recorded on the transaction date, i.e. the date during which the Group commits to purchase or sell the asset. Loans are recognized when cash is received by the recipients. Financial assets that are not recognized at fair value through profit or loss are initially recognized at fair value plus transaction costs. Financial assets stop being recognized when the right to collect their cash flows expires or when the Group has in effect transferred the risks and returns or rewards that ownership entails.

The investment titles available-for-sale and financial assets at fair value through profit or loss are presented at fair value in future periods as well. Loans and advance payments, as well as investments held until maturity, are presented at their book value with the real interest rate method. Profits and losses from changes in the fair value in the category "financial assets at fair value through profit or loss" are included in the profit and loss statement in the period they occur.

Profits and losses from changes in the fair value of investment titles available-for-sale are recognized directly to equity, until the financial asset is no longer recognized or is devalued, in which case the accumulated profit or loss, which was up until then recognized directly to equity, is transferred to the profit and loss account. Interest from those assets which is calculated based on the real interest rate method, is recognized in the profit and loss account. Dividends from investment titles available-for-sale are recognized in the profit and loss account when the right to collect the dividend is approved by the shareholders.

The fair value of investments that are traded in active markets, is determined by the current exchange ask prices. The fair value of non-listed titles, and other financial assets in cases when the market is not active, is determined using valuation methods. These methods include the use of recent transaction made on a clearly commercial basis, reference to the current price of comparable assets that are traded, as well as the discounted cash flows, estimation of options and other valuation methods that are commonly used in the market.

5.3.5. Other long term receivables

Other long-term claims include rental guarantees, guarantees to utilities (HTC, PPC etc) and other long term claims. If these amounts are material, they are discounted to the present value for the following years during which they are expected to be collected.

In addition, this account includes the participation (account) of the Group in the Supplementary Fund for Clearing Transactions, the required size of which is determined every six months, based on the value of transactions of the previous half, with the difference being paid or refunded. The value of this account does not require discounting.

5.3.6. Derivative financial instruments

ATHEX, despite being the organizer of the derivative products market and possessing the systems (OASIS) through which transactions in derivative products are concluded, does not use such products for its own account.

The various types of guarantees received by the Athens Exchange from its Members in order to acquire and maintain their capacities in the Stock and Derivatives markets are not reported.

5.3.7. Commercial receivables

Claims from customers are short-term in nature (receivable in a period less than 12 months from the date of entry) and recognized at their fair value, while if there is a delay in the collection, or impairment indications in the value of the claims, a provision is calculated for the reduction in their values. In that case, the claim is valued at its recoverable amount; that is at the current value of the future flows estimated to be collected.

The relevant loss is directly recognized directly in the profit and loss statement.

5.3.8. Cash and cash equivalents

Cash and cash equivalents are cash at hand and at bank as well as highly liquid short-term investments, such as bank deposits with a duration of up to six months from their commencement date.

5.3.9. Share Capital

Significant expenses incurred during the issuance of shares are presented as a reduction of the issuing product, in the share premium account.

5.3.10. Income Tax and deferred tax

The recognition of income tax in the period includes current and deferred taxes; that is, taxes or tax relief associated with financial benefits arising during the current period that have already been assessed or shall be assessed by the tax authorities in different periods.

The liabilities or claims from the income tax presented in the Balance Sheet include short term liabilities to or claims from the tax authorities associated with the taxes payable on the taxable income of the period and possible additional income tax as regards previous periods.

Current taxes are calculated in accordance with the tax rates and tax laws applicable in the accounting periods on the relevant taxable profits. All changes in the short term taxation items of the assets or liabilities are recognized as part of the tax expenses in the profit and loss statement.

Deferred income tax is calculated with the liability method on the basis of the temporary differences arising between the accounting value of the assets and liabilities included in the Financial Statements and the tax value attributed to them in accordance with the tax legislation.

In order to determine the deferred income tax, tax rates are used which have come into effect or are effectively in force until the date of the Balance Sheet.

The Company recognizes deferred tax claims when it is likely that the future taxable profits will be sufficient for the offsetting of the temporary differences.

It is noted that a deferred income tax for temporary differences arising from investments in subsidiaries is not recognized since it is possible that the temporary differences may not be reversed in the foreseeable future.

Most of the changes in the deferred tax claims or liabilities are recognized as part of the tax expenses in the Profit & Loss Statement. Only when changes in the assets or liabilities influencing temporary differences are directly recognized in the equity of the Group (such as revaluation of the value of real estate), the corresponding change in the deferred tax claims or liabilities is presented against the relevant equity account.

5.3.11. Employee benefits

Short term employee benefits: Short term provisions for employees (except provisions for the termination of employment) in cash and in kind are recognized as an expense in the fiscal year they are paid.

Any unpaid amount on the date the financial statements are prepared is recognized as a liability while in the case that the amount already paid exceeds the amount of the provisions, the Group recognizes the excess amount as an asset item (prepaid expense) only to the extent that this prepayment shall lead to a reduction in future payments or to a return.

Staff retirement obligations: Staff retirement benefits include both defined contributions plans as well as defined benefits plans.

Defined contribution plan

In the defined contributions plan, the obligation of the company (legal) is limited to the amount agreed to be contributed to the organization (social security fund) which manages the contributions and grants the benefits (pensions, medical care etc).

The accrued cost of the defined contributions schemes is recognized as an expense in the corresponding period.

Defined benefit plan

The defined benefits plan of the Group is its legal obligation to pay the personnel a lump sum indemnity to each employee upon retirement.

The liability recognized on the balance sheet for this plan is the present value of the commitment for the defined benefit depending on the accrued right of the employees and in relation to the specific point of time that this benefit is expected to be paid.

The commitment of the defined benefit is calculated on an annual basis by an independent actuary with the use of the projected unit credit method. For discounting, the interest of the long term Greek Government bonds is used.

The Company recognized in its entirety the actuarial profit or loss on the transfer date and plans on following the same recognition tactic in future fiscal years (note 5.20).

Stock Option Plan for employees

The Group has in place stock option plans for certain executives. Though these options, part of the remuneration is paid with HELEX shares or options on HELEX shares. The cost of these transactions is set as the fair value of the shares on the date these plans are approved by management.

The fair value is arrived at through a valuation model that is appropriate for similar cases. The cost of the stock option plans is recognized during the period, in which the prerequisites for exercising the relevant options are gradually satisfied, with that period ending on the date which the executives participating in the plan establish their right to the receipt/purchase of the shares (vesting date). For options which never vest, no such expense is recognized, except for options whose vesting depends on the fulfillment of external, specific market conditions. It is assumed that these options vest when all the performance criteria have been satisfied, regardless on the satisfaction of the external market requirements.

In case of cancellation of any of these plans, these are assumed to have vested on the cancellation date, and expenses not yet recognized are recognized immediately in the period results. If a plan being cancelled is replaced by a new program, it is treated as a modification of the cancelled plan.

Given that the total cost of the plans in question is not important relevant to the amounts in the financial statements, the Group only provides information about important notifications, as required based on IFRS 2 "Share based payment."

5.3.12. Grants

Government subsidies are not included in the financial statements of the Group unless there is substantiated certainty that:

a) The company has complied or is going to comply with the terms of the subsidy; and

b) The amount of the subsidy shall be collected.

The fair value of the collected consideration is entered and they are recognized as revenue in a systematic way on the basis of the principle of associating subsidies with the relevant costs which they subsidize.

Subsidies concerning fixed assets are included in the long term liabilities as future period revenue and are systematically recognized as revenue during the useful life of the subsidized fixed asset.

5.3.13. Provisions

Provisions are recognized in accordance with 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 estimate the amount of the commitment reliably.

Provisions are re-examined on the date of preparation of the financial statements and are adjusted so as to present the best possible estimations and, if deemed necessary, they are discounted with a discount rate before taxes.

Contingent liabilities are not recognized in the financial statements, but are published, unless the possibility for resource outflow incorporating financial benefits is very small. Possible claims are not recognized in the financial statements, but are published provided the inflow of financial benefit is possible.

5.3.14. Revenue Recognition

Revenue is accounted only when it is likely that the financial benefits associated with the transaction shall flow in the company and in particular:

Revenue from the stock market (Trading, Clearing & Settlement)

Revenue from the cash market is recognized at the time the transaction is concluded and cleared at the Exchange.

Revenue from the derivatives market

Revenue from the Derivatives Market is recognized at the time the transaction is cleared at Athens Exchange through HELEX (as successor to ADECH).

Revenue from Members (fees)

Revenue from the negotiation and clearing of transactions is recognized at the conclusion of the transaction at the Exchange and of the collection from the Members of the Cash and Derivatives Markets. Revenue is prepaid, while the relevant invoice is issued every two weeks.

Revenue from listed companies

Revenue concerning subscriptions, one-off fees, company listings, rights issues, and HERMES System services, are recognized at the time the relevant invoices are issued in conjunction with the time the service provided is concluded. Subscriptions are prepaid.

Revenue from market data vendors

Revenue from this source is recognized at the time the service provided is concluded, provided that the relevant claim is certain and recoverable.

Technological support services

Revenue from technological support services is recognized at the time the service provided is concluded, provided that the relevant claim is certain and recoverable.

Other services

Revenue from other services is recognized at the time the service provided is concluded, provided that the economic benefits connected with the transaction will flow to the enterprise.

Interest

Interest income is recognized in accordance with the principle of accrued income (taking into account the true yield of the asset).

Dividends

Dividend income is recognized when the collection right of the shareholders is finalized; that is, on approval by the General Shareholders Meeting.

5.3.15. Dividend distribution

The distribution of dividends to ATHEX shareholders is recognized as a liability in the consolidated financial statements on the date the distribution is approved by the General Meeting of the shareholders (note 7.23).

5.3.16. New standards, modified standards and interpretations of the IFRIC

Certain new standards, amendments to standards and interpretations have been issued that are mandatory for periods beginning during the current reporting period and subsequent reporting periods. The Group's evaluation of the effect of these new standards, amendments to standards and interpretations is as follows:

Standards effective for the year ended 31 December 2008

IAS 39 (Amendment) "Financial Instruments: Recognition and Measurement" and IFRS 7 (Amendment) "Financial instruments: Disclosures" – Reclassification of Financial Assets (effective prospectively from 1 July 2008)

This amendment permits an entity to reclassify non-derivative financial assets (other than those designated at fair value through profit or loss by the entity upon initial recognition) out of the fair value through profit or loss category in particular circumstances. The amendment also permits an entity to transfer from the available-for-sale category to the loans and receivables category a financial asset that would have met the definition of loans and receivables (if the financial asset had not been designated as available for sale), if the entity has the intention and ability to hold that financial asset for the foreseeable future. This amendment will not have any impact on the Group's financial statements.

Interpretations effective for the year ended 31 December 2008

IFRIC 11 – IFRS 2: Group and Treasury share transactions (effective for annual periods beginning on or after 1 March 2007)

This interpretation clarifies the treatment where employees of a subsidiary receive the shares of a parent. It also clarifies whether certain types of transactions are accounted for as equity-settled or cash-settled transactions. This interpretation is not expected to have any impact on the Group's financial statements.

IFRIC 12 – Service Concession Arrangements (effective for annual periods beginning on or after 1 January 2008)

This interpretation applies to companies that participate in service concession arrangements. This interpretation is not relevant to the Group's operations.

IFRIC 14 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction (effective for annual periods beginning on or after 1 January 2008)

This interpretation applies to post-employment and other long-term employee defined benefit plans. The interpretation clarifies when refunds or reductions in future contributions should be regarded as available, how a minimum funding requirement might affect the availability of reductions in future contributions and when a minimum funding requirement might give rise to a liability. As the Group does not operate any such benefit plans for its employees, this interpretation is not relevant to the Group.

Standards effective after year ended 31 December 2008

IAS 1 (Revised) "Presentation of Financial Statements" (effective for annual periods beginning on or after 1 January 2009)

IAS 1 has been revised to enhance the usefulness of information presented in the financial statements. The key changes are: the requirement that the statement of changes in equity include only transactions with shareholders, the introduction of a new statement of comprehensive income that combines all items of income and expense recognised in profit or loss together with "other comprehensive income", and the requirement to present restatements of financial statements or retrospective application of a new accounting policy as at the beginning of the earliest comparative period. The Group will apply these amendments and make the necessary changes to the presentation of its financial statements in 2009.

IAS 23 (Amendment) "Borrowing Costs" (effective for annual periods beginning on or after 1 January 2009)

This standard replaces the previous version of IAS 23. The main change is the removal of the option of immediately recognising as an expense borrowing costs that relate to assets that need a substantial period of time to get ready for use or sale. The Group will apply IAS 23 from 1 January 2009.

IAS 32 (Amendment) "Financial Instruments: Presentation" and IAS 1 (Amendment)

"Presentation of Financial Statements" – Puttable Financial Instruments (effective for annual periods beginning on or after 1 January 2009)

The amendment to IAS 32 requires certain puttable financial instruments and obligations arising on liquidation to be classified as equity if certain criteria are met. The amendment to IAS 1 requires disclosure of certain information relating to puttable instruments classified as equity. The Group does not expect these amendments to impact the financial statements of the Group.

IAS 39 (Amended) "Financial Instruments: Recognition and Measurement" – Eligible Hedged Items (effective for annual periods beginning on or after 1 July 2009)

This amendment clarifies how the principles that determine whether a hedged risk or portion of cash flows is eligible for designation should be applied in particular situations. This amendment is not applicable to the Group as it does not apply hedge accounting in terms of IAS 39.

IFRS 1 (Amendment) "First time adoption of IFRS" and IAS 27 (Amendment) "Consolidated and separate financial statements" (effective for annual periods beginning on or after 1 January 2009)

The amendment to IFRS 1 allows first-time adopters to use a deemed cost of either fair value or the carrying amount under previous accounting practice to measure the initial cost of investments in subsidiaries, jointly controlled entities and associates in the separate financial statements. The amendment also removes the definition of the cost method from IAS 27 and replaces it with a requirement to present dividends as income in the separate financial statements of the investor.

As the parent company and all its subsidiaries have already transitioned to IFRS , the amendment will not have any impact on the Group's financial statements.

IFRS 2 (Amendment) "Share Based Payment" – Vesting Conditions and Cancellations (effective for annual periods beginning on or after 1 January 2009)

The amendment clarifies the definition of "vesting condition" by introducing the term "non-vesting condition" for conditions other than service conditions and performance conditions. The amendment also clarifies that the same accounting treatment applies to awards that are effectively cancelled by either the entity or the counterparty. The Group does not expect that these amendments will have an impact on its financial statements.

IFRS 3 (Revised) "Business Combinations" and IAS 27 (Amended) "Consolidated and Separate Financial Statements" (effective for annual periods beginning on or after 1 July 2009)

The revised IFRS 3 introduces a number of changes in the accounting for business combinations which will impact the amount of goodwill recognized, the reported results in the period that an acquisition occurs, and future reported results. Such changes include the expensing of acquisition related costs and recognizing subsequent changes in fair value of contingent consideration in the profit or loss. The amended IAS 27 requires that a change in ownership interest of a subsidiary to be accounted for as an equity transaction. Furthermore the amended standard changes the accounting for losses incurred by the subsidiary as well as the loss of control of a subsidiary. The changes introduced by these standards must be applied prospectively and will affect future acquisitions and transactions with minority interests. The Group will apply these changes from their effective date.

IFRS 8 "Operating Segments" (effective for annual periods beginning on or after 1 January 2009)

This standard supersedes IAS 14, under which segments were identified and reported based on a risk and return analysis. Under IFRS 8 segments are components of an entity regularly reviewed by the entity's chief operating decision maker and are reported in the financial statements based on this internal component classification. The Group will apply IFRS 8 from 1 January 2009.

Interpretations effective after year ended 31 December 2008

IFRIC 13 – Customer Loyalty Programmes (effective for annual periods beginning on or after 1 July 2008)

This interpretation clarifies the treatment of entities that grant loyalty award credits such as ''points'' and ''travel miles'' to customers who buy other goods or services. This interpretation is not relevant to the Group's operations.

IFRIC 15 - Agreements for the construction of real estate (effective for annual periods beginning on or after 1 January 2009)

This interpretation addresses the diversity in accounting for real estate sales. Some entities recognise revenue in accordance with IAS 18 (i.e. when the risks and rewards in the real estate are transferred) and others recognise revenue as the real estate is developed in accordance with IAS 11. The interpretation clarifies which standard should be applied in each particular case. This interpretation is not relevant to the Group's operations.

IFRIC 16 - Hedges of a net investment in a foreign operation (effective for annual periods beginning on or after 1 October 2008)

This interpretation applies to an entity that hedges the foreign currency risk arising from its net investments in foreign operations and qualifies for hedge accounting in accordance with IAS 39.

The interpretation provides guidance on how an entity should determine the amounts to be reclassified from equity to profit or loss for both the hedging instrument and the hedged item. This interpretation is not relevant to the Group as the Group does not apply hedge accounting for any investment in a foreign operation.

Amendments to standards that form part of the IASB's annual improvements project

The amendments set out below describe the key changes to IFRSs following the publication in May 2008 of the results of the IASB's annual improvements project. Unless otherwise stated the following amendments are effective for annual periods beginning on or after 1 January 2009.

IAS 1 (Amendment) "Presentation of financial statements"

The amendment clarifies that some rather than all financial assets and liabilities classified as held for trading in accordance with IAS 39 "Financial instruments: Recognition and measurement" are examples of current assets and liabilities respectively. The Group will apply this amendment from 1 January 2009 but it is not expected to have an impact on the Group's financial statements.

IAS 16 (Amendment) "Property, plant and equipment" (and consequential amendment to IAS 7 "Statement of cash flows")

This amendment requires that entities whose ordinary activities comprise renting and subsequently selling assets present proceeds from the sale of those assets as revenue and should transfer the carrying amount of the asset to inventories when the asset becomes held for sale. A consequential amendment to IAS 7 states that cash flows arising from purchase, rental and sale of those assets are classified as cash flows from operating activities. The amendment will not have an impact on the Group's operations because none of the companies in the Group have ordinary activities that comprise renting and subsequently selling assets.

IAS 19 (Amendment) "Employee benefits"

The changes to this standard are as follows:

- A plan amendment that results in a change in the extent to which benefit promises are affected by future salary increases is a curtailment, while an amendment that changes benefits attributable to past service gives rise to a negative past service cost if it results in a reduction in the present value of the defined benefit obligation.
- The definition of return on plan assets has been amended to state that plan administration costs are deducted in the calculation of return on plan assets only to the extent that such costs have been excluded from measurement of the defined benefit obligation.
- The distinction between short term and long term employee benefits will be based on whether benefits are due to be settled within or after 12 months of employee service being rendered.
- IAS 37, 'Provisions, contingent liabilities and contingent assets', requires contingent liabilities to be disclosed, not recognised. IAS 19 has been amended to be consistent.

The Group will apply theses amendments from 1 January 2009. It is not expected that these amendments will have an impact on the Group financial statements.

IAS 20 (Amendment) "Accounting for government grants and disclosure of government assistance"

The amendment requires that the benefit of a below-market rate government loan is measured as the difference between the carrying amount in accordance with IAS 39 "Financial instruments: Recognition and measurement" and the proceeds received with the benefit accounted for in accordance with IAS 20. The amendment will not have an impact on the Group's operations as there are no loans received from the government.

IAS 27 (Amendment) "Consolidated and separate financial statements"

This amendment states that where an investment in a subsidiary that is accounted for under IAS 39 "Financial instruments: Recognition and measurement" is classified as held for sale under IFRS 5 "Non-current assets held for sale and discontinued operations" that IAS 39 would continue to be applied. The amendment will not have an impact on the Group's financial statements because it is the Group's policy for an investment in a subsidiary to be recorded at cost in the standalone accounts.

IAS 28 (Amendment) "Investments in associates" (and consequential amendments to IAS 32 "Financial Instruments: Presentation" and IFRS 7 "Financial instruments: Disclosures")

In terms of this amendment, an investment in associate is treated as a single asset for the purposes of impairment testing and any impairment loss is not allocated to specific assets included within the investment. Reversals of impairment are recorded as an adjustment to the investment balance to the extent that the recoverable amount of the associate increases. The Group will apply this amendment from 1 January 2009.

IAS 28 (Amendment) "Investments in associates" (and consequential amendments to IAS 32 "Financial Instruments: Presentation" and IFRS 7 "Financial instruments: Disclosures")

This amendment states that where an investment in associate is accounted for in accordance with IAS 39 "Financial instruments: Recognition and measurement" only certain, rather than all disclosure requirements in IAS 28 need to be made in addition to disclosures required by IAS 32 "Financial Instruments: Presentation" and IFRS 7 "Financial Instruments: Disclosures". The amendment will not have an impact on the Group's financial statements because it is the Group's policy for an investment in an associate to be equity accounted in the Group's consolidated accounts.

IAS 29 (Amendment) "Financial reporting in hyperinflationary economies"

The guidance in this standard has been amended to reflect the fact that a number of assets and liabilities are measured at fair value rather than historical cost. The amendment will not have an impact on the Group's operations, as none of the Group's subsidiaries or associates operate in hyperinflationary economies.

IAS 31 (Amendment) "Interests in joint ventures" and consequential amendments to IAS 32 "Financial Instruments: Presentation" and IFRS 7 "Financial instruments: Disclosures")

This amendment states that where an investment in joint venture is accounted for in accordance with with IAS 39 "Financial instruments: Recognition and measurement" only certain, rather than all disclosure requirements in IAS 31 need to be made in addition to disclosures required by IAS 32 "Financial Instruments: Presentation" and IFRS 7 "Financial Instruments: Disclosures". The amendment will not have an impact on the Group's operations as there are no interests held in joint ventures accounted for in terms of IAS 39.

IAS 36 (Amendment) "Impairment of assets"

This amendment requires that were fair value less costs to sell is calculated on the basis of discounted cash flows, disclosures equivalent to those for value-in-use calculation should be made. The Group will apply this amendment and provide the required disclosure where applicable for impairment tests from 1 January 2009.

IAS 38 (Amendment) "Intangible assets"

This amendment states that a payment can only be recognised as a prepayment if that payment has been made in advance of obtaining right of access to goods or receipt of services. This amendment effectively means that once the Group has access to the goods or has received the services then the payment has to be expensed. The Group will apply this amendment from 1 January 2009.

IAS 38 (Amendment) "Intangible assets"

This amendment deletes the wording that states that there is "rarely, if ever" support for use of a method that results in a lower rate of amortisation than the straight line method. The amendment will not currently have an impact on the Group's operations as all intangible assets are amortised using the straight line method.

IAS 39 (Amendment) "Financial instruments: Recognition and measurement"

The changes to this standard are as follows:

- It is possible for there to be movements into and out of the fair value through profit or loss category where a derivative commences or ceases to qualify as a hedging instrument in cash flow or net investment hedge.
- The definition of financial asset or financial liability at fair value through profit or loss as it relates to items that are held for trading is amended. This clarifies that a financial asset or liability that is part of a portfolio of financial instruments managed together with evidence of an actual recent pattern of short-term profit-taking is included in such a portfolio on initial recognition.
- The current guidance on designating and documenting hedges states that a hedging instrument needs to involve a party external to the reporting entity and cites a segment as an example of a reporting entity. This means that in order for hedge accounting to be applied at segment level, the requirements for hedge accounting are currently required to be met by the applicable segment. The amendment removes this requirement so that IAS 39 is consistent with IFRS 8, 'Operating segments' which requires disclosure for segments to be based on information reported to the chief operating decision maker.
- When re-measuring the carrying amount of a debt instrument on cessation of fair value hedge accounting, the amendment clarifies that a revised effective interest rate (calculated at the date fair value hedge accounting ceases) is used.

The Group will apply the IAS 39 (Amendment) from 1 January 2009. It is not expected to have an impact on the Group's financial statements.

IAS 40 (Amendment) "Investment property" (and consequential amendments to IAS 16 "Property, plant and equipment")

The amendment states that property that is under construction or development for future use as investment property is within the scope of IAS 40. Where the fair value model is applied, such property is, therefore, measured at fair value. However, where fair value of investment property under construction is not reliably measurable, the property is measured at cost until the earlier of the date construction is completed and the date at which fair value becomes reliably measurable.

The amendment will not have an impact on the Group's operations, as there are no investment properties are held by the Group.

IAS 41 (Amendment) "Agriculture"

This amendment requires the use of a market-based discount rate where fair value calculations are based on discounted cash flows and the removal of the prohibition on taking into account biological transformation when calculating fair value. The amendment will not have an impact on the Group's operations as no agricultural activities are undertaken.

IFRS 5 (Amendment) "Non-current assets held for sale and discontinued operations" (and consequential amendment to IFRS 1 "'First-time adoption") (effective for annual periods beginning on or after 1 July 2009)

The amendment clarifies that all of a subsidiary's assets and liabilities are classified as held for sale if a partial disposal sale plan results in loss of control, and relevant disclosure should be made for this subsidiary if the definition of a discontinued operation is met. A consequential amendment to IFRS 1 states that these amendments are applied prospectively from the date of transition to IFRS. The Group will apply this amendment prospectively to all partial disposals of subsidiaries from 1 January 2010.

5.4. Risk Management

Financial Risk Factors

The Company is exposed to a limited range of financial risks. The usual risks to which the company is theoretically subjected are market risks (changes in exchange rates, interest, market prices), credit risk, liquidity risk, cash flow risk.

The general risk management programme of the Group focuses on the management of risks that HELEX (as successor to ADECH) assumes as central counterparty in the settlement of derivative products.

Risk management is performed by the relevant departments of the Company and the basic elements are described below.

Foreign exchange risk

This risk does not materially influence the operation of the Company, since there are very few transactions with customers & suppliers in foreign currencies.

Price risk

The Company is exposed to the risk of change in the value of the securities it possesses. On 31.12.2008 the Company possessed Greek Government bonds and Bank bonds. This risk from these bonds is considered to be limited.

Credit risk

The turnover of the Company mainly consists of transactions with members of the cash and derivatives markets as well as with reliable foreign houses which have a high credit rating. On this basis, it is estimated that the credit risk is minimal.

Liquidity risk

Liquidity risk is maintained at low levels by keeping adequate cash in hand and highly liquid securities while the revenue from transactions, both in the cash and derivatives market, is immediately collected (T+3 for stocks, T+1 for bonds).

Cash flow risk and risk from the change of the fair value due to interest rate changes

The operating revenue, as well as the cash flows of the Group are independent of interest rate changes.

5.5. Segment Information

A **business sector** is defined as a group of assets and operations which provide products and services subject and each of which has different risks and returns from other business sectors. A **geographical sector** is defined as a geographical area for which products and services are provided and each of which is subject to different risks and returns from other areas. The main interest of financial information of the Company focuses on business sectors while the geographical distribution of the Company's activity is not of particular importance since the company's electronic systems are at the disposal of investors irrespective of their location.

On December 31st 2008 the main activities of the Group broken down by business sector were as follows:

COMPANY	Segment information (1) on 31.12.2008			
	Cash Market*	Derivatives Market	Others	Total
Revenues	42.303	5.956	1.943	50.202
Capital income	5.275	478	268	6.021
Expenses	(26.025)	(1.975)	(1.423)	(29.423)
Result	**21.553**	**4.459**	**788**	**26.800**
Assets	2.183	0	0	2.183
Cash & cash equivalents	82.146	15.128	4.120	101.394
Other assets	18.315	1.226	673	20.214
Total assets	**102.644**	**16.354**	**4.793**	**123.791**
Total Liabilities	7.590	163	-	7.753

** includes revenue from shares trading in the Athens Exchange, revenue from ATHEX listed companies, revenue from the operation of the ATHEX-CSE Common Platform, as well as revenue from market data vendors.*

(1) The allotment of expenses was performed based on fixed allotment percentages for each activity sector.

Company	Segment information (1) on 31.12.2007			
	Cash Market*	Derivatives Market	Others	Total
Revenue	68.632	5.351	2.619	76.602
Capital income	3.965	280	160	4.405
Expenses	(34.899)	(2.676)	(1.529)	(39.104)
Result	**37.698**	**2.955**	**1.250**	**41.903**
Asset	13.225	0	0	13.225
Cash & cash equivalents	76.443	14.333	4.778	95.554
Other assets	50.398	771	257	51.426
Total assets	**140.066**	**15.104**	**5.035**	**160.205**
Total Liabilities	15.337	199		15.536

** includes revenue from shares trading in the Athens Exchange, revenue from ATHEX listed companies, revenue from the operation of the ATHEX-CSE Common Platform, as well as revenue from market data vendors.*

(1) The allotment of expenses was performed based on fixed allotment percentages for each activity sector.

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5.6. Cash Market

The total value of transactions in the cash market in 2008 amounted to €22.6m vs. €34.7m in 2007, a 35.7% reduction, while the average daily value of transactions fell by 34%, in conjunction with the five fewer trading sessions in 2008 compared to 2007 – due to the Catholic Easter and the strike at the Bank of Greece.

5.7. Revenue from listed companies

Revenue from listed companies includes the quarterly subscriptions of listed companies, fees from share capital increases of listed companies as well as new listings on ATHEX.

Revenue from this category amounted to €7.5m vs. €25.5m in the corresponding period last year, a 70.6% reduction.

These amounts come from:

a) Subscription revenue from listed companies, which amounted to €5.9m in 2008 vs. €6.5m in the corresponding period in 2007, reduced by 9.2%

b) Fees from new listings, which amounted to €103 thousand in 2008 compared to €3.2m in the corresponding period last year (Marfin - €1.8m)

c) Fees from rights issues by listed companies which amounted to €1.5m vs. €15.8m (Marfin Group - €9.5m) in the corresponding period last year

5.8. Revenue from subscriptions and Member terminals

Revenue from subscriptions and member terminals amounted to €3.2m vs. €3.7m in the corresponding period last year, a 13.2% drop. The drop is due to the reduction in the number of transactions by members for the year, based on which subscriptions are calculated.

5.9. Derivatives Market

Revenue from the derivatives market in 2008 amounted to €5.9m vs. €5.3m in the corresponding period last year, a 11.3% increase.

5.10. Revenue from Data Feed Vendors

Revenue from data feed vendors increased by 18.5% in 2008 and amounted to €4.5m vs. €3.8m in the corresponding period last year. This figure includes €195 thousand in extraordinary revenue, the result of an audit of the vendors, while €585 thousand concern the inbroker activity.

5.11. Operation of the ATHEX-CSE Common Platform

The Common Platform supporting the operation of the markets of Athens Exchange (ATHEX) and the Cyprus Stock Exchange (CSE), commenced operations on 30.10.2006. The Common Platform is the result of a long term cooperation of the companies of the HELEX Group with CSE and aims to make the operation of the two markets more effective by the use of a common technological infrastructure, and a compatible legal and regulatory framework.

With the start of operation of the Common Platform, access of market participants became easier, at no additional cost, which increases the "visibility" of both markets, with the exploitation of each exchange's comparative advantages, and reduces operating costs, by exploiting the economies of scale.

On 31.12.2008, 11 CSE members were full ATHEX remote members, while at the same time 12 ATHEX members were full CSE remote members and therefore can carry out transactions on listed companies in ATHEX and CSE respectively.

The net revenue of ATHEX in 2008 from the operation of the ATHEX-CSE common platform amounted to €738 thousand vs. €846 thousand in 2007, and is reported as a separate line item in the Profit and Loss statement. The revenues of the ATHEX-CSE Common Platform for the period 01.01.2008 to 31.12.2008 are analyzed as follows:

	1.1-31.12 2008	1.1-31.12 2007
CSE ODL connection service fees	82	69
Revenue from the operation of the ATHEX-CSE Common Platform	297	244
Revenue from the ATEHX-CSE telecommunication connection	36	36
Revenue from the broadcast of CSE to data vendors	36	32
Revenue from ATHEX-CSE cross border transactions	527	642
Invoicing of expenses		
Implementation of the Common Platform project (contract)		
Total revenues	**978**	**1.023**
Expenses	(240)	(177)
Net result	**738**	**846**

5.12. Revenue from IT services

Revenue from this category amounted to €1.5m vs. €1.0m in the corresponding period last year, increased by 45.4%, due mainly to the fees charged for the use of the Exchange Network starting on 1.2.2008 (monthly subscription fees).

5.13. Revenue from other activities

Revenue from other activities	31.12.2008	31.12.2007
Revenue from margin coverage audits	15	20
Revenue from events	1	34
Revenue from Ministry grants (OAED)	10	0
Default of penalty clauses	45	232
Seminars	0	3
Revenue from bonds / Greek government bonds	47	33
Revenue from prior years	22	0
Revenue from DAC project	0	874
Other revenue	299	183
Total other revenue	**439**	**1.379**

Revenue from other activities dropped significantly, and amounted to €439 thousand vs. €1.37m in the corresponding period last year. The prior year figure included €874 thousand non-recurring revenue from the DAC project last year.

5.14. Non-recurring revenue

Revenue from this category includes the profit from the sale of the building at 1 Pesmazoglou St. in the amount of €3.2m, which was completed at the end of July 2008, revenue from the sale of tangible assets in the amount of €147m, rental income from the Pesmazoglou building, until it was sold, in the amount of €329 thousand.

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5.15. Personnel remuneration and related expenses

Personnel remuneration and expenses in 2008 amounted to €7.6m vs. €8.2m in the corresponding period last year, posting an 8.1% reduction.

On 31.12.2008 the number of employees of the Company was 139, reduced compared to the same period in 2007, when it was 163 persons.

The change in the number of employees of the Company, as well as the breakdown of staff remuneration is shown in the following table:

	31.12.08	31.12.07
Employees	139	163
Total Personnel	**139**	**163**

Personnel remuneration	5.670	5.967
Social security contributions	1.216	1.227
Other benefits	417	392
Compensation due to personnel departure	90	276
Stock option plan provision	169	364
Total	**7.562**	**8.226**

Obligations to employees

The Company assigned the preparation of a study to an actuary in order to investigate and calculate the actuarial figures, on the basis of the requirements of the International Accounting Standards (IAS 19), which must be recognized in the balance sheet and the profit and loss statement. Upon the actuarial valuation, all financial and demographic parameters related to the employees of the Company were taken into consideration.

The changes in the provision are shown in detail in the following table:

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Accounting Presentation in accordance with IAS 19 (amounts in €)	**31.12.08**	**31.12.07**
Present value of liabilities not financed	892.686	826.800
Net liability recognised on the balance sheet	**892.686**	**826.800**
Amounts recognised in the profit & loss statement		
Cost of current employment	75.394	82.521
Interest on the liability	39.686	24.804
Recognition of actuarial profit	(15.375)	(97.783)
Recognition of cost related to length of service	56.598	257.587
Cost of personnel reduction		230.701
Total expense in the profit & loss statement	**156.303**	**497.830**
Changes in the net liability recognised in the balance sheet		
Net liability at the beginning of the year	826.800	604.970
Benefits paid by the employer	(90.417)	(276.000)
Total expense recognised in the P&L statement	156.303	497.830
Net liability at the end of the year	**892.686**	**826.800**
Change in the present value of the liability		
Present value of the liability, beginning of the period	826.800	604.970
Cost of current employment	75.394	82.521
Interest expense	39.686	24.804
Benefits paid by the employer	(90.417)	(276.000)
Additional payments (revenue), or expenses	0	230.701
Costs related to length of service for the period	56.598	257.587
Actuarial profit	(15.375)	(97.783)
Present value of the liability, end of the period	**892.686**	**826.800**

The actuarial assumptions used in the actuarial study are as follows:

Technical interest rate	5.67%
Increase in salaries	4.0%
Inflation	2.5%
Service table	E V K 2000
Personnel turnover	0.5%
Retirement conditions and age	Males: 65 years old and Females: 60 years old
Valuation date	31.12.2008
Structure of insured group	Closed*:* we assume zero number of people entering
Cash position	

Stock Option Programs

1. The Board of Directors of the Company proposed to the 1st Repetitive General Meeting of HELEX on 24.05.2007 the implementation of a new share distribution program to executives of the Company and associated (according to article 42e of Common Law 2190/1920) with it companies, in the form of a stock option program.

   The program will be implemented and applied, i.e. stock option rights on Company shares will be awarded, for 2007, 2008 and 2009, while executives that have the right to participate in the program will be able to exercise the rights awarded to them until the final date for exercising them, i.e. for rights provided in 2007, beneficiaries will have the right to exercise them until 2009, for rights provided in 2008, beneficiaries will have the right to exercise them until 2010 for rights provided in 2009, beneficiaries will have the right to exercise them until 2011, in accordance with the specific terms of the program that will be drafted by the Board of Directors.

(Amounts in thousand euro unless otherwise stated)

   As part of the abovementioned program, up to a maximum of 702,000 new common registered shares of the Company can be issued, representing approximately 1% of outstanding shares. Any change in the share capital as a result of corporate actions will lead to a mathematical readjustment of the abovementioned figures, so as not to alter the rights of the executives of the Group.

The issue price of the shares will be at a 10% discount to the average price of the share of the Company in October of each year that the program is in effect, and will be the same for all executives set by the Board of Directors as having the right to participate in the program.

The beneficiaries of the program will be selected among the Group's executives by the Board of Directors, following the recommendation of the Nomination and Compensation Committee of the Company and based on the regular yearly assessment of each executive and/ or other criteria, such as years of service at the present position, level of responsibility, number of subordinates et al.

If the share capital increase is not covered in full – i.e. if the share capital is not increased by the maximum allowed number of 702,000 new common registered shares of the Company, which is approximately 1% of the total number of outstanding shares – then the share capital will be increased up to the amount covered.

Furthermore, the Board of Directors is authorized to set, in its judgement, the details, as well as any additional conditions or restrictions for providing these stock option rights to beneficiaries and for their exercise, to draft the declarations for exercising the stock option rights and the corresponding contract, to provide the stock option certificates to the beneficiaries, to set any other detail or modification of the above, and in general to take and relevant or necessary action regarding the implementation of the abovementioned stock option program, by appointing agents of its choosing and for signing any document.

The Board of Directors took into consideration the relevant report/analysis prepared by an international auditing and consulting company.

In December 2007, executives of the Group exercised 108,600 rights with an exercise price of €20.48 per share. Approximately 50% of the options granted were exercised.

Based on the second stock option program of the group, the Company has charged to the results of 2008 the amount of €87 thousand. Following the resolution of the BoD of 4.6.2008, the exercise period for the options was modified to be quarterly instead of yearly.

2. The BoD decided to propose to the Annual General Meeting of shareholders of 14.5.2008 a third stock program for Group employees in accordance with the following conditions:

   The aim of the third stock option program by Hellenic Exchanges is to provide incentives to the executives of the companies of the Group in order to increase productivity develop the activities of the Group and achieve its goals. The beneficiaries of the plan will be a maximum of 50 and must hold a management position at the Group, while the number of shares that will be distributed to the beneficiaries will not exceed 1% of the total number of outstanding shares of the Company, i.e. approximately 704,000 shares. The distribution of options took place at the General Meeting of 4.6.2008 at a 33% ratio with a 1 year exercise period, 33% with a 2 year exercise period and 34% with a three year exercise period. The options can be exercised at any quarter for two years following the vesting period. In order to value the options that will be issued in accordance with the third HELEX stock option program, the binomial lattice model was used. The exercise price was set to be €11.76, the HELEX closing price in ATHEX on the date of the General Meeting of 4.6.2008.

   In the results of 2008, a charge in the amount of €82 thousand was made for the third stock option program.

5.16. Third party fees & expenses

In 2008 third party fees and expenses amounted to €1.2m vs. €0.932m in the previous year, increased by 26.7%. Third party fees and expenses include the remuneration of the Chairman and the members of the BoD of all the companies of the Company.

	31.12.08	31.12.07
BoD remuneration	625	527
Fees to auditors	64	46
Fees to lawyers and external associates	17	0
Fees to consultants	207	115
Fees to FTSE	143	142
Fees to training consultants	5	0
Other fees	15	34
DSS operator fees	105	68
Total	**1.181**	**932**

Remuneration of the Boards of Directors of the Company

The remuneration of the Members of the Boards of Directors of the companies of the Company amounted to €625 thousand in 2008 vs. €527 thousand last year. This amount in 2008 includes €590 thousand as remuneration of the Chief Executive Officer and €35 thousand for the members of the Board. The amounts for the corresponding period in 2007 were €498 thousand and €29 thousand respectively.

5.17. Utilities

Utilities includes expenses for electricity, water, telephone calls and communications networks, and amounted to €1.1m in 2008 vs. €0.744m in 2007, a 49.4% increase.

	31.12.2008	31.12.2007
Electricity	33	114
Water	0	13
Telephone - Internet	69	51
Leased lines - ATHEXnet	1.010	566
Total	**1.112**	**744**

The major increase comes from the increased leased line expenses, which include the expenses of the service of connecting ATHEXnet users with Members. The largest part of these expenses is invoiced to members. The corresponding revenue amounts to €957 thousand and is included in revenue from IT services (note 5.12, page 34)

5.18. Maintenance / IT support

Maintenance and IT support includes expenses for the maintenance of the Company's technical infrastructure, support for the IT systems (technical support for the electronic trading platforms, databases, DSS etc.). Maintenance and repair expenses amounted to €1.43m in 2008 compared to €1.68m in 2007, a 14.5% reduction, which is due to the synergies achieved at the new building of the Company.

5.19. Taxes - VAT

The non deductible value added tax that burdens the cost of services amounted to €692 thousand, compared to €625 thousand for the corresponding period last year, increased by 10.7%.

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5.20. Building / equipment management

This category includes the building and equipment insurance premiums, security and cleaning services, maintenance and repairs et al.

The building and equipment management expenses in 2008 amounted to €258 thousand vs. €407 thousand in the corresponding period in 2007, a 36.6% decrease.

	31.12.2008	31.12.2007
Building repair and maintenance - other equipment	17	103
Cleaning and building security services	220	267
Common expenses	1	7
Building - electronic equipment fire insurance	20	30
Total	**258**	**407**

The significant decrease is the result of synergies that are being realized at the new building. Building and equipment management expenses are decreased due to the contractual obligation of the construction company that built the Athinon Ave. Building, Babis Vovos International Technical S.A., to maintain the building until August 2008.

5.21. Marketing and advertising expenses

Marketing and advertising expenses amounted to €308 thousand vs. €386 thousand in 2007, a 20,2% reduction.

	31.12.2008	31.12.2007
Paper advertisements	9	36
Conference and seminar expenses	81	133
Other promotion expenses	199	185
Hosting expenses	19	32
Total	**308**	**386**

5.22. Other expenses

Other expenses in 2008 amounted to €2,4m vs. €3.6m in the corresponding period last year, reduced by 32.7%. These include rent, travelling costs, stationery, subscriptions to professional organisations, donation to the Thessaloniki Stock Exchange etc.

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	31/12/2008	31/12/2007
Stationery	30	78
Travelling (1)	343	160
Postal costs (2)	52	7
Publication expenses	5	9
Transportation expenses	26	19
Subscriptions to prof. organisations and contributions	265	203
Donations (ATHEX, Special Olympics)	69	20
Storage fees	96	92
Donation to Thessaloniki Stock Exchange	745	770
Rent (3)	235	644
Provisions for extraordinary risk		200
Provisions for doubtful debts		250
HELEX support services charges	108	108
Legal costs	43	1
Loss on disposal of assets	7	21
Expensing of assets	71	
Prior year expenses	165	86
Social security contributions for prior years	10	6
Hellenic Capital Market Commission		40
Third party fees	9	12
Compensation / legal clauses		40
Intarget		564
Other Expenses	37	85
Total other expenses	**2.316**	**3.415**

(1) Travelling appears increased in 2008 mainly due to: the annual Capital Markets conference and the sports tournament between exchanges which were organized in September in Chalkidiki (wholly covered by sponsorships), for which ATHEX proportionally paid the amount of €80 thousand, the Roadshow in the USA the Company attended, as well as the active participation of management in international conferences and forums, so as to be directly updated on financial matters.

(2) Postal expenses are increased due to the mailing of information material to investing public for in relation to the alternative investment market (EN.A.) which cost €45 thousand.

(3) Rent is decreased as a result of the transfer of the Company offices from the 10, Sofokleous str. building to the new owned building on 110, Athinon Ave.

5.23. Extraordinary expenses of equipment upgrade / relocation

Due to the relocation of the HELEX Group on its own premises at 110 Athinon Ave, 2007 was burdened with extraordinary charges related to the project of upgrading the equipment and relocating the departments of the Group, as well as with the donations to fire victims. The amount that was charged in 2007 amounted to €2.9m, and there is no charge in 2008.

5.24. Hellenic Capital Market Commission fee

The operating results of the Company in 2008 do not include the Hellenic Capital Market Commission fee, which amounted to €2,5m compared to €8.1m in 2007. This fee is collected and turned over to the Capital Market Commission, within two months following the end of each six-month period.

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5.25. Clients and other receivables

All claims are short term and, therefore, no discounting is required on the date of the balance sheet. The breakdown of the clients and the other receivables are shown in the following table:

	31.12.2008	31.12.2007
Clients		
Clients	4.230	3.563
Minus: provisions	(1.010)	(1.010)
Total	**3.220**	**2.553**
Other receivables		
Tax withheld on tax deposits	3	3
Tax withheld on the sale of participations	0	399
Other taxes withheld	635	433
Accrued revenue (interest)	796	884
Prepaid non accrued expenses	462	559
Prepayments and credits	2	23
Cheques receivables	0	46
Claim from HELEX	0	24.050
Total	**1.898**	**26.397**

Provision for doubtful debts	
Balance on 31.12.07	**1.010**
Charge to the P&L statement	0
Balance on 31.12.08	**1.010**

5.26. Securities / Cash in hand and at bank

The Greek State and bank bonds that the Group possesses are held for commercial purposes.

The total value of the bonds (Greek State and bank bonds) on 31.12.2008 amounted to €10.2m, broken down as follows:

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BOND PORTFOLIO -31.12.2008 (Amounts in euro)									
ISIN	Bank	Issue date	Maturity date	Purchase price	Interest	Total value	Valuation 31.12.2007	Valuation 31.12.2008	Valuation difference 31.12.2008
XS0261785504	Piraeus	20/7/2006	20/7/2016	4.000.000,00	4,304%	4.012.000,00	3.880.000,00	3.700.000,00	-180.000,00
XS0216343524	Eurobank	5/4/2005	5/4/2012	4.000.000,00	4,026%	4.017.200,00	3.970.000,00	3.600.000,00	-370.000,00
XS0172122904	NBG	11/7/2003	29/7/2049	4.000.000,00	5,492%	4.240.000,00	4.050.000,00	2.900.000,00	-1.150.000,00
				12.000.000,00		**12.269.200,00**	**11.900.000,00**	**10.200.000,00**	**-1.700.000,00**
ΓΕΝΙΚΟ ΣΥΝΟΛΟ				**12.000.000,00**		**12.269.200,00**	**11.900.000,00**	**10.200.000,00**	**-1.700.000,00**

DEPRECIATION OF NBG BOND : XS 0172122904 (A)	**-20.000,00**
PROFITS FROM SALE OF BOND	**13.800,00**
OTHER BANK EXPENSES	**-3.794,99**
LOSS FOR THE YEAR	**-1.709.994,99**
LOSS TRANSFER TO EQUITY (IAS 39, in effect from 1.7.2008) (B)	**1.228.000,00**
LOSS IN THE PROFIT & LOSS STATEMENT FOR THE YEAR	-481.994,99

Bonds that matured during the year - 31.12.2008 (Amounts in euro)									
ISIN	Bank	Issue date	Maturity date	Purchase price	Interest	Total value	Valuation 31.21.2007	Disposal	Profits
GR0114015408	ΠΕΙΡΑΙΩΣ	5/2/2003	18/4/2008	5.000.000,00	3,50%	5.043.000,00	4.988.500,00	5.000.000,00	11.500,00
GR0114015408	ΠΕΙΡΑΙΩΣ	5/2/2003	18/4/2008	1.000.000,00	3,50%	1.010.200,00	997.700,00	1.000.000,00	2.300,00
				6.000.000,00		**6.053.200,00**	**5.986.200,00**		**13.800,00**
GRAND TOTAL				**6.000.000,00**		**6.053.200,00**	**5.986.200,00**	**6.000.000,00**	13.800,00

On 18.4.2008 the Greek government bond GR0114015408 was liquidated, at a profit of €13.8 thousand.

(A) In 2008 a provision of €20 thousand was made only for the first half of the year, which is included in the account "Profits/ losses from participations and securities." The total amount of the Provision is €60 thousand and is included in the Other Liabilities (note 5.34).

(B) The company, starting on 1.7.2008, taking into consideration the recent amendments of IAS 39, recognizes the result of the valuation of the bonds in a special reserve. The valuation result in H2 2008 was €1.2m, and was recognized in the special reserve, while the result of H1 was a loss of €478 thousand which was recognized in the results.

The breakdown of the cash in hand and at bank of the Company is as follows:

	31.12.2008	31.12.2007
Repos		18.756
Time deposits	100.897	76.187
Sight deposits	496	608
Cash in hand	1	3
Total	**101.394**	**95.554**

The cash in hand and at bank of the Company are invested in short term interest bearing instruments in order to maximize the benefits for the Company, in accordance with the policy set by the Strategic Investments Committee of HELEX. By placing its cash in short term interest bearing investments, the Company booked revenue of €6.021 thousand, against €4.405 thousand in 2007. Bank expenses and fees for 2008 amounted to €3.8 thousand.

(Amounts in thousand euro unless otherwise stated)

5.27. Assets

The book value of the buildings and equipment of the Company on 31.12.2008 is summarized in the following table:

	31.12.2007			31.12.2008				
Asset	**Cost value**	**Acc. depreciation**	**Book value**	**Period additions**	**Period disposals**	**Depreciation for the period**	**Disposals**	**Book value**
Plots of land	6.757	0	6.757		6.757			0
Construction	5.499	2.054	3.445		5.499	144	2.198	0
Other equipment	103	103	0					0
Motor vehicles	83	83	0					0
Furniture and fittings	296	237	59		111	14	110	44
Computer hardware	3.482	962	2.520	304	16	989	16	1.835
Telecommunications & other equipment	156	118	38	8	50	16	42	22
Intangibles - software	416	10	406			124		282
Total	**16.792**	**3.567**	**13.225**	**312**	**12.433**	**1.287**	**2.366**	**2.183**

(Amounts in thousand euro unless otherwise stated) 43

The tangible and intangible assets of the Company on 31.12.2008 are analysed as follows:

	Plots of Land	Buildings and Construction	Machinery & other equipment	Motor vehicles	Furniture & fittings	Intangibles	Total
Cost value on 31.12.2.006	**6.757**	**5.593**	**136**	**83**	**18.201**	**0**	**30.770**
Additions in 2007	0	0	0	0	3.089	416	**3.505**
Disposals in 2007	0	(94)	(33)	0	(17.356)	0	**(17.483)**
Cost value on 31.12.2007	**6.757**	**5.499**	**103**	**83**	**3.934**	**416**	**16.792**
Accumulated depreciation on 31.12.2006	**0**	**1.864**	**130**	**82**	**17.988**	**0**	**20.064**
Depreciation in 2007	0	262	3	1	662	10	**938**
Disposals	0	(72)	(30)	0	(17.333)	0	**(17.435)**
Accumulated depreciation on 31.12.2007	**0**	**2.054**	**103**	**83**	**1.317**	**10**	**3.567**
Book value							
on 31.12.2006	6.757	3.729	6	1	213	0	**10.706**
on 31.12.2007	**6.757**	**3.445**	**0**	**0**	**2.617**	**406**	**13.225**

	Plots of Land	Buildings and Construction	TANGIBLE ASSETS Machinery & other equipment	Motor vehicles	Furniture & fittings	Intangibles	Total
Cost value on 31.12.2007	**6.757**	**5.499**	**103**	**83**	**3.934**	**416**	**16.792**
Additions in 2008					312		**312**
Disposals in 2008	(6.757)	(5.499)			(177)		**(12.433)**
Cost value on 31.12.2008	**0**	**0**	**103**	**83**	**4.069**	**416**	**4.671**
Accumulated depreciation on 31.12.2007	0	2.054	103	83	1.317	10	**3.567**
Depreciation in 2008		144			1.019	124	**1.287**
Disposals		(2.198)			(168)		**(2.366)**
Accumulated depreciation on 31.12.2008	**0**	**0**	**103**	**83**	**2.168**	**134**	**2.488**
Book value							
on 31.12.2007	6.757	3.445	0	0	2.617	406	**13.225**
on 31.12.2008	**0**	**0**	**0**	**0**	**1.901**	**282**	**2.183**

Building of the Company (at Pesmazoglou)

The plot and building of the Company was valued in 2004 at fair value, based on the assessment of an independent valuer during the transformation date to IFRS (1/1/2004). Their value was estimated as the average of the revenues and comparable items methods of valuation on the transition date. These fair values were the deemed cost of these particular buildings. During 2008, it was assigned to the Body of Chartered Valuers of Greece to prepare an estimate of the value of the building at 1 Pesmazoglou St. This study concluded a value greater than the book value on the balance sheet of 31.12.2008, thus no impairment on the property value is indicated. Due to the intention of the Company to sell the building at 1 Pesmazoglou st., no goodwill was recognized for the building in order to adjust the book value with the value that resulted from the valuation (IFRS-5).

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5.28. Participations and other long term claims

	31.12.2008	31.12.2007
Participation in the Auxilliary Clearing Fund (1)	3.010	3.010
Rent guarantees	39	53
Guarantees (PPC, car, NBG safety boxes)	5	5
Participation in subsidiaries	1.014	1.014
Total	**4.068**	**4.082**

(1) As per the update of 31.12.2006 by HELEX, manager and trustee of the Fund, the share of ATHEX is at €3.010 thousand.

The breakdown of the intra-group participations of ATHEX as at 31.12.08 is as follows:

	% of direct participation	Number of shares	Valuation 31.12.2008	Valuation 31.12.2007
TSEC	33,80	33.800	1.014	1.014
		TOTAL	**1.014**	**1.014**

5.29. Suppliers and other Liabilities

All liabilities are short term and, therefore, no discounting on the date of the balance sheet is required. The breakdown of suppliers and other liabilities is as per the following table:

	31.12.2008	31.12.2007
Suppliers	2.747	5.570
Cheques payable	9	113
Capital Market Commission fee	986	1.990
Advances to clients	447	427
Various creditors	114	103
Accrued third party services	93	264
Accrued third party remuneration & exps	56	50
Provision for 13th / 14th salary	14	15
Provision for bond devaluation	60	
Individual income tax deductions	160	172
Tax on redundancy refund payable		26
Tax on external associates fees	10	4
Stamp duty on rental income		
Other taxes	55	44
Total	**4.751**	**8.778**

The reduced suppliers' balances are the result of the settlement, in 2008 of IT and other equipment suppliers, for the new building, which had been purchased in 2007 at €3.0m. These were paid off in the first quarter of 2008.

The reduction in the Capital Market Commission fee is due to the reduction in transactions in the second half of 2008 in relation to the corresponding period in 2007. The fee is repaid six-monthly, within two months after the end of the corresponding six-month period.

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5.30. Provisions

	Note	31.12.2008	31.12.2007
Staff leave indemnity	5.15	893	826
Other provisions		391	391
Total		**1.284**	**1.217**

	Note	Table of changes in provisions				
		Balance on 31.12.2007	Used	Additions	Reductions	Balance on 31.12.2008
Staff leave indemnity	5.15	826		67		893
Provisions for other risks		391				391
Total		**1.217**	**0**	**67**	**0**	**1.284**

5.31. Grants and other long term obligations

Relate to grants: a) from the Kleisthenis program for ATHEX at €178 thousand, b) from the Eurosignal program for ATHEX at €115 thousand, as well as d) withholding for compensation (Greek State Law.103/75) at amount €51 thousand.

5.32. Deferred Taxes

The deferred taxes accounts are analysed as follows:

	31.12.08	31.12.07
Revaluation of intangible assets	141	223
Revaluation of tangible assets	39	78
Pension and other staff retirement obligations	223	207
Valuation of securities and participations	425	
Deferred Tax obligation	**828**	**508**

The deferred income tax is calculated based on the temporary differences, which arise between the book value of the assets and the liabilities included in the financial statements, and the tax assessment of their value based on tax legislation. A revaluation of deferred taxes based on the expected reduction of tax rates in the next 5 years was not undertaken because it was not considered material.

5.33. Income Tax

The Management of the Company -based on incentives provided by the tax legislation- plans its policy in order to minimize tax obligations. On this basis, it is assumed that the profits of the period realized by the Company will be allocated to non taxed reserves at the maximum allowable amount.

Non deductible expenditures includes mainly provisions, various expenses as well as amounts considered by the company as not justifiable production expenses in a possible tax audit and which are readjusted by the Company when the income tax is calculated

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Tax liability	31.12.2008	31.12.2007
31.12.	4.933	9.741
Income tax expense	14.075	14.604
Taxes paid	(13.676)	(19.412)
31.12.08	**1.114**	**4.933**

	31.12.2008	31.12.2007
Income Tax	10.269	14.604
Deferred Tax	(13)	(95)
Income Tax	**10.256**	**14.509**

Reconciliation of the income tax with profits/ losses before tax on the basis of the applicable ratios and the tax expense is as follows:

	31.12.2008	31.12.2007
Profits before taxes	37.091	56.412
Tax 25%	9.273	14.103
Tax on not tax exempted expenses	983	406
Income Tax	**10.256**	**14.509**

The company was tax audited by the State for the fiscal years up to 2005. The tax audit for 2006 and 2007 is expected to start within the first trimester of 2009.

5.34. Share Capital and Reserves

a) Share Capital

On 01.01.2006 the share capital of the company consisted of 5.467.907 shares with a par value of €3.79 per share, i.e. €20,723,367.53.

The Annual General Meeting of shareholders on 23.3.2006 decided the following:

a) the capitalization of the share premium of €19,957,860.55 by increasing the par value of the share from €3.79 to €7.44 (capital concentration tax of 1%, plus stamp duty was paid).

b) the reduction of share capital by €20.668.688,46, by the reduction in the par value of each share by €3.78 and the return of this amount to shareholders.

Following the part return of share capital to shareholders, the ATHEX share capital is at €20,012,539.62 divided into 5,467,907 shares at €3.66 par value each. The Company Articles of Association article 5 was amended by the above. The Company Share Capital remained unchanged by 31.12.2008.

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b) Reserves

	31.12.2008	31.12.2007
General Reserve	6.908	6.908
Tax free and specially taxed reserve	57.926	57.926
Asset revaluation reserves	1.117	1.117
Other	9	9
Reserve from stock option plan to employees	697	528
Securities revaluation reserve	(921)	
Reserves	**65.736**	**66.488**

The specially-taxed and non-taxable reserves have been formed, as shown in the table above, in accordance with the provisions of the tax legislation, from non-taxable or specially-taxed income (profit from stock sales etc.). If it is decided these reserves to be distributed, tax will have to be paid, based on the income tax rates in effect at the time of distribution (25% in 2008). If these reserves were to be distributed in 2008, a tax liability of approximately €14.7m would have been incurred (the formed reserves from the revaluation of buildings are not taken into consideration).

5.35. Transactions with related parties

The value of transactions and the balances of the HELEX Group with related parties are analyzed in the following table:

	31.12.2008	31.12.2007
Transactions and remuneration of management executives and members of the BoD	1.370	1.201

The intra-group balances and transactions of the company on 31.12.2008 are shown in the following tables:

INTRA-GROUP BALANCES (in €)			
Company	**HELEX**	**ATHEX**	**TSEC**
HELEX			
Claims	-	29.225,49	13.570,00
Liabilities	-	93.440,42	835,35
ATHEX			
Claims	93.440,42	-	310,20
Liabilities	29.225,49	-	17.021,07
TSEC			
Claims	835,35	17.021,07	-
Liabilities	13.570,00	310,20	-

(Amounts in thousand euro unless otherwise stated)

INTRA-GROUP REVENUE-EXPENSES (in €)			
Company	**HELEX**	**ATHEX**	**TSEC**
HELEX			
Revenue	-	343.292,21	12.000,00
Dividend income	-	54.679.070,00	
Expenses	-	299.220,30	60.000,00
ATHEX			
Revenue	299.220,30	-	9.000,00
Dividend income		-	
Expenses	343.292,21	-	748.833,43
TSEC			
Revenue	60.000,00	748.833,43	-
Dividend income			-
Expenses	12.000,00	9.000,00	-

Intra-group transactions relate to support services (accounting, security, administrative service, etc.), IT services as well as technical support services, which are invoiced at prices comparative to those between third parties.

5.36. Composition of the Board of Directors

The members of the Board of Directors of the Company on 31.12.2008 are listed in the following table:

ATHENS EXCHANGE	
Name	**Position**
Spyros **Capralos**	Chairman
Socratis **Lazaridis**	Vice Chairman
Panayiotis **Drakos**	Member
Eleftherios **Kourtalis**	Member
Dionisis **Linaras**	Member
Konstantinos **Pentedekas**	Member
Ilias **Skafidas**	Member

The members of the Boards of Directors of the Company declare that they do not participate in the capital of other companies with a stake larger than 20%.

As part of IFRS 24 "Related-Party Disclosures" it is reported that there are no relations, transactions, control or material influence of related parties that are applicable under paragraph 3 of IFRS 24 in conjunction with the definitions of paragraph 5 of IFRS 24.

5.37. Earnings per share and dividends

The net after tax profits of the Company for 2008 were at €41.9m or €7.66 per share in relation to €8.83 per share in 2007.

The Annual General Meeting of ATHEX on 6.5.2008 decided and approved the distribution of dividends at €54.679 thousand or €10.0 per share, distributing so part of the previously taxed accumulated profits of prior years. The balance of €1.212 thousand was transferred to Retained Earnings.

The Company net profits for 2008 came to €26.8m or €4.90 per share.

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5.38. Contingent Liabilities

The Company has been involved in legal proceedings with its personnel, members of the Athens Exchange and listed companies as well as with third parties, with the most important being:

a) Six lawsuits, for €3.6m against ATHEX and the Capital Market Commission, concerning the ALYSIDA company shares, which have as a common basis the alleged lack of adequate supervision by ATHEX during the 1999 period.

b) On 28.11.2006 a suit was brought by Mr. N Paraschis against ATHEX (the Katsoulis case) with which he requests that the amount of €1,327,468.50 by paid to him as compensation. This is a new suit brought before the Athens Administrative Court of First Instance following the dismissal of a similar suit brought by him with decision 3673/04 by the Athens Multimember Court of First Instance, on the grounds that civil courts lack competence in this case. A court date has not yet been set for the new suit.

It is estimated that the abovementioned cases will not substantially burden the financial statements of the Company.

5.39. Memo accounts

Athens Exchange, in order to provide better information, follows off balance sheet items (memo accounts), useful information and events, which create legal obligations, but which do not lead to a direct change in the assets of the Company, even though such a change in the assets may take place in the future. In memo accounts, being accounts of a special category, obligations which are created by the following events are tracked:

- From obligations assumed by the Company against third parties as the possessor of goods whose ownership lies with those third parties
- From obligations and corresponding rights that are created by contracts providing mutual obligations for the time period they are concluded until they are executed.
- From guarantees provided by the Company to third parties, or by third parties to the Company
- Information and statistical data

In the other memo asset accounts of the Company, the following information and corresponding amounts appear on 31.12.2008 (in €):

Letters of guarantee against agreements with suppliers-customers	1.645.346,52
Other memo accounts	588.926,06

5.40. Post Balance Sheet events

There are no significant events, that have taken place after the balance sheet date of 31.12.2008 and until the date the Annual Financial Statements are approved by the Board of Directors on 19.02.2009, and which require disclosure.

(Amounts in thousand euro unless otherwise stated) 50

THE CHAIRMAN OF THE BoD

SPYROS I. CAPRALOS _________________________

THE VICE CHAIRMAN OF THE BoD

SOCRATIS LAZARIDIS _________________________

THE GENERAL MANAGER

NIKOLAOS KONSTANTOPOULOS _________________________

THE FINANCE DIRECTOR

CHRISTOS MAYOGLOU _________________________