



ASTIR PALACE
VOULIAGMENI ATHENS



ANNUAL REPORT
ANNUAL BULLETIN
2006

ASTIR PALACE VOULIAGMENI S.A.



ASTIR PALACE VOULIAGMENI S.A.
COMPANY OF THE NATIONAL BANK OF GREECE GROUP

ANNUAL REPORT

ANNUAL BULLETIN 2006

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of the BOD of the Hellenic Capital Market Commission)**

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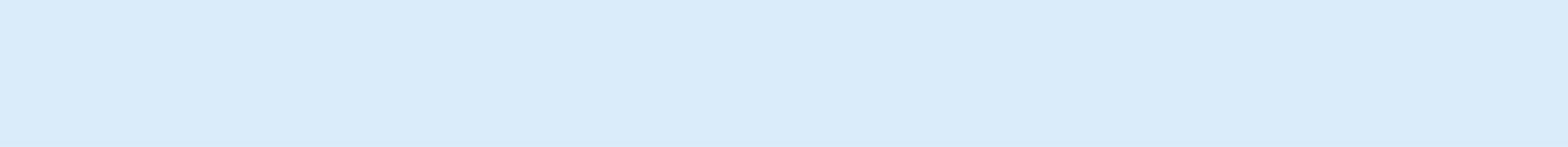
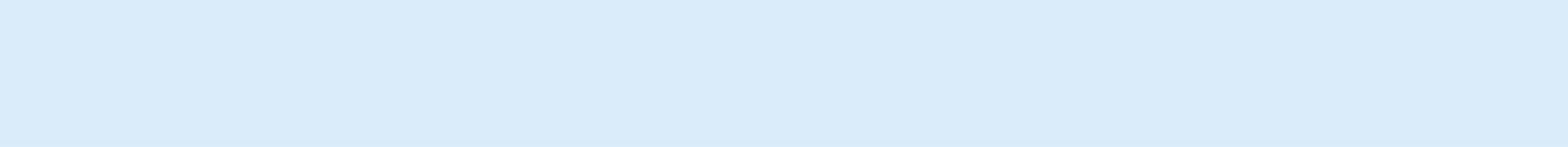


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I. Management's Report



Management's report

on the financial statements of Astir Palace Vouliagmeni SA

for the financial year 2006

Dear Shareholder,

We submit for approval the annual financial statements, prepared in accordance with International Financial Reporting Standards adopted since 1 January 2005, consisting of the Balance Sheet, the Income Statement, the Cashflow Statement and the Notes to the financial statements for the year ended 31 December 2006.

2006 was, for the Company, a year of reorganization and of important investment indicative of significant potential development for periods to come. Tourism in Greece was not only maintained at prior year's encouraging levels but benefited from a further increase of foreign tourist arrivals by 7,7% compared to 4,5% and 3,9% increase at a worldwide and Europe-wide level respectively.

Reorganization

The Board of Directors, as part of its strategy of improvement of the level and quality of services rendered through the utilization of the know-how and brand name of an international manager, assigned in 2006 the management of the Astir Palace hotel complex by signing a contractual agreement with the company Starwood Hotels & Resorts Worldwide Inc. Starwood officially assumed management of the complex on 1st July 2006 for 15 years. From this date, the Arion Hotel and the bungalows were renamed to Arion Resort & Spa, a Luxury Collection, the Nafsika Hotel to The Westin Athens and the Aphroditi Hotel to W Athens following completion of its renovation. It is mentioned that the competition (for the assignment of management) burdened current year's pre tax results with expenses totaling Euro 1.9 million.

Furthermore, during the year under review the Company initiated a voluntary retirement scheme which was concluded with the participation of 189 employees. The total pre tax cost of the voluntary retirement scheme amounted to Euro 10.6 million whilst compensations paid amounted to a total of Euro 13 million.

In addition to the above the Company concluded the construction of the SPA at the Arion hotel allowing for the provision of high quality services enhancing its competitiveness in the hotel industry.

Financial results

Total revenues for the year 2006 amounted to Euro 25.9 mil, an increase of 16.1% year on year, against Euro 22.3 mil for 2005. This increase in total revenues was reflective of a 13% increase in the average room rate from 2005 rates, a 16.9% year on year increase of the average revenue per available room and the increase of occupancy, during 2006, by one percentage point. Total overnight stays in 2006 amounted to 61,467 compared to 59,457 for 2005.

As a result, 2006 earnings before taxes, interest, depreciation & amortization and reorganization costs (voluntary retirement scheme and management competition expenses) amounted to Euro 1.605 thousand, an increase of 33.3% year on year, against Euro 1.204 thousand for 2005.

Risk management

Risk management and control form an integrated part of Company's commitment in pursuing maximum return of shareholders' invested capital.

Foreign exchange risks

The Company operates within the country and its invoices are expressed exclusively in Euros. There are limited, compared to the total, imports of goods from other countries. Daily foreign exchange transactions for the cash needs of guests not involve large amounts.



Credit risks

The Company has a specific credit policy which is used consistently. The exposure in credit risks is being assessed and evaluated on a constant basis, so that credit granted does not exceed defined customer credit limits. There is no credit risk concentration related to receivables, as the Company has a large number of customers and the credit risk is dispersed.

Risks due to interest rates fluctuations

The Company's interest bearing assets and liabilities are connected to the Euribor interest rate. The Company does not use financial derivatives. The Company monitors interest rate fluctuations and is in a position to reassess its pricing policy in case of a significant increase of its cost of funds.

Dividend policy

The Company will not distribute dividends due to losses.

Post balance sheet events

On 30 January 2007 the Company obtained a working capital loan of Euro 3.000 thousand from the parent company.

Moreover on 16 March 2007 the Company obtained funding of Euro 1.373 thousand from the parent company under the approved subsidy scheme for the creation of SPA facilities.

Athens, 23 March 2007

CHAIRMAN OF THE BOARD OF DIRECTORS

EFSTRATIOS GEORGIOS ARAPOGLOU

Supplementary Report
To the Annual General Meeting of Shareholders
of Astir Palace Vouliagmeni SA
pursuant to article 11a of Law 3371/2005

Pursuant to article 30 of Law 3461/106 A/30-5-2006 aligning national legislation with European Council Directive 2004/25/EC, article 11a was included in Law 3371/2005, which states that listed companies must submit a supplementary report to the General Meeting of Shareholders providing detailed information on specific issues. This Board of Directors' report to the General Meeting of Shareholders contains the additional information required by article 11a of Law 3371/2005.

Share capital structure

The share capital of the Company amounted to Euro 127.800 thousand divided into 42 600 000 ordinary shares of a nominal value of Euro 3.00 each. There was no change to the number of shares compared to 31 December 2005. The Company's share is listed on the Athens Exchange.

Shareholders' rights issuing from its share depend on the share capital portion that corresponds to the paid up value of their shares. Each share embodies all the rights and obligations provided for by law and the company's Articles of Association. Specifically:

The right to participate in and vote at the General Meeting of Shareholders.

The right to a dividend from the Company's profit for the year ended, or from liquidation, which amounts to 35% of the net profit following allocation of statutory reserves, or 6% of the paid-up capital (whichever is higher). This is annually distributed to shareholders as first dividend, whereas distribution of supplementary dividend is subject to General Meeting resolution. Entitled to a dividend are shareholders whose names appear in the Register of the Company's Shareholders on the date the dividend beneficiaries are determined, and a dividend on each share owned by them is paid within two (2) months of the date of the General Meeting of Shareholders that approved the annual financial statements. The dividend payment method and place are announced in the press. After the lapse of five (5) years from the end of the year in which the General Meeting approved the dividend, the right to collect the dividend expires and the corresponding amount is forfeited in favor of the Greek state.

The preemptive right to each share capital increase in cash and issue of new shares.

The right to receive a copy of the Company's financial statements and of the chartered auditors' report and the Board of Directors' report.

The General Meeting of Shareholders maintains all of its rights during liquidation proceedings (pursuant to Article 35 of the Company's Articles of Association).

Shareholders' liability is limited to the nominal value of the shares owned by them.

Restrictions on transfers of shares

Transfers of the Company's shares are carried out as prescribed by law and are not subject to any restrictions pursuant to the Company's Articles of Association.

The National Bank of Greece is obliged to maintain a 51% of the Company's shares.

Significant direct and indirect holdings as per PD 51/1992

National Bank of Greece SA has a participation percentage in the Company of 78.06%. Except from the participation of the National Bank of Greece there are no other significant direct or indirect holdings as per PD 51/1992 of a direct or indirect participation percentage higher than 5% of the aggregate number of the Company's shares.



Shares with special control rights

There are no shares with special control rights.

Restrictions to voting rights

There are no restrictions on voting rights issuing from the shares pursuant to the Company's Articles of Association.

Shareholders' agreements

To the Company's knowledge there are no shareholders' agreements pursuant to which restrictions apply to transfers of, or to the exercise of voting rights issuing from, the Company's shares.

Rules regarding the appointment and replacement of Board members and amendments to Articles of Association

The provisions of the Company's Articles of Association regarding the appointment and replacement of members of the Board of Directors and amendments to the Articles of Association are the same as the corresponding provisions of the Companies' Act 2190/1920.

Board of Directors' authority for the issue of new shares or the purchase of own shares

1) Pursuant to the provisions of Companies' Act 2190/1920 Article 13 par. 1(b), by General Meeting resolution, subject to the publication requirements provided for under Companies' Act 2190/1920 Article 7b, the Board of Directors can increase the Company's share capital through the issue of new shares by resolution adopted on a two-third-majority basis. In that case, pursuant to Article 5 of the Company's Articles of Association the Company's share capital may increase up to the amount of capital paid up as at the date the Board of Directors' is authorized to do so by the General Meeting. The said authorization may be renewed, each time for a period of up to five (5) years.

2) In accordance with Companies' Act 2190/1920 Article 13 par. 9, pursuant to a General Meeting resolution a Stock Options Programme may be launched for the management and the staff in the form of options to acquire shares of the Company as per the terms of the resolution. The General Meeting resolution determines the maximum number of shares to be issued if the beneficiaries' stock options are exercised, which by law cannot exceed 1/10 of existing shares, as well as the purchase price and the terms of allocation of the shares to the beneficiaries.

Other details not provided for otherwise under the General Meeting resolution are determined by resolution of the Board of Directors, which provides for the issue of the stock option certificates, in December of each year issues the shares to the beneficiaries who have exercised their options, increasing share capital accordingly and certifying the said increase.

3) In accordance with Companies' Act 2190/1920 Article 16 par. 5-13, pursuant to a General Meeting resolution companies listed on the ATHEX may purchase up to 10% of their own shares ("treasury shares") via ATHEX to support the stock market price of their share, subject to the specific terms and procedures provided for under the Article. The Company does not apply the above mentioned provision.

Significant agreements that come into effect, are modified or terminated in the event of a change in control following a public offering

The National Bank of Greece is obliged to maintain a 51% of the Company's shares.

Agreements with Board members or officers of the Company

The Company reserves the right for groundless termination of employment contracts of executive Board Members and officers of the Company.

Athens, 23 March 2007

CHAIRMAN OF THE BOARD OF DIRECTORS

EFSTRATIOS GEORGIOS ARAPOGLOU

2. Financial statements for the year 2006 (including audit report of independent auditors)



ASTIR PALACE VOULIAGMENI S.A.

COMPANY OF THE NATIONAL BANK OF GREECE S.A.

Financial Statements

31 December 2006

**In accordance with
International Financial Reporting Standards**

March 2007

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Income Statement	From 1st January to		
	In thousands €	Note	31.12.2006
Revenues	5	25.961	22.366
Cost of sales	6	(27.012)	(23.975)
Gross profit / (loss)		(1.051)	(1.609)
Other operating income	5	925	1.001
Administrative expenses	7	(1.950)	(1.585)
Distribution expenses	7	(2.075)	(2.168)
Operating profit / (loss) before reorganization expenses		(4.151)	(4.361)
Reorganization expenses	8	(12.592)	(454)
Operating profit / (loss)		(16.743)	(4.815)
Financial income.....	9	61	47
Financial expenses.....	10	(1.830)	(1.335)
Profit / (loss) before taxes		(18.512)	(6.103)
Tax expense.....	11	5.354	(577)
Net profit / (loss) after taxes		(13.158)	(6.680)
Earnings / (losses) per share – Basic (in euro)	13	(0.31)	(0.16)

The notes on pages 7 to 27 form an integral part of these financial statements

Balance Sheet

In thousands €	Note	31.12.2006	31.12.2005
ASSETS			
Non-current assets			
Intangible fixed assets.....	14	85	55
Tangible fixed assets.....	15	175.233	177.067
Deferred taxes.....	16	6.429	664
Total non-current assets		181.747	177.786
Current assets			
Inventories.....	17	327	327
Accounts receivable.....	18	1.772	1.105
Cash and cash equivalents.....	19	1.601	3.540
Other assets.....	20	1.283	2.138
Total current assets		4.983	7.110
Total assets		186.730	184.896
LIABILITIES			
Current liabilities			
Short-term debt.....	21	9.457	2.093
Taxes payable.....	16	206	138
Government grants.....	26	105	74
Liabilities due to leases.....	24	50	48
Accounts payable.....	-	3.476	3.021
Dividends payable.....	-	211	212
Other liabilities.....	23	2.990	2.022
Total current liabilities		16.495	7.608
Non-current liabilities			
Long-term debt.....	21	40.375	31.774
Employee benefits.....	22	1.522	4.341
Government grants.....	26	740	364
Liabilities due to leases.....	24	193	243
Deferred taxes.....	16	87	71
Provisions.....	25	181	200
Total non-current liabilities		43.098	36.993
SHAREHOLDERS' EQUITY			
Share capital.....	28	127.800	127.800
Share premium.....	-	21.314	21.314
Reserves.....	29	4.770	4.770
Retained earnings.....	-	(26.747)	(13.589)
Shareholders' equity		127.137	140.295
Total Liabilities and Equity		186.730	184.896

The notes on pages 7 to 27 form an integral part of these financial statements

Statement of Changes in Equity

In thousands €	Share capital	Share premium	Reserves	Retained earnings	Total
1st January 2005	127.800	21.314	4.770	(6.909)	146.975
Changes from 1.1 to 31.12.2005:					
Profit / (loss) after taxes	-	-	-	(6.680)	(6.680)
31st December 2005	127.800	21.314	4.770	(13.589)	140.295
1st January 2006	127.800	21.314	4.770	(13.589)	140.295
Changes from 1.1 to 31.12.2006:					
Profit / (loss) after taxes	-	-	-	(13.158)	(13.158)
31st December 2006	127.800	21.314	4.770	(26.747)	127.137

The notes on pages 7 to 27 form an integral part of these financial statements

**Cash Flow Statement**

In thousands €

31.12.2006 31.12.2005**Cash flows from operating activities**

Profit / (loss) before taxes	(18.512)	(6.103)
Adjustments for :		
Non-cash items included in net profit/(loss)of the period:		
Depreciation, amortization/impairment of fixed assets	5.756	5.565
Provisions for expenses/revenues	111	130
Foreign exchange differences.....	3	(5)
Disposals.....	25	-
Interest expense and related expenses	1.830	1.335
Add / (less) adjustments for changes in working capital accounts or related to operating activities:		
Decrease/ (increase) of inventories.....	-	(20)
Decrease/ (increase) of accounts receivable.....	(261)	2.050
(Decrease)/ increase of liabilities (except bank loans).....	(1.516)	(3.930)
Less:		
Income tax paid.....	(74)	(690)
Interest expense and related expenses paid.....	(65)	(95)
Net cash from / (used in) operating activities (a)	(12.703)	(1.763)
Cash flows from investing activities:		
Additions of property plant and equipment.....	(3.975)	(6.265)
Interest received.....	61	47
Net cash from/(used in) investing activities (b)	(3.914)	(6.218)
Cash from financial activities:		
Inflows from loans	18.000	7.000
Loan repayments.....	(3.274)	(185)
Financial leasing obligations repayments.....	(48)	(30)
Net cash from/(used in) financial activities (c)	14.678	6.785
Net increase/ (decrease) in cash and cash equivalents (a)+(b)+(c)	(1.939)	(1.196)
Cash and cash equivalents at beginning of period	3.540	4.736
Cash and cash equivalents at the end of period	1.601	3.540

The notes on pages 7 to 27 form an integral part of these financial statements

Notes to the financial statements

Note 1: General Information

ASTIR PALACE VOULIAGMENI S.A. (the «Company») is a Greek Société Anonyme which is a subsidiary of the National Bank of Greece S.A. Group and operates under the Law of Sociétés Anonymes. The Company was founded in 1998 (Government Gazette, Sociétés Anonymes and Limited Liability Companies Issue, No. 10045/31.12.98), and its duration was fixed at fifty (50) years i.e. until 29 December 2048.

The Company is registered in the Register of Sociétés Anonymes of the Ministry of Development with S.A. Registration No.41850/06/B/98/78 and operates under the brand name «ASTIR PALACE VOULIAGMENI S.A.».

The Company's head office is located at 1 Santaroza str. Municipality of Athens. The branch is located at 40 Apollonos str., Municipality of Vouliagmeni.

The Company's principal activities, according to Article 3 of its Charter of Association, are the operation and management of any touristic and hospitality enterprise and any similar activities aiming towards the development and servicing of the tourist industry.

To achieve this objective, the Company may:

- Participate in enterprises of any legal form with the same or similar object.
- Carry out any relevant commercial transactions and businesses.

The Company is managed by the Board of Directors composed of nine (9) members.

The members of the Board of Directors are elected by the General Meeting of the shareholders for a three-year term. The current composition of the Board of Directors is as follows :

1.	Efstratios-Georgios Arapoglou	Chairman	Executive
2.	Anthimos Thomopoulos	Vice-Chairman & Man/ng Director	Executive
3.	Polychronis Griveas	Deputy Managing Director	Executive
4.	Harilaos Tzannetakis	Commissioned Director	Executive
5.	Ioannis Kyriakopoulos	Member	Non-executive
6.	Grigorios Kasidokostas	Member	Non-executive
7.	Dimitrios Dimopoulos	Member	Non-executive
8.	Ioannis Syngelidis	Member	Non-executive ind/nt
9.	Konstantinos Peresiadis	Member	Non-executive ind/nt

On the 30th October 2006 the Board of Directors elected Mr. Polychonis Griveas as a member of the Company's BOD in replacement of Mr. Konstantinos Kerameas, who submitted his resignation on the same day.

The Company prepares financial statements which are included in the consolidated financial statements of National Bank of Greece S.A., which holds 78,06% of the Company's share capital. The financial statements are presented in Euro (€), which is the currency used in the immediate financial environment of the Company.

The Company's shares have been listed on the Athens Exchange since 2000. As of 31 December 2006, the Company's share capital amounted to € 127.800.000,00 divided into 42.600.000 shares with a par value of € 3,00 each. The Vouliagmeni complex comprises of:



- Hotels «Arion», «Nafsika» and «Aphrodite» with capacity of 123 rooms, 162 rooms and 165 rooms respectively
- A complex of 76 Bungalows
- «Club House» luxury restaurant
- Fully equipped congress and ceremony halls
- «Aelos» ballroom
- The beach ASTRI BEACH
- Auxiliary and sport facilities
- Parking lots, and
- Helipad

The Company signed a contractual agreement assigning the management of the Astir Palace hotel complex to Starwood Hotels & Resorts Worldwide Inc. (Starwood). Starwood officially assumed management of the complex on 1st July 2006 for 15 years. From this date, the Arion Hotel and the bungalows were renamed to Arion Hotel and Villas, and the Nafsika Hotel to Westin Nafsika Hotel.

The Company is audited by Certified Public Accountants. The General Assembly of Shareholders with the resolution of the 28th April 2006, assigned the audit of the Company for the fiscal year 2006, to Deloitte Hadjipavlou Sofianos & Cambanis Assurance & Advisory services. It is noted that the financial statements are subject to the approval of the Annual General Assembly of the shareholders.

The financial statements of the Company have been approved by the Board of Directors on 23 March 2007 and will be submitted for approval by the Annual General Assembly of Shareholders of Company.

Note 2: Summary of significant accounting policies**2.1 Basis of presentation, significant accounting principles and estimates**

The financial statements of the Company (the «financial statements»), are prepared in accordance with International Financial Reporting Standards and International Accounting Standards (collectively “IFRS”) and are stated in thousands of Euro, unless otherwise stated.

The financial statements have been prepared under the historical cost convention.

The preparation of financial statements in conformity with generally accepted accounting principles requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. The use of available information and application of judgment are inherent in the formation of estimates in the following areas: employee benefits, impairment of assets, provisions for open tax years and litigation.

Actual results in future could differ from such estimates and the differences may be material to the financial statements.

2.2 Adoption of International Financial Reporting Standards (IFRS)

The Company adopted IFRS for the first time for the preparation of financial statements for the year ending 31 December 2005.

New standards, amendments and interpretations to existing standards (effective from January 1st 2006)

The following standards and interpretations are mandatory for the accounting periods beginning on or after 1st January 2006.

- IAS 19 (Amendment), “Employee Benefits” (effective from 1 January 2006).

This amendment introduces the option of an alternative recognition approach for actuarial gains and losses. It may impose additional recognition requirements for multi-employer plans where insufficient information is available to apply defined benefit accounting. It also adds new disclosure requirements. The Company has not changed its accounting policy for the recognition of actuarial gains and losses and has not participated in any multi-employer plans.

- IAS 39 (Amendment), “Cash Flow Hedge Accounting of Forecast Intragroup Transactions”(effective from 1 January 2006). The amendment allows the foreign currency risk of a highly probable forecast intragroup transaction to qualify as a hedged item in the financial statements, provided that: (a) the transaction is denominated in a currency other than the functional currency of the entity entering into that transaction; and (b)the foreign currency risk will affect profit & loss. This amendment is not related to the Company’s activities as the Company did not enter into any intragroup transactions that would qualify as a hedged item in the financial statements as of 31 December 2006.

- IAS 39 (Amendment), “The Fair Value Option” (effective from 1 January 2006). This amendment changes the definition of financial instruments classified at fair value through profit or loss and restricts the ability to designate financial instruments as part of this category. The Company does not have financial instruments at fair value.

- IFRIC 4, “Determining whether an Arrangement contains a Lease” (effective from 1 January 2006). IFRIC 4 requires the determination of whether an arrangement is or contains a lease to be based on the substance of the arrangement. It requires an assessment of whether: (a) fulfilment of the arrangement is dependent on the use of a specific asset or assets (the asset); and (b) the arrangement conveys a right to use the asset. This amendment did not have a significant impact on the Company’s financial position.

New standards, amendments and interpretations to existing standards that are not yet effective

The new standards, amendments and interpretations to existing standards that are mandatory for the Company's accounting periods beginning on or after 1 January 2007 are as follows:

- IFRS 8, "Operating Segments" (effective from 1 January 2009). This standard changes the way the segment information is measured and disclosed and requires identification of operating segments on the basis of internal reports that are regularly reviewed by the entity's chief operating decision maker in order to allocate resources to the segments and to assess performance.

The Company has decided to apply this standard for the annual period beginning on 1 January 2009, however there will be no significant impact on the Company's financial reporting.

- IFRIC 8, "Scope of IFRS 2" (effective for annual periods beginning on or after 1 May 2006). IFRIC 8 clarifies that IFRS 2 "Share based payment" will apply to any arrangement when equity instruments are granted or liabilities are incurred by the entity, when the identifiable consideration appears to be less than the fair value of the instruments given. It presumes that such cases are an indication that other consideration has been or will be received.

The Company will apply this IFRIC from 2007, and its adoption will have no or insignificant impact on its financial statements.

- IFRIC 9, "Reassessment of Embedded Derivatives" (effective for annual periods beginning on or after 1 June 2006). IFRIC 9 requires an entity to assess whether a contract contains an embedded derivative at the date the entity first becomes a party to the contract and prohibits reassessment unless there is a change to the contract that significantly modifies the cash flows.

The Company will apply this IFRIC from 2007 and its adoption will have no significant impact on its financial statements.

- IFRIC 10, "Interim Financial Reporting and Impairment" (effective for annual periods beginning on or after 1 November 2006). IFRIC 10 addresses an inconsistency between IAS 34 "Interim Financial Reporting" and the impairment relating to goodwill in IAS 36 "Impairment of Assets" and equity instruments classified as available for sale in IAS 39 "Financial Instruments: Recognition and Measurement".

This interpretation states that the specific requirements of IAS 36 and IAS 39 take precedence over the general requirements of IAS 34 and therefore, any impairment loss recognised for these assets in an interim period may not be reversed in subsequent periods.

The Company will apply this IFRIC from 2007.

- IFRIC 11, IFRS 2 "Group and Treasury Share Transactions" (effective for annual periods beginning on or after 1 March 2007). This IFRIC requires arrangements whereby an employee is granted rights to an entity's equity instruments to be accounted for as an equity-settled scheme by the entity even if:

- The entity chooses or is required to buy those equity instruments (e.g. treasury shares) from another party, or
- The shareholder(s) of the entity provide the equity instruments required

The Interpretation also extends to the way in which subsidiaries, in their separate financial statements, account for schemes when their employees receive rights to equity instruments of the parent. In particular, it prescribes that:

- When the parent grants rights to equity instruments to the employees, they will be accounted for as equity settled scheme (as an equity contribution to the parent) when the parent accounts for it this way in the consolidated financial statements. When employees transfer between subsidiaries, each entity recognises compensation expense based on the proportion of the total vesting period for which the employee has worked for that subsidiary, measured at the fair value at the original grant date by the parent.
- When the subsidiary grants rights to equity instruments of its parent to its employees, it will be accounted for as a cash-settled scheme.

The Company will apply this IFRIC from 2008, however its adoption will have no significant impact on the Company's financial statements.

- IFRIC 12, "Service Concession Arrangements" (effective for annual periods beginning on or after 1st January 2008).

The Company will apply this IFRIC from 2008 and is currently evaluating its impact on the Company's financial reporting.

2.3 Revenues

Revenues are calculated to the fair value that has or will be collected and represents receivable amounts for goods and services during the normal operating cycle of the Company, net of discounts allowed, VAT and other taxes related to sales.

Revenues from rendering services are recognized in the period in which the services are rendered by reference to the stage of completion of the transaction at the balance sheet date.

Revenue from interest is recognized as the interest accrues, i.e. on a time proportion basis, taking account of the principal invested and using the effective interest rate method based on the actual purchase price.

The effective interest rate discounts future cash flows over the asset's expected life, to net carrying amount.

2.4 Borrowing cost

Interest expenses are recognized in results when incurred and concern all interest-bearing financial instruments.

The computation of the aforementioned expense is determined with the effective interest rate method, which is applied on the outstanding principal and determined based on the fair purchase value of the financial instrument.

2.5 Operating Income

Operating income is determined before financial income and expenses. Gross profit is determined after depreciation and amortisation.

2.6 Income taxes

Income taxes on taxable profits are determined in accordance with enacted tax law and recognized as an expense in the period in which profits arise.

Deferred income tax is fully provided, using the balance sheet method, on all temporary differences arising between the carrying amounts of assets and liabilities and their respective tax basis amounts.

The principal temporary differences arise from pension benefits, other employee benefits and from the de-recognition of expenses which have been capitalized for tax purposes.

Tax benefits that may occur from unused tax losses carried forward, are recognized as assets when the realization of sufficient future taxable profits to offset these losses is considered probable.

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

2.7 Earnings per share

Basic earnings per share (EPS) ratio is calculated by dividing the net profit or loss for the period attributable to the shareholders of common stock, by the period's weighted average number of common shares.

2.8 Leases

The Company as a lessee

Leases, where the Company has substantially all the risks and rewards of ownership of the asset are considered as finance leases. Finance leases are recognized at the inception of the lease at the lower of the fair value of the leased assets or the present value of the minimum lease payments.

Each lease payment is allocated between the liability and finance charge so as to achieve a constant rate of return on the finance balance outstanding. The outstanding rental obligations, net of finance charges, are included in liabilities. The interest element of the finance cost is charged to the income statement over the lease period. All assets acquired under finance lease are depreciated over the shorter of the useful life of the asset or the lease term.

Leases where a significant portion of the risks and rewards of ownership of the asset are retained by the lessor, are classified as operating leases. The total payments made under operating leases (net of any incentives received from the lessor) are charged to the income statement on a straight-line basis over the period of the lease. When an operating lease is terminated before the lease period has expired, any payment required to be made to the lessor by way of penalty is recognized as an expense in the period in which termination takes place.

In cases where: a) the achievement of a lease depends on the use of concrete financial element or elements and/or b) the lease cedes right of use of financial element, then evaluation of whether the convention is a leasing convention is required. The evaluation of a convention (whether it is, or includes leasing convention) is always based on the substance of the lease arrangement.

2.9 Foreign currency translation

Items included in the financial statements of the Company are measured using the currency that best reflects the economic substance of the underlying events and circumstances relevant to that entity ("the functional currency"). The financial statements are presented in thousands of Euro (€), which is the functional currency of the Company.

Foreign currency transactions are translated into the functional currency at the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement.

Monetary assets and liabilities presented in foreign currency are translated again to the functional currency of the financial statement at the balance sheet date according to the exchange rate of the period.

Gains and losses resulting from this conversion are included in the net profit and loss of the period.

There are no foreign currency denominated non-monetary assets.

2.10 Offsetting

Financial assets and liabilities are offset and the net amount is reported in the balance sheet when there is a legally enforceable right to set off the recognised amounts and there is an intention to realize the asset and settle the liability simultaneously or on a net basis.

2.11 Financial instruments

Interest bearing financial assets and liabilities are valued at amortized cost using the effective interest rate method.

The Company does not use derivatives for operational or hedging purposes.

2.12 Assets impairment

At the date of the preparation of the balance sheet, the Company examines the net book value of tangible and intangible assets, in order to ascertain if there is an indication of impairment.

If there is a case of impairment of any asset, its recoverable amount is assessed, in order to determine the size of the impairment loss.

When the asset does not generate cash flows which are not related to other assets, the Company assesses the recovery value of the cash generating unit, in which the asset under examination belongs. An intangible asset with an undetermined productive life is being examined on an annual basis and at any time when there is an indication of impairment of that asset.

The recoverable amount is the larger amount between the fair value less selling expenses and the value in use. For the calculation of the value in use of the asset, the estimated future cash flows are discounted to their present value, using a pre-tax discount rate reflecting current market estimates of the time value of money and other asset related risks not reflected in the estimation of future cash flows.

If the recoverable amount of an asset or of a cash generating unit is estimated to be smaller than its net book value, the latter is being reduced to the recoverable amount. The impairment loss is recognized immediately as an expense, except if the related asset has previously been revalued. In that case, the impairment loss is treated as a reduction of its revaluation. When, at a later stage, the impairment loss is reversed, the net book value of the asset or of the cash generating unit is increased to the revised recoverable amount, and cannot exceed the amount determined before the recognition of impairment loss in the prior years/periods. The reversal of impairment loss is recognized immediately as income, except if the related asset is stated at its revalued amount; in which case the reversal of the impairment loss is treated as a revaluation increase.

2.13 Intangible assets

Intangible assets include software cost.

Software costs include costs directly associated with identifiable software products controlled by the Company anticipated to generate future economic benefits for a period exceeding one year. Expenditure, which enhances or extends the performance of software is recognized as an intangible asset and is amortized over a period not exceeding 3 years.

The following types of expenditure are recognized as expenses as incurred:

- Starting up an operation or branch,
- Training personnel,
- Advertising and promotion,
- Relocation or reorganizing part of the entire Company

At each balance sheet date, management reviews intangible assets and assesses whether there is any indication of impairment. If such indications exist an analysis is performed to assess whether the carrying amount of intangible assets is fully recoverable. When the carrying amount exceeds the recoverable amount the asset is written down.

2.14 Tangible assets

Tangible assets include buildings, leasehold improvements, transport, furniture and other equipment, which are possessed by the Company for operating use and for administrative purposes. Tangible assets are initially recorded at cost, which includes all costs required to bring an asset into working condition.

Subsequent to initial recognition, tangible assets are stated at cost less accumulated depreciation and accumulated impairment losses. Costs incurred subsequent to the acquisition of an asset classified as “tangible fixed asset” are capitalized only when it is probable that they will result in future economic benefits to the Company beyond those originally anticipated for the asset, otherwise they are expensed as incurred.

Depreciation of a tangible asset begins when it is used and ceases only when the asset is disposed or transferred to a third party. Therefore, the depreciation of a tangible asset that is retired from active use and held for sale does not cease unless the asset is fully depreciated.

Tangible assets are depreciated on a straight-line basis over their estimated useful lives as follows:

Land	No depreciation
Buildings & building fixed installations	not exceeding 35 years
Machinery & other mechanical equipment	not exceeding 10 years
Transportation equipment	not exceeding 10 years
Furniture & related equipment	not exceeding 7 years

The Company reviews tangible assets for impairment. When the carrying amount of an asset exceeds its estimated recoverable value, the Company recognises an impairment loss provision to restate the asset's carrying amount to its recoverable amount. Gains and losses on disposal of property and equipment are determined by reference to the asset's carrying amount and accounted for as part of operating profit.

2.15 Inventories

Inventories are stated at the lower of their acquisition cost and net realizable value (net realizable value is the estimated selling price, less estimated distribution costs).

The cost of inventories is determined using the weighted average cost method and includes the acquisition cost of the stock and transportation expenses to storage location.

More specifically, the consumables for machinery and spare parts for miscellaneous use are included in inventories and are expensed at the time of their consumption.

2.16 Receivables, payables and bad debt allowances

Accounts receivable from commercial activities are non-interest bearing and are recognized and carried at face value less allowances for doubtful receivables. Payment receipts delayed over three months bear all legal surcharges.

Liabilities from commercial activities are non-interest bearing and are recognized and carried at face value net of allowances, discounts and other benefits.

A provision for receivables impairment is established if there is objective evidence that the Company will be unable to collect all amounts due on a claim according to the original contractual terms. A provision for bad debt allowances is netted off against receivables on the face of the balance sheet.

Subject to compliance with tax laws, a claim which is deemed to be uncollectible or forgiven, is written off against the related provision. Following write off subsequent receipts and recognized as income.

2.17 Cash and cash equivalents

Cash and cash equivalents comprise balances with less than three months maturity from the date of acquisition and consist of cash, cash items and repurchase agreements.

Cash items include cash, day cheques and sight deposits.

2.18 Employee benefits

A defined benefit plan is a pension plan that defines an amount of pension benefit to be provided, usually as a function of one or more factors such as age, years of service or compensation. For defined benefit plans, the pension liability is the present value of the defined benefit obligation at the balance sheet date minus the fair value of the plan assets, including any adjustments for unrecognised actuarial gains/losses and past service costs. The Company follows the "corridor" approach of IAS 19 "Employee Benefits" according to which a certain amount of actuarial gains and losses remains unrecognised and is amortised over the average remaining service lives of the employees participating in the plan.

The defined benefit obligation is calculated by independent actuaries on an annual basis using the projected unit credit method. The present value of the defined benefit obligation is determined by estimated future cash outflows using interest rates of government securities, which have terms to

maturity approximating the terms of the related liability. Pension costs are charged or credited to the income statement over the service lives of the related employees.

2.19 Provisions

Provisions are recognized under the following circumstances a) there is a present legal or constructive obligation as a result of past events, b) it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and c) a reliable estimate of the amount of the obligation can be made.

2.20 Bank loans

Borrowings are initially recognized at fair value of the consideration received (issue proceeds), net of transaction costs incurred. Subsequent measurement is at amortized cost and any difference between net proceeds and the redemption value is recognized in the income statement over the period of the borrowings using the effective interest rate method.

2.21 Government grants

Government grants concern land, buildings, machinery and equipment and are treated as deferred revenue transferred to results over the useful life of the subsidized assets.

2.22 Critical accounting policies, estimates & judgments

The Company believes that judgments, estimates and assumptions used in the preparation of the financial statements are appropriate given the factual circumstances as of 31 December 2006.

Various elements of the Company's accounting policies, by their nature, are inherently subject to estimation techniques, valuation assumptions and other subjective assessments. In particular, the Company has identified three accounting policies which, due to the judgments, estimates and assumptions inherent in those policies, and the sensitivity of the financial statements to those judgments, estimates and assumptions, are critical to an understanding of the financial statements.

2.22.1 Allowance for receivables

The amount of the allowance set aside for receivables is based upon management's ongoing assessments of the probable estimated losses inherent in the receivables portfolio. Assessments are conducted by members of management employing a methodology and guidelines, which are continually monitored and improved. This methodology has two primary components: specific allowances and collective allowances. Management assesses on an individual basis objective evidence of impairment for receivables in arrears for an average period of 60 to 121 days and on a collective basis receivables in arrears over 121 days.

A receivable is subject to impairment test when valid indications exist, at the assessment date, which demonstrate that the customer will not be able to meet his obligations and/or when amounts receivable are in arrears more than 121 days. Usually such indications include failure of communication with the customers, small number of transactions, significant financial difficulty and probability of bankruptcy.

Amounts individually provided for concern claims evaluated individually for impairment based upon management's best estimate of the present value of the cash flows which are expected to be received. In estimating cash flows, management makes judgments about the counterparty's financial situation and the net realizable value of any underlying collateral or guarantees.

In assessing the need for collective allowance, management considers receivables in arrears over 121 days.

The accuracy of provisions depends on the accuracy of future cash flows for specific allowances and the model assumptions and parameters used in determining collective allowances. While this necessarily involves judgment, we believe that our provisions are reasonable and supportable.

2.22.2 Net periodic benefit cost

The net periodic benefit cost is actuarially determined using assumed discount rates, assumed rates of compensation increase and the expected return on plan assets. These assumptions are ultimately

determined by reviewing the Company's salary increases each year. The expected long-term return on plan assets represents management's expectation of the average rate of earnings on the funds invested to provide for the benefits included in the projected benefit obligation. To determine the expected long-term rate of return assumption the Company and its advisors make forward-looking assumptions in the context of historical returns and volatilities for each asset class as well as correlations among asset classes. The expected long-term rate of return assumption is annually adjusted based on revised expectations of future investment performance of the overall capital markets, as well as changes to local regulations affecting investment strategy.

2.22.3 Useful lives of depreciable assets

Company management determines the estimated useful lives and related depreciation charges for property and other equipment. Management estimates are based on the projected operating life cycle of buildings and other depreciable assets such as furniture and other equipment, motor vehicles, hardware and other equipment. Such estimates are not expected to change significantly, however, management modifies depreciation charge rates wherever useful lives turn out to be different than previously estimated and writes down or writes off technically obsolete assets.

Note 3: Risk Management

Foreign exchange risks

The Company operates within the country and its invoices are expressed exclusively in Euros. There are limited, compared to the total, imports of goods from other countries. Daily foreign exchange transactions for the cash needs of guests do not involve large amounts.

Credit risks

The Company has a specific credit policy which is used consistently. The exposure in credit risks is being assessed and evaluated on a constant basis, so that credit granted does not exceed defined customer credit limits. There is no credit risk concentration related to receivables, as the Company has a large number of customers and the credit risk is dispersed.

Risks due to interest rates fluctuations

The Company's interest bearing assets and liabilities are connected to the Euribor interest rate. The Company does not use financial derivatives. The Company monitors interest rate fluctuations and is in a position to reassess its pricing policy in case of a significant increase of its cost of funds.

Note 4: Business Segments

Room rentals and food & beverage services are the main business segments. None of the remaining operational segments (public beach revenue, shops rental etc) concentrate more than 10% of total revenues, results and assets so as to form an independent segment. Business Segments are analyzed as follows:

Breakdown by business segments In thousands of Euro	Room Rentals	Food & Beverage	Other Segments	TOTAL
From 1.1 to 31.12.2006				
Operating revenue	13.996	9.979	1.986	25.961
Other revenue	-	-	925	925
Unallocated revenue.....				61
Total Revenue	13.996	9.979	2.911	26.947
Operating expenses	(14.104)	(12.919)	(1.868)	(28.891)
Segmental results	(108)	(2.940)	1.043	(1.944)
Voluntary retirement cost.....				(10.621)
Unallocated costs				(5.947)
Operating Profit/(Loss) before tax				(18.512)
Income tax expense.....				5.354
Net Profit/(Loss) for the period				(13.158)
Fixed assets per segment as of 31.12.2006.....	155.206	16.597	-	171.803
Unallocated fixed assets per segment as of 31.12.2006.....				14.927
Total segment assets				186.730
Liabilities per segment as of 31.12.2006.....	1.030	723	1.723	3.476
Unallocated liabilities per segment as of 31.12.2006.....				56.117
Total segment liabilities				59.593

Breakdown by business segments (as reformatted) In thousands of Euro	Room Rentals	Food & Beverage	Other Segments	TOTAL
From 1.1 to 31.12.2005				
Operating revenue	11.850	8.572	1.944	22.366
Other revenue	-	-	1.002	1.002
Unallocated revenue.....				46
Total Revenue	11.850	8.572	2.946	23.414
Operating expenses	(9.103)	(8.931)	(8.903)	(26.937)
Segmental results	2.747	(359)	(5.957)	(3.523)
Unallocated costs				(2.580)
Operating Profit/(Loss) before tax				(6.103)
Income tax expense.....				(577)
Net Profit/(Loss) for the period				(6.680)
Fixed assets per segment as of 31.12.2005.....	157.596	17.132	-	174.728
Unallocated fixed assets per segment as of 31.12.2005.....				10.168
Total segment assets				184.896
Liabilities per segment as of 31.12.2005.....	1.225	578	1.218	3.021
Unallocated liabilities per segment as of 31.12.2005.....				41.580
Total segment liabilities				44.601

During the year under review several expenses previously allocated to other segments were allocated to main business segments.

The Company operates exclusively in the geographical region of Vouliagmeni district, where the hotels are located. It is stressed out that the risk and return do not differ between the hotel units of the Company.

Note 5: Revenues	31.12.2006	31.12.2005
Rooms revenue.....	13.996	11.850
Food & beverage revenue.....	9.979	8.572
Other revenue.....	1.986	1.944
Turnover.....	25.961	22.366
Other operating revenue.....	925	1.001
Total.....	26.886	23.367

Other operating income reflects mainly shops and other space rentals.

Note 6: Cost of sales	31.12.2006	31.12.2005
		(Note.1)
Personnel cost.....	(12.640)	(11.892)
Depreciation and amortization.....	(5.729)	(5.565)
Consumption.....	(3.478)	(2.807)
Other expenses.....	(5.165)	(3.520)
Total.....	(27.012)	(23.975)

Note 1 (as reclassified)

Other expenses reflect mainly operating expenses (cleaning, maintenance, commissions etc.) as well as management fees, and the increase in comparison to 2005 is mainly attributed to the increase of operating expenses and the fees resulting from the assignment of the management of the complex to Starwood.

Note 7: Administrative and distribution expenses

Administrative expenses reflect mainly relevant personnel cost and management fees. Distribution expenses reflect mainly advertising expenses and sales & marketing department personnel costs.

Note 8: Reorganization expenses

Reorganization expenses (non-recurring) reflect the cost of voluntary retirement leave (Note 22) of approximately Euro 10.621 thousand and consultants fees of approximately Euro 1.971 thousand (2005: Euro 454 thousand) for professional services rendered in connection with the project of assignment of the management of the complex to Starwood.

Relevant prior year expenses on the face of the income statement have been reclassified in order to be rendered comparable with the respective current year amounts (Note 30).

Note 9: Financial income

Financial income reflects mainly to interest income from repurchase agreements.

Note 10: Financial expenses	31.12.2006	31.12.2005
Loan and other related interest expense.....	(1.795)	(1.319)
Financial leasing interest.....	(14)	(16)
Commission expense.....	(21)	-
Total.....	(1.830)	(1.335)

Interest expense reflect mainly the Company's bond funding (Note 21).

Note 11: Tax expense	31.12.2006	31.12.2005 (Note 1)
Profit/ (loss) before tax	(18.512)	(6.103)
Current tax	(395)	(557)
Deferred tax	3	(20)
Deferred tax on tax losses	5.746	-
Total tax gain / (expense)	5.354	(577)
<i>(Effective tax rate)</i>	(29%)	9%

Note 1 (as reclassified)

As at the date of preparation of the prior year financial statements, the Company had for the first time unused tax losses carried forward amounting to approximately Euro 5.417 thousand available to be netted off against future taxable profits. In accordance with tax legislation the relevant losses can be carried forward for a period of five consecutive years. The Company recognized a relevant deferred tax asset of approximately Euro 1.354 thousand.

Moreover, the Company recognized a deferred tax asset of approximately Euro 4.392 thousand on current tax losses of approximately Euro 17.570 thousand.

	%	31.12.2006	%	31.12.2005 (Note 1)
Tax based on income tax rate of 29% (2005: 32%)	(29)	5.368	32	1.953
Permanent tax differences	4	(905)	(32)	(1.953)
Temporary tax differences	(11)	2.202	-	(23)
Other taxes	2	(395)	9	(557)
Effect of application of income tax rate of 25% on temporary differences	5	(916)	-	3
Total tax gain/(expense)	(29)	5.354	9	(577)

Note 1 (as reclassified)

Deferred taxes have been computed using the tax rate of 25% in accordance with enacted law 3296/2004 which determined a rate of 25% for periods starting on or after 1 January 2007.

Note 12: Profit/ (loss) for the year	31.12.2006	31.12.2005
Results for the year include the following items:		
Depreciation of tangible assets	(5.729)	(5.552)
Amortization of intangible assets	(27)	(13)
Total depreciation /amortization and write down of assets for the period	(5.756)	(5.565)
Employee benefits	(25.611)	(14.216)
Foreign exchange gains/(losses) from operating activity	(7)	5
Inventory consumption	(3.478)	(2.807)
Auditors' fees for audit services (statutory)	(43)	(61)
Auditors' fees for audit services (other)	-	(5)

Operational results before reorganization expenses, depreciation and amortization amounted to profits of Euro 1.605 thousand (2005: Euro 1.204 thousand).

Auditors' fees for statutory audit services of 2005 include charges of Euro 18 thousand relating to 2004 audit services for which no provision had been recognized in the respective financial statements.

Employee benefits include voluntary retirement leave cost of approximately Euro 10.621 thousand.

Note 13: Earnings per share	31.12.2006	31.12.2005
Basic earnings per share are derived at as follows :		
Net profit/(loss) attributable to the shareholders (in thousands of Euro)	(13.158)	(6.680)
Weighted average of the circulating share capital (in number of shares)	42,600,000	42,600,000
Basic profit/(loss) per share (in Euro)	<u>(0.31)</u>	<u>(0.16)</u>

Except from common stock no other stock was in issue as of 31 December 2006.

Management does not propose the distribution of dividends for the current year.

Note 14: Intangible fixed assets	Computer Software
Cost	
At 1 st January 2006.....	133
Additions	56
Balance 31st December 2006.....	189
Accumulated amortization and impairment	
At 1 st January 2006.....	(77)
Amortization for the period	(27)
Balance 31st December 2006.....	(104)
Net book amount 1st January 2006.....	55
Net book amount 31st December 2006.....	85

Note 15: Tangible fixed assets

	Land	Buildings	Vehicles & equipment	Assets under construction	Total
Cost					
At 1 st January 2005.....	80.275	82.281	23.037	741	186.334
Additions.....	-	-	19	7.029	7.048
Transfers.....	-	5.436	829	(6.265)	-
Disposals/Write offs.....	-	(352)	(355)	-	(707)
Balance 31st December 2005.....	80.275	87.365	23.530	1.505	192.675
Accumulated depreciation and impairment					
At 1 st January 2005.....	-	(5.943)	(4.437)	-	(10.380)
Disposals /Write offs	-	-	324	-	324
Depreciation for the period.....	-	(2.512)	(3.040)	-	(5.552)
Balance 31st December 2005.....	-	(8.455)	(7.153)	-	(15.608)
Net book amount 1st January 2005.....	80.275	76.338	18.600	741	175.954
Net book amount 31st December 2005.....	80.275	78.910	16.377	1.505	177.067
Cost					
At 1 st January 2006.....	80.275	87.365	23.530	1.505	192.675
Additions.....	-	-	84	3.835	3.919
Transfers.....	-	1.977	834	(2.811)	-
Disposals /Write offs	-	-	(456)	-	(456)
Balance at 31st December 2006.....	80.275	89.342	23.992	2.529	196.138
Accumulated depreciation and impairment					
At 1 st January 2006.....	-	(8.455)	(7.153)	-	(15.608)
Disposals /Write offs	-	(1)	433	-	432
Depreciation charge for the period.....	-	(2.655)	(3.074)	-	(5.729)
Balance at 31st December 2006.....	-	(11.111)	(9.794)	-	(20.905)
Net book amount at 1st January 2006.....	80.275	78.910	16.377	1.505	177.067
Net book amount at 31st December 2006.....	80.275	78.231	14.198	2.529	175.233

Note 16: Deferred tax assets and liabilities	31.12.2006	31.12.2005
Deferred tax assets:		
Intangible fixed assets.....	115	156
Financial leasing.....	61	65
Employee benefits.....	290	443
Tax losses.....	5.746	-
Other temporary differences.....	217	-
Deferred tax assets	6.429	664
Deferred tax liabilities:		
Financial leasing.....	87	71
Deferred tax liabilities	87	71

Taxes payables represent mainly withheld taxes from 3rd party services.

Note 17: Inventories	31.12.2006	31.12.2005
Merchandise, food & beverage.....	177	175
Consumables.....	150	152
Total	327	327

Consumables represent mainly gas and fuel.

Note 18: Accounts receivable	31.12.2006	31.12.2005
Customers.....	1.698	1.342
Doubtful accounts receivable.....	794	353
Total	2.492	1.695
Less: Allowances for bad debt expense.....	(720)	(590)
Total	1.772	1.105

The settlement of receivables of individual customers is immediate. An average credit period of 60 days is offered to travel agencies.

The allowance for bad debts was determined based on the assessment of collectibility of customer's portfolio.

Related parties are analyzed in Note 32. The book value of receivables approximates fair value.

Note 19: Cash and cash equivalents	31.12.2006	31.12.2005
Cash in hand.....	18	15
Sight deposits.....	1.583	525
Agreements for sale and repurchase of securities.....	-	3.000
Total	1.601	3.540

The book value of cash and cash equivalents approximates fair value.

Note 20: Other assets	31.12.2006	31.12.2005
Post dated cheques receivable.....	412	171
Tax receivables.....	328	1.157
Prepaid expenses.....	100	102
Goods in transit.....	-	1
Operating leases.....	284	274
Other receivables.....	159	433
Total	1.283	2.138

Tax receivables represent mainly withheld taxes of approximately Euro 18 thousand (2005: Euro 12 thousand) and VAT recoverable of approximately Euro 193 thousand. (2005: Euro 834 thousand).

The book value of other assets approximates fair value.

Note 21: Debt			31.12.2006	31.12.2006	31.12.2005	31.12.2005
	Interest rate	Paying off	Long Term	Short Term	Long Term	Short Term
Working Capital Loan	Euribor+2.00%	2007	-	93	98	93
Working Capital Loan	Overnight+1.75%	2007	-	5.000	-	-
Working Capital Loan	Overnight+1.75%	2007	12.000	-	-	-
Bond loan (plus interest)	Euribor+1.65%	2014	28.375	4.364	31.676	2.000
Total			40.375	9.457	31.774	2.093

During the year under review the Company obtained a working capital loan of approximately Euro 12 million from the parent company. The funds were used to cover the cost of the voluntary retirement leave.

On 20 May 2005 the Company entered into a common bond loan agreement with the parent company of Euro 32.000 thousand plus capitalized grace period interest of up to Euro 36.000 thousand. On 27 November 2006 the Company issued 16 multiple bond coupons of a face value of Euro 2.921 thousand representing capitalized grace period interest. As of balance sheet date the outstanding coupons of the bond loan are analyzed as follows (amounts in Euro):

Numbering of multiple bond / Face value	Bond coupon numbers		Bond face value	Bond maturity date
	From	To		
2 / 2.000.000	2.001	4.000	1.000	25/05/2007
3 / 2.000.000	4.001	6.000	1.000	25/11/2007
4 / 2.000.000	6.001	8.000	1.000	25/05/2008
5 / 2.000.000	8.001	10.000	1.000	25/11/2008
6 / 2.000.000	10.001	12.000	1.000	25/05/2009
7 / 2.000.000	12.001	14.000	1.000	25/11/2009
8 / 2.000.000	14.001	16.000	1.000	25/05/2010
9 / 2.000.000	16.001	18.000	1.000	25/11/2010
10/2.000.000	18.001	20.000	1.000	25/05/2011
11/2.000.000	20.001	22.000	1.000	25/11/2011
12/2.000.000	22.001	24.000	1.000	25/05/2012
13/2.000.000	24.001	26.000	1.000	25/11/2012
14/2.000.000	26.001	28.000	1.000	25/05/2013
15/2.000.000	28.001	30.000	1.000	25/11/2013
16/2.000.000	30.001	32.000	1.000	25/05/2014

Numbering of multiple bond / Face value	Bond coupon numbers		Bond face value	Bond maturity date
	From	To		
2 / 182.000	32.183	32.364	1.000	25/05/2007
3 / 182.000	32.365	32.546	1.000	25/11/2007
4 / 182.000	32.547	32.728	1.000	25/05/2008
5 / 182.000	32.729	32.910	1.000	25/11/2008
6 / 182.000	32.911	33.092	1.000	25/05/2009
7 / 182.000	33.093	33.274	1.000	25/11/2009
8 / 182.000	33.275	33.456	1.000	25/05/2010
9 / 182.000	33.457	33.638	1.000	25/11/2010
10/182.000	33.639	33.820	1.000	25/05/2011

11/182.000	33.821	34.002	1.000	25/11/2011
12/182.000	34.003	34.184	1.000	25/05/2012
13/182.000	34.185	34.366	1.000	25/11/2012
14/182.000	34.367	34.548	1.000	25/05/2013
15/182.000	34.549	34.730	1.000	25/11/2013
16/182.000	34.731	34.921	1.000	25/05/2014

During the period under review the Company obtained a working capital loan of Euro 5.000 thousand from the parent company. The funds were used to cover for operational needs.

Bank loans are expressed in Euro.

Note 22: Employee benefits

The valuation and presentation of liabilities is made for severance payments in accordance with clauses of Law 2112/20 as well as for the group insurance contract signed between the employees' labour union and the insurance company Ethniki General Insurance SA. Both schemes are defined benefit schemes. The decrease of the "Employee benefits" account is attributed to the voluntary retirement scheme initiated by the Company on 12 May 2006.

The total cost of the voluntary retirement scheme amounted to approximately Euro 10.621 thousand. The participants (189 employees) received from the Company compensation which consisted of the legal compensation plus compensation based on years of service. The total benefits amounted to approximately Euro 13 mil.

Amounts recognized on the balance sheet are analyzed as follows:

	31.12.2006	31.12.2005
Present value of funded defined benefit plans.....	1.239	3.064
Fair value of plan assets	(659)	(1.006)
Subtotal.....	580	2.058
Present value of unfunded defined benefit plans	1.329	2.370
Unrecognized actuarial (losses)/gains	(387)	(87)
Total.....	1.522	4.341

Amounts recognized in the income statements are analyzed as follows:

	31.12.2006	31.12.2005
Service cost	157	233
Interest cost.....	193	256
Expected return of plan assets	(51)	(50)
Termination cost	10.621	-
Other costs.....	-	-
Total.....	10.920	439

Changes in the present value of defined benefit liability are analyzed as follows:

	31.12.2006	31.12.2005
Defined benefit obligation at the beginning of the period.....	5.434	5.226
Service cost.....	157	233
Interest cost.....	193	256
Termination cost.....	10.556	-
Employees contributions.....	74	95
Contribution paid by the scheme.....	(3.261)	(311)
Contribution paid directly from the Company.....	(10.888)	(189)
Unrecognized actuarial (losses)/gains	301	124
Defined benefit obligation at the end of the period.....	2.566	5.434

Changes in the fair value of plan assets of the scheme are analyzed as follows:

	31.12.2006	31.12.2005
Fair value of plan assets at the beginning of the period.....	1.006	1.035
Expected return.....	51	50
Employers' contribution.....	2.851	222
Employees' contribution.....	74	95
Scheme benefits.....	(3.261)	(309)
Gains / (losses) of plan assets	(61)	(87)
Fair value of plan assets at the end of the period.....	660	1.006

Changes in the liability are analyzed as follows:

	31.12.2006	31.12.2005
Liability at the beginning of the period	4.341	4.314
Total cost recognized in results	10.920	439
Contributions paid.....	(2.851)	(223)
Severance payments paid.....	(10.888)	(189)
Liability at the end of the period.....	1.522	4.341

The basic actuarial assumptions used to determine net periodic pension costs for the years 2005 and 2006 are:

	2006	2005
Interest rate	4,5%	4,25%
Expected return on plan assets.....	4,5%	4,5%
Rate of compensation increases	4,5%	4,0%
Rate of pension increases.....	3,0%	3,0%

The Company is expected to contribute, during 2007, approximately Euro 83 thousand (2006: 174 thousand) in the defined benefit scheme. The expected decrease in contributions is related to the voluntary retirement scheme.

Note 23: Other liabilities	31.12.2006	31.12.2005
Advances form customers.....	294	360
Accrued expense.....	946	147
Insurance due.....	767	674
Fees due.....	402	324
Other creditors.....	581	517
Total.....	2.990	2.022

The book value of other short-term liabilities approaches their fair value.

Note 24: Liabilities due to finance leases	31.12.2006	31.12.2005
Amounts payable due to finance leases		
Within one year from the balance sheet date.....	60	60
Form the second to the fifth year	214	274
Less: Unrecognised financial expense.....	(31)	(43)
Present value of minimum lease payments.....	243	291
Classified as		
Long-term liabilities.....	193	243
Short-term liabilities.....	50	48

Leasing concerns hotel and transportation equipment leased through Ethniki Leasing S.A. All liabilities due to leases are expressed in Euro. Their fair value approximates book value. Company's liabilities due to finance leases are secured by the lessor by notes on the leased assets.

Note 25: Provisions	2006	2005
Provisions are analyzed as follows:		
Balance at 1 st January.....	200	100
Additional provision during the year.....	80	100
Reversal of unused provisions.....	(99)	-
Balance at 31 December	181	200

The above provisions represent management’s best estimate for obligations that may arise during the Company’s operating activities.

Note 26: Government grants

The Company has been subsidized under the development law 1892/90 for 25% of its investment in the hotels «Arion» and «Nafsika». Additionally during the period under review the Company received a subsidy of 25% under the development law 2601/98 for investments in the hotel «Aphrodite». The relevant subsidy amounted to Euro 622 thousand.

The subsidies are analyzed as follows :

Subsidies as of 31 December 2005	438
Subsidies received.....	622
Income recognized in 2006.....	(215)
Subsidies as of 31 December 2006	845
Presented as :	
Long-term liabilities	740
Short-term liabilities	105

It is noted that on 30 December 2006 the Company’s investment in the SPA facility was approved for subsidy under development law 3299/04. The relevant subsidy will be received following completion of the investment.

Note 27: Non cash transactions

Fixed assets of approximately Euro 7.048 thousand where purchased on credit during 2005 from which a total amount of Euro 625 thousand were settled during the period under review.

Note 28: Share capital

As of 31 December 2006, the share capital of the Company amounted to Euro 127.800 thousand divided into 42 600 000 ordinary shares of a nominal value of Euro 3.00 each. There was no change to the number of shares compared to 31 December 2005. The Company’s share is listed on the Athens Exchange. According to the Company’s Register of the Shareholders as of the date of the preparation of the financial statements, sole shareholder with a participation percentage of more than 5% was National Bank of Greece S.A. with a participation percentage of 78.06%.

Note 29: Reserves	31.12.2006	31.12.2005
Legal reserve.....	782	782
Untaxed reserves of specific law clauses.....	3.988	3.988
Total	4.770	4.770

According to Greek legislation the maintenance of “legal reserve” is obligatory until it amounts to 1/3 of the share capital. The “legal reserve” is distributed only at dissolution of the Company; it may though be netted of against accumulated losses.

Note 30: Reclassifications

Income Statement	As restated	As previously reported	Re-classification	Note
	31.12.2006	31.12.2005	31.12.2005	
Revenues	22.366	22.366	-	
Cost of sales	(23.975)	(24.429)	454	1
Gross profit / (loss)	(1.609)	(2.063)	454	1
Other operating income	1.001	1.001	-	
Administrative expenses	(1.585)	(1.585)	-	
Distribution expenses	(2.168)	(2.168)	-	
Operating profit / (loss) before reorganization expenses	(4.361)	(4.815)	454	2
Reorganization expenses	(454)	-	(454)	1
Operating profit / (loss)	(4.815)	-	(4.815)	2
Financial income	47	47	-	
Financial expenses	(1.335)	(1.335)	-	
Profit / (loss) before taxes	(6.103)	(6.103)	-	
Tax Expense	(577)	(577)	-	
Net profit / (loss) after taxes	(6.680)	(6.680)	-	
Earnings / (losses) per share – Basic (in euro)	(0.16)	(0.16)	-	

Note:

1. Reclassification of consultants fees of approximately Euro 454 thousand which represent the cost of professional services rendered in connection with the project of assigning the management of the hotel complex to Starwood. The reclassification was effected for the purposes of comparability.
2. Presentation of account "Reorganization expenses" on the face of the income statement. The reclassification was effected for the purpose of comparability.

Note 31: Post balance sheet events

On 30 January 2007 the Company obtained a working capital loan of Euro 3.000 thousand from the parent company. Moreover on 16 March 2007 the Company obtained funding of Euro 1.373 thousand from the parent company under the approved subsidy scheme for the creation of SPA facilities.

Except from the above mentioned events there are no other post of 31 December 2006 balance sheet events, concerning the Company, which are required to be reported in accordance with IFRS.

Note 32: Related party transactions

The Company paid to the parent company rent of approximately Euro 91 thousand (2005: Euro 71 thousand). The Company has sight deposits with the parent company of Euro 1.556 thousand (2005: Euro 480 thousand) and has obtained loans from the parent company of approximately Euro 49.832 thousand (2005: Euro 33.867 thousand). The relevant interest income and expenditure amount to Euro 57 thousand (2005: Euro 44 thousand) and Euro 1.795 thousand (2005: Euro 1.335 thousand) respectively whilst

interest accrued amounted to approximately Euro 341 thousand. During the year under review the Company paid to the parent company commissions of Euro 21 thousand (2005: Euro 16 thousand).

In addition to the above the Company paid to the parent company wages and salaries of assigned employees of approximately Euro 78 thousand.

Moreover the Company owes to the parent company software license costs of Euro 15 thousand. The transactions and balances of the Company with other related parties are analyzed as follows:

Related party	Description of balance/transaction	Amount (€ '000)
Ethniki General Insurance	Insurance expenses.....	149
Ethniki General Insurance	Insurance fees due.....	78
Ethniki General Insurance	Income from insurance compensation.....	28
EAEDO– Ethnokarta	Expenses from rendering of service.....	83
Ethnoplan S.A	Software development services	18
Ethnoplan S.A	Fees from rendering of services due	22
National Securities SA	Income from rendering of service.....	12
Ethniki Leasing S.A	Liabilities from financial leases.....	243
Ethniki Leasing S.A	Lease expenses.....	14

Members of the Board of Directors and Company management are not entitled to postretirement benefits (other than the defined benefit pension plan), including stock related plans.

No material loans have been obtained by the managers of the Company from the parent company.

Fees of the Board of Directors and salaries of the managers of the Company are analyzed as follows:

-Board of Director’s fees: Euro 44 thousand (2005: Euro 49 thousand) approximately.

-Salaries of managers (gross): Euro 418 thousand (2005: Euro 366 thousands) approximately.

Note 33: Contingent liabilities and commitments

The Company considers that there is no significant present obligation which results from past events, nor any contingent legal or constructive liabilities whose settlements is expected to result to a material outflow of economic resources.

There are no mortgages, attachments, liens or other encumbrances on the Company’s fixed assets.

Litigation cases that are currently pending amount to approximately Euro 9.5 mil. The legal advisors consider that these cases will result favourably to the Company and as such the Company has not formed any provisions. The Company has filed lawsuits related to part of these cases against their claimants.

The Company has been tax audited by the tax authorities up to 2005.

The Company is a tenant of land property and is consequently obliged to an annual rental fee of approximately Euro 91 thousands (2005: Euro 71 thousand). The relevant contract expires in 2029.

THE CHAIRMAN OF THE BOD	THE VICE CHAIRMAN OF THE BOD AND MANAGING DIRECTOR	THE DEPUTY MANAGING DIRECTOR	THE FINANCIAL DIRECTOR
.....
EFSTRATIOS GEORGIOS ARAPOGLOU	ANTHIMOS THOMOPOULOS	POLYCHRONIS GRIVEAS	PARIS TRIANTAFYLIDIS

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of ASTIR PALACE VOULIAGMENIS S.A

Report on the Financial Statements

We have audited the accompanying financial statements of Astir Palace Vouliagmeni S.A. ("The Company"), which comprise the balance sheet as at December 31, 2006, and the income statement, statement of changes in equity and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Greek Auditing Standards which are harmonised with the International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2006, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards as these were adopted by the European Union.

Report on Other Legal and Regulatory Requirements

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

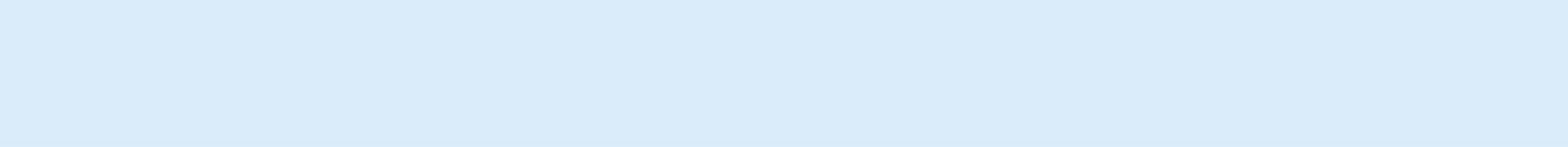
Athens, March 26, 2007

The Certified Public Accountant

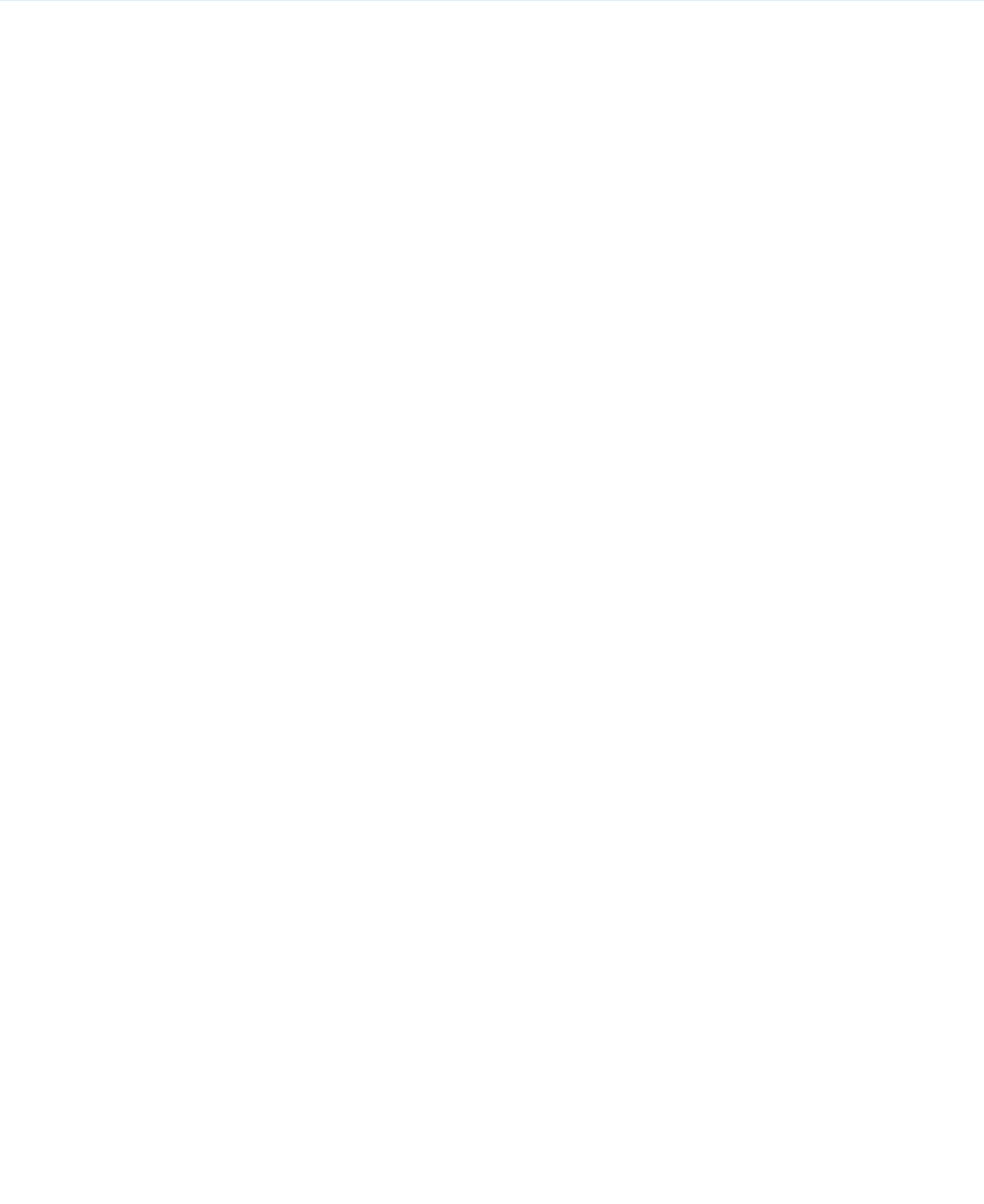
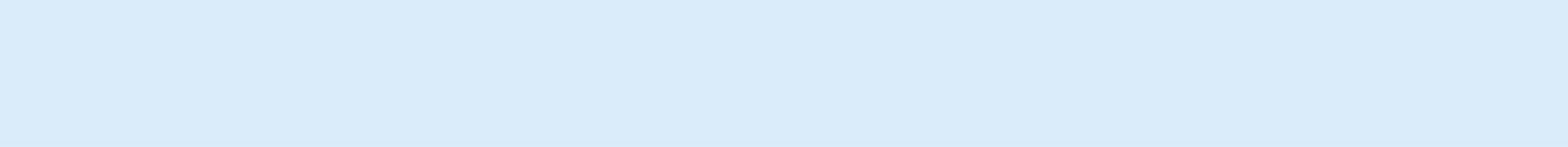
Michael K. Hadjipavlou
A.M. ΣΟΕΑ: 12511
Kifissias Ave. 250-254, 152 31 Halandri
Deloitte.
Hadjipavlou Sofianos & Cambanis S.A.
250 – 254 Kifissias Avenue
152 31 Chalandri
Reg. No. SOEL: E 120



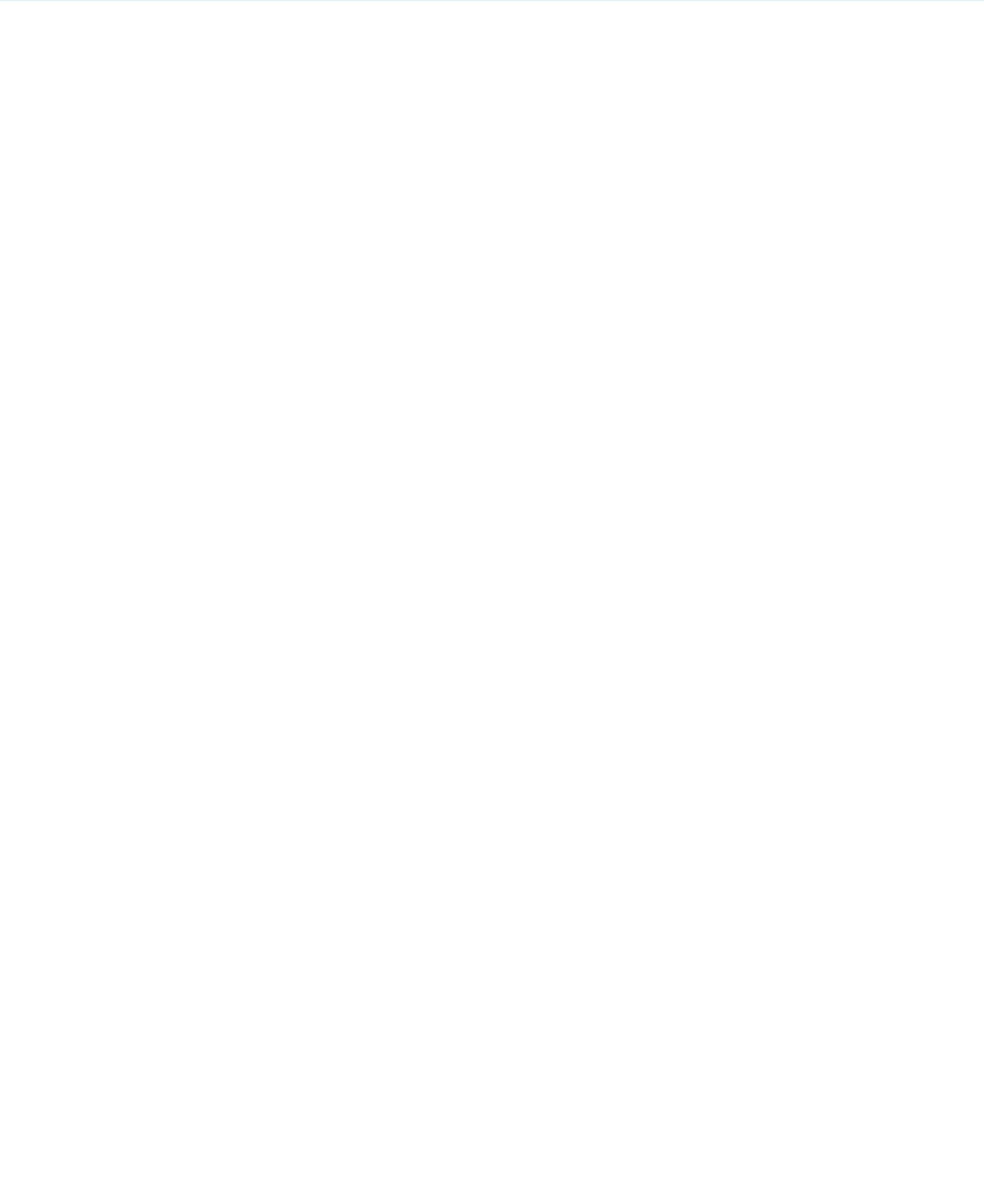
3. Information required by Article 10 of Law 3401/2005



Announcements/Notifications published during 2006	SITE posted	Date
A. ANNUAL BALANCE SHEET		
i. Summary Financial Statements (1/1-31/12/2006) ii. Financial Statements 31/12/2006 iii. Management Report of the B.O.D.	www.ase.gr & www.astir-palace.com	14/3/2006
B. QUARTERLY FINANCIAL STATEMENTS		
1. 1ST QUARTER 2006		
i. Financial Data and Information for the period 1/1/2006 - 31/3/2006 ii. Interim Summary Financial Statements 31/3/2006	www.ase.gr & www.astir-palace.com	31/05/2006
2. 1ST SIX MONTHS 2006		
i. Financial Data and Information for the period 1/1/2006 - 30/6/2006 ii. Interim Summary Financial Statements 30/6/2006	www.ase.gr & www.astir-palace.com	31/08/2006
3. 1ST NINE MONTHS 2006		
i. Financial Data and Information for the period 1/1/2006 - 30/9/2006 ii. Interim Summary Financial Statements 30/9/2006	www.ase.gr & www.astir-palace.com	30-11-2006
C. PRESS RELEASES		
i. Schedule of Intended Corporate Actions	www.ase.gr & www.astir-palace.com	03/03/2006
ii. Notification in respect of the date of Annual Analysts Briefing	www.ase.gr & www.astir-palace.com	16/03/2006
iii. Invitation for the Ordinary General Meeting of Shareholders	www.ase.gr & www.astir-palace.com	06/04/2006
iv. Selection of two candidate operators	www.ase.gr & www.astir-palace.com	28/04/2006
v. Resolutions of the Annual Ordinary General Meeting of Shareholders dated 28/4/2006	www.ase.gr & www.astir-palace.com	02/05/2006
vi. Selection of STARWOOD HOTELS & RESORTS WORLDWIDE INC, as specialist operator for the hotel complex	www.ase.gr & www.astir-palace.com	08/06/2006
vii. Reply to a letter of the Athens Stock Exchange	www.ase.gr & www.astir-palace.com	20/06/2006
viii. Change in the composition of the Company's B.O.D. – New Managing Director	www.ase.gr & www.astir-palace.com	31/08/2006
ix. Financial results for the first six months of the year 2006	www.ase.gr & www.astir-palace.com	31/08/2006
x. Departure of the Company's Finance Supervisor	www.ase.gr & www.astir-palace.com	05/10/2006
xi. New Investor Relations Officer of the Company	www.ase.gr & www.astir-palace.com	05/10/2006
xii. Change in the composition of the Company's B.O.D. – New executive member (in replacement of resigned member) & Deputy Managing Director	www.ase.gr & www.astir-palace.com	03/11/2006
xiii. New Corporate Notices Officer of the Company	www.ase.gr & www.astir-palace.com	08/11/2006
xiv. New Finance Director of the Company	www.ase.gr & www.astir-palace.com	30/11/2006
xv. New Internal Auditor of the Company	www.ase.gr & www.astir-palace.com	30/11/2006
xvi. Financial results for the first nine months of the year 2006	www.ase.gr & www.astir-palace.com	30/11/2006



4. Related party transactions

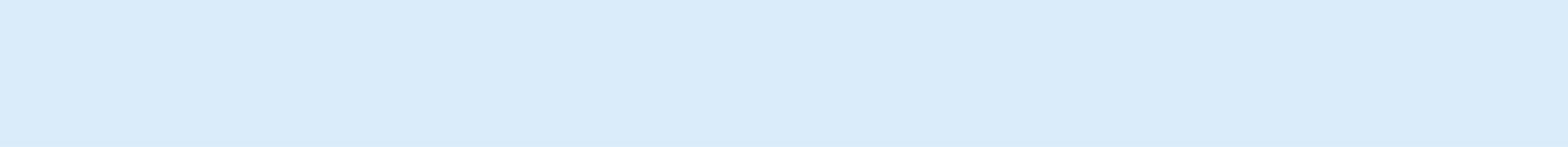


Note 32: Related party

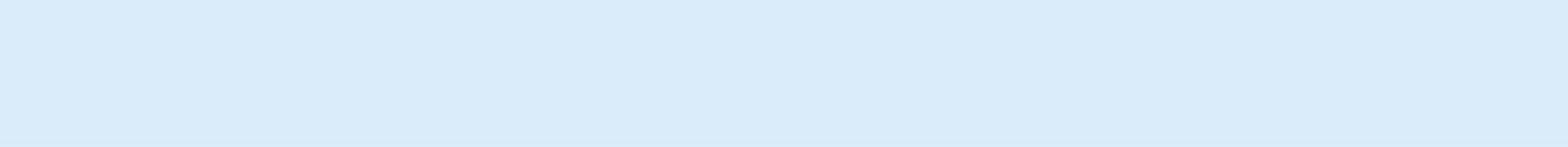
During 2006 the Company's transactions and balances with related parties which are members of the Group of National Bank of Greece are analyzed as follows:

Related party	Description of balance/transaction	Amount (€ '000)
National Bank of Greece	Lease expenses.....	91
National Bank of Greece	Assets from deposits.....	1.556
National Bank of Greece	Interest income from deposits.....	57
National Bank of Greece	Liabilities from loans.....	49.832
National Bank of Greece	Interest expense from loans.....	1.795
National Bank of Greece	Commission expense.....	21
National Bank of Greece	Loan interest accrued.....	341
National Bank of Greece	Expenses from services rendered.....	78
National Bank of Greece	Liabilities from software licenses.....	15
Ethniki General Insurance	Insurance expenses.....	149
Ethniki General Insurance	Insurance fees due.....	78
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ASTIR PALACE VOULIAGMENI SA is a member of the group National Bank of Greece SA. The parent company's participation percentage in the Company's share capital as of 31/12/2006 was 78.06%.



5. Summary financial information



 ASTIR PALACE VOULGIAMENIS SA A SUBSIDIARY COMPANY OF THE NATIONAL BANK OF GREECE SA 1, SANTAROZA & STADIOU, 105 64 ATHENS FINANCIAL DATA AND INFORMATION FOR THE YEAR ENDED 31 DECEMBER 2006 (Published in accordance with article 135 of Law 2190, for entities preparing annual stand-alone and consolidated financial statements in accordance with IFRS)																																																																																											
The financial data and information listed below provide a summarized view of the financial position and results of Astir Palace Voulgiamenis SA. We therefore suggest to the user, before proceeding to any investment decision or other transaction with the Company, to visit Astir Palace Voulgiamenis web-site where the financial statements prepared in accordance with IFRS are published together with the report of the auditors.																																																																																											
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COMPANY INFORMATION	BALANCE SHEET INFORMATION																																																																																										
Register numbers of S.A.: 41850/06/9/9676 Company head office address: Athens, Santarozas 1 & Stadiou Supervising prefecture: Ministry of Development Composition of the Board of Directors: -Elitratos G. Anagnostou, executive member..... Chairman -Archimios Thomopoulos, executive member..... Vice Chairman & CEO -Griveas Polychronis, executive member..... Deputy Chief Executive Officer -Tzameretis Charalacos, executive member..... Commissioned Advisor -Ioannis Kyriakopoulos, non-executive member..... Member -Gorginis Kostasostas, non-executive member..... Member -Omiros Dimopoulos, non-executive member..... Member -Ioannis Syggelidis, non-executive member..... Independent member -Kostasinos Perseidas, non-executive member..... Independent member Date of approval of financial statements by BOD: 23 March 2007 Certified Public Auditor Accountant: Michalis Inadipalou Audit firm: Deloitte Audit report: Unqualified opinion Corporate website: www.astir-palace.com	<table border="1"> <thead> <tr> <th></th> <th style="text-align: right;">31/12/2006</th> <th style="text-align: right;">31/12/2005</th> </tr> </thead> <tbody> <tr> <td>Assets</td> <td></td> <td></td> </tr> <tr> <td>Fixed assets</td> <td style="text-align: right;">175,316</td> <td style="text-align: right;">177,122</td> </tr> <tr> <td>Inventories</td> <td style="text-align: right;">327</td> <td style="text-align: right;">327</td> </tr> <tr> <td>Receivables</td> <td style="text-align: right;">1,772</td> <td style="text-align: right;">1,105</td> </tr> <tr> <td>Other assets</td> <td style="text-align: right;">9,313</td> <td style="text-align: right;">6,342</td> </tr> <tr> <td>Total assets</td> <td style="text-align: right;">186,728</td> <td style="text-align: right;">184,896</td> </tr> <tr> <td>Equity & Liabilities</td> <td></td> <td></td> </tr> <tr> <td>Long term liabilities</td> <td style="text-align: right;">43,096</td> <td style="text-align: right;">36,993</td> </tr> <tr> <td>Short term liabilities (due to banks)</td> <td style="text-align: right;">9,457</td> <td style="text-align: right;">2,093</td> </tr> <tr> <td>Other short term liabilities</td> <td style="text-align: right;">7,096</td> <td style="text-align: right;">3,326</td> </tr> <tr> <td>Total liabilities (a)</td> <td style="text-align: right;">59,649</td> <td style="text-align: right;">42,412</td> </tr> <tr> <td>Share capital</td> <td style="text-align: right;">127,800</td> <td style="text-align: right;">127,800</td> </tr> <tr> <td>Other forms of shareholders' equity</td> <td style="text-align: right;">(963)</td> <td style="text-align: right;">(2,495)</td> </tr> <tr> <td>Total shareholders' equity (b)</td> <td style="text-align: right;">127,137</td> <td style="text-align: right;">142,795</td> </tr> <tr> <td>Total shareholders' equity & liabilities (a) & (b)</td> <td style="text-align: right;">186,728</td> <td style="text-align: right;">184,896</td> </tr> </tbody> </table>		31/12/2006	31/12/2005	Assets			Fixed assets	175,316	177,122	Inventories	327	327	Receivables	1,772	1,105	Other assets	9,313	6,342	Total assets	186,728	184,896	Equity & Liabilities			Long term liabilities	43,096	36,993	Short term liabilities (due to banks)	9,457	2,093	Other short term liabilities	7,096	3,326	Total liabilities (a)	59,649	42,412	Share capital	127,800	127,800	Other forms of shareholders' equity	(963)	(2,495)	Total shareholders' equity (b)	127,137	142,795	Total shareholders' equity & liabilities (a) & (b)	186,728	184,896																																										
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Amounts (in thousands €) resulting from related party transactions are summarised as follows: Sales of goods and services: 12 Purchases of goods and services: 448 Receivables: 0 Liabilities: 343 Transactions & fees relating to members of management & of the BOD: 462 Receivables from members of management & of the board of directors: 0 Liabilities against members of management & of the BOD: 0 Additional information is disclosed in the Financial Statements. The Company signed a contractual agreement assigning the management of the Astir Palace hotel complex to Starwood Hotels & Resorts Worldwide Inc. Additional information is disclosed in the Financial Statements. Reorganisation costs (non recurring) relate to the cost of the voluntary retirement plan which the Company announced on 12 May 2006 and to consulting fees relating to the cost of professional services rendered in connection to the assignment of the management of the hotel complex to Starwood. The relevant costs burdened post tax results and Company equity by an amount of € 8,582 thousand (2005: 340 thousand). Reorganisation costs affected post tax results and Company equity by 48% and 7% respectively. Additional information is disclosed in the Financial Statements. Some prior year account balances of the income statement have been reclassified in order to become similar and comparable to the respective account balances of the current year. Additional information is disclosed in Note 30 of the Financial Statements. 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FINANCIAL DATA AND INFORMATION FOR THE PERIOD FROM 1 JANUARY 2006 TO 30 SEPTEMBER 2006

(Published in accordance with the common decision 2/996/31.8.2006 of the BoD of the Hellenic Capital Market Commission)
The financial data and information listed below provide a summarized view of the financial position and results of ASTIR PALACE VOULIAGMENI S.A. We therefore suggest to the reader, before proceeding to any investment decision or other transaction with the Company, to visit Astir Palace Voulagmeni S.A. website, where the financial statements prepared in accordance with IFRS together with the Audit report of the internal auditor (when necessary), have been published.

Website: www.astir-palace.com
Date of approval from the BoD: 27 November 2006
Certified internal auditor: Michalis Hadjipavlou
Auditing company: Deloitte Hadjipavlou Sofianos & Cambanis S.A.
Type of Audit report: Not required

(amounts expressed in thousands EUR)

BALANCE SHEET INFORMATION			INCOME STATEMENT INFORMATION				
	30/9/2006	31/12/2005		1/1-30/9/06	1/1-30/9/05	1/7-30/9/06	1/7-30/9/05
Assets			Revenues	22.768	19.690	12.338	10.797
Fixed Assets	175.262	177.122	Cost of Sale	(28.637)	(18.472)	(10.576)	(7.695)
Inventories	460	327	Gross profit / (loss)	(5.869)	1.218	1.763	3.102
Receivables	2.936	1.105	Other revenues	694	531	90	124
Other assets	15.989	6.342	Distribution & administrative expenses	(7.030)	(2.847)	(1.353)	(1.308)
Total assets	194.647	184.896	Profit / (loss) before taxation, financial income and expenditure, depreciation and amortization	(7.909)	3.055	1.950	3.204
Equity & Liabilities			Profit / (loss) before taxation, financial income and expenses	(12.205)	(1.066)	500	1.828
Long term liabilities	50.882	36.960	Profit / (loss) before taxation	(13.372)	(2.027)	101	1.902
Short term liabilities due to banks	4.141	2.090	Less: Tax income / (expense)	3.771	(412)	200	48
Other short term liabilities	8.930	5.515	Net profit / (loss)	(9.601)	(2.439)	301	1.550
Total Liabilities (a)	63.953	44.601	Distributed as (per share):				
Shareholders' equity (b)	130.694	140.295	Earnings after taxation / basic (in €)	(0.22)	(0.06)	0.01	0.03
Total equity (a) = (b)	130.694	140.295					
Total shareholders' equity & liabilities (a)+(b)	194.647	184.896					
STATEMENT OF CHANGES IN EQUITY			CASH FLOW STATEMENT INFORMATION				
	30/9/2006	30/9/2005		1/1-30/9/06	1/1-30/9/05		
Equity at the beginning of the year (2006 & 2005 resp.)	140.295	146.975	Cash Flows from Operating Activities				
Profit / (loss) after taxes	(9.601)	(2.439)	Loss before taxes			(13.372)	(2.027)
Equity at the end of the period (30/9/06 & 30/9/05 resp.)	130.694	144.536	Adjustments for:				
			Depreciation and amortization			4.296	4.153
			Liabilities to personnel			10.299	-
			Results from investing activities:			1.167	24
			Decrease / (increase) of inventories			(133)	(24)
			Decrease / (increase) of receivables			(1.371)	(724)
			(Decrease) / increase of liabilities (except banks)			(3.670)	(2.274)
			Income tax and other taxes			(307)	(186)
			Less:				
			Interest and related expenses paid			(56)	(28)
			Total inflows / (outflows) of operating activities (a)			(3.147)	(1.066)
			Investing activities				
			Acquisition of tangible and intangible Fixed Assets			(2.435)	(5.832)
			Interest received			37	24
			Total inflows / (outflows) of investing activities (b)			(2.398)	(5.808)
			Financing activities				
			Receipts from loans			13.000	7.868
			Payments against loans			(1.048)	(146)
			Payments against financial leasing liabilities			(35)	(31)
			Total inflows / (outflows) of financing activities (c)			11.917	7.691
			Net increase / (decrease) in cash and cash equivalents (a)+(b)+(c)			6.374	797
			Cash and Cash Equivalents at Beginning of Period			3.540	4.736
			Cash and Cash Equivalents at End of Period			9.914	5.533
ADDITIONAL INFORMATION			Athens, 27 November 2006				
1. The Company applies IFRS as of 1st January 2005.				THE CHAIRMAN OF BOD	THE VICE CHAIRMAN AND MANAGING DIRECTOR OF BOD		
2. There are no mortgages, liens or other encumbrances on the Company's fixed assets.				EFSTRATOS GEORGIOS ARAPOGLU I.D. L 34096	ANTHOS THOMPOULOS I.D. M 221872		
3. The total number of employees as of 31 December 2005 and 30 September 2006 was 489 and 515 respectively.				THE DEPUTY MANAGING DIRECTOR	THE FINANCIAL DIRECTOR		
4. The Company has been tax audited until the fiscal year 2005. The tax audit for the years 2004 and 2005 was complete in July 2006 and resulted to additional taxes and penalties of approximately EUR 134 thousand which burdened current period results.				POLYCHRONIS GRIVIAS I.D. R 033785	PARIS TRIANTAFYLIDIS LICENSE A CLASS 004049		
5. The Financial Statements of the Company are included in the consolidated Financial Statements of the National Bank of Greece S.A. (percentage of participation 78.06%) which is based in Greece.							
6. Amounts (in EUR) having resulted from related party transactions are summarised as follows: Sales of goods and services: 12 thousand Purchases of goods & services: 202 thousand Receivables: 13 thousand Liabilities: 362 thousand Transactions & fees relating to members of management & BOD: 404 thousand Receivables from members of management & BOD: 0 Liabilities against members of management & BOD: 0 Additional information is disclosed in the Financial Statements.							
7. The Company signed an agreement assigning the management of the Astir Palace hotel complex to Starwood Hotels & Resorts Worldwide Inc. Additional information is disclosed in the Financial Statements.							
8. On 12 May 2006 the Company announced a voluntary retirement scheme through which 189 employees retired. The total cost of the voluntary retirement scheme amounted to approximately EUR 90.3 million, of which approximately EUR 8 million had been paid at balance sheet date. The Company has recognised the relevant liability in the Financial Statements. Additional information is disclosed in the Financial Statements.							

FINANCIAL DATA AND INFORMATION FOR THE PERIOD FROM 1st JANUARY 2006 TO 31st MARCH 2006
(Published in accordance with Law 380/1985 and the common decision No.17/335/21-4-2005 of the BoD of Hellenic Capital Market Commission)

The Financial data and information listed below provide a summarized view of the Financial position and results of ASTIR PALACE VOULIAGMENI S.A. We therefore suggest to the reader, before proceeding to any investment decision or other transaction with the Company, to visit Astir Palace Vouliaomeni S.A. website: www.astir-palace.com where the Financial Statements prepared in accordance with IFRS together with the Audit report of the External Auditor (when necessary), have been applied.

1. BALANCE SHEET

(in thousands of euro)

	31/3/2006	31/12/2005
ASSETS		
Fixed Assets	175.993	177.122
Inventories	277	327
Accounts Receivable	204	1.105
Other Current Assets	5.890	6.342
TOTAL ASSETS	182.364	184.896
EQUITY & LIABILITIES		
Long term Liabilities	37.736	36.993
Short term Borrowings	3.184	2.990
Other short term Liabilities	5.143	5.515
Total Liabilities (a)	46.063	44.601
Share Capital	127.800	127.800
Other equity	8.501	12.495
Total Equity (b)	136.301	140.295
TOTAL EQUITY & LIABILITIES (a)+(b)	182.364	184.896

2. INCOME STATEMENT OF PERIOD

(in thousands of euro)

	1/1-31/03/2006	1/1-31/03/2005
Total revenues	1.056	2.544
Gross profit / (loss)	-3.301	-2.140
Profit / (loss) before taxes, financial income, investment income, depreciation and amortization	-1.389	-1.100
Profit / (loss) before taxes, financial income and investment income	-3.342	-2.544
Profit / (loss) before taxes	-3.755	-2.818
Minus taxes	-239	-207
Net profit / (loss) after taxes	-3.994	-3.025
Distributed as follows:		
Earnings / (loss) per share after taxes - (in €)	-0.09	-0.07

3. STATEMENT OF CASH FLOWS

(in thousands of euro)

	1/1-31/03/2006	1/1-31/03/2005
Cash Flows from Operating Activities		
Profit / (loss) before taxes	-3.755	-2.818
Adjustments for:		
Depreciation and Amortization	1.456	1.392
Provisions	0	201
Exchange Differences	-3	0
(Gain) or Loss from investing activities		
Interest and related expenses	420	281
Adjustments for working capital changes		
Decrease / (increase) in inventories	50	-7
Decrease / (increase) in Accounts Receivables	-753	-20
Decrease / (increase) in Liabilities (minus bank loans)	826	-2.078
Minus:		
Interest and related expenses paid	-5	-15
Net Cash from / (used in) Operating activities (a)	-1.774	-3.964
Cash Flows from Investing Activities		
Purchase or tangible and intangible Fixed Assets	-488	-1.486
Interest received	11	8
Net cash from / (used in) Investing activities (b)	-477	-1.478
Cash Flows from Financial Activities		
Proceeds from Borrowings	1.000	1.000
Payments of Borrowings	-5	-30
Payments of Liabilities due to leases	-10	-9
Net Cash from / (used in) Financial Activities (c)	985	899
Net Increase / (decrease) in cash and cash equivalents (a)+(b)+(c)	-1.266	-3.543
Cash and Cash Equivalents at Beginning of Period	3.540	4.736
Cash and Cash Equivalents at End of Period	2.274	1.193

4. STATEMENT OF CHANGES IN EQUITY OF THE YEAR

(in thousands of euro)

	31/3/2006	31/3/2005
Net Equity Opening Balance	140.295	146.975
Profit / (loss) after taxes for the period	-3.994	-3.025
Net Equity Closing Balance	136.301	143.950

5. TURNOVER ANALYSIS ACCORDING TO STAKOS-2003

(amounts in thousands of euro)

STAKOS -03	551.1
DESCRIPTION OF ACTIVITY	ΣΕΝΟΔΟΚΕΙΑΦΗ
AMOUNT	1.056
PERCENTAGE %	100

6. ADDITIONAL INFORMATION & DATA

- The Company uses IFRS as of the 1st January 2005
- There are not any mortgages, attachments or other encumbrances on the fixed assets of the Company.
- Certain claims and legal actions arose against the Company. According to the Legal Councilors of the Company, the ultimate disposition of these matters will have a positive result for the Company.
- The total number of employees as at 31/03/2006 was 259 pax.
- The Company has been tax audited until the Fiscal year 2003. The audit process for the years 2004 and 2005 is currently is still on progress.
- The Financial Statements of the Company are included in the consolidated Financial Statements of the National Bank of Greece S.A. (percentage of participation 78,06%) which is based in Greece.
- Amounts having resulted from related party transactions are summarised as follows:
Liabilities: 330 thousands of euro
Expenses: 513 thousands of euro
Income: 11 thousands of euro
Bank deposits: 2.156 thousands of euro
Bank loans: 35.281 thousands of euro
Additional information is reported in the Financial Statements
- The BoD of the Company assigned to Consulting Companies the task of conducting an International tender for the selection of a specialist Hotel Operator of luxury hotels, for the Astir's complex. The procedure is about to end soon.
- The Financial Statements have been approved by the BoD

Athens, May 29th 2006

THE CHAIRMAN
AND MANAGING DIRECTOR

THE VICE CHAIRMAN
OF BoD

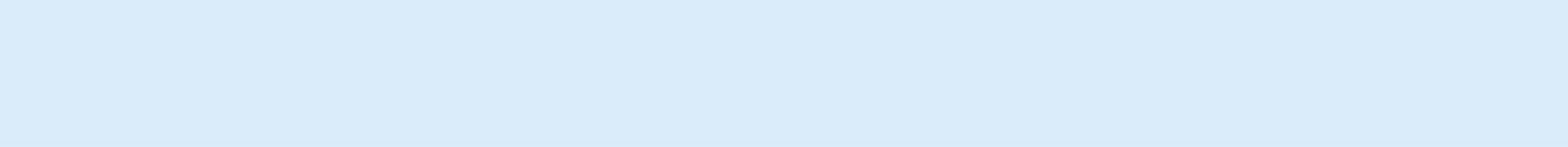
EFSTRATIOS GEORGIOS ARAPOGLOU
ID. L.342690

ANTHIMOS THOMOPOULOS
ID. M.221872

THE FINANCIAL MANAGER

IOANNIS VLASSIS
ID. P.720344

6. Availability of financial statements



Availability of financial statements

The Financial Statements of the Company (including the Auditor's Report) and the Management Report of the BoD are published on the Company's site: www.astir-palace.com

For any complementary information, shareholders could contact the following e-mail addresses:

1. financial@astir.gr (Financial Director)
2. investor_relations@astir.gr (Anastasia Soulia, Investor Relations Officer)



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