

**TELETYPOS TELEVISION PROGRAMMES S.A.  
“MEGA CHANNEL - GREECE”**

**INTERIM CONSOLIDATED  
AND SEPARATE FINANCIAL STATEMENTS**

**1<sup>st</sup> January 2010 - 30<sup>th</sup> September 2010**

## CONTENTS

	<u>Pages</u>
STATEMENT OF COMPREHENSIVE INCOME	1-2
STATEMENT OF FINANCIAL POSITION	3
STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY	4
STATEMENT OF CASH FLOWS	5
1. GENERAL INFORMATION	6
2. ADOPTION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS	7
3. SIGNIFICANT ACCOUNTING POLICIES	8
3.1. Statement of compliance	8
3.2. Historical cost convention	8
3.3. Investments in associates	8
3.4. Foreign currency transactions and balances	8-9
3.5. Borrowing Costs	9
3.6. Programme and film rights	10
3.6.1. Self-owned television programmes	10
3.6.2. Licensed third parties' TV programmes	10
3.7. Depreciation and Amortisation	11
3.8. Taxation	12
3.9. Inventories	13
3.10. Provisions	13
3.11. Revenues recognition	13
3.12. Impairment of assets	13
3.13. Trade receivables	13
3.14. Investments	14
3.15. Cash and cash equivalents	14
3.16. Bank Loans	14
3.17. Trade creditors	14
3.18. Patents and trademarks	15
3.19. Retirements benefits	15
4. SEGMENT INFORMATION	16
5. FINANCIAL ASSETS	16
5.1. Financial assets	16
5.1.1 Financial assets at fair value through profit or loss	16
5.1.2 Held-to-maturity investments	16
5.1.3 Available-for-sale financial assets	16
5.1.4 Loans and receivables	17
5.1.5 Impairment of financial assets	17
5.2. Financial liabilities and equity instruments issued by the Group	17
5.2.1 Equity instruments	17
5.2.2 Financial liabilities	17
5.2.2.1 Financial liabilities at fair value through profit and loss	17

5.2.2.2	Other financial liabilities	18
5.3.	Available-for-sale financial assets	18
6.	CRITICAL ACCOUNTING JUDGMENTS AND MANAGEMENT'S ESTIMATION	19
7.	DIVIDENDS	19
8.	REVENUE	20
9.	OPERATING EXPENSES	20
10.	OTHER OPERATING INCOME	21
11.	OTHER INCOME	21
12.	OTHER EXPENSES	21
13.	TAXATION	22-23
14.	INTANGIBLE ASSETS - PROGRAMME RIGHTS	24-25
15.	TANGIBLE ASSETS	26
16.	INVESTMENTS - SHARES IN ASSOCIATED AND SUBSIDIARY COMPANIES	27-28
17.	OTHER FINANCIAL ASSETS	29
18.	TRADE AND OTHER RECEIVABLES	29-30
19.	RECEIVABLES - ASSOCIATED COMPANIES	30
20.	DEFERRED TAXES	31
21.	PREPAID PROGRAMME RIGHTS AND SUNDRY EXPENSES	32
22.	CASH AND CASH EQUIVALENT	32
23.	SHARE CAPITAL	32-33
24.	RESERVES	34
25.	LONG TERM LIABILITIES	35
25.1.	Debenture Loans	36
25.2.	Retirement indemnities as calculated by the actuarial company 'Hewitt Associates'	37
26.	TRADE AND OTHER PAYABLE	38
26.1.	Dividends payable	38
26.2.	Taxes and duties	38
26.3.	Other creditors	39
26.4.	Accrual expenses	39
27.	SHORT TERM BORROWING	40
28.	ISSUED SHARES	40
29.	EARNINGS PER SHARE	41
30.	FINANCIAL INSTRUMENTS	42
30.1	Significant accounting policies	42
30.2.	Fair value of financial instruments	42
30.3.	Financial risk management objectives	42
30.4	Market	42
30.5	Interest rate risk management	43
30.6	Credit risk management	43
30.7	Liquidity risk management	43
31.	CONTINGENT LIABILITIES	44
32.	FINANCIAL COMMITMENTS	44
33.	REMUNERATION OF EXECUTIVES AND MANAGEMENT	44
34.	RELATED PARTIES TRANSACTIONS	45

35.	EVENTS AFTER THE STATEMENT OF FINANCIAL POSITION DATE	46
36.	APPROVAL OF FINANCIAL STATEMENTS	46

**TELETYPOS TELEVISION PROGRAMMES S.A.**  
**“MEGA CHANNEL”**  
**STATEMENT OF COMPREHENSIVE INCOME**  
**1<sup>st</sup> January – 30<sup>th</sup> September, 2010**  
**(Expressed in Euro)**

**GROUP**

	<u>Notes</u>	<u>01.01/ 30.09.10</u>	<u>01.07/ 30.09.10</u>	<u>01.01/ 30.09.09</u>	<u>01.07/ 30.09.09</u>
Revenues	8	88.537.025	19.546.281	101.447.827	26.057.888
Cost of Sales	9	(95.117.220)	(27.246.822)	(99.040.931)	(28.158.025)
<b>Gross (Loss)/Profit</b>		<b><u>(6.580.195)</u></b>	<b><u>(7.700.541)</u></b>	<b><u>2.406.896</u></b>	<b><u>(2.100.137)</u></b>
Other operating income	10	<u>7.390.724</u> <b><u>810.529</u></b>	<u>1.501.270</u> <b><u>(6.199.271)</u></b>	<u>7.255.891</u> <b><u>9.662.787</u></b>	<u>1.224.124</u> <b><u>(876.013)</u></b>
Distribution expenses	9	(2.557.802)	(762.100)	(2.602.752)	(741.543)
Administration expenses	9	(5.904.701)	(1.725.020)	(6.370.127)	(1.924.391)
<b>Operating (loss)/profit</b>		<b><u>(7.651.974)</u></b>	<b><u>(8.686.391)</u></b>	<b><u>689.908</u></b>	<b><u>(3.541.947)</u></b>
<b>Non operating income</b>					
Interest received and receivable		1.010.152	540.493	1.641.945	431.667
Profit on disposal of fixed assets		36.034	1.934	12.721	0
Income from securities		11.797	0	0	0
Other income	11	<u>102.192</u> <b><u>1.160.175</u></b>	<u>(15.726)</u> <b><u>526.701</u></b>	<u>614.040</u> <b><u>2.268.706</u></b>	<u>295.552</u> <b><u>727.219</u></b>
<b>Non operating expenses</b>					
Interest and similar charges	9	(4.797.863)	(1.864.310)	(3.962.833)	(1.114.639)
Provisions		(681.806)	(164.462)	(282.891)	(193.557)
Losses on disposal of fixed assets		0	0	(2.528)	(2.528)
Other expenses	12	<u>(1.049.031)</u> <b><u>(6.528.700)</u></b>	<u>(303.351)</u> <b><u>(2.332.123)</u></b>	<u>(810.721)</u> <b><u>(5.058.973)</u></b>	<u>(32.850)</u> <b><u>(1.343.574)</u></b>
<b>Profit for the period before tax</b>		<b><u>(13.020.499)</u></b>	<b><u>(10.491.813)</u></b>	<b><u>(2.100.359)</u></b>	<b><u>(4.158.302)</u></b>
Income tax	13	<u>123.731</u>	<u>7.769</u>	<u>115.950</u>	<u>278.402</u>
<b>Profit for the period after tax</b>		<b><u>(12.896.768)</u></b>	<b><u>(10.484.044)</u></b>	<b><u>(1.984.409)</u></b>	<b><u>(3.879.900)</u></b>
<b>TOTAL OTHER INCOME - (EXPENSES)</b>					
Adjustment from value of shares		<u>(29.052)</u>	<u>13.382</u>	<u>45.193</u>	<u>9.831</u>
Total other income - (expenses)		<b><u>(29.052)</u></b>	<b><u>13.382</u></b>	<b><u>45.193</u></b>	<b><u>9.831</u></b>
<b>Total comprehensive income for the period</b>		<b><u>(12.925.820)</u></b>	<b><u>(10.470.662)</u></b>	<b><u>(1.939.216)</u></b>	<b><u>(3.870.069)</u></b>
Earnings per share € (note 29)		<b><u>-0,3412</u></b>	<b><u>-0,2774</u></b>	<b><u>-0,0525</u></b>	<b><u>-0,1026</u></b>

Notes forming an integral part of the financial statements on pages 6 to 46.

**TELETYPOS TELEVISION PROGRAMMES S.A.**  
**“MEGA CHANNEL”**  
**STATEMENT OF COMPREHENSIVE INCOME**  
**1<sup>st</sup> January – 30<sup>th</sup> September, 2010**  
**(Expressed in Euro)**

**COMPANY**

	<u>Notes</u>	<u>01.01/ 30.09.10</u>	<u>01.07/ 30.09.10</u>	<u>01.01/ 30.09.09</u>	<u>01.07/ 30.09.09</u>
Revenues	8	88.477.025	19.486.281	101.248.252	26.057.888
Cost of Sales	9	(95.117.220)	(27.246.822)	(98.940.931)	(28.158.025)
<b>Gross (Loss)/Profit</b>		<b><u>(6.640.195)</u></b>	<b><u>(7.760.541)</u></b>	<b><u>2.307.321</u></b>	<b><u>(2.100.137)</u></b>
Other operating income	10	<u>7.390.724</u>	<u>1.501.270</u>	<u>7.255.891</u>	<u>1.224.124</u>
		<b><u>750.529</u></b>	<b><u>(6.259.271)</u></b>	<b><u>9.563.212</u></b>	<b><u>(876.013)</u></b>
Distribution expenses	9	(2.557.802)	(762.100)	(2.602.752)	(741.543)
Administration expenses	9	(5.797.359)	(1.671.222)	(6.291.781)	(1.899.648)
<b>Operating loss/profit</b>		<b><u>(7.604.632)</u></b>	<b><u>(8.692.593)</u></b>	<b><u>668.679</u></b>	<b><u>(3.517.204)</u></b>
<b>Non operating income</b>					
Interest received and receivable		13.669	292	101.291	99.925
Profit on disposal of fixed assets		36.034	1.934	12.721	0
Income from securities		11.797	0	0	0
Other income	11	<u>102.192</u>	<u>(15.726)</u>	<u>614.040</u>	<u>295.552</u>
		<b><u>163.692</u></b>	<b><u>(13.500)</u></b>	<b><u>728.052</u></b>	<b><u>395.477</u></b>
<b>Non operating expenses</b>					
Interest and similar charges	9	(4.781.584)	(1.848.476)	(3.961.279)	(1.113.800)
Provisions		(681.806)	(164.462)	(77.891)	11.443
Losses on disposal of fixed assets		0	0	(2.528)	(2.528)
Other expenses	12	<u>(1.049.031)</u>	<u>(303.351)</u>	<u>(810.721)</u>	<u>(32.850)</u>
		<b><u>(6.512.421)</u></b>	<b><u>(2.316.289)</u></b>	<b><u>(4.852.419)</u></b>	<b><u>(1.137.735)</u></b>
<b>Loss for the period before tax</b>		<b><u>(13.953.361)</u></b>	<b><u>(11.022.382)</u></b>	<b><u>(3.455.688)</u></b>	<b><u>(4.259.462)</u></b>
Income tax	13	<u>301.947</u>	<u>104.616</u>	<u>328.516</u>	<u>303.507</u>
<b>Loss for the period after tax</b>		<b><u>(13.651.414)</u></b>	<b><u>(10.917.766)</u></b>	<b><u>(3.127.172)</u></b>	<b><u>(3.955.955)</u></b>
<b>OTHER INCOME - (EXPENSES)</b>					
Adjustment from value of shares		(29.052)	13.382	45.193	9.831
Total other income - (expnses)		<u>(29.052)</u>	<u>13.382</u>	<u>45.193</u>	<u>9.831</u>
<b>Total comprehensive income for the period</b>		<b><u>(13.680.466)</u></b>	<b><u>(10.904.384)</u></b>	<b><u>(3.081.979)</u></b>	<b><u>(3.946.124)</u></b>
Earnings per share euro (note 29)		<b><u>-0,3612</u></b>	<b><u>-0,2888</u></b>	<b><u>-0,0827</u></b>	<b><u>-0,1047</u></b>

Notes forming an integral part of the financial statements on pages 6 to 46.

**TELETYPOS TELEVISION PROGRAMMES S.A.**  
**“MEGA CHANNEL”**  
**STATEMENT OF FINANCIAL POSITION**  
**30th September 2010**  
**(Expressed in Euro)**

		<b><u>GROUP</u></b>		<b><u>COMPANY</u></b>	
	Note:	<b><u>30.09.2010</u></b>	<b><u>31.12.2009</u></b>	<b><u>30.09.2010</u></b>	<b><u>31.12.2009</u></b>
<b>FIXED ASSETS</b>					
Intangible assets – Programme rights	14	144.768.508	151.663.247	144.926.908	151.663.247
Tangible assets	15	10.855.204	11.047.034	10.855.204	11.047.034
Investments in associates	16	1.110.396	689.796	1.697.800	1.277.200
Deferred taxation	20	2.491.881	2.163.578	2.491.881	2.163.578
Other financial assets	17	<u>464.519</u>	<u>514.519</u>	<u>464.519</u>	<u>514.519</u>
<b>Total fixed assets</b>		<b><u>159.690.508</u></b>	<b><u>166.078.174</u></b>	<b><u>160.436.312</u></b>	<b><u>166.665.578</u></b>
<b>CURRENT ASSETS</b>					
Inventories		363.219	380.055	363.219	380.055
Trade and other receivables	18	40.850.852	39.108.465	40.372.138	38.629.268
Claims against associated companies	19	0	0	3.438.596	3.438.596
Prepayments of programme rights & other expenses	21	34.043.669	30.130.953	34.043.669	30.085.349
Cash and cash equivalents	22	<u>39.195.331</u>	<u>44.447.435</u>	<u>5.477.622</u>	<u>11.498.588</u>
<b>Total assets</b>		<b><u>274.143.579</u></b>	<b><u>280.145.082</u></b>	<b><u>244.131.556</u></b>	<b><u>250.697.434</u></b>
<b>EQUITY AND LIABILITIES</b>					
Share capital	23	37.797.375	37.797.375	37.797.375	37.797.375
Share premium	23	33.469.247	33.469.247	33.469.247	33.469.247
Reserves	24	10.443.697	10.472.750	10.443.697	10.472.750
Loss for the period		(12.896.768)	0	(13.651.414)	0
Retained earnings / (loss)		<u>20.342.400</u>	<u>20.342.400</u>	<u>(2.006.944)</u>	<u>(2.006.944)</u>
<b>Total Equity</b>		<b><u>89.155.951</u></b>	<b><u>102.081.772</u></b>	<b><u>66.051.961</u></b>	<b><u>79.732.428</u></b>
<b>Long-term liabilities</b>	25	<b><u>44.993.286</u></b>	<b><u>58.931.986</u></b>	<b><u>44.993.286</u></b>	<b><u>58.931.986</u></b>
<b>SHORT TERM LIABILITIES</b>					
Trade and other payables	26	66.061.465	80.125.060	59.153.432	73.026.756
Short term borrowings	27	58.932.877	39.006.264	58.932.877	39.006.264
Long term liabilities payable next period	25.1	<u>15.000.000</u>	<u>0</u>	<u>15.000.000</u>	<u>0</u>
<b>Total Short Term Liabilities</b>		<b><u>139.994.342</u></b>	<b><u>119.131.324</u></b>	<b><u>133.086.309</u></b>	<b><u>112.033.020</u></b>
<b>Total equity and liabilities</b>		<b><u>274.143.579</u></b>	<b><u>280.145.082</u></b>	<b><u>244.131.556</u></b>	<b><u>250.697.434</u></b>

Notes forming an integral part of the financial statements on pages 6 to 46.

**TELETYPOS TELEVISION PROGRAMMES S.A.**  
**“MEGA CHANNEL”**  
**STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY**  
**30th September 2010**  
**(Expressed in Euro)**

**GROUP****Net position 30/09/2009**

Balance 1st January 2009

Approval of distribution of profits 2008 from G.M.

Profit for the period after tax

**Net position 30/09/2009**

	<u>Share Capital</u>	<u>Share premium</u>	<u>Statutory reserve</u>	<u>Other reserves</u>	<u>Valuation reserve on listed securities</u>	<u>Loss for the period</u>	<u>Retained earnings</u>	<u>Total</u>
Balance 1st January 2009	37.797.375	33.469.247	4.574.571	4.262.805	82.169	0	48.773.933	128.960.100
Approval of distribution of profits 2008 from G.M.			1.528.260				-26.852.501	-25.324.241
Profit for the period after tax					45.193	-1.984.410		-1.939.217
<b>Net position 30/09/2009</b>	<b>37.797.375</b>	<b>33.469.247</b>	<b>6.102.831</b>	<b>4.262.805</b>	<b>127.362</b>	<b>-1.984.410</b>	<b>21.921.432</b>	<b>101.696.642</b>

**Net position 30/09/2010**

Balance 1st January 2010

Profit for the period after tax

**Net position 30/09/2010**

Balance 1st January 2010	37.797.375	33.469.247	6.102.831	4.262.805	107.113	0	20.342.400	102.081.771
Profit for the period after tax					-29.052	-12.896.768		-12.925.820
<b>Net position 30/09/2010</b>	<b>37.797.375</b>	<b>33.469.247</b>	<b>6.102.831</b>	<b>4.262.805</b>	<b>78.061</b>	<b>-12.896.768</b>	<b>20.342.400</b>	<b>89.155.951</b>

**COMPANY****Net position 30/9/2009**

Balance 1st January 2009

Approval of 2008 distribution of profits from G.M.

Profit for the period after tax

**Net position 30/9/2009**

	<u>Share Capital</u>	<u>Share Premium</u>	<u>Statutory Reserve</u>	<u>Other Reserves</u>	<u>Valuation reserve on listed securities</u>	<u>Loss for the period</u>	<u>Retained Earnings/(loss)</u>	<u>Total</u>
Balance 1st January 2009	37.797.375	33.469.247	4.574.571	4.262.805	82.169	0	27.534.092	107.720.260
Approval of 2008 distribution of profits from G.M.			1.528.260				-26.852.501	-25.324.241
Profit for the period after tax					45.193	-3.127.173		-3.081.980
<b>Net position 30/9/2009</b>	<b>37.797.375</b>	<b>33.469.247</b>	<b>6.102.831</b>	<b>4.262.805</b>	<b>127.362</b>	<b>-3.127.173</b>	<b>681.591</b>	<b>79.314.039</b>

**Net position 30/9/2010**

Balance 1st January 2010

Profit for the period after tax

**Net position 30/09/2010**

Balance 1st January 2010	37.797.375	33.469.247	6.102.831	4.262.805	107.113	0	-2.006.944	79.732.427
Profit for the period after tax					-29.052	-13.651.414		-13.680.466
<b>Net position 30/09/2010</b>	<b>37.797.375</b>	<b>33.469.247</b>	<b>6.102.831</b>	<b>4.262.805</b>	<b>78.061</b>	<b>-13.651.414</b>	<b>-2.006.944</b>	<b>66.051.961</b>

Notes forming an integral part of the financial statements on pages 6 to 46.

**TELETYPOS TELEVISION PROGRAMMES S.A.**  
**“MEGA CHANNEL”**  
**STATEMENT OF CASH FLOW**  
**1<sup>st</sup> January – 30th September 2010**  
**(Expressed in Euro)**

	<b><u>GROUP</u></b>		<b><u>COMPANY</u></b>	
	<b><u>30.09.10</u></b>	<b><u>30.09.09</u></b>	<b><u>30.09.10</u></b>	<b><u>30.09.09</u></b>
<b><u>Cash flow from operating activities</u></b>				
Loss before taxation	(13.020.498)	(2.100.359)	(13.953.360)	(3.455.688)
<b>Adjustments for items not involving the movement of cash</b>				
Depreciation and amortisation	61.504.694	61.060.391	61.504.694	61.060.391
Provisions	1.743.106	1.182.451	1.743.106	977.451
Translation differences	0	0	0	0
Profit on disposal of fixed assets	(1.057.983)	(1.652.138)	(61.500)	(111.484)
<b>Interest and similar charges</b>	4.797.863	3.962.833	4.781.584	3.961.279
Decrease (Increase) in inventories of spares and consumables	16.835	13.827	16.835	13.827
Decrease (Increase) in stock of programme rights	(3.958.319)	(121.026)	(3.958.319)	20.599
Decrease (Increase) in debtors and others	(2.418.696)	2.571.753	(2.464.783)	2.222.860
Decrease (Increase) in payables	50.000	(21.788)	50.000	(21.788)
Repayments of borrowings	(12.692.314)	(28.378.806)	(12.468.537)	(27.465.473)
Minus:				
Interest and similar charges	(4.730.756)	(3.768.289)	(4.714.477)	(3.766.735)
Income tax paid	(1.591.116)	(6.200.076)	(1.446.406)	(5.985.343)
<b>Total Cash Flow from Operating Activities (a)</b>	<b><u>28.642.816</u></b>	<b><u>26.548.773</u></b>	<b><u>29.028.837</u></b>	<b><u>27.449.896</u></b>
<b><u>Cash Flow from investing activities</u></b>				
Investments in subsidiaries, affiliates, cooperations and other	(420.600)	(250.000)	(420.600)	(250.000)
Proceeds from sale of intangible fixed assets	(54.418.757)	(59.229.688)	(54.577.157)	(59.229.688)
Sale of subsidiaries, affiliates, cooperations and other	36.665	12.722	36.665	12.722
Interest	1.010.152	1.641.945	13.669	101.291
Dividends paid	11.797	0	11.797	23.000.000
<b>Net Cash Flow from Investing Activities (b)</b>	<b><u>(53.780.743)</u></b>	<b><u>(57.825.021)</u></b>	<b><u>(54.935.626)</u></b>	<b><u>(36.365.675)</u></b>
<b><u>Cash Flow from Financing Activities</u></b>				
Increase in long term borrowings	19.926.612	29.750.494	19.926.612	29.750.494
Dividends paid	(40.789)	(22.807.715)	(40.789)	(22.807.715)
<b>Net Cash Flow from Financing Activities (c)</b>	<b><u>19.885.823</u></b>	<b><u>6.942.779</u></b>	<b><u>19.885.823</u></b>	<b><u>6.942.779</u></b>
<b>Decrease in net liquid funds (a)+(b)+(c)</b>	<b><u>(5.252.104)</u></b>	<b><u>(24.333.469)</u></b>	<b><u>(6.020.966)</u></b>	<b><u>(1.973.000)</u></b>
<b>Cash and cash equivalents at beginning of the period</b>	44.447.435	62.530.491	11.498.588	7.332.041
<b>Cash and cash equivalents at end of period</b>	<b><u>39.195.331</u></b>	<b><u>38.197.022</u></b>	<b><u>5.477.622</u></b>	<b><u>5.359.041</u></b>

**TELETYPOS TELEVISION PROGRAMMES S.A.**  
**“MEGA CHANNEL - GREECE” AND ITS SUBSIDIARY**  
**Notes to the consolidated and parent financial statements in accordance with IFRS**  
**30th September, 2010**  
**(Expressed in Euro)**

**1. General Information**

The parent company was incorporated in Athens, Greece in 1989, in accordance with Law 2190/1920 and with a life duration of 50 years. Its life duration can be extended through the approval of the Shareholder's General Assembly . The company is listed in the Athens Stock Exchange.

The parent company operates the private broadcasting channel “MEGA” based on the 19229/1993 operating broadcasting licence. The duration of the broadcasting licence has been extended by Government law.

The parent company incorporated in 2000 Teletypos Cyprus Ltd. Its investment is stated at 100% of shareholding. The company's main objective is the trading of television programmes in Cyprus and in the area of Middle East.

Teletypos Cyprus Ltd is stated in Lefkosia (Cyprus), 8 Kennedi Street.

The company's main objectives are:

- the origination and trading of television programmes
- the installation and operating of television and radio stations throughout Greece
- the establishment, organisation and operation of studios for the production and marketing of television programmes and advertising clips

The financial statements have been approved by the company's Board of Directors at 13/10/2010. The composition of the Board of Directors is as follows:

Elias Tsigas	- Chairman and Managing Director
Yiorgos Vardinogiannis	- Non-executive member
Fotis Bobolas	- Non-executive member
Yiorgos Bobolas	- Non-executive member
Stauros Psicharis	- Non-executive member
Panagiotis Psicharis	- Non-executive member
Yiorgos Aidinis	- Independent non-executive member
Yiorgos Proussanidis	- Independent non-executive member

**TELETYPOS TELEVISION PROGRAMMES S.A.**  
**“MEGA CHANNEL - GREECE”**

**Notes to the consolidated and separate financial statements in accordance with IFRS**  
**30th September, 2010**  
**(Expressed in Euro)**

**2. Adoption of new and revised International Financial Reporting Standards**

The group adopted, in the current year, the new and revised International Financial Reporting Standards (IFRS) and the corresponding amendments that have been published from the International Accounting Standards Board (IASB) and from the International Financial Reporting Interpretation Committee (IFRIC) respectively, in the respect that these are related with the group's activity and are effective with the accounting periods beginning on 1<sup>st</sup> of January 2010.

*a. Standards and Interpretations issued (by IASB and the International Financial Reporting Interpretations Committee) in effect since 1<sup>st</sup> January 2010*

The adoption of the new and revised International Financial Reporting Standards in effect as of 1<sup>st</sup> January 2010 are either not related with the activities of the group or of the company or do not led to any changes in the company's accounting policies.

*b. Standards and interpretations not yet effective*

The adoption of the new and revised International Financial Reporting Standards are either not related with the activities of the group or of the company or do not led to any changes in the company's accounting policies.

**TELETYPOS TELEVISION PROGRAMMES S.A.**  
**“MEGA CHANNEL - GREECE”**  
**Notes to the consolidated and separate financial statements in accordance with IFRS**  
**30th September, 2010**  
**(Expressed in Euro)**

**3. Significant Accounting Policies**

**3.1. Statement of compliance**

The financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS) and their respective interpretations.

**3.2. Historical cost convention**

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

**Basis of consolidation**

The consolidated financial statements include the financial statements of the parent company and its subsidiary, which is controlled directly by the parent company. Control is achieved when the parent company has the power to govern the financial and operating policy of the entity that is investing in so as to obtain benefits from its activities.

Consolidated financial statements are based on separate companies' financial statements which have been prepared in accordance with IFRS and certain accounting principles followed by the Group. All group's companies have the same reporting date.

All the intra-company transactions and intra-company balances have been eliminated on consolidation.

Since the parent company holds 100% of the participation on the subsidiary's share capital no minority interest is effected.

**3.3. Investments in associates**

Participations in affiliated companies are valued at acquisition costs plus any other cost.

Affiliated companies are these in which the parent company holds a share of up to 49% without exercising control or having a significant influence.

Provisions for impairments of the investment value are made only when there is significant evidence of substantial impairment. The non realised gains or losses that are due to changes in appropriate value are included in the shareholder's equity after taking account the taxation effect.

**3.4. Foreign currency transactions and balances**

**a. Transactions in foreign currencies and presentation**

The company's parent and consolidated accounts are presented in the country's currency which is the functional currency of the company. The consolidated accounts are presented in euros which is the parent's company functional currency. From 1/1/2008 euro is the functional currency of Teletypos S.A.'s subsidiary Teletypos Cyprus Ltd.

**TELETYPOS TELEVISION PROGRAMMES S.A.**  
**“MEGA CHANNEL - GREECE”**  
**Notes to the consolidated and separate financial statements in accordance with IFRS**  
**30th September, 2010**  
**(Expressed in Euro)**

**3. Significant Accounting Policies (cont'd)**

**b. Transactions and company's accounts**

In preparing the financial statements of the individual entities, transactions in currencies other than the entity's functional currency (foreign currencies) are recorded at the rates of exchange prevailing at the dates of the transactions. At each statement of financial position date monetary items denominated in foreign currencies are translated at the rates prevailing at each statement of financial position date.

Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined.

Exchange differences are recognised in statement of comprehensive income in the period in which they except for:

- Exchange differences which relate to assets under construction for future productive use, which are included in the cost of these assets.
- Exchange differences on monetary items received from or payable to a foreign operation for which settlement is neither planned nor likely to occur, which form part of the net investment of a foreign operation.
- For the purpose of presenting consolidated financial statements, the assets and liabilities of the Group's foreign operations are expressed in the parent company's reporting currency, using the exchange rates at the statement of financial position date. Income and expense are translated at the average exchange rate of the period. Exchange differences arising are recognised as foreign currency reserve in equity.

Such exchange differences are recognized in profit and loss in the period in which the foreign operation is disposed of.

**3.5. Borrowing Cost**

Borrowing costs directly attributable to the acquisition, constructions or production of qualifying assets which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets. Investment income on the temporary investment of specific borrowing is deducted from borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

**TELETYPOS TELEVISION PROGRAMMES S.A.****“MEGA CHANNEL - GREECE”****Notes to the consolidated and separate financial statements in accordance with IFRS****30th September, 2010****(Expressed in Euro)****3. Significant Accounting Policies (cont'd)****3.6. Programme and film rights**

Programme and film rights refer to self-owned television programmes and third parties programmes.

**3.6.1. Self-owned television programmes**

The cost of self-owned programs (Greek series, game shows, sports, talk shows, music/dance shows and variety shows) is capitalised as intangible fixed assets (Programme rights) and is amortised as described in note 3.7.

**3.6.2. License third parties' T.V. programmes**

Licensed third parties television programs are valued at their acquisition cost.

- The profit and loss account is charged with the cost of the broadcasted programmes plus or minus any foreign exchange differences which arise upon settlement or valuation of the corresponding liability at the end of the year.
- the statement of financial position presents such as follows:
  - under liabilities, the amount due to the suppliers for the programmes invoiced and not yet settled, under prepayments the invoiced amount of not yet transmitted programmes.
  - in case a contract provides for more than one transmission the profit and loss account is charged in proportion to the number of transmissions allowed.

**TELETYPOS TELEVISION PROGRAMMES S.A.**  
**“MEGA CHANNEL - GREECE”**  
**Notes to the consolidated and separate financial statements in accordance with IFRS**  
**30th September, 2010**  
**(Expressed in Euro)**

**3. Significant Accounting Policies (cont'd)**

**3.7. Depreciation and Amortization**

**Fixed Assets**

Equipment and vehicles of the parent company are presented at cost minus accumulated depreciation and impairment loss. Property is presented at revised values minus depreciation according to the relevant legislation. Depreciation rates remain constant throughout the useful life of the assets. Land is not depreciated.

	%
Improvements on third party properties	8 - 20
Plant and machinery	5 - 15
Office equipment	5 - 30
Transportation means	15 – 30
Computer and software programmes	100

The carrying amounts of plant and machinery are examined for a possible impairment in the case of events indicating such impairment. When such indications appear and the value is estimated to be lower than carrying amount, this value is revised.

**Programme and film rights**

Programme and film rights are amortised as follows according to the Greek legislation and subject to the management estimation about future benefits:

	<u>%</u>
First year of transmission	20
Thereafter (whether transmitted or not)	20

Programmes that, according to management estimations can not be broadcasted for more than one year, are 100% amortised in the year of their broadcast.

**TELETYPOS TELEVISION PROGRAMMES S.A.**  
**“MEGA CHANNEL - GREECE”**  
**Notes to the consolidated and separate financial statements in accordance with IFRS**  
**30th September, 2010**  
**(Expressed in Euro)**

### 3. Significant Accounting Policies (cont.)

#### 3.8. Taxation

Taxation is the sum of the current taxation minus the deferred taxation.

##### Current taxation

Income tax is calculated on taxable profits and according to the rate which is in force:

- a. For the period 2009
  - For the non distributed profits 25%
  - For the distributed profits 35%
- b. For the period 2010
  - For the non distributed profits 24%
  - For the distributed profits 40%

Taxable profit differs from company's profit as reported in the financial statement because it excludes items of income or expenses that are not taxable or deductible in other years and it further excludes items that are never taxable or deductible.

Income tax of subsidiary company is calculated with a 10% tax rate on net profit and no further tax is charged as stipulated by legislation in the country of subsidiaries' incorporation.

##### Deferred taxation

Deferred tax is the tax payable or receivable due to temporary differences in income taxation or in expense recognition for taxation purposes and is accounted for to the extent that it will be utilised in the future.

Deferred tax liability is recognised mainly for all short-term taxation differences and deferred tax asset is recognised to the extent that it is probable that future taxable profit will be available, and tax asset will be utilised against the resulting tax liability.

The carrying amount of deferred taxes (assets and liabilities) are reviewed at each Statement of financial position date and are revised if it is necessary to the extent that it is no longer probable that taxable profits will be available to allow all or part of the asset or liability to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or assets realised. This tax is charged or credited to profit or loss, except when it relates to items charged or credited directly to equity in which case the deferred tax is also accounted for against equity.

**TELETYPOS TELEVISION PROGRAMMES S.A.**  
**“MEGA CHANNEL - GREECE”**  
**Notes to the consolidated and separate financial statements in accordance with IFRS**  
**30th September, 2010**  
**(Expressed in Euro)**

### **3. Significant Accounting Policies (cont.)**

#### **3.9. Inventories (Spare parts and Consumables)**

Inventories are stated at the lower of cost and net realisable value. Cost is calculated using the weighted average cost of the successive balance. Net realisable value represents the estimated selling price less all estimated costs.

#### **3.10. Provisions**

Provisions are recognised when:

- There are present obligations (legal or constructive) as a result of past events.
- Their settlement through an outflow of resources is probable.
- The exact amount of the obligation can be reliably estimated.

Provisions are reviewed by management of the company during the date when each statement of financial position is compiled and can be recalculated if their current value is different from their accounting value.

#### **3.11. Revenues recognition**

Revenues come mainly from the sale of advertising time through advertising agencies and from the sale of royalties. Revenues are accounted in the year in which they are realised and are adjusted by deducting customer rebates directly related to revenues.

#### **3.12. Impairment of assets**

At each statement of financial position date, the company's management reviews the carrying amounts of its tangible and intangible assets to determine whether there is indication that those assets have suffered an impairment loss. At 30.06.2010, there was no such indication.

#### **3.13. Trade receivables**

At first, trade receivables are accounted at their appropriate value, and then, are revalued taking into consideration their present value using a real discount rate. Impairment because of differences with the present value or because of provision for bad debts is accounted only for substantial amounts. The amount of provision for possible impairment is transferred to statement of comprehensive income.

For doubtful customers a provision that is accounted in the statement of comprehensive income in the year that the customers have been characterised as such.

**TELETYPOS TELEVISION PROGRAMMES S.A.**  
**“MEGA CHANNEL - GREECE”**

**Notes to the consolidated and separate financial statements in accordance with IFRS**  
**30th September, 2010**  
**(Expressed in Euro)**

**3. Significant Accounting Policies (cont.)**

**3.14. Investments**

Investments are accounted at their appropriate value plus any cost directly related to their acquisition.

The securities that the company intends and is able to hold up to their maturity date ‘held to maturity’ are valued at real cost using the real discount rate minus possible loss connected to amounts that cannot be recovered.

Non-recoverable amounts, as well as, possible difference from valuation are transferred to statement of comprehensive income.

Other non-investment securities are characterised as tradable or intended for resale and are valued at their appropriate value. Profit or loss incurred by valuation of tradable or intended for reselling securities is transferred directly to statement of comprehensive income or directly to equity respectively, up to the date of their sale or recognition of possible impairment of their value, in which case, profit or loss accounted in equity is transferred to statement of comprehensive income.

**3.15. Cash and cash equivalents**

Cash and cash equivalents include cash in the bank and in hand as well as short term highly liquid investments.

**3.16. Bank loans**

Interest – bearing bank loans and overdrafts are recorded at the proceeds received, net of direct issue cost. Then, they are recognised as the present value of total payments due using the real discount rate. Possible difference between present value of payments due and real proceeds from the loan is recognised according to the company policy for recognising borrowing cost (note 3.5).

**3.17. Trade Creditors**

Trade creditors are stated, at first, at the nominal value of the liabilities. Then, they are revised at their fair value using the real discount rate method, if there is significant difference from the nominal value.

**TELETYPOS TELEVISION PROGRAMMES S.A.**  
**“MEGA CHANNEL - GREECE”**  
**Notes to the consolidated and separate financial statements in accordance with IFRS**  
**30th September, 2010**  
**(Expressed in Euro)**

### 3. Significant Accounting Policies (cont.)

#### 3.18 Patents and trademarks

Trademark is estimated initially at purchase cost and is amortised during the period of 5 years.

#### 3.19 Retirement benefits

In accordance with the Greek labour legislation the company has to provide to all its retirees a specific financial benefit. The above financial benefit which is payable on the retirement day is percentage 40% to 70% on a specified amount based on:

- a. years of service in the company
- b. monthly salary at the retirement year
- c. other factors in accordance with the existing legislation

This liability is specified in at the statement of financial position date with the method ‘Projected unit credit method’. According to this method, the liabilities that correspond to the services obtained at the statement of financial position date are accounted separately from the liability that correspond to future services.

The most important assumptions taken into account are the following:

Date of assumption	Interest rate	Increase in remuneration	Inflation rate
31/12/2009	5,50%	4,00%	2,50%
30/09/2010	5,00%	4,00%	2,50%

The liability (provision) that is reported in the statement of financial position is the present value of the estimated liability revised according to the actuarial study. Any liabilities that occur increase or decrease the provision and any difference are accounted in the year that are paid.

The company has not adopted, any retirement benefit plan, in order to secure the availability of the required funds, when obligation is raised.

**TELETYPOS TELEVISION PROGRAMMES S.A.**  
**“MEGA CHANNEL - GREECE”**

**Notes to the consolidated and separate financial statements in accordance with IFRS**  
**30th September, 2010**  
**(Expressed in Euro)**

#### **4. Segment Information**

The total of financial assets and activities that are used in the production and offer of services, under the conditions of business risk and investment revenue possibilities, which differ from other business sectors, is described as a business segment.

A particular geographical financial environment, where services and products are provided, under the conditions of business risk and investment revenue possibilities, that is different from any other financial environment, is described as a geographical segment.

The company operates in the Greek state offering services and it is not subject to any risks arising from the economic or the geographical environment.

#### **5. Financial assets**

##### **5.1 Financial assets**

Financial assets are classified into the following four categories:

- Financial assets at fair value through profit or loss
- Held-to-maturity investments
- Available-for-sale financial assets
- Loans and receivables

##### **5.1.1 Financial assets at fair value through profit or loss**

The entity does not hold such financial assets

##### **5.1.2 Held-to-maturity investments**

The entity does not hold such investments

##### **5.1.3 Available-for-sale financial assets**

Investments in shares traded in the Athens Stock Exchange are valued at fair value. Gain or losses resulting from changes of fair value are recognised directly in equity as “Valuation reserve of investments” with the exception of impairment loss which is recognised in profit and loss. On the sale of an investment, the valuation reserve is recognised in previous years and if included in equity is recognised in the statement of comprehensive income account on the year in which the sale is effected.

Dividends on available-for-sale financial assets are recognised in the statement of comprehensive income account when the right of collection is effected.

**TELETYPOS TELEVISION PROGRAMMES S.A.**  
**“MEGA CHANNEL - GREECE”**

**Notes to the consolidated and separate financial statements in accordance with IFRS**  
**30th September, 2010**  
**(Expressed in Euro)**

**5. Financial assets (cont.)**

**5.1. Financial assets (cont.)**

**5.1.4 Loans and receivables**

Trade receivables, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as loans and receivables. Loans and receivables are measured at amortised cost and for short-term receivables the recognition of interest by applying the effective interest rate would be immaterial.

**5.1.5 Impairment of financial assets**

Financial assets are assessed for indicators of impairment at each statement of financial position date. Financial assets are impaired when there is objective evidence that, as a result of an event that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been impacted.

Financial assets as trade receivables are assessed for impairment on a collective basis. Objective evidence of impairment of receivables could include the past experience of collecting payments, an increase if the number of delayed payments as well as observable changes in national or local economic conditions.

The entity assesses partially the trade receivables and creates provision of doubtful debtors when there is objective evidence of un-collectability. These provisions are recognised in the statement of comprehensive income on the year that trade receivables are considered uncollectible.

**5.2 Financial liabilities and equity instruments issued by the Group**

**5.2.1. Equity instrument**

An equity instrument in any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group are recorded at the proceeds received net of direct issue costs. The company has not issued any equity instruments.

**5.2.2 Financial liabilities**

Financial liabilities are classified either “Financial liabilities at fair value through profit and loss” or other “Financial liabilities”.

**5.2.2.1. Financial liabilities at fair value through profit and loss**

The entity does not hold such financial liabilities

**TELETYPOS TELEVISION PROGRAMMES S.A.**  
**“MEGA CHANNEL - GREECE”**  
**Notes to the consolidated and separate financial statements in accordance with IFRS**  
**30th September, 2010**  
**(Expressed in Euro)**

**5. Financial assets (cont.)**

**5.2 Financial liabilities and equity instruments issued by the Group (cont.)**

**5.2.2 Financial liabilities (cont.)**

**5.2.2.2 Other financial liabilities**

Other financial liabilities including borrowing are initially measured at fair value, net of transaction costs.

Other financial liabilities (loans) are subsequently measured at amortised cost using the effective interest method at statement of financial position date at present value by applying the effective interest rate, when the loan interest is materially different.

Considering the short-dated life of financial liabilities the estimated future cash payments do not materially differ from the initial measure of the liability.

**5.3 Available-for-sale financial assets**

Investments in shares traded in the Athens Stock Exchange are valued at fair value. Gain or losses resulting from changes of fair value are recognised directly in equity as “Valuation reserve of investments” with the exception of impairment loss which is recognised in profit and loss. On the sale of an investment, the valuation reserve is recognised in previous years and if included in equity is recognised in the statement of comprehensive income on the year in which the sale is effected.

Dividends on available-for-sale financial assets are recognised in the statement of comprehensive income when the right of collection is effected.

**TELETYPOS TELEVISION PROGRAMMES S.A.**

**“MEGA CHANNEL - GREECE”**

**Notes to the consolidated and separate financial statements in accordance with IFRS**

**30th September, 2010**

**(Expressed in Euro)**

**6. Critical accounting judgements and Management’s estimation.**

In the adoption and application of the Company’s accounting policies the Management considers that there is no particular issue which would require further information.

**7. Dividends**

Dividends to shareholders are recognised as payables and appear as liabilities in the financial statement in the year in which dividends have been approved by the Shareholder’s General Assembly meeting.

**TELETYPOS TELEVISION PROGRAMMES S.A.**  
**“MEGA CHANNEL - GREECE”**  
**Notes to the consolidated and separate financial statements in accordance with IFRS**  
**30th September, 2010**  
**(Expressed in Euro)**

8. Revenue	<u>Group</u>				<u>Company</u>			
	<u>30/9/2010</u>	<u>%</u>	<u>30/9/2009</u>	<u>%</u>	<u>30/9/2010</u>	<u>%</u>	<u>30/9/2009</u>	<u>%</u>
Advertising	86.183.984	97,34	100.180.969	98,75	86.183.984	97,41	100.180.969	98,95
Income from TV programmes	1.380.532	1,56	813.530	0,80	1.380.532	1,56	813.530	0,80
Income from TV rights	912.509	1,03	253.753	0,25	912.509	1,03	253.753	0,25
Income from TV rights (Sub. Company)	<u>60.000</u>	0,06	<u>199.575</u>	0,20	<u>0</u>	0,00	<u>0</u>	0,00
	<b><u>88.537.025</u></b>	<b><u>100,00</u></b>	<b><u>101.447.827</u></b>	<b><u>100,00</u></b>	<b><u>88.477.025</u></b>	<b><u>100,00</u></b>	<b><u>101.248.252</u></b>	<b><u>100,00</u></b>

**9. Operating expenses**

	<u>30/9/2010</u>	<u>30/9/2009</u>	<u>30/9/2010</u>	<u>30/9/2009</u>
Staff wages and expenses	27.784.726	28.522.836	27.784.726	28.522.836
Third parties fees and expenses	6.959.118	12.124.053	6.959.118	12.124.053
Loyalties payable	-	100.000	-	-
Utilities	4.878.553	4.507.421	4.878.553	4.507.421
Taxes and duties	377.749	692.219	377.749	692.219
Sundry expenses	3.909.490	4.096.334	3.802.148	4.017.988
Financial expenses	4.797.863	3.962.833	4.781.584	3.961.279
Consumables-spare parts	226.425	177.979	226.425	177.979
Depreciation/Amortization	61.504.694	61.060.391	61.504.694	61.060.391
Less: Cost or origination of own production	<u>(2.061.032)</u>	<u>(3.267.423)</u>	<u>(2.061.032)</u>	<u>(3.267.423)</u>
	<b><u>108.377.586</u></b>	<b><u>111.976.643</u></b>	<b><u>108.253.965</u></b>	<b><u>111.796.743</u></b>

The above amounts have been allocated as follows:

	<u>30/9/2010</u>	<u>30/9/2009</u>	<u>30/9/2010</u>	<u>30/9/2009</u>
Cost of sales	95.117.220	99.040.931	95.117.220	98.940.931
Administrative expenses	5.904.701	6.370.127	5.797.359	6.291.781
Selling expenses	2.557.802	2.602.752	2.557.802	2.602.752
Financial expenses	4.797.863	3.962.833	4.781.584	3.961.279
	<b><u>108.377.586</u></b>	<b><u>111.976.643</u></b>	<b><u>108.253.965</u></b>	<b><u>111.796.743</u></b>

**TELETYPOS TELEVISION PROGRAMMES S.A.**  
**“MEGA CHANNEL - GREECE”**

**Notes to the consolidated and separate financial statements in accordance with IFRS**  
**30th September, 2010**  
**(Expressed in Euro)**

	<u>GROUP</u>		<u>COMPANY</u>	
	<u>30/9/2010</u>	<u>30/9/2009</u>	<u>30/9/2010</u>	<u>30/9/2009</u>
<b>10. Other operating income</b>				
Subsidy educational programmes	19.951	12.911	19.951	12.911
Computer and technical support to clients	6.538.697	6.265.967	6.538.697	6.265.967
Income earned from co-operation with third parties	787.709	929.617	787.709	929.617
Income from rentals	44.367	47.396	44.367	47.396
	<u><b>7.390.724</b></u>	<u><b>7.255.891</b></u>	<u><b>7.390.724</b></u>	<u><b>7.255.891</b></u>
<b>11. Other income</b>				
Foreign exchange valuation differences	7.958	225.771	7.958	225.771
Readjustment of broadcasting license fee of 2008	0	335.598	0	335.598
Sundry income	94.234	52.671	94.234	52.671
	<u><b>102.192</b></u>	<u><b>614.040</b></u>	<u><b>102.192</b></u>	<u><b>614.040</b></u>
<b>12. Other expenses</b>				
Technical support and services	40.888	18.710	40.888	18.710
Compensation	36.718	520.248	36.718	520.248
National Television Committee	389.121	97.280	389.121	97.280
Foreign exchange valuation differences	467.458	125.667	467.458	125.667
Other expenses	114.846	48.816	114.846	48.816
	<u><b>1.049.031</b></u>	<u><b>810.721</b></u>	<u><b>1.049.031</b></u>	<u><b>810.721</b></u>

**TELETYPOS TELEVISION PROGRAMMES S.A.**  
**“MEGA CHANNEL - GREECE”**

**Notes to the consolidated and separate financial statements in accordance with IFRS**  
**30th September, 2010**  
**(Expressed in Euro)**

### 13. Taxation

The company's profits are taxed at the rate of 24% for the year 2010 and 25% for the year 2009 after they have been adjusted for expenses not tax allowed and for any tax free reserves. The distributed profits are taxed at the rate of 40% for the year 2010.

The company's tax liability is not finalised unless the books and records are examined by the Greek tax authorities. Such examination has been carried out up to 2004.

The profits of the subsidiary company are taxed at the tax rate of 10% and no further taxation applies in the country of operations. Dividends for the subsidiary company are added to the taxable income of the parent company. The corresponding dividend's tax paid in foreign country is counterbalanced.

	<u>GROUP</u>		<u>COMPANY</u>	
	<u>30/9/2010</u>	<u>30/9/2009</u>	<u>30/9/2010</u>	<u>30/9/2009</u>
Current income tax	(178.216)	(212.566)	-	-
Deferred taxes (note 20)	317.250	343.819	317.250	343.819
Other non-incorporated in operating cost taxes	(15.303)	(15.303)	(15.303)	(15.303)
<b>Total tax for the period</b>	<b><u>123.731</u></b>	<b><u>115.950</u></b>	<b><u>301.947</u></b>	<b><u>328.516</u></b>
<b>Total tax expense</b>	<b><u>123.731</u></b>	<b><u>115.950</u></b>	<b><u>301.947</u></b>	<b><u>328.516</u></b>
Total tax for the year consists of:				
Profit for the period before taxes (parent)	<u>13.953.361</u>	<u>3.455.688</u>	<u>13.953.361</u>	<u>3.455.688</u>
Profit for the period before taxes (subsidiary)	1.091.262	1.355.329	-	-
<b>Taxable profit</b>	<b><u>(12.862.099)</u></b>	<b><u>(2.100.359)</u></b>	<b><u>(13.953.361)</u></b>	<b><u>(3.455.688)</u></b>
Income tax (parent)	-	-	-	-
Income tax (subsidiary)	(109.126)	(135.533)	-	-
Prepayment of income tax (subsidiary)	(69.090)	(77.033)	-	-
<b>Total tax for the period</b>	<b><u>(178.216)</u></b>	<b><u>(212.566)</u></b>	<b><u>0</u></b>	<b><u>0</u></b>
<b>Deferred taxes</b>				
Provision for contingencies - expenses	317.250	343.819	317.250	343.819
<b>Total tax</b>	<b><u>317.250</u></b>	<b><u>343.819</u></b>	<b><u>317.250</u></b>	<b><u>343.819</u></b>
Other non-incorporated in operating cost taxes	(15.303)	(15.303)	(15.303)	(15.303)
<b>Total tax for the period</b>	<b><u>123.731</u></b>	<b><u>115.950</u></b>	<b><u>301.947</u></b>	<b><u>328.516</u></b>

**TELETYPOS TELEVISION PROGRAMMES S.A.**  
**“MEGA CHANNEL - GREECE”**  
**Notes to the consolidated and separate financial statements in accordance with IFRS**  
**30th September, 2010**  
**(Expressed in Euro)**

**13. Taxation (cont.)**

\* Regarding additional tax for tax audit differences up to year 2004 imposed as a result of a tax audit for these full years.

Gains from the sale of the investments in the consolidated company. NETMED N.V. are tax exempt, however they are taxed in the holding company in case the holding company receives the proceeds in the form of dividends.

The company has closed its open tax years until the year 2004. The closing of the tax years 2000, 2001, 2002, 2003, 2004 and were completed in 2008. The additional tax obligations as presented annually was computed mainly on the basis of accounting differences (expenses not allowed by tax authorities) on which the management has its reservations.

<b>Year</b>	<b>Tax obligation (in euro)</b>
2000	331,171
2001	322,997
2002	456,578
2003	223,444
2004	354,846
	1,689,036

The nature of accounting differences as computed by tax authorities which allows to management the option of not accepting them as basis. For this reason no provision has been made for contingent liability for the open tax years.

**TELETYPOS TELEVISION PROGRAMMES S.A.**  
**“MEGA CHANNEL - GREECE”**  
**Notes to the consolidated and separate financial statements in accordance with IFRS**  
**30th September, 2010**  
**(Expressed in Euro)**

**14. Intangible assets-Programme rights****COMPANY**

	Programme and film rights	Share Capital's Increase Expenses	License Trade mark	Total
<b>2009</b>				
<b><u>Cost</u></b>				
1.1.2009	839.632.143	5.996	44.751	<b>839.682.890</b>
Purchases	82.272.533	0	0	<b>82.272.533</b>
Disposals	0	(5.996)	(39.351)	<b>(45.347)</b>
In House production under way	1.740.454	0	0	<b>1.740.454</b>
31.12.2009	<b><u>923.645.130</u></b>	<b><u>0</u></b>	<b><u>5.400</u></b>	<b><u>923.650.530</u></b>
<b><u>Amortization</u></b>				
1.1.2009	690.087.150	0	43.671	<b>690.130.821</b>
Charge for the period	81.894.733	0	1.080	<b>81.895.813</b>
Disposals	0	0	(39.351)	<b>(39.351)</b>
31.12.2009	<b><u>771.981.883</u></b>	<b><u>0</u></b>	<b><u>5.400</u></b>	<b><u>771.987.283</u></b>
<b>Net Book Value 31.12.2009</b>	<b><u>151.663.247</u></b>	<b><u>0</u></b>	<b><u>0</u></b>	<b><u>151.663.247</u></b>
<b>2010</b>				
<b><u>Cost</u></b>				
1.1.2010	<b>923.645.130</b>	<b>0</b>	<b>5.400</b>	<b>923.650.530</b>
Purchases	56.172.731	0	0	<b>56.172.731</b>
Disposals	0	0	(5.400)	<b>(5.400)</b>
In House production under way	(3.182.722)	0	0	<b>(3.182.722)</b>
30.09.2010	<b><u>976.635.139</u></b>	<b><u>0</u></b>	<b><u>0</u></b>	<b><u>976.635.139</u></b>
<b><u>Amortization</u></b>				
1.1.2010	<b>771.981.883</b>	<b>0</b>	<b>5.400</b>	<b>771.987.283</b>
Charge for the period	59.726.348	0	0	<b>59.726.348</b>
Disposals	0	0	(5.400)	<b>(5.400)</b>
30.09.2010	<b><u>831.708.231</u></b>	<b><u>0</u></b>	<b><u>0</u></b>	<b><u>831.708.231</u></b>
<b>Net Book Value 30.09.2010</b>	<b><u>144.926.908</u></b>	<b><u>0</u></b>	<b><u>0</u></b>	<b><u>144.926.908</u></b>

**TELETYPOS TELEVISION PROGRAMMES S.A.**  
**“MEGA CHANNEL - GREECE”**  
**Notes to the consolidated and separate financial statements in accordance with IFRS**  
**30th September, 2010**  
**(Expressed in Euro)**

**14. Intangible assets-Programme rights**

**GROUP**

	Programme and film rights	Share Capital's Increase Expenses	License Trade mark	Total
<b>2009</b>				
<b><u>Cost</u></b>				
1.1.2009	839.632.143	5.996	44.751	<b>839.682.890</b>
Purchases	82.272.533	0	0	<b>82.272.533</b>
Disposals	0	(5.996)	(39.351)	<b>(45.347)</b>
In House production under way	1.740.454	0	0	<b>1.740.454</b>
31.12.2009	<b><u>923.645.130</u></b>	<b><u>0</u></b>	<b><u>5.400</u></b>	<b><u>923.650.530</u></b>
<b><u>Amortization</u></b>				
1.1.2009	690.087.150	0	43.671	<b>690.130.821</b>
Charge for the period	81.894.733	0	1.080	<b>81.895.813</b>
Disposals	0	0	(39.351)	<b>(39.351)</b>
31.12.2009	<b><u>771.981.883</u></b>	<b><u>0</u></b>	<b><u>5.400</u></b>	<b><u>771.987.283</u></b>
<b>Net Book Value 31.12.2009</b>	<b><u>151.663.247</u></b>	<b><u>0</u></b>	<b><u>0</u></b>	<b><u>151.663.247</u></b>
<b>2010</b>				
<b><u>Cost</u></b>				
1.1.2010	<b>923.645.130</b>	<b>0</b>	<b>5.400</b>	<b>923.650.530</b>
Purchases	56.014.331	0	0	<b>56.014.331</b>
Disposals	0	0	(5.400)	<b>(5.400)</b>
In House production under way	(3.182.722)	0	0	<b>(3.182.722)</b>
30.09.2010	<b><u>976.476.739</u></b>	<b><u>0</u></b>	<b><u>0</u></b>	<b><u>976.476.739</u></b>
<b><u>Amortization</u></b>				
1.1.2010	<b>771.981.883</b>	<b>0</b>	<b>5.400</b>	<b>771.987.283</b>
Charge for the period	59.726.348	0	0	<b>59.726.348</b>
Disposals	0	0	(5.400)	<b>(5.400)</b>
30.09.2010	<b><u>831.708.231</u></b>	<b><u>0</u></b>	<b><u>0</u></b>	<b><u>831.708.231</u></b>
<b>Net Book Value 30.09.2010</b>	<b><u>144.768.508</u></b>	<b><u>0</u></b>	<b><u>0</u></b>	<b><u>144.768.508</u></b>

**TELETYPOS TELEVISION PROGRAMMES S.A.**  
**“MEGA CHANNEL - GREECE”**  
**Notes to the consolidated and separate financial statements in accordance with IFRS**  
**30th September, 2010**  
**(Expressed in Euro)**

**15. Tangible assets**  
**GROUP-COMPANY**

<b>2009</b>	<b><u>Land</u></b>	<b><u>Buildings</u></b>	<b><u>Plant and machinery</u></b>	<b><u>Transportation means</u></b>	<b><u>Furnitures and equipment</u></b>	<b><u>Total</u></b>
<b><u>Cost</u></b>						
1.1.2009	4.799.610	2.726.292	20.162.046	728.965	13.509.185	<b>41.926.098</b>
Purchases	0	40.650	915.348	0	1.040.304	<b>1.996.302</b>
Sales	0	0	(6.300)	0	(6.422)	<b>(12.722)</b>
Disposals	0	0	(771.186)	0	(194.702)	<b>(965.888)</b>
<b>31.12.2009</b>	<b><u>4.799.610</u></b>	<b><u>2.766.942</u></b>	<b><u>20.299.908</u></b>	<b><u>728.965</u></b>	<b><u>14.348.365</u></b>	<b><u>42.943.790</u></b>
<b><u>Depreciation</u></b>						
1.1.2009	0	2.212.712	15.355.524	517.859	12.346.291	<b>30.432.386</b>
For the period	0	96.763	1.129.677	75.302	1.134.877	<b>2.436.619</b>
Disposals	0	0	(772.669)	0	(199.580)	<b>(972.249)</b>
<b>31.12.2009</b>	<b><u>0</u></b>	<b><u>2.309.475</u></b>	<b><u>15.712.532</u></b>	<b><u>593.161</u></b>	<b><u>13.281.588</u></b>	<b><u>31.896.756</u></b>
<b>N.B.V.</b>						
<b>31.12.2009</b>	<b><u>4.799.610</u></b>	<b><u>457.467</u></b>	<b><u>4.587.376</u></b>	<b><u>135.804</u></b>	<b><u>1.066.777</u></b>	<b><u>11.047.034</u></b>
<b>2010</b>						
<b><u>Cost</u></b>						
1.1.2010	4.799.610	2.766.942	20.299.908	728.965	14.348.365	<b>42.943.790</b>
Purchases	0	503.226	522.346	0	561.575	<b>1.587.147</b>
Sales	0	0	(34.000)	(2.134)	(531)	<b>(36.665)</b>
Disposals	0	0	(50.060)	134	(550)	<b>(50.476)</b>
<b>30.09.2010</b>	<b><u>4.799.610</u></b>	<b><u>3.270.168</u></b>	<b><u>20.738.194</u></b>	<b><u>726.965</u></b>	<b><u>14.908.859</u></b>	<b><u>44.443.796</u></b>
<b><u>Depreciation</u></b>						
1.1.2010	0	2.309.475	15.712.532	593.161	13.281.588	<b>31.896.756</b>
for the period	0	70.421	928.059	56.155	723.711	<b>1.778.346</b>
Sales	0	0	(84.061)	(1.800)	(649)	<b>(86.510)</b>
<b>30.09.2010</b>	<b><u>0</u></b>	<b><u>2.379.896</u></b>	<b><u>16.556.530</u></b>	<b><u>647.516</u></b>	<b><u>14.004.650</u></b>	<b><u>33.588.592</u></b>
<b>N.B.V.</b>						
<b>30.09.2010</b>	<b><u>4.799.610</u></b>	<b><u>890.272</u></b>	<b><u>4.181.664</u></b>	<b><u>79.449</u></b>	<b><u>904.209</u></b>	<b><u>10.855.204</u></b>

**TELETYPOS TELEVISION PROGRAMMES S.A.**  
**“MEGA CHANNEL - GREECE”**  
**Notes to the consolidated and separate financial statements in accordance with IFRS**  
**30th September, 2010**  
**(Expressed in Euro)**

**16. Investments – Shares in associated and subsidiary companies**

Investments are stated at cost, less any accumulated impairment loss as follows:

**GROUP**

		<u>30/9/2010</u>	% <u>Shareholding</u>	<u>31/12/2009</u>	% <u>Shareholding</u>
Logos (Cyprus)	<b>a.</b>	438.596	25	438.596	25
Television Royalties S.A.	<b>b.</b>	1.800	1	1200	1
Digital Provider S.A.	<b>c.</b>	<u>670.000</u>	14,29	<u>250.000</u>	14,29
		<b><u>1,110,396</u></b>		<b><u>689,796</u></b>	

**Main activities:**

**a. Logos (Cyprus):** Logos is a TV and Radio broadcasting company based on Cyprus. It operates both TV broadcasting and radio station. By decision of the parent company’s Board of Directors at the 26<sup>th</sup> of November 2009, the participation (25%) in POLITICS and PLIROFORIAKI ETAIREIA “O LOGOS O.E.” was transferred to the subsidiary “TELETYPOS CYPRUS LTD”. The transfer was completed at the 8<sup>th</sup> of December 2009. The participation of the of the subsidiary in LOGOS O.E. relates to Television activities and does not extended to equity participation.

The following have been taken under consideration for the valuation of the investment in associated companies:

- a. The size of the investment.
- b. The Net position of Logos at the time of the acquisition which was at zero level.
- c. The Revenues and Costs of Logos only for the TV station
- d. The financial results of Logos (TV station only)

The management foreseeing the positive prospects as well as the size of the investment maintained the policy of valuating Logos at acquisition cost.

**TELETYPOS TELEVISION PROGRAMMES S.A.**  
**“MEGA CHANNEL - GREECE”**

**Notes to the consolidated and separate financial statements in accordance with IFRS**  
**30th September, 2010**  
**(Expressed in Euro)**

**16. Investments – Shares in associated and subsidiary companies (cont’d)**

- b. TELEVISION ROYALTIES S.A.:** Management and protection of third parties royalties. It’s a newly established company aiming in the management and protection of third parties royalties.
- c. DIGITAL PROVIDER S.A.:** The company Digital Provider S.A. was established in 2009 along with other 6 television companies. The main objective of the company is the development of the digital network, the providing of technical services for the establishment, operations and the maintenance of this network.

The G.M. of the company Digital Provider S.A. decided the share capital increase of 2,940,000 euro. The corresponding share of Teletypos S.A. is 420,000 euro.

**COMPANY**

	<u>30/9/2010</u>	%	<u>31/12/2009</u>	%
		<u>Shareholding</u>		<u>Shareholding</u>
Teletypos Cyprus Ltd	1.026.000	100	1.026.000	100
Television Royalties S.A.	1.800	1	1,200	1
Digital Provider S.A.	<u>670.000</u>	14,29	<u>250,000</u>	14,29
	<u>1.697.800</u>		<u>1.277.200</u>	

**TELETYPOS TELEVISION PROGRAMMES S.A.**  
**“MEGA CHANNEL - GREECE”**

Notes to the consolidated and separate financial statements in accordance with IFRS  
30th September, 2010  
(Expressed in Euro)

**17. Other financial assets**

	<u>GROUP</u>		<u>COMPANY</u>	
	<u>30/9/2010</u>	<u>31/12/2009</u>	<u>30/9/2010</u>	<u>31/12/2009</u>
<b>Guarantee given:</b>				
Rent	371.666	421.822	371.666	421.822
Hertz (car rental)	43.284	42.615	43.284	42.615
Electricity Power	16.022	16.535	16.022	16.535
EBU (4 lines)	30.600	30.600	30.600	30.600
Associated Press	1.388	1.388	1.388	1.388
Attiki Road	1.500	1.500	1.500	1.500
Other financial assets	<u>59</u>	<u>59</u>	<u>59</u>	<u>59</u>
	<b><u>464.519</u></b>	<b><u>514.519</u></b>	<b><u>464.519</u></b>	<b><u>514.519</u></b>

**18. Trade and other receivables**

	<u>GROUP</u>		<u>COMPANY</u>	
	<u>30/9/2010</u>	<u>31/12/2009</u>	<u>30/9/2010</u>	<u>31/12/2009</u>
Clients	27.061.696	25.298.535	26.785.390	25.052.229
Post dated cheques	5.866.216	2.606.124	5.866.216	2.606.124
Deliquent cheques	1.512.456	1.307.217	1.512.456	1.307.217
Provision for prepayment of income tax and other receivables from Greek Government	8.895.786	8.885.799	8.895.786	8.885.800
Shares of listed company	102.711	142.817	102.711	142.817
V.A.T.	0	2.796.483	0	2.796.483
Advances on account	47.546	14.820	47.546	14.820
Pension Fund	116.886	116.886	116.886	116.886
Other debtors	1.452.637	1.463.059	1.250.229	1.230.167
<b>Minus:</b> Provision for doubtful customers and overdue postdated cheques	<u>(4.205.082)</u>	<u>(3.523.275)</u>	<u>(4.205.082)</u>	<u>(3.523.275)</u>
	<b><u>40.850.852</u></b>	<b><u>39.108.465</u></b>	<b><u>40.372.138</u></b>	<b><u>38.629.268</u></b>

**TELETYPOS TELEVISION PROGRAMMES S.A.**  
**“MEGA CHANNEL - GREECE”**  
**Notes to the consolidated and separate financial statements in accordance with IFRS**  
**30th September, 2010**  
**(Expressed in Euro)**

**18. Trade and other receivables (cont.)**

- (1) Bank letters of guarantee of € 36.877 (30/9/2010) were received as a security against receivables.
- (2) Cost of shares (19.564 shares) of a company listed in the Greek stock exchange under the name of “GREEK STOCK EXCHANGE S.A.” which is valued at the remaining value after the decrease of capital mentioned in b and c. The Stock Exchange market price as at 30/9/2010 was Euro 5.25 per share.

**19. Receivables - Associated companies**

<u>COMPANY</u>	<u>30/9/2010</u>	<u>31/12/2009</u>
Teletypos Cyprus Ltd (Dividends)	3.000.000	3.000.000
Teletypos Cyprus Ltd (Sale of investment note 16a)	<u>438.596</u>	<u>438.596</u>
	<b>3.438.596</b>	<b>3.438.596</b>

The G.M. of Teletypos Cyprus Ltd at 31/12/2009 decided the distribution of dividend € 3.000.000.

**GROUP**

The transactions along with the credit balance with ‘Teletypos Cyprus Ltd’ are eliminated out for consolidation purposes.

**TELETYPOS TELEVISION PROGRAMMES S.A.**  
**“MEGA CHANNEL - GREECE”**  
**Notes to the consolidated and separate financial statements in accordance with IFRS**  
**30th September, 2010**  
**(Expressed in Euro)**

**20. Deferred taxes****GROUP/COMPANY**

	<u>30/9/2010</u>	<u>31/12/2009</u>
Deferred tax liabilities	(868.373)	(791.505)
Receivable from deferred taxes	3.360.254	2.955.083
<b>Closing balance</b>	<b><u>2.491.881</u></b>	<b><u>2.163.578</u></b>
Deferred tax analysis:		
	<u>30/9/2010</u>	<u>31/12/2009</u>
At 1st January	2.163.578	1.995.093
Deferred tax for the period:	317.250	176.800
	11.053	(8.315)
<b>Balance as of 30 September 2010</b>	<b><u>2.491.881</u></b>	<b><u>2.163.578</u></b>

Deferred taxation assets/liabilities are connected to:

<u>Group/Company</u>	Provisions	Unrealised exchange differences	Valuation reserves on listed securities	Total
Balance as 1st January, 2009	2.076.259	(53.776)	(27.390)	<b>1.995.093</b>
Plus: Charge to income statement for the year	156.738	20.062	0	<b>176.800</b>
Recognised directly in equity	0	0	(8.315)	<b>(8.315)</b>
<b>Balance as 31st December 2009</b>	<b><u>2.232.997</u></b>	<b><u>(33.714)</u></b>	<b><u>(35.705)</u></b>	<b><u>2.163.578</u></b>
Plus: Charge to income statement for the year	317.250	0	0	<b>317.250</b>
Recognised directly in equity	0	0	11.053	<b>11.053</b>
<b>Balance 30 September 2010</b>	<b><u>2.550.247</u></b>	<b><u>(33.714)</u></b>	<b><u>(24.652)</u></b>	<b><u>2.491.881</u></b>

**TELETYPOS TELEVISION PROGRAMMES S.A.**  
**“MEGA CHANNEL - GREECE”**

**Notes to the consolidated and separate financial statements in accordance with IFRS**  
**30th September, 2010**  
**(Expressed in Euro)**

**21. Prepaid programme rights and sundry expenses**

	<b>Group</b>		<b>Company</b>	
	<u><b>30/9/2010</b></u>	<u><b>31/12/2009</b></u>	<u><b>30/9/2010</b></u>	<u><b>31/12/2009</b></u>
Film rights	33.862.848	29.988.401	33.862.848	29.988.401
Receivable income	0	45.604	0	0
Sundry Expenses	180.821	96.948	180.821	96.948
	<u><b>34.043.669</b></u>	<u><b>30.130.953</b></u>	<u><b>34.043.669</b></u>	<u><b>30.085.349</b></u>

**22. Cash and cash equivalent**

	<b>Group</b>		<b>Company</b>	
	<u><b>30/9/2010</b></u>	<u><b>31/12/2009</b></u>	<u><b>30/9/2010</b></u>	<u><b>31/12/2009</b></u>
Cash	14.321	14.816	14.321	14.816
Cash in bank	39.181.010	44.432.619	5.463.301	11.483.772
	<u><b>39.195.331</b></u>	<u><b>44.447.435</b></u>	<u><b>5.477.622</b></u>	<u><b>11.498.588</b></u>

**23. Share capital**

**GROUP/COMPANY**

	<u><b>000' Drs.</b></u>	<u><b>Euro</b></u>
Authorised share capital		
Issued and fully paid € 31,237,500 nominal ordinary shares of G.Drs. 200 each	6,247,500	
(a) Increase of share capital through capitalisation:		
- Share premium (a)	3,393,146	
- Revaluation reserve	322,259	
- Tax free reserves	<u>681,273</u>	
<b>Total share capital 31,237,500 nominal ordinary shares of Euro 1 (Drs 340,75) each</b>	<u><b>10,644,178</b></u>	<u><b>31.237.500</b></u>
(b) Increase of share capital through capitalisation:		
- Difference from issuance of shares		1.561.875
- Revaluation reserves		1.489.534
- Taxable reserves		<u>72.341</u>
<b>Total</b>		<u><b>3.123.750</b></u>
<b>Total share capital at 31/03/2008 34,361,250 nominal ordinary shares of Euro 1 each</b>		<u><b>34.361.250</b></u>

**TELETYPOS TELEVISION PROGRAMMES S.A.**  
**“MEGA CHANNEL - GREECE”**

**Notes to the consolidated and separate financial statements in accordance with IFRS**  
**30th September, 2010**  
**(Expressed in Euro)**

**23. Share capital (cont.)**

(c) Increase of share capital through capitalisation :

- Taxable reserves	<u>3.436.125</u>
Total share capital increase (General Meeting 15 <sup>th</sup> May 2008)	3.436.125
<b>Total share capital at 30/6/2009 37,797,375 nominal ordinary shares of Euro 1 each</b>	<u><u>37.797.375</u></u>

The average share price and the closing price of the shares were respectively:

31/12/2009 € 4,84 and € 4,31

31/09/2010 € 3,21 and € 3,75

**23(a)** The difference from the issuance of shares is the difference between the nominal value of the shares and the issuance value of the shares that have been made available to the public through the Stock Exchange in 1994 and 1999.

**23(b)** The General Meeting of the 23<sup>rd</sup> of May 2006 decided to increase the share capital by three million one hundred twenty three thousands seven hundred and fifty (3.123.750) euros through capitalisation **a)** amount 1.489.534,26 euro through a revaluation of assets according to law 2065/1992 **b)** amount 1.561.875,00 euro through capitalising reserves that occurred from previous share capital increases and **c)** amount 72.340,74 through taxable reserves according to article 8 of the law 2579/1998 with the issuance of three million one hundred twenty three thousands seven hundred and fifty (3.123.750) common ordinary shares of nominal value (1) euro each and the distribution to shareholders of 1 new share for every 10 held.

After the above mentioned share capital increase the company's share capital amounted to thirty four million three thousand sixty one and two hundred and fifty euros (34.361.250), which accounts to thirty four million three thousand sixty one and two hundred and fifty (34.361.250) common ordinary shares of nominal value 1 euro each.

**23(c)** The General Meeting of the 15th of May 2008 decided to increase the share capital by three million four hundred thirty six thousands one hundred and twenty five (3.436.125) euros through capitalization **a)** amount 3.383.002,12 euro through taxable reserves **b)** amount 53.122,88 euro through taxable reserves according to article 8 of the law 2579/1998 with the issuance of three million four hundred thirty six thousands one hundred and twenty five (3.436.125) common ordinary shares of nominal value (1) euro each and the distribution to shareholders of 1 share for every 10 held.

After the above mentioned share capital increase the company's share capital will amount to thirty seven million seventy thousand ninety seven and three hundred and seventy five euros (37.797.375), which accounts thirty seven million seventy thousand ninety seven and three hundred and seventy five (37.797.375) common ordinary shares of nominal value 1 euro each.

**23(d)** The share capital of Teletypos Cyprus has been eliminated for consolidation purposes.

**TELETYPOS TELEVISION PROGRAMMES S.A.**  
**“MEGA CHANNEL - GREECE”**

Notes to the consolidated and separate financial statements in accordance with IFRS  
**30th September, 2010**  
 (Expressed in Euro)

**24. Reserves**

<u>Group</u>	*Statutory Reserves	Revenue reserve	Revaluation reserve	Valuation reserves on listed securities	Total
Balance at 1 January, 2009	4.574.572	4.262.806	(0)	82.169	8.919.546
Change in year (note24α)	1.528.260	0	0	24.944	1.553.204
<b>Balance at 31 December, 2009</b>	<b>6.102.832</b>	<b>4.262.806</b>	<b>(0)</b>	<b>107.113</b>	<b>10.472.750</b>
Translation difference (note 24b)				(29.053)	(29.053)
<b>Balance at 30 September, 2010</b>	<b>6.102.832</b>	<b>4.262.806</b>	<b>(0)</b>	<b>78.060</b>	<b>10.443.697</b>

**Company**

	*Statutory Reserves	Revenue reserve	Revaluation reserve	Valuation reserves on listed securities	Total
Balance at 1 January, 2009	4.574.572	4.262.806	0	82.169	8.919.546
Change in year (note24α)	1.528.260			24.944	1.553.204
<b>Balance at 31 December, 2009</b>	<b>6.102.832</b>	<b>4.262.806</b>	<b>0</b>	<b>107.113</b>	<b>10.472.750</b>
Share Capital Increase (note 24b)				(29.053)	(29.053)
<b>Balance at 30 September 2010</b>	<b>6.102.832</b>	<b>4.262.806</b>	<b>0</b>	<b>78.060</b>	<b>10.443.697</b>

**24a.** Approval of distribution, from the G.M., of 2008 statutory reserve of 1.528 thousands euro. Change of reserves and valuation of shares of 25 thousands euro.

**24b.** Valuation of the cost of shares listed on the stock exchange for which previously a reserve was created. The amount of approximately 29thousand euros represent impairments equivalent to the original reserve.

**TELETYPOS TELEVISION PROGRAMMES S.A.**  
**“MEGA CHANNEL - GREECE”**

**Notes to the consolidated and separate financial statements in accordance with IFRS**  
**30th September, 2010**  
**(Expressed in Euro)**

**25. Long term liabilities**

	<u>GROUP</u>		<u>COMPANY</u>	
	<u>30/9/2010</u>	<u>31/12/2009</u>	<u>30/9/2010</u>	<u>31/12/2009</u>
Debenture loan (25.1)	34.499.000	49.499.000	34.499.000	49.499.000
	<u><b>34.499.000</b></u>	<u><b>49.499.000</b></u>	<u><b>34.499.000</b></u>	<u><b>49.499.000</b></u>
Provision for retirement benefits (25.2)	10.494.286	9.432.986	10.494.286	9.432.986
	<u><b>10.494.286</b></u>	<u><b>9.432.986</b></u>	<u><b>10.494.286</b></u>	<u><b>9.432.986</b></u>
<b>Total long term liabilities</b>	<u><b>44.993.286</b></u>	<u><b>58.931.986</b></u>	<u><b>44.993.286</b></u>	<u><b>58.931.986</b></u>

**TELETYPOS TELEVISION PROGRAMMES S.A.**  
**“MEGA CHANNEL - GREECE”**

**Notes to the consolidated and separate financial statements in accordance with IFRS**  
**30th September, 2010**  
**(Expressed in Euro)**

**25. Long term liabilities (cont.)**

**25.1 Debenture loans**

Long-term liabilities is mainly a loan of 50.000.000 euro that the company issued at 4.12.2009. The purpose of the loan was the restructuring of short term and long term debt. The loan is without guarantees, with floating interest rate, based on 3month Euribor plus spread 2,25% with duration of 39 months. The debenture loan is payable by five instalments: 7,5 million euro at 14.03.2011, 7,5 million euro at 14.09.2011, 7,5 million euro at 14.03.2012, 7,5 million euro at 14.09.2012 and 20 million euro at 14.03.2013. Alpha Bank and Piraeus bank are the administrative banks. Alpha bank is the administrator for payments.

		<b>Date of payment</b>	<b>Long-term portion</b>	<b>Short -term portion</b>
Debenture loan	Alpha Bank-Piraeus	14-03-2011	0	7.500.000
Debenture loan	Alpha Bank-Piraeus	14-09-2011	0	7.500.000
Debenture loan	Alpha Bank-Piraeus	14-03-2012	7.500.000	0
Debenture loan	Alpha Bank-Piraeus	14-09-2012	7.500.000	0
Debenture loan	Alpha Bank-Piraeus	14-03-2013	20.000.000	0
<b>Total</b>			<b>35.000.000</b>	<b>15.000.000</b>

<b>Issuance expenses of the loan</b>	<u>-501.000</u>
<b>Total loans 30/09/2010</b>	<b>49.499.000</b>

**TELETYPOS TELEVISION PROGRAMMES S.A.**  
**“MEGA CHANNEL - GREECE”**  
**Notes to the consolidated and separate financial statements in accordance with IFRS**  
**30th September, 2010**  
**(Expressed in Euro)**

**25. Long term liabilities (cont.)**

**25.2 Retirement indemnities as calculated by the actuarial company ‘Hewitt Associates’**

Retirement indemnities have been calculated by the actuarial company ‘Hewitt Associates’. For the period 1/1-30/09/2010 retirement indemnities amounted to € 1.061.300 while for 2009 amounted to € 1.207.542.

		<b><u>2009</u></b>
Opening provisions	31/12/2008	8.305.034
Payments during	2009	(79.590)
Adjustment of liabilities	31/12/2009	<u>1.207.542</u>
Forecast retirement indemnities	31/12/2009	<u>9.432.986</u>
		<b><u>2010</u></b>
Opening provisions	31/12/2009	9.432.986
Adjustment of liabilities (provision)	30/9/2010	<u>1.061.300</u>
Forecast retirement indemnities	30/9/2010	<u>10.494.286</u>

**TELETYPOS TELEVISION PROGRAMMES S.A.**  
**“MEGA CHANNEL - GREECE”**

**Notes to the consolidated and separate financial statements in accordance with IFRS**  
**30th September, 2010**  
**(Expressed in Euro)**

	<u>GROUP</u>		<u>COMPANY</u>	
	<u>30/9/2010</u>	<u>31/12/2009</u>	<u>30/9/2010</u>	<u>31/12/2009</u>
<b>26. Trade and other payable</b>				
Payables trade	46.947.430	60.065.759	47.365.309	60.043.367
Dividends payable	26.1 11.925	52.714	11.925	52.714
Advances by customer	342.461	2.608.274	342.461	2.608.274
Taxes and duties	26.2 3.675.588	4.429.930	2.852.961	3.607.303
Social security funds	583.532	1.208.122	583.532	1.208.122
Other creditors	26.3 1.098.890	4.637.627	1.098.890	4.637.627
Accruals	26.4 13.401.639	7.122.634	6.898.354	869.349
<b>Balance as per books at 30th September</b>	<b><u>66.061.465</u></b>	<b><u>80.125.060</u></b>	<b><u>59.153.432</u></b>	<b><u>73.026.756</u></b>
<b>26.1. Dividends payable</b>				
	<u>30/9/2010</u>	<u>31/12/2009</u>	<u>30/9/2010</u>	<u>31/12/2009</u>
Balance at 1 January	52.714	68.882	52.714	68.882
Plus: Approved dividends for the year 2008	0	25.324.241	0	25.324.241
Less: Dividends payable during the period	(40.789)	(25.340.409)	(40.789)	(25.340.409)
<b>Balance as per books at 30th September</b>	<b><u>11.925</u></b>	<b><u>52.714</u></b>	<b><u>11.925</u></b>	<b><u>52.714</u></b>
<b>26.2. Taxes and duties</b>				
	<u>Group</u>	<u>Group</u>	<u>Company</u>	<u>Company</u>
	<u>30/9/2010</u>	<u>31/12/2009</u>	<u>30/9/2010</u>	<u>31/12/2009</u>
Broadcasting licence fees	831.290	672.288	831.290	672.288
Taxes and Duties related to full time employees	416.624	820.962	416.624	820.962
Taxes related to dividends	822.627	822.627	0	0
Additional income tax	482.135	1.928.542	482.135	1.928.542
Other withholding taxes	79.016	184.584	79.016	184.584
VAT	1.043.896	0	1.043.896	0
Settlement Stamp Duty L. 2328/95	0	927	0	927
<b>Balance as per books at 30th September</b>	<b><u>3.675.588</u></b>	<b><u>4.429.930</u></b>	<b><u>2.852.961</u></b>	<b><u>3.607.303</u></b>

**TELETYPOS TELEVISION PROGRAMMES S.A.**  
**“MEGA CHANNEL - GREECE”**

**Notes to the consolidated and separate financial statements in accordance with IFRS**  
**30th September, 2010**  
**(Expressed in Euro)**

**26. Trade and other payable (cont.)**

	<u>GROUP</u>		<u>COMPANY</u>	
	<u>30/9/2010</u>	<u>31/12/2009</u>	<u>30/9/2010</u>	<u>31/12/2009</u>
<b>26.3. Other creditors</b>				
Staff wages	26.446	0	26.446	0
Third parties fees	90.737	250.645	90.737	250.645
Suppliers' checks outstanding*	0	3.166.306	0	3.166.306
Sundry creditors	17.707	20.676	17.707	20.676
Distribution of earnings to personnel	964.000	1.200.000	964.000	1.200.000
<b>Balance as per books at 30th September</b>	<b><u>1.098.890</u></b>	<b><u>4.637.627</u></b>	<b><u>1.098.890</u></b>	<b><u>4.637.627</u></b>

\* Cheques payable not presented to the banks as at 31/12/09

	<u>GROUP</u>		<u>COMPANY</u>	
	<u>30/9/2010</u>	<u>31/12/2009</u>	<u>30/9/2010</u>	<u>31/12/2009</u>
<b>26.4. Accrual expenses</b>				
Interest and similar charges	392.243	82.674	392.243	82.674
Royalties	1.007.615	647.082	1.007.615	647.082
Other third party royalties	4.200.000	0	4.200.000	0
Third parties fees	465.880	224.363	15.880	24.363
Board of directors wages	0	24.000	0	24.000
Staff wages	1.084.016	0	1.084.016	0
Programme cost	198.600	77.000	198.600	77.000
Film rights	0	14.230	0	14.230
Guarantees for sale of investment	6.053.285	6.053.285	0	0
<b>Balance as per books at 30th September</b>	<b><u>13.401.639</u></b>	<b><u>7.122.634</u></b>	<b><u>6.898.354</u></b>	<b><u>869.349</u></b>

**TELETYPOS TELEVISION PROGRAMMES S.A.**  
**“MEGA CHANNEL - GREECE”**  
**Notes to the consolidated and separate financial statements in accordance with IFRS**  
**30th September, 2010**  
**(Expressed in Euro)**

**27. Short-term borrowings**

**Bank overdrafts**

<u>GROUP/COMPANY</u>	<u>30/9/2010</u>		<u>31/12/2009</u>	
	<b>Credit limit</b>	<b>Amount withdraw</b>	<b>Credit limit</b>	<b>Amount withdraw</b>
NATIONAL BANK OF GREECE	6.000.000	5.750.000	6.000.000	1.325.675
COMMERCIAL BANK	15.500.000	5.924.727	15.500.000	5.876.739
ALPHA BANK	12.500.000	7.514.351	10.000.000	3.646.893
PIRAEUS BANK	9.350.000	9.346.800	5.000.000	2.156.957
MARFIN - EGNATIA BANK	10.250.000	10.243.222	10.000.000	10.000.000
MILLENNIUM BANK	6.000.000	4.153.777	6.000.000	0
BANK OF CYPRUS	6.000.000	6.000.000	6.000.000	6.000.000
EFG EUROBANK - ERGASIAS	<u>20.700.000</u>	<u>10.000.000</u>	<u>20.700.000</u>	<u>10.000.000</u>
	<u><b>86.300.000</b></u>	<u><b>58.932.877</b></u>	<u><b>79.200.000</b></u>	<u><b>39.006.264</b></u>

Interest rate of short term bank loans for the period fluctuated from 3,70% to 6,10%.

**28. Issued Shares**

<u>COMPANY</u>	<u>Number of shares</u>	<u>Period</u>	<u>Adjusted number of shares</u>
<b>2009</b>			
1 <sup>st</sup> January – 31.12.2009	<u>37,797,375</u>	12/12	<u>37,797,375</u>
<b>2010</b>			
1 <sup>st</sup> January – 30.09.2010			
Number of shares	<u>37,797,375</u>	9/9	<u>37,797,375</u>

**GROUP**

Share capital of the subsidiary company has been eliminated for consolidation purposes.

**TELETYPOS TELEVISION PROGRAMMES S.A.**  
**“MEGA CHANNEL - GREECE”**  
**Notes to the consolidated and separate financial statements in accordance with IFRS**  
**30th September, 2010**  
**(Expressed in Euro)**

**29. Earnings per Share**

Earnings per share are calculated by dividing the net profit attributable to the shareholders by the weighted average number of ordinary shares in circulation during the period:

	<u>GROUP</u>		<u>COMPANY</u>	
	<b>30/9/2010</b>	<b>30/9/2009</b>	<b>30/9/2010</b>	<b>30/9/2009</b>
Profit for the year after taxes	(12.896.768)	(1.984.409)	(13.651.414)	(3.127.172)
Weighted average number of shares outstanding	37.797.375	37.797.375	37.797.375	37.797.375
Earnings per share in Euro	<u><u><b>-0,3412</b></u></u>	<u><u><b>-0,0525</b></u></u>	<u><u><b>-0,3612</b></u></u>	<u><u><b>-0,0827</b></u></u>

**TELETYPOS TELEVISION PROGRAMMES S.A.**  
**“MEGA CHANNEL - GREECE”**

**Notes to the consolidated and separate financial statements in accordance with IFRS**  
**30th September, 2010**  
**(Expressed in Euro)**

**30. Financial instruments**

**30.1. Significant accounting policies**

Accounting policies adopted relating to financial instruments, including the criteria for the recognition of the basis of measurement and the basis on which income and expenses are recognised in respect of each class of financial assets, financial liabilities and equity instruments, are disclosed in note 5 of the financial statements.

Categories of financial instruments	<b>Group</b>		<b>Company</b>	
	<b>30.9.2010</b>	<b>31.12.2009</b>	<b>30.9.2010</b>	<b>31.12.2009</b>
<b>Financial Assets</b>				
Receivables (including cash and cash equivalents)	79,943,472	83,413,083	49,185,645	53,423,635
Available-for-sale financial assets	102,711	142,817	102,711	142,817
<b>Financial Liabilities</b>				
Carrying amounts of payables (including loans)	184,987,628	178,063,310	178,079,595	170,965,006

**30.2. Fair value of financial instruments**

The management of the company considers that the carrying amount of the financial liabilities recognised in financial statements do not materially differ from the fair values.

Exceptionally investments in shares of listed companies in the Stock Exchange Market are measured at fair value at the closing date rate in 30/9/2010.

**30.3. Financial risk management objectives**

The management considers this risk managed and the existence of a special function for its monitor is not considered necessary. This risk includes “market risk (including currency risk, fair value interest rate risk, and price risk), credit risk, liquidity risk”.

**30.4. Market**

The company’s activities are localised mainly in the domestic market. The fluctuations of the currency exchange rates have an effect only at the degree that the acquisitions (foreign programme) are expressed in a currency other than euro. The exposure to this risk is small and the company doesn’t consider the adoption of a special management policy as necessary.

**TELETYPOS TELEVISION PROGRAMMES S.A.**  
**“MEGA CHANNEL - GREECE”**  
**Notes to the consolidated and separate financial statements in accordance with IFRS**  
**30th September, 2010**  
**(Expressed in Euro)**

**30.5. Interest rate risk management**

The company is exposed to a limited interest rate risk as it borrows long-term funds at floating interest rate. The risk is managed by the group by the use of an interest rate swap contract, which minimises such risk. Since the variations at the interest rate contract are immaterial, no disclosure has been made in the financial statement.

**Interest rate swap agreements**

By these contracts the company tries to mitigate the risk of the fluctuating interest rate of fixed rate and variable rate interest on the basis of notional amounts. These contracts allow the company to minimise the consequences of interest rate fluctuations.

The fair value of these contracts is calculated at the time of preparation of the financial statements as equal to the present value of future cash flows using estimation of the market rates about the future interest rate.

At 30.09.2010 there are two notional interest rate swap agreements of total notional amount of Euro 50.000.000 with a settlement date at 2015. Interest expenses of these contracts are paid on quarterly basis and are recorded in the statement of comprehensive income. Based on discounted future cash flow the fair value of these two contracts at year end date was approximately nil.

**30.6. Credit risk management**

Credit risk refers to the probability of uncollectability of assets as trade receivables. The risk is considerably mitigated with the adoption of the following policies by the company:

- on going credit evaluation of the customers
- partial guarantee provided by the customers
- partial credit guarantee insurance cover of receivables

The credit risk exposure is limited, since trade receivables consist of a large number of customers and there is no dependence on a significant client.

**30.7. Liquidity risk management**

The company manages liquidity risk by matching the maturity profiles of financial assets and liabilities and by maintaining adequate reserves (cash in hand and banking facilities) and reserve borrowing facilities special purposes. The company manages liquidity risk by continuously monitoring forecast and actual cash flows.

**TELETYPOS TELEVISION PROGRAMMES S.A.**  
**“MEGA CHANNEL - GREECE”**

**Notes to the consolidated and separate financial statements in accordance with IFRS**  
**30th September, 2010**  
**(Expressed in Euro)**

**31. Contingent liabilities**

- 31.1 Additional income tax may be assessed by the tax authorities in the case of a tax audit for the unaudited fiscal years 2005 and forward (note 13).
- 31.2 Letters of guarantee issued by banks amounting to USA Dollars 4,618,616 for meeting liabilities for foreign programme, Euro 861,000 for meeting liabilities on behalf of the Greek Football Association (ΕΠΟ), 19,000,000 euro for meeting liabilities on behalf of UEFA.
- 31.3 Payment of compensation to third parties amounting to 20,67million euros approximately claimed in the above suits.  
The company’s lawyers do not expect any significant charges arising from the above mentioned contingencies.

**32. Financial Commitments**

- 32.1 Commitments under agreements of approximately 34,47 million euro for the production of Greek programmes.
- 32.2 Commitments under agreements of approximately 6,89 million euro for foreign programmes.
- 32.3 Commitments under agreements of approximately 10,54 million euro for premises.

**Operating lease obligations**

Payable for the period 01/10/2010 - 31/12/2010	619.976
Payable in the next five years 2011-2015	8.915.453
Payable after a five year period from 2016	<u>1.004.951</u>
	<u>10.540.380</u>

**33. Remuneration of executives and management**

Board of Directors’ salaries and other members of the management salaries including the remuneration of the management were as follows:

	<u>01/01-30/9/2010</u>	<u>01/01-30/9/2009</u>
Salaries	2.544.478	2.738.978
BOD remuneration (distribution of profits 2008-2009)	24.000	24.000

**TELETYPOS TELEVISION PROGRAMMES S.A.**  
**“MEGA CHANNEL - GREECE”**  
**Notes to the consolidated and separate financial statements in accordance with IFRS**  
**30th September, 2010**  
**(Expressed in Euro)**

**34. Related parties transactions**

Related parties, besides the company TELETYPOS CYPRUS Ltd. (100%) and the company Logos Cyprus (25%), are companies that their presentation in the BOD of the parent company are from people who exercise significant control in these companies (Transactions with affiliated companies have been eliminated in the statement of financial position due to consolidation).

Transactions with related parties are as follows:

	SALE		PURCHASE	
	01/01-30/09/10	01/01-30/09/10	01/01-30/09/10	01/01-30/09/10
DOL	696.629	681.036	5.450	5.299
PHGASOS	0	604.457	0	7.559
ANOSI S.A.	0	0	11.357.412	8.011.602
ATA S.A.	0	0	5.803.783	9.975.124
O LOGOS	44.898	45.517	0	0
TELETYPOS CYPRUS*	0	0	1.160.400	1.396.500
<b>TOTAL</b>	<b>741.527</b>	<b>1.331.010</b>	<b>18.327.045</b>	<b>19.396.084</b>

	CLAIMS		LIABILITIES	
	30/9/2010	31/12/2009	30/9/2010	31/12/2009
DOL	1.035.990	677.294	-8.208	-1.566
PHGASOS	0	518.598	0	-2.388
ANOSI S.A.	0	0	-9.950.404	-7.414.545
ATA S.A.	0	0	-4.537.402	-5.951.265
O LOGOS	44.948	50	0	0
TELETYPOS CYPRUS (dividends)	3.000.000	3.000.000	0	0
TELETYPOS CYPRUS*	438.596	438.596	-2.037.100	-1.576.700
<b>TOTAL</b>	<b>4.519.534</b>	<b>4.634.538</b>	<b>-16.533.114</b>	<b>-14.946.464</b>

In the Group, the above amounts were eliminated for consolidation purposes.

Transactions with related parties are in accordance with the usual transaction and pricing policy of the company. The existing claims / liabilities are not secured with any guarantee. They are settled according to the company's credit policy. There was no need to create a provision for contingency claims.

**TELETYPOS TELEVISION PROGRAMMES S.A.**  
**“MEGA CHANNEL - GREECE”**  
**Notes to the consolidated and separate financial statements in accordance with IFRS**  
**30th September, 2010**  
**(Expressed in Euro)**

**35. Events after the statement of financial position date**

There are no events after the statement of financial position date which concern the company and disclosure of which is required by the International Financial Reporting Standards.

**36. Approval of financial statements**

The financial statements have been approved by the BoD at the 13<sup>th</sup> of October 2010.

Athens, 13 October 2010

President of Board of Directors  
& Managing Director

Elias E. Tsigas  
☒ 414434

Financial Controller

Athanasios G. Andreoulis  
☒ 064116

Member of Board of Directors

Georgios C. Aidinis  
H 355263

Chief Accountant

Vasilios A. Kritikos  
X 575439