

LAMBRAKIS PRESS S. A.

**ANNUAL FINANCIAL STATEMENTS
OF THE PARENT COMPANY AND THE GROUP
FOR THE FISCAL YEAR
FROM JANUARY 1, 2006 TO DECEMBER 31, 2006**

According to the International Financial Reporting Standards

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

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INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Lambrakis Press S.A.

Report on the Financial Statements

We have audited the accompanying financial statements of Lambrakis Press S.A. (the Company) and the consolidated financial statements of the company and its subsidiaries (the Group), which comprise the balance sheet as at December 31, 2006, the income statement, statement of changes in shareholders' 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 that have been 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 based on International Standards of 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 give a true and fair view of the financial position of Lambrakis Press S.A. and the Group 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 that have been adopted by the European Union.

Report on Other Legal and Regulatory Requirements

The Board of Directors' Report is consistent with the attached financial statements

Athens March 7, 2007
THE CERTIFIED AUDITOR ACCOUNTANT

CHARALAMBOS PETROPOULOS
S.O.E.L. R.N. 12001
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LAMBRAKIS PRESS SA
ANNUAL INCOME STATEMENT

For the year ended December 31, 2006

(in euros)

	Notes	THE GROUP		THE COMPANY	
		2006	2005	2006	2005
Turnover	5 - 6	276.769.362,71	296.274.489,44	140.392.142,58	136.699.089,14
Cost of goods sold	7	-193.859.394,40	-213.759.354,94	-86.191.554,58	-86.123.566,13
Gross profit		82.909.968,31	82.515.134,50	54.200.588,00	50.575.523,01
Administrative expenses	10	-23.418.233,38	-26.025.540,32	-13.678.888,49	-14.151.258,37
Selling expenses	11	-62.050.222,37	-58.075.994,36	-46.843.765,39	-41.279.160,47
Research and development expenses		-290.645,05	-213.369,38	0,00	0,00
Other operating income	12	7.867.961,16	3.106.010,87	5.496.652,02	2.173.851,49
Operating profit / (loss)		5.018.828,67	1.306.241,31	-825.413,86	-2.681.044,34
Income / (loss) from investments and securities	13	-7.013.171,64	3.773.798,88	7.429.075,84	4.278.317,58
Financial expenses	14	-5.305.457,12	-6.544.536,75	-1.127.137,04	-902.152,24
Financial income	14	118.793,41	1.152.898,27	27.326,02	13.151,28
Profit / (loss) before tax		-7.181.006,68	-311.598,29	5.503.850,96	708.272,28
Income tax expense	15	-1.761.702,63	-541.725,10	-920.015,70	-79.113,41
Net profit / (loss) after tax from ongoing business (a)		-8.942.709,31	-853.323,39	4.583.835,26	629.158,87
Net profit / (loss) after tax from discontinued business (b)		0,00	0,00	0,00	0,00
Net profit / (loss) after tax from ongoing and discontinued business (a)+(b)		-8.942.709,31	-853.323,39	4.583.835,26	629.158,87
Attributable to:					
Equity holders of the parent company		-9.183.699,98	-1.550.640,10	-	-
Minority interests		240.990,67	697.316,71	-	-
		-8.942.709,31	-853.323,39	-	-
Basic (loss)/profit per share	16	-0,1106	-0,0187	0,0552	0,0076
Weighted average number of shares	16	83.000.000	83.000.000	83.000.000	83.000.000
Proposed dividend per share	17	0,00	0,00	0,05	0,00

The accompanying notes from Note 1 to Note 34 are an integral part of these annual financial statements.

LAMBRAKIS PRESS SA

ANNUAL BALANCE SHEET

(in euros)
THE GROUP

THE COMPANY

In euros	Notes	31.12.2006	31.12.2005	31.12.2006	31.12.2005
ASSETS					
Non-current assets					
Property, plant and equipment	18	115.981.517,70	199.017.273,63	23.221.691,76	33.907.368,02
Intangible assets	19	1.093.265,53	1.294.278,40	533.971,42	491.264,89
Investments in associates	20	0,00	0,00	45.944.701,60	84.190.228,92
Investments in jointly controlled companies	20	0,00	0,00	29.725.454,61	2.532.100,00
Investments in subsidiaries	20	29.068.722,25	2.367.522,02	43.924.389,73	9.608.133,84
Other investments	20	996.141,59	881.714,20	0,00	0,00
Financial assets available for sale	21	38.745,80	13.014.645,32	18.745,80	12.994.645,32
Deferred tax asset	15	5.716.072,22	6.183.108,24	3.456.781,00	4.304.661,00
Other assets		776.283,82	811.986,72	418.885,73	415.790,82
Total non current assets		153.670.748,91	223.570.528,53	147.244.621,65	148.444.192,81
Current assets					
Inventories	22	25.240.801,04	32.109.175,71	4.530.570,44	3.119.498,57
Trade and other receivables	23	117.990.994,69	125.973.700,15	50.929.138,20	45.111.036,66
Receivables from related companies	23	6.399.345,64	854.567,93	5.092.196,56	4.094.146,55
Financial assets held for trading	20	5.191.457,22	5.065.110,44	4.931.344,70	4.831.476,44
Cash and cash equivalents	24	3.786.708,61	8.470.856,56	256.461,55	2.060.412,92
Total current assets		158.609.307,20	172.473.410,79	65.739.711,45	59.216.571,14
TOTAL ASSETS		312.280.056,11	396.043.939,32	212.984.333,10	207.660.763,95
EQUITY AND LIABILITIES					
Equity					
Share capital	25	45.650.000,00	45.650.000,00	45.650.000,00	45.650.000,00
Share premium	25	89.759.298,10	89.759.298,10	89.759.298,10	89.759.298,10
Reserves	26	17.676.495,23	16.776.305,84	11.248.971,29	11.248.971,29
(Accumulated loss)/Accrued earnings		-33.085.839,80	-23.426.188,83	3.197.427,40	-1.386.407,86
Total equity to parent company holders		119.999.953,47	128.759.415,11	149.855.696,79	145.271.861,53
Minority interests		547.929,56	26.795.673,10	0,00	0,00
Total equity		120.547.883,03	155.555.088,21	149.855.696,79	145.271.861,53
Non-current liabilities					
Long term borrowing	27	29.092.753,51	63.935.726,77	6.000.000,00	9.000.000,00
Other liabilities		149.247,84	144.620,00	0,00	0,00
Pension liabilities	28	13.048.391,46	12.229.316,02	10.633.979,00	9.650.065,00
Other provisions		0,00	2.347,08	0,00	1.280,85
Deferred tax liability	15	3.531.620,53	3.894.719,78	0,00	0,00
Deferred income	29	1.741.272,24	4.034.956,05	0,00	0,00
Total non-current liabilities		47.563.285,58	84.241.685,70	16.633.979,00	18.651.345,85
Current liabilities					
Trade payables	30	44.314.670,83	46.841.520,60	20.649.136,84	19.482.321,70
Short term borrowings	31	68.473.663,46	85.302.464,34	10.161.949,32	16.000.000,00
Financial lease obligations		201.754,21	0,00	517.245,25	54.479,44
Amounts due to related companies	32	31.178.799,00	24.103.180,47	15.166.325,90	8.200.755,43
Other liabilities and accrued expenses		144.168.887,50	156.247.165,41	46.494.657,31	43.737.556,57
TOTAL EQUITY AND LIABILITIES		312.280.056,11	396.043.939,32	212.984.333,10	207.660.763,95

The accompanying notes from Note 1 to Note 34 are an integral part of these annual financial statements

LAMBRAKIS PRESS SA
CASH FLOW STATEMENT
For the year ended December 31, 2006
(in euros)

In euros	THE GROUP		THE COMPANY	
	2006	2005	2006	2005
Cash flow from operating activities				
Profit / (loss) before tax	-7.181.006,68	-311.598,29	5.503.850,96	708.272,28
Plus / (Less) adjustments for:				
Depreciation	7.268.431,42	11.805.893,70	1.735.039,52	1.791.146,94
Income / (loss) from investments and securities	7.935.562,82	-3.773.798,88	-7.429.075,84	-4.278.317,58
Provisions	1.337.427,36	844.739,10	982.633,15	659.805,85
Interest and related expenses (difference between interest received and paid)	5.186.663,71	5.391.638,48	1.099.811,02	889.000,96
Changes in operating assets or liabilities:				
(Increase) / Decrease in inventories	-3.638.250,67	-143.384,56	-1.411.071,87	1.186.994,06
(Increase) / Decrease in receivables	-13.901.747,92	-8.129.509,47	-6.054.860,89	-873.797,57
Increase / (Decrease) of liabilities (except banks and dividend paid)	8.486.581,50	2.720.151,12	8.641.326,63	3.076.906,62
Debit interest and related expenses paid	-5.305.457,12	-6.544.536,75	-1.127.137,04	-902.152,24
Interest paid	-821.599,14	-1.399.796,64	-72.135,70	-83.730,41
Net cash inflows / (outflows) from operating activities	-633.394,72	459.797,81	1.868.379,94	2.174.128,91
Cash flows from investing activities				
Purchase of affiliates, subsidiaries, joint ventures and other investments	-21340.356,37	-82.774,73	-21.340.356,37	-8.688.937,57
Proceeds from the sale of affiliates, subsidiaries, investments and securities	16.155.770,62	15.229.040,77	16.146.820,62	14.489.322,19
Purchase of tangible and intangible assets	-1.411.682,28	-2.776.659,21	-516.963,44	-675.710,79
Proceeds from the sale of tangible and intangible assets	9.522.660,65	133.771,70	9.513.253,40	55.664,40
Interest income	118.793,41	1.152.898,27	27.326,02	13.151,28
Dividend received	1.409.814,35	1.812.338,28	1.381.814,35	1.812.338,28
Net cash flows from / (used in) investing activities (b)	4.455.000,38	15.468.615,08	5.211.894,58	7.005.827,79
Cash flows from financing activities				
Proceeds from issued/undertaken debt	5.213.461,34	6.393.918,88	0,00	2.000.000,00
Repayment of loans	-12.928.753,32	-11.718.070,54	-8.838.050,68	-1.500.000,00
Net movement in financial lease obligations	0,00	-50.563,82	0,00	0,00
Share capital distribution	0,00	-8.300.000,00	0,00	-8.300.000,00
Dividend paid	-46.175,21	-132.745,21	-46.175,21	0,00
Net cash flows from/ (used in) financing activities (c)	-7.761.467,19	-13.807.460,69	-8.884.225,89	-7.800.000,00
Net increase / (decrease) in cash and cash equivalents (a) + (b) + (c)	-3.939.861,53	2.120.952,20	-1.803.951,37	1.379.956,70
Cash and cash equivalents at the beginning of the year	7.726.570,14	6.349.904,36	2.060.412,92	680.456,22
Cash and cash equivalents at the end of the year	3.786.708,61	8.470.856,56	256.461,55	2.060.412,92

LAMBRAKIS PRESS S.A. AND AFFILIATED COMPANIES
STATEMENT OF CHANGES IN EQUITY
For the year ended December 31, 2006
(in euros)
THE GROUP

	<u>Paid –in Share capital</u>	<u>Share premium</u>	<u>Net unrealized profit / (Loss)</u>	<u>Statutory reserve</u>	<u>Other reserves</u>	<u>(Accumulated losses) / Accrued earnings</u>	<u>Treasury shares</u>	<u>Minority interests</u>	<u>TOTAL EQUITY</u>
At January 1, 2005	45.180.000,00	201.653.475,23	0,00	3.433.261,52	13.306.128,75	-123.592.468,00	0,00	26.003.714,19	165.984.111,69
Valuation of assets available for sale	0,00	0,00	0,00	0,00	0,00	-1.142.954,88	0,00	0,00	-1.142.954,88
Share capital increase through the capitalization of share premium reserves	111.894.177,13	-111.894.177,13	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Share capital decrease against write off of accumulated loss	-103.124.177,13	0,00	0,00	0,00	0,00	103.124.177,13	0,00	0,00	0,00
Share capital distribution	-8.300.000,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	-8.300.000,00
Dividends paid to minority shareholders	0,00	0,00	0,00	0,00	0,00	0,00	0,00	-132.745,21	-132.745,21
Changes in minority interests	0,00	0,00	0,00	3.265,57	33.650,00	-264.302,98	0,00	227.387,41	0,00
Profit / (loss) for the year	0,00	0,00	0,00	0,00	0,00	-1.550.640,10	0,00	697.316,71	-853.323,39
At December 31, 2006	45.650.000,00	89.759.298,10	0,00	3.436.527,09	13.339.778,75	-23.426.188,83	0,00	26.795.673,10	155.555.088,21
	<u>Paid –in Share capital</u>	<u>Share premium</u>	<u>Net unrealized profit / (Loss)</u>	<u>Statutory reserve</u>	<u>Other reserves</u>	<u>(Accumulated losses) / Accrued earnings</u>	<u>Treasury shares</u>	<u>Minority interests</u>	<u>TOTAL EQUITY</u>
January 1, 2006	45.650.000,00	89.759.298,10	0,00	3.436.527,09	13.339.778,75	-23.426.188,83	0,00	26.795.673,10	155.555.088,21
Adjustments related to the proportional consolidation of IRIS PRINTING SA	0,00	0,00	0,00	-28.981,99	913.521,38	-644.152,62	0,00	-26.141.532,74	-25.901.145,87
Share capital decrease against write off of accumulated loss	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Share capital distribution	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Dividends paid to minority shareholders	0,00	0,00	0,00	0,00	0,00	0,00	0,00	-163.350,00	-163.350,00
Changes in consolidation	0,00	0,00	0,00	15.650,00	0,00	168.201,47	0,00	-183.851,47	0,00
Profit / (loss) for the year	0,00	0,00	0,00	0,00	0,00	-9.183.699,98	0,00	240.990,67	-8.942.709,31
December 31st, 2006	45.650.000,00	89.759.298,10	0,00	3.423.195,10	14.253.300,13	-33.085.839,86	0,00	547.929,56	120.547.883,03

LAMBRAKIS PRESS S.A.
STATEMENT OF CHANGES IN EQUITY
For the year ended December 31, 2006
THE COMPANY
(in euros)

	Paid –in Share capital	Share premium	Net unrealized profit / (Loss)	Statutory reserve	Other reserves	(Accumulated losses) / Accrued earnings	TOTAL EQUITY
January 1, 2005 (31.12.2004)	<u>45.180.000,00</u>	<u>201.653.475,23</u>	<u>0,00</u>	<u>2.877.769,63</u>	<u>8.371.201,66</u>	<u>-103.996.789,75</u>	<u>154.085.656,77</u>
Impairment of assets available for sale	0,00	0,00	0,00	0,00	0,00	-1.142.954,11	-1.142.954,11
Share capital increase through the capitalization of share premium reserve	111.894.177,13	-111.894.177,13	0,00	0,00	0,00	0,00	0,00
Share capital decrease against write off of accumulated loss	-103.124.177,13	0,00	0,00	0,00	0,00	103.124.177,13	0,00
Share capital distribution	-8.300.000,00	0,00	0,00	0,00	0,00	0,00	-8.300.000,00
Profit / (loss) for the year after tax	0,00	0,00	0,00	0,00	0,00	629.158,87	629.158,87
December 31, 2005	<u>45.650.000,00</u>	<u>89.759.298,10</u>	<u>0,00</u>	<u>2.877.769,63</u>	<u>8.371.201,66</u>	<u>-1.386.407,86</u>	<u>145.271.861,53</u>
	Paid –in Share capital	Share premium	Net unrealized profit / (Loss)	Statutory reserve	Other reserves	(Accumulated losses) / Accrued earnings	TOTAL EQUITY
January 1, 2006 (31.12.2005)	<u>45.650.000,00</u>	<u>89.759.298,10</u>	<u>0,00</u>	<u>2.877.769,63</u>	<u>8.371.201,66</u>	<u>-1.386.407,86</u>	<u>145.271.861,53</u>
Profit / (loss) for the year after tax	0,00	0,00	0,00	0,00	0,00	4.583.835,26	4.583.835,26
December 31, 2006	<u>45.650.000,00</u>	<u>89.759.298,10</u>	<u>0,00</u>	<u>2.877.769,63</u>	<u>8.371.201,66</u>	<u>3.197.427,40</u>	<u>149.855.696,79</u>

LAMBRAKIS PRESS SA
NOTES TO THE ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED ON 31.12.2006

1. INFORMATION ON THE PARENT COMPANY AND THE GROUP

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

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

Business Unit "TO VIMA": publishing the daily morning newspaper "TO VIMA", the Sunday edition "TO VIMA TIS KYRIAKIS" and the supplement magazines of these newspapers.

Business Unit "TA NEA": publishing the daily evening newspaper "TA NEA", the weekend edition "TA NEA SAVVATOKYRIAKO" and the supplement magazines of these newspapers

Magazine Business Unit: publishing all the magazines of the parent company and the Group

Digital Media Business Unit: developing digital products and services and implementing new internet technologies that focus on media sector applications

Media Affiliates Business Unit: supervising the companies active in the media sector and related prospective investments

The business units are supported by two Centers as follows:

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

The Corporate Center that supervises the financial and administrative operations of the group and the HR department. The Corporate Center has also been assigned the supervision of the non-media sector affiliates of the Group.

LAMBRAKIS PRESS SA
NOTES TO THE ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED ON 31.12.2006

The Consolidated Financial Statements include the Company, its subsidiaries and associates mentioned in Note 4 (a) – (c) (thereafter DOL Group or the Group).

The Group:

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

2. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

(a) Basis of preparation of the Financial Statements: The attached financial statements for the fiscal year from 1.1.2006 to 31.12.2006 of the Parent company and the Group (thereafter jointly referred to as the financial statements) have been prepared according to:

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

and comply with the International Financial Reporting Standards (IFRS) that have been issued by the International Accounting standards Board (IASB), as well as their interpretations issued by the International Financial Reporting Interpretations Committee (I.F.R.I.C.) of the IASB that have been adopted by the European Union under the EU Regulation No. 1606/2002 on December 31, 2006.

The Group applied the same accounting principles of recognition and valuation on 31.12.2006 to those applied in the financial statements of 31.12.2005, except for the adoption of new standards, the application

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of which became mandatory for the fiscal years commencing after January 1, 2006. These standards are quoted in pages 11 and 12.

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

(c) New standards, interpretations and amendment of existing standards

New IFRS, amendments and interpretations have been issued that are mandatory for the accounting years commencing on or after January 1, 2007. The estimate of the Management of the Company and the Group in relation to the effect of the adoption of these new standards and interpretations is stated below:

• **IAS 19 (amendment) Employee benefits (valid from 1.1.2006)**

This amendment offers the companies the option of an alternative method to recognize the actuarial profit or loss. It also enforces new qualifications for recognition in cases of multi-employer pension plans for which there is insufficient information to apply the method of defined benefit plan accounting. It also adds new disclosure requirements. As the Group does not intend to change its accounting policy that has adopted for the recognition of actuarial gains or losses, the adoption of this amendment will not affect the form and length of the disclosures stated in the annual financial statements.

• **IAS 39 (amendment) Fair value option (valid from 1.1.2006).**

This amendment changes the definition of financial instruments that have been classified at their fair value through profit and loss and restricts the eligibility of these assets to be classified as such. The Group believes that this specific amendment does not have an effect in the classification of its financial instruments. The Company and the Group apply this amendment from January 1, 2006.

β) The following new principles, amendments of principles and interpretations have been issued but are neither applicable in 2006 nor are they prematurely adopted.

I.F.R.S. 7, "Financial Instruments: Disclosures" and supplementary adaptation to IAS 1, "Presentation of Financial Statements – Capital Disclosures" (valid from 1.1.2007).

IFRS 7 requires further disclosures in relation to the financial instruments in order to improve the furnished information. This IFRS requires the disclosure of qualitative and quantitative information in relation to exposure to risks arising from financial instruments. More specifically it predefines the minimum required disclosures in relation to credit risk, liquidity risk and market risk (it requires the sensitivity analysis in relation to the market risk). IFRS 7 replaces IAS 30 (Disclosures in the Financial Statements of Banks and Financial Institutions) and the disclosure requirements of IAS 32 (Financial Instruments: Disclosures and Presentation). It applies to all companies preparing financial statements under IFRS.

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The related adaptation of IAS 1 refers to disclosures in relation to the level of capital of an entity as well as the policies and processes for managing capital. The Company still examines the effect of IFRS 7 and the adaptation of IAS 1 in the Financial Statements of the Group.

I.F.R.I.C Interpretation 7. "Applying the Restatement Approach under IAS 29 Financial Reporting in Hyperinflationary Economies " (valid for annual periods commencing on or after March 1, 2006).

I.F.R.I.C Interpretation 7 gives guidance for the application of the requirements of IAS 29 in a period of reporting that the entity identifies the existence of hyperinflation in its functional currency, when the economy was not hyperinflationary in the previous reporting period. I.F.R.I.C Interpretation 7 is irrelevant to the operations of the Group.

I.F.R.I.C Interpretation 8, "IFRS 2 Share-based payments" (valid for annual periods commencing on or after May 1, 2006).

I.F.R.I.C Interpretation 8 pertains to transactions related to the issuance of shares or rights of shares – where the consideration is less than the fair value of the shares issued – in order to clarify whether they fall within the scope of IFRS 2. This Interpretation is irrelevant to the operations of the Group.

I.F.R.I.C Interpretation 9, " Reassessment of Embedded Derivatives " (valid for annual periods commencing on or after June 1, 2006).

Interpretation 9 requires an entity to assess whether an embedded derivative needs to be separated from the host contract and be accounted for as a stand-alone derivative when the entity first becomes party to the contract.

Subsequent re-assessment is not allowed unless there is a change in the terms of the contract that modifies significantly the cash flows that otherwise would be required under the contract, in which case re-assessment is required. Interpretation 9 is irrelevant to the operations of the Group.

I.F.R.I.C Interpretation 10, "Interim Financial Reporting and Impairment" (valid for annual periods commencing on or after November 1, 2006).

The Company will apply the new Interpretation from 2007 onwards. According to Interpretation 10 the reversal of recognition of impairment loss in interim periods for investments and financial assets carried at cost, is prohibited if effected in a different accounting period.

3. APPROVAL OF ANNUAL FINANCIAL STATEMENTS

The annual financial statements of the fiscal year ended 31.12.2006 for the Company and the Group have been approved by the Board of Directors of Lambrakis Press SA in its meeting of March 6, 2007.

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

The key accounting principles adopted in the preparation of the attached financial statements of the parent company and the Group are the following:

(a) INVESTMENTS IN SUBSIDIARIES AND ASSOCIATES

In the financial statements the investments in associated companies are accounted for initially at cost (including the transactions costs).

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

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

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

(b) INVESTMENTS IN OTHER ENTITIES

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

- Investments held for trading

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

- Investments available for sale.

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

For investments traded on regulated markets, the fair value is determined by the current market prices that are derived from the closing of these markets on the date of the financial statements. For investments for which no market price exists, the fair value is determined on the basis of the current market price of a

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comparable financial asset that is traded or valued on the basis of the analysis of discounted cash flows of the net equity of the issuer.

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

(c). PRINCIPLES OF CONSOLIDATION AND CONSOLIDATED COMPANIES

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

(c.1) Subsidiary companies: Subsidiaries are all companies managed and controlled directly or indirectly by the parent company. Control exists when the parent company through a direct or indirect investment maintains the majority (over 50%) of the voting rights or has the power to control the Board of Directors of affiliates. Subsidiaries are fully consolidated using the purchase method of accounting from the date of acquisition of such control and cease being consolidated on the date that such control is lost.

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

Intercompany transactions, intercompany balances and unrealized profit and loss among the Group companies are written off.

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

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

SECTOR	COMPANY	DIRECT INVESTMENT (%)	INDIRECT INVESTMENT (%)	COUNTRY OF BUSINESS	BUSINESS
PUBLISHING	SPECIAL PUBLICATIONS SA	100,00%	-	Greece	Magazine publishing
	NEA AKTINA SA	50,50%	-	Greece	Magazine publishing
PRINTING	MULTIMEDIA SA	100,00%	-	Greece	Pre-press

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TOURISM	EUROSTAR SA	95,50%	-	Greece	Tourist agency
	TRIAINA TRAVEL ST. LAGAS S.A.	-	95,50%	Greece	Tourist agency
IT AND NEW TECHNOLOGIES	DOL DIGITAL S.A.	82,62%	-	Greece	Holding company
	RAMNET S.A.	-	82,62%	Greece	Portal
OTHER BUSINESS	RAMNET SHOP S.A.	-	82,62%	Greece	e-Commerce
	ACTION PLAN S.A.	85,00%	-	Greece	Call Center
	ACTION PLAN HR S.A.	1,00%	84,15%	Greece	Temporary employment
	STUDIO ATA S.A.	99,30%	-	Greece	TV productions studio
	MICHALAKOPOULOU REAL ESTATE – TOURIST S.A.	100,00%	-	Greece	Real estate management
	ELLINIKA GRAMMATA S.A.	51,00%	-	Greece	Publishing house - bookstore

(c.2) Jointly controlled entities: The investments of the Group in jointly controlled entities are consolidated in the consolidated financial statements using the method of proportional consolidation, taking into consideration the investment percentage that the Group holds on the date of consolidation. In the consolidated statements such companies are accounted for at their acquisition value less any impairment provisions. According to this method the Group's holding percentage in the assets, liabilities, income and expenses of the entities is consolidated «line per line». The following table shows all the jointly controlled entities and the respective holding percentages:

SECTOR	COMPANY	DIRECT INVESTMENT (%)	COUNTRY OF BUSINESS	BUSINESS
PUBLISHING	MC HELLAS S.A.	50,00%	Greece	Magazine publishing
	HEARST-DOL PUBLISHING LTD	50,00%	Greece	Magazine publishing
	MIKRES AGGELIES S.A.	33,33%	Greece	Magazine publishing
PRINTING	IRIS PRINTING S.A.	50,00%	Greece	Printing

On February 1, 2006 the Company sold to PEGASUS PUBLISHING AND PRINTING SA 20% of the share capital of the subsidiary company IRIS PRINTING SA for a consideration of 17 million euros. After this sale, the investment of Lambrakis Press SA in the share capital of IRIS PRINTING SA became 50%, while the remaining 50% is owned by PEGASUS SA.

On August 31, 2006 the company ILISSOS PUBLISHING SA, that never went into business, was placed under liquidation. As a result it is no longer included in the consolidated financial statements of the Group.

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(c.3) Investments in associates: The investments of the Group in associated companies are accounted for in the consolidated financial statements using the method of equity accounting. Associates are the companies in which the Group holds an investment of 20% to 50% and exercises significant influence but does not control them. Investments in associates are recognized initially at acquisition cost and their book value is increased or decreased to reflect the share of the investor in the profit or loss of the associate after the date of acquisition. In the financial statement associates are accounted at their acquisition value less any impairment provisions. The dividends received by the investor from an associate company decrease the associate's book value in the consolidated financial statements.

SECTOR	COMPANY	DIRECT INVESTMENT (%)	COUNTRY OF BUSINESS	BUSINESS
PUBLISHING	MELLON GROUP S.A. COMMUNICATION MEDIA	50,00%	Greece	Magazine publishing
	NORTHERN GREECE PUBLISHING S.A.	33,30%	Greece	Publishing – printing
OTHER BUSINESS	ARGOS S.A.	38,70%	Greece	Press distribution
	PAPASOTIRIOU INTERNATIONAL BOOKSTORE S.A.	30,00%	Greece	Publishing house – bookstore
	TILETIPOS S.A.	22,11%	Greece	TV station "Mega channel"

During the year ended on December 31, 2006, Lambrakis Press SA increased its investment in the share capital of TILETIPOS SA 10,76% to 22,11%. As a result in 2006 TILETIPOS SA was included in the consolidated financial statements of Lambrakis Press SA using the equity method of accounting, while in 2005 the company was not included in the consolidated financial statements of the Group.

The attached financial statements of the Group do not include the financial statements of the following companies :

Company	Business activity	Register Office	Holding	Remarks
PAPER PACK I. TSOUKARIDES SA	Special Printings - Packaging	METAMORFOSSI -ATTICA	36,34%	Available for sale
PHAISTOS NETWORKS SA	IT Applications – Digital Publications	HERAKLIO - CRETE	41,31%	No Control
INTEROPTICS SA	IT Applications – Digital Publications	ATHENS	37,18%	No Control
ILISSOS PUBLICATIONS SA	Publishing – under liquidation	ATHENS	50,00%	No business activity – under liquidation
EKDOSEIS 4 LTD	Publishing – under liquidation	ATHENS	45,30%	No business activity – under liquidation

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(d) FOREIGN CURRENCY TRANSLATION

The financial statements are presented in euro, which is the parent company's and the groups functional and presentation currency.

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

(e) TANGIBLE ASSETS

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

As detailed in Note 12, the Company proceeded to value its land and buildings at their fair value on January 1, 2004. These fair values were used as inferred cost on the date of transition to IFRS. The revaluation reserve that arose was transferred to retained earnings.

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

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

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

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

All tangible assets of the Group are used for the Group's operations. There are no real estate investments.

(f) DEPRECIATION

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

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Asset class	THE GROUP Expected useful life	THE COMPANY Expected useful life
Industrial buildings	40 years	-
Other buildings	40 years	40 years
Building installations in third party buildings	5 - 40 years	5 - 40 years
Machinery and other equipment	8 - 20 years	8 - 16 years
Transportation vehicles	5 - 6 years	5 - 6 years
Furniture and other fixtures	3 - 8 years	3 - 8 years

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

(g) INTANGIBLE ASSETS

Intangible assets include software licenses valued at the acquisition cost minus depreciation. Intangible assets are recognized at their acquisition cost. Intangible assets that are acquired as part of a business combination are recognized separately from their goodwill if their actual value can be determined reliably at their initial recognition in the books.

Development expenses incurred after the stage of research are recognized in the intangible assets only if all the criteria of IAS Standard 38 are met. Expenses for research, launching an operation, education, advertising and marketing as well as relocation expenses or restructuring all or part of an enterprise are recognized as expenses at the time they occur.

After their initial recognition in the books, the intangible assets are carried at their acquisition cost less accumulated amortization and any accumulated impairment loss.

After the initial recognition, the Management of the Group reviews periodically the intangible assets to determine whether there is a probable impairment of their value. In case that events or conditions imply that that the book value of an intangible asset may not be recoverable, a provision is made for impairment loss, so that the book value of this asset reflects its recoverable amount. Intangible assets are deleted from the balance sheet when they are disposed of or when no economic benefit is expected from their use.

Intangible assets are amortized over their useful economic life that does not exceed twenty years. The intangible assets generated internally are amortized over a period of 5 years.

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(h) STATE GRANTS

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

(I) INVENTORIES

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

The acquisition cost of inventories includes:

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

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

(gi) RECEIVABLES ACCOUNTS

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

(k) CASH AND CASH EQUIVALENTS

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

(I) INTEREST BEARING BORROWINGS

All borrowings are initially recognized at cost, that being the fair value of the received consideration less the issuance expenses related to the borrowing. After the initial entry, interest-bearing borrowings are valued at their undepreciated cost using the method of effective interest rate. The undepreciated cost is calculated after allowing for issuance expenses and the difference between the principal amount and the ending

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amount. Profit and loss is recognized in the net profit or loss when the commitments are deleted or impaired through the depreciation procedure.

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

(m) PROVISIONS FOR RISKS AND EXPENSES, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

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

- the Group has a current commitment (legal or inferred) as a result of a past event;
- it is likely that an outflow of resources shall be required incorporating financial benefits for the settlement of the commitment; and
- it is possible to value the amount of the commitment reliably.

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

(n) PROVISIONS FOR PENSION LIABILITIES

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

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

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

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The unrecognized actuarial profit or loss is recognized in the average remaining period of employment of active employees and is part of the net pension cost of each year if at the beginning of the year they exceed the estimated future liability for compensation by 10%. The liabilities for pension compensations are not financed. The pension liabilities provision recognized in the income statement of the financial years ended on 31.12.2006 and 31.12.2005 were determined after an actuarial study.

(o) STATE PENSION PLANS

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

(p) REVENUE / EXPENSES RECOGNITION

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

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

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

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

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

(q) INCOME TAX (CURRENT AND DEFERRED)

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

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be paid to the tax authorities (or be recovered from them), using tax rates (and tax legislation) that have been established or actually established, until the date of the balance sheet.

(r) FINANCIAL AND OPERATING LEASES

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

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

(s) FINANCIAL INSTRUMENTS – RISK FACTORS

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

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

- **Fair value:** The amounts carried in the attached balance sheets for cash and cash equivalents, short-term receivables and short-term liabilities approximate their respective fair values due to their short duration of these financial instruments. The fair value of long-term bank loans is not differentiated from their book value because of the application of floating interest rates.
- **Credit risk:** The Company and the other companies of the Group do not have a significant concentration of credit risk against counterparties due to the high degree of segmentation of their clientele. Retail sales are carried out against cash while for wholesale the Group has set policies to ensure that the counterparties in the sales of goods and services are clients with high creditworthiness.
- **Interest rate risk and foreign exchange risk:** The loans of the Company and the other companies of the Group are denominated in euros and have floating interest rates. Until the date of preparation of these financial statements the Company and the Group did not use derivative instruments in order to

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decrease their exposure to the risk of interest rate fluctuation. The Management of the Group believes that there are no significant risks from the fluctuations of interest rates and foreign exchange.

- **Market risk:** The Company and other companies of the Group have not signed contracts to hedge the market risk arising from the Company's exposure to fluctuations of prices of raw materials used in the production process.

(t) EARNINGS / LOSSES PER SHARE

The basic earnings/losses per share are calculated by dividing the profit or loss after tax that is attributable to the holders of common shares of the Parent Company with the weighted average number of common shares in circulation during the year. The Company does not calculate diluted earnings per share as it has not issued preferred shares, warrants, share options or share rights that would potentially be converted to common shares (Note 16).

(u). DIVIDEND DISTRIBUTION

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

5. ANALYSIS OF THE COMPANY'S TURNOVER

The sole sector that the Parent Company is active is publishing. The analysis of the Company's activity per business sector for the year ending on 31.12.2006 is shown in the following table:

	TURNOVER ANALYSIS			
	THE COMPANY			
	1.1 – 31.12.2006		1.1 – 31.12.2005	
	euros	%	euros	%
Circulation income	74.923.822,28	53,37%	71.534.957,77	52,33%
Advertisement income	<u>48.561.210,42</u>	<u>34,59%</u>	<u>48.037.152,95</u>	<u>35,14%</u>
Total Income from publishing activity	123.485.032,70	87,96%	119.572.110,72	87,47%
Income from the sale of merchandise	10.351.286,17	7,37%	10.982.244,63	8,04%
Income from services rendered	6.182.798,60	4,40%	5.900.771,55	4,31%
Income from the sale of by products	<u>373.025,11</u>	<u>0,27%</u>	<u>243.962,24</u>	<u>0,18%</u>
Total turnover	<u>140.392.142,58</u>	<u>100,00%</u>	<u>136.699.089,14</u>	<u>100,00%</u>

LAMBRAKIS PRESS SA
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6. SEGMENT REPORTING

A **business sector** is defined as a group of assets and operations which provide products and services subject to different risks and returns from the ones of other business sectors.

The Group is active in the following sectors:

(a) Publishing sector: The publishing sector includes the Parent and other companies that publish newspapers and magazines. The Group publishes the top Greek newspapers "TO VIMA" and "TA NEA" and magazines covering an especially wide spectrum of interests and reading audience

(b) Printing sector: The printing sector includes companies active in electronic pre-press and printing of all kinds of publications

(c) Tourist sector: The tourist sector includes companies active in rendering tourist services through the operation of two travel agencies.

(d) IT and new technologies sector: The IT sector includes the operation of the first and largest Greek internet portal "in.gr" (www.in.gr).

(e) Other investments include publishing houses and bookstores, a TV productions studio, a distribution agency, a call centre and customer relationship management (CRM) company and an internet store (www.shop21.gr).

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

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

The following tables present information on revenue and profit as well as information on assets and liabilities that refer to the business sectors for the financial years 2006 and 2005.

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SEGMENT REPORTING

31 .12. 2006

In euros	Publishing sector	Printing sector	Tourist sector	IT and New Technologies Sector	Other sectors	Total 31.12.2006
Revenue						
Total sales	158.864.285,00	63.886.326,14	35.580.051,92	3.121.239,72	53.818.730,31	315.270.633,09
Intra-group sales	-4.809.974,06	-25.400.529,70	-3.796.729,84	-651.927,46	-3.842.109,32	-38.501.270,38
Sales to third parties	154.054.310,94	38.485.796,44	31.783.322,08	2.469.312,26	49.976.620,99	276.769.362,71
Results						
Operating Results						
Income from investments and securities	-836.258,12	2.773.036,55	415.575,90	1.037.258,68	1.629.215,66	5.018.828,67
Net interest expenses	-7.068.402,39	26.478,52	752,23	28.000,00	0,00	-7.013.171,64
Profit before tax / (loss)	-1.370.388,42	-2.234.867,98	-212.472,99	-322.379,40	-1.046.554,92	-5.186.663,71
Income tax expenses	-9.275.048,93	564.647,09	203.855,14	742.879,28	582.660,74	-7.181.006,68
Minority interest	-1.109.613,02	-166.490,30	20.115,00	0,00	-505.714,31	-1.761.702,63
Net profit / (loss)	-114.004,23	0,00	-8.153,14	-129.112,42	10.279,12	-240.990,67
Other information	-10.498.666,18	398.156,79	215.817,00	613.766,86	87.225,55	-9.183.699,98
Assets in sector						
Investments in associates	97.401.709,79	94.369.817,46	18.478.978,43	2.743.651,91	70.217.176,23	283.211.333,82
Total assets	29.068.722,25	0,00	0,00	0,00	0,00	29.068.722,25
Sector liabilities	126.470.432,04	94.369.817,46	18.478.978,43	2.743.651,91	70.217.176,23	312.280.056,07
Capital expenditure (capital assets)	61.204.896,75	57.722.503,66	11.034.245,54	7.706.676,90	39.108.486,41	176.776.809,26
Additions in intangible assets	258.426,59	234.651,04	45.782,56	20.700,28	557.718,80	1.117.279,27
Depreciation of intangible assets	277.495,75	8.106,77	888,49	0,00	7.912,00	294.403,01
Depreciation of tangible assets	252.889,40	5.657,12	21.098,23	30.969,95	184.801,18	495.415,88
Revenue	1.539.016,15	4.358.639,27	63.642,43	14.955,00	796.762,69	6.773.015,54

LAMBRAKIS PRESS SA
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SEGMENT REPORTING
December 31, 2005

In euros	Publishing Sector	Printing Sector	Tourist Sector	IT and New Technologies Sector	Other Sectors	Total 31.12.2005
Revenue						
Total sales	156.718.228,29	116.133.648,92	31.409.816,69	2.178.210,62	41.205.070,12	347.644.974,64
Intra-group sales	<u>-5.144.002,49</u>	<u>-41.758.261,69</u>	<u>-1.397.101,24</u>	<u>-368.184,60</u>	<u>-2.702.935,18</u>	-51.370.485,20
Sales to third parties	<u>151.574.225,80</u>	<u>74.375.387,23</u>	<u>30.012.715,45</u>	<u>1.810.026,02</u>	<u>38.502.134,94</u>	<u>296.274.489,44</u>
Results						
Operating Results	-2.934.529,96	4.090.516,38	-33.943,01	-1.001.821,99	1.186.019,89	1.306.241,31
Income from investments and securities	3.381.252,91	269.873,83	59.358,28	52.329,14	10.984,72	3.773.798,88
Net interest expenses	<u>-1.121.735,20</u>	<u>-3.052.335,01</u>	<u>-129.621,79</u>	<u>-251.603,65</u>	<u>-836.342,83</u>	-5.391.638,48
Profit before tax / (loss)	-675.012,25	1.308.055,20	-104.206,52	-1.201.096,50	360.661,78	-311.598,29
Income tax expenses	-556.873,22	956.259,90	-95.844,00	-9.495,25	-835.772,53	-541.725,10
Minority interest	<u>-211.554,12</u>	<u>-661.439,58</u>	<u>6.280,09</u>	<u>210.400,85</u>	<u>-41.003,95</u>	-697.316,71
Net profit / (loss)	<u>-1.443.439,59</u>	<u>1.602.875,52</u>	<u>-193.770,43</u>	<u>-1.000.190,90</u>	<u>-516.114,70</u>	<u>-1.550.640,10</u>
Other information						
Assets in sector	118.248.644,30	192.804.236,10	15.321.234,37	3.455.600,10	63.846.702,41	393.676.417,28
Investments in associates	<u>2.367.522,02</u>	<u>0,00</u>	<u>0,00</u>	<u>0,00</u>	<u>0,00</u>	2.367.522,02
Total assets	<u>120.616.166,32</u>	<u>192.804.236,10</u>	<u>15.321.234,37</u>	<u>3.455.600,10</u>	<u>63.846.702,41</u>	<u>396.043.939,30</u>
Sector liabilities	69.756.077,06	117.721.739,72	9.266.372,26	6.986.241,55	36.758.420,52	240.488.851,11
Capital expenditure (capital assets)	673.759,59	1.464.805,31	104.145,32	6.675,26	271.101,71	2.520.487,19
Additions in intangible assets	52.942,71	3.900,00	70.179,32	0,00	129.150,29	256.172,32
Depreciation of intangible assets	239.604,29	7.310,37	17.544,83	72.268,27	34.393,91	371.121,67
Depreciation of tangible assets	1.613.827,34	8.830.883,45	65.463,97	50.192,77	874.404,50	11.434.772,03

LAMBRAKIS PRESS SA
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7. COST OF GOODS SOLD

in euros	THE GROUP		THE COMPANY	
	2006	2005	2006	2005
Consumptions	44.835.771,21	82.673.403,33	7.403.368,90	14.921.344,20
Compensation, Benefits and Expenses of Personnel	47.701.281,26	49.417.968,84	22.845.224,87	21.736.866,66
Compensation and expenses of third parties	48.786.242,92	29.885.350,73	48.551.064,22	40.928.868,39
Third party benefits	8.330.793,13	9.163.629,00	3.017.726,82	3.636.206,65
Taxes	0,00	208.723,31	0,00	0,00
Depreciations	6.113.839,36	9.750.157,26	1.111.137,53	1.196.906,57
Others	38.091.466,52	32.660.122,47	3.263.032,24	3.703.373,66
Total	<u>193.859.394,40</u>	<u>213.759.354,94</u>	<u>86.191.554,58</u>	<u>86.123.566,13</u>

8. EMPLOYEE SALARIES AND BENEFITS

The cost of salaries and employee benefits included in the attached financial statements is analyzed as follows:

in euros	THE GROUP		THE COMPANY	
	2006	2005	2006	2005
Salaries and wages	57.332.669,90	58.973.809,46	29.735.275,28	27.953.797,87
Employer's contributions	7.266.682,14	7.633.678,82	1.723.384,59	1.685.903,91
Pension cost (Note 28)	2.242.167,59	2.088.941,02	1.578.830,00	1.243.309,00
Other personnel expenses	375.019,40	651.860,47	300.948,60	329.851,28
Total salaries and wages	<u>67.216.539,03</u>	<u>69.348.289,77</u>	<u>33.338.438,47</u>	<u>31.212.862,06</u>
Expenses included in cost of production	47.701.281,26	49.417.968,84	22.845.224,87	21.736.866,66

The average number of personnel of the Parent Company for the year 2006 was 814 employees (2005: 833 employees) and the average number of personnel of the Group in the same year was 2.356 employees (2005: 2.417 employees).

LAMBRAKIS PRESS SA
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9. . DEPRECIATION

The depreciation included in the attached financial statements is detailed as follows :

in euros	THE GROUP		THE COMPANY	
	2006	2005	2006	2005
Depreciation of tangible assets (Note 18)	6.773.015,54	11.434.772,03	1.505.897,30	1.574.575,90
Amortization of intangible assets (Note 19)	<u>495.415,88</u>	<u>371.121,67</u>	<u>229.142,22</u>	<u>216.571,04</u>
	<u>7.268.431,42</u>	<u>11.805.893,70</u>	<u>1.735.039,52</u>	<u>1.791.146,94</u>
Depreciation included in cost of production	6.113.839,36	9.750.157,26	1.111.137,53	1.196.906,57

10. ADMINISTRATIVE EXPENSES

The administrative expenses appearing in the attached financial statements are analyzed as follows:

in euros	THE GROUP		THE COMPANY	
	2006	2005	2006	2005
Salaries and wages	9.952.706,17	10.462.436,09	5.572.598,54	5.006.688,06
Third party allowances	6.284.813,31	5.983.884,94	3.146.641,60	2.433.641,09
Rents	399.312,56	525.643,42	170.591,36	189.299,76
Third party benefits	1.610.853,68	2.663.415,89	780.103,72	1.260.416,89
Taxes	880.053,63	2.729.973,93	418.734,49	2.265.693,47
Travel expenses	582.076,31	382.931,22	521.769,74	314.172,25
Donations - sponsorships	91.788,30	1.150.266,13	75.109,71	1.119.343,35
Depreciation	690.705,60	1.241.253,97	467.497,89	411.331,26
Other	<u>2.925.923,82</u>	<u>885.734,74</u>	<u>2.525.841,44</u>	<u>1.150.672,24</u>
Total	<u>23.418.233,38</u>	<u>26.025.540,32</u>	<u>13.678.888,49</u>	<u>14.151.258,37</u>

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11. SELLING EXPENSES

The selling expenses shown in the attached financial statements are detailed as follows:

in euros	THE GROUP		THE COMPANY	
	2006	2005	2006	2005
Salaries and wages	9.271.906,55	9.254.560,48	4.920.615,06	4.469.307,34
Commission fees	28.546.406,81	29.433.286,47	25.836.000,62	24.591.783,51
Third party allowances	6.931.409,48	3.530.953,13	4.617.250,66	2.059.052,06
Third party benefits	2.246.350,59	2.069.962,71	1.031.099,19	974.156,52
Taxes	344.709,75	4.622,05	0,00	0,00
Advertising	8.136.329,24	8.116.837,26	6.151.631,98	5.656.020,29
Transportation	1.688.616,65	846.462,95	1.441.320,19	708.923,01
Special expenses	2.265.958,79	2.080.727,23	2.118.448,82	2.069.073,01
Depreciation	463.886,46	814.482,47	156.404,10	182.909,11
Other	2.154.647,95	1.924.099,61	570.994,77	567.935,62
	<u>62.050.222,37</u>	<u>58.075.994,36</u>	<u>46.843.765,39</u>	<u>41.279.160,47</u>

12. OTHER OPERATING INCOME

For the year 2006 the account of other operating income amounted at 5.496.652,02 euros and 7.867.961,16 euros for the Parent Company and the Group respectively and mainly referred to income from services rendered, income from office space rents, profit from tangible assets sales and income from proceeds of bad debts.

LAMBRAKIS PRESS SA
NOTES TO THE ANNUAL FINANCIAL STATEMENTS
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13. EARNINGS / (LOSS) FROM INVESTMENTS AND SECURITIES

The income / (expenses) from investments and securities shown in the attached financial statements are detailed as follows:

	REVENUE / (EXPENSES) FROM INVESTMENTS AND SECURITIES			
	THE GROUP		THE COMPANY	
Income and profit	31.12.2006	31.12.2005	31.12.2006	31.12.2005
Profit from the valuation of securities listed on stock exchanges	145.791,02	2.625.556,64	118.561,09	2.418.322,64
Profit from the sale of securities listed on stock exchanges	758,20	1.249.215,79	758,20	1.106.342,95
Profit from the sale of shares of IRIS PRINTING SA	0,00	0,00	6.072.699,90	0,00
Dividend received	2.139.863,36	974.264,86	1.381.814,35	1.812.338,28
Interest from Repos received	0,00	112.279,99	0,00	39.027,33
Total income	<u>2.286.412,58</u>	<u>4.961.317,28</u>	<u>7.573.833,54</u>	<u>5.376.031,20</u>
Loss and expenses				
Loss from the valuation of securities listed on stock exchanges	0,00	1.136.396,00	0,00	1.058.624,46
Devaluation of investment in ILISSOS SA	124.872,61	0,00	124.872,61	0,00
Devaluation of investment in TILETIPOS SA (due to consolidation using the equity method)	8.511.754,67	0,00	0,00	0,00
Corrective entry for FREEGATE SA	19.553,47	0,00	19.553,47	0,00
Tax and expenses related to the sale of shares	643.083,38	18.483,21	10,71	18.483,21
Loss from the adjustment of valuation due to the sale of an investment	0,00	27.757,07	0,00	20.443,05
Other expenses	320,09	4.882,12	320,91	162,90
Total loss and expenses	<u>9.299.584,22</u>	<u>1.187.518,40</u>	<u>144.757,70</u>	<u>1.097.713,62</u>
Earnings / (loss) from investments and securities	<u>-7.013.171,64</u>	<u>3.773.798,88</u>	<u>7.429.075,84</u>	<u>4.278.317,58</u>

14. NET FINANCIAL RESULTS

The net financial expenses shown in the attached financial statements are detailed as follows:

in euros	THE GROUP		THE COMPANY	
	01.01-31.12.2006	01.01-31.12.2005	01.01-31.12.2006	01.01-31.12.2005
Interest on long term borrowing (Note 27)	1.823.454,15	3.395.867,38	458.473,58	473.773,83
Interest on short term borrowing (Note 31)	3.076.300,48	2.974.380,46	653.193,22	385.447,64
Other financial expenses	405.702,49	174.288,91	15.470,24	42.930,77
Total financial expenses	<u>5.305.457,12</u>	<u>6.544.536,75</u>	<u>1.127.137,04</u>	<u>902.152,24</u>
Interest income	<u>118.793,41</u>	<u>1.152.898,27</u>	<u>27.326,02</u>	<u>13.151,28</u>
Net financial expenses	<u>-5.186.663,71</u>	<u>-5.391.638,48</u>	<u>-1.099.811,02</u>	<u>-889.000,96</u>

LAMBRAKIS PRESS SA
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15. INCOME TAX

Income tax expense is detailed as follows:

in euros	THE GROUP		THE COMPANY	
	01.01- 31.12.2006	01.01- 31.12.2005	01.01- 31.12.2006	01.01- 31.12.2005
Provision of current income tax expense	773.062,81	458.319,83	0,00	0,00
Deferred income tax	594.718,10	-642.424,96	847.880,00	-4.617,00
Other taxes	393.921,72	725.830,23	72.135,70	83.730,41
Total income tax	<u>1.761.702,63</u>	<u>541.725,10</u>	<u>920.015,70</u>	<u>79.113,41</u>

In November 2004 the new tax law was passed, according to which the corporate tax rate will be gradually decreased. More specifically, for the year 2006 the tax rate decreased to 29%, while from 2007 onwards it will become 25%.

For the year ended 31.12.2006 the income tax expense of the Group is different from the nominal tax that would arise if the 29% tax rate were applied on the Group's earnings mainly due to the utilization of tax deductible losses of previous years of the parent company.

The following table shows the tax amounts according to the nominal and the effective tax rate:

in euros	THE GROUP		THE COMPANY	
	01.01- 31.12.2006	01.01- 31.12.2005	01.01- 31.12.2006	01.01- 31.12.2005
Profit / (loss) before tax	-7.181.006,68	-311.598,29	5.503.850,96	708.272,28
Income tax calculated at the tax rate applicable on 31.12.2006 (29%)	-2.082.491,94	0,00	1.596.116,78	0,00
Income tax calculated at the tax rate applicable on 31.12.2005 (32%)	0,00	-99.711,45	0,00	226.647,13
Tax effect of tax-exempt inventories	-282.168,00	-1.532.750,00	0,00	0,00
Tax effect of loss for which no deferred tax asset was recognized	-48.354,16	494.438,00	0,00	0,00
Differences from tax audit	393.921,73	725.830,23	72.135,70	83.730,41
Non deductible expenses (mainly results from investments and securities)	3.780.795,01	953.918,32	-748.236,78	-231.264,13
Provisions for the period income tax expenses	<u>1.761.702,63</u>	<u>541.725,10</u>	<u>920.015,70</u>	<u>79.113,41</u>

Deferred income tax

The deferred income tax as appearing in the balance sheets of December 31, 2006 and December 31, 2005 as well as in the income statements of the years ending December 31, 2006 and 2005 is detailed as follows:

LAMBRAKIS PRESS SA
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BALANCE SHEETS

INCOME STATEMENTS

in euros	THE GROUP		THE COMPANY		THE GROUP	THE COMPANY	THE GROUP	THE COMPANY
	31.12.2006	31.12.2005	31.12.2006	31.12.2005	01.01 – 31.12.2006		01.01 – 31.12.2005	
Deferred tax liabilities								
Recognition of property in fair value as inferred cost	7.534.317,50	8.242.789,50	2.371.956,00	3.080.428,00	708.472,00	708.472,00	25.018,00	25.018,00
Other provisions, adjustment of intangible assets, write-off of borrowing cost	90.153,00	116.046,00	0,00	0,00	25.893,00	0,00	38.599,50	0,00
Adjustment of depreciation of fixed assets on the basis of their useful life	1.979.417,50	1.693.011,50	0,00	0,00	-286.406,00	0,00	-314.222,00	83.843,00
Gross deferred tax liabilities	9.603.888,00	10.051.847,00	2.371.956,00	3.080.428,00	447.959,00	708.472,00	-250.604,50	108.861,00
Deferred tax receivables								
Write-off of installation expenses that do not qualify for recognition as intangible assets	449.434,68	947.879,60	399.020,00	703.297,00	-498.444,76	-304.277,00	-572.291,22	106.569,00
Valuation of buildings at their fair value	916.475,47	916.474,72	0,00	0,00	0,75	0,00	0,22	0,00
Adjustment of provision for pension liabilities	3.221.061,58	2.897.393,63	2.658.495,00	2.412.516,00	323.667,95	245.979,00	202.257,96	164.631,00
Adjustment of provision for doubtful receivables	4.466.239,46	4.746.402,00	2.771.222,00	3.280.344,00	-280.162,54	-509.122,00	149.410,50	166.636,00
Adjustment of provision for inventory write off	722.027,00	722.026,00	0,00	0,00	1,00	0,00	-214.160,50	-210.227,00
Other provisions	152.804,00	157.209,00	0,00	0,00	-4.405,00	0,00	-43.336,50	0,00
Tax deductible loss	1.859.773,50	2.443.631,83	0,00	988.932,00	-583.858,50	-988.932,00	1.616.879,00	-102.303,00
Other items	524,00	0,00	0,00	0,00	524,00	0,00	-245.730,00	-229.550,00
Gross deferred tax receivables	11.788.339,69	12.831.016,79	5.828.737,00	7.385.089,00	-1.042.677,10	1.556.352,00	893.029,46	-104.244,00
Net deferred tax receivables	5.716.072,22	6.183.108,24	3.456.781,00	4.304.661,00				
Net deferred tax liabilities	3.531.620,53	3.403.938,45	0,00	0,00				
Deferred tax in income statement					-594.718,10	-847.880,00	642.424,96	4.617,00

In addition to the above tax-deductible loss for which deferred tax was recognized, the Group has additional tax-deductible loss amounting to 22.611.697,08 euros, for which no deferred tax receivable was recognized, because currently their tax utilization is deemed uncertain. According to the legislation the Group is entitled to utilize the above loss within a period of five years from the fiscal year in which they arose.

Also, a deferred tax receivable amounting to 1.523,75 thousand euros out of a total amount of 6.095,00 thousand euros (i.e. 25% on the right to form tax-deductible reserve of 20.568 thousand euros according to Law 2601), was not recognized by a jointly controlled company for significant investments in building and machinery installations during the years 2000, 2001 and 2002 because currently its utilization is deemed uncertain. The company can utilize this right until the fiscal year 2015 inclusive.

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Furthermore a deferred tax receivable amounting to 93,5 thousand euros out of a total amount of 373,50 thousand euros (i.e. 25% on the right to form tax-deductible reserve of 20.568 thousand euros according to Law 3299/2004, article 3, sec.1) for significant investments in building and machinery installations during the year 2005 was not recognized by the above company because currently their utilization is deemed uncertain. The company can utilize this right until the fiscal year 2015 inclusive.

The Group did not recognize deferred tax liabilities related to tax-exempt reserves of affiliates, because it does not intend to distribute such reserves.

16. PROFIT / (LOSS) PER SHARE

The basic profit/(loss) per share is calculated by dividing the profit or loss that is allocated to the holders of common shares of the Parent Company over the weighted average number of common shares outstanding during the period.

For the purpose of the calculation of basic profit / (loss) the following were taken into consideration:

i) Profit or loss that are allocated to the shareholders of the Parent Company. It is noted that the Parent Company has not issued preferred shares, options or rights convertible to shares.

The earnings of the Company and the Group have no further adjustments.

ii) The average weighted number of common shares outstanding during the period, i.e. the number of common shares outstanding at the beginning of the periods (1.1.2006 and 1.1.2005 respectively) adjusted by the number of common shares issued during these periods, multiplied by a factor of weighted duration of circulation. This factor is the number of days that such shares are outstanding in relation to the total number of days in the period.

During 2005 the parent company proceeded in a net increase of its share capital, consisting of a partial capitalization of the equity account "Share premium" and a decrease of the share capital against write off of losses. As a result of the above, the Company issued 7.700.000 new common shares allocated to the existing shareholders free of any payment and, as a result, the number of common shares outstanding was increased without any cash payment. The number of common shares outstanding before the increase (75.300.000 common shares) was adjusted to account for the new outstanding shares (7.700.000 common shares) from 75.300.000 shares to 83.000.000 shares as if the share capital increase had taken place in the beginning of the oldest of the fiscal years presented, i.e. on 1.1.2005. During 2006 there was no change in the company's share capital. According to the above, the basic profit / (loss) per share for the Group and the Parent Company are as follows:

in euros	THE GROUP		THE COMPANY	
	01.01 – 31.12.2006	01.01 – 31.12.2005	01.01 - 31.12.2006	01.01 – 31.12.2005
Net earnings allocated to the shareholders of the parent company for the basic earnings per share	-9.183.669,98	-1.550.640,10	4.583.835,26	629.158,87
Basic profit / (loss) per share	-0,1106	-0,0187	0,0552	0,0076
Number of common registered shares outstanding at the end of the period	83.000.000	83.000.000	83.000.000	83.000.000
Average weighted number of shares on the basis of the issue of bonus shares	83.000.000	83.000.000	83.000.000	83.000.000

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

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17. DIVIDEND PER SHARE

On March 6, 2007 the Company's Board of Directors proposed the distribution of dividend amounting to 4.150.000 € (full amount 0,05 € per share) from the profit of the fiscal year 2006 and the distribution of taxed inventories from previous years. The dividend proposal is subject to approval by the General Meeting of the Shareholders. Under IFRS, the above dividend appears in the equity accounts of December 31, 2006. Following the approval of the distribution of dividend, the above amount will be moved from equity to other short-term liabilities. No dividend was distributed in the fiscal year 2005.

18. PROPERTY, PLANT AND EQUIPMENT

MOVEMENTS IN PROPERTY, PLANT AND EQUIPMENT
FOR THE PERIOD 1.1.-31.12.2006
THE GROUP

in euros	Land	Buildings and installations	Machinery – Technical and other installations	Transportation vehicles	Furniture and other fixtures	Fixed assets under construction	TOTAL
Opening balance 31.12.2005	41.882.012,53	58.147.619,58	51.056.659,35	1.452.149,65	19.348.857,59	125.725,50	172.013.024,20
Year's additions (+)	0,00	179.440,58	450.694,12	26.910,00	585.960,07	69.035,27	1.312.040,04
Year's deductions (-)	-3.796.238,74	-6.098.064,08	-148.798,81	-66.676,96	-1.151.165,64	-194.760,77	-11.455.705,00
Balance on 31.12.2006	38.085.773,79	52.228.996,08	51.358.554,66	1.412.382,69	18.783.652,02	0,00	161.869.359,24
Accumulated depreciation on 31.12.2005	0,00	3.844.330,51	19.348.370,16	1.247.679,96	16.507.943,66	0,00	40.948.324,29
Year's depreciation	0,00	1.552.283,94	3.965.307,43	92.319,44	1.163.104,73	0,00	6.773.015,54
Depreciation of deductions	0,00	-549.207,02	-79.303,27	-59.398,75	-1.145.589,25	0,00	-1.833.498,29
Depreciated total on 31.12.2006	0,00	4.847.407,43	23.234.374,32	1.280.600,65	16.525.459,14	0,00	45.887.841,54
Net carrying amount on 31 .12. 2006	38.085.773,79	47.381.588,65	28.124.180,34	131.782,04	2.258.192,88	0,00	115.981.517,70
Net carrying amount on 31 .12. 2005	60.164.060,53	72.640.812,50	62.625.751,89	329.155,54	3.006.042,37	251.451,00	199.017.273,63

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MOVEMENTS IN PROPERTY, PLANT AND EQUIPMENT
FOR THE PERIOD 1.1.-31.12.2006
THE COMPANY

in euros	Land	Buildings and installations	Machinery – Technical and other installations	Transportation vehicles	Furniture and other fixtures	Fixed assets under construction	TOTAL
Opening balance 31.12.2005	11.667.294,55	20.913.162,42	1.198.623,33	421.715,39	9.023.713,87	0,00	43.224.509,56
Year's additions (+)	0,00	50.700,00	8.000,00	0,00	186.414,69	0,00	245.114,69
Year's deductions (-)	-3.796.238,74	-6.076.362,69	-142.074,83	-42.614,82	-464.729,12	0,00	-10.522.020,20
Balance on 31.12.2006	7.871.055,81	14.887.499,73	1.064.548,50	379.100,57	8.745.399,44	0,00	32.947.604,05
Accumulated depreciation on 31.12.2005	0,00	1.192.900,71	953.979,62	352.682,30	6.817.578,91	0,00	9.317.141,54
Year's depreciation	0,00	539.116,77	94.486,14	34.352,41	837.941,98	0,00	1.505.897,30
Depreciation of deductions	0,00	-527.505,65	-73.593,55	-36.222,58	-459.804,77	0,00	-1.097.126,55
Depreciated total on 31.12.2006	0,00	1.204.511,83	974.872,21	350.812,13	7.195.716,12	0,00	9.725.912,29
Net carrying amount on 31 .12. 2006	7.871.055,81	13.682.987,90	89.676,29	28.288,44	1.549.683,32	0,00	23.221.691,76
Net carrying amount on 31 .12. 2005	11.667.294,55	19.720.261,71	244.643,71	69.033,09	2.206.134,96	0.00	33.907.368,02

For the registered encumbrances on fixed assets of the Group, see Note 33

19. INTANGIBLE ASSETS

MOVEMENTS IN INTANGIBLE ASSETS
FOR THE PERIOD 1.1.-31.12.2006
THE GROUP

in euros	Internally generated intangible assets	Software and other rights	Total
Opening balance 31.12.2005	1.105.456,47	5.188.899,72	6.294.356,19
Year's additions (+)	0,00	294.403,01	294.403,01
Year's deductions (-)	0,00	0,00	0,00
Balance on 31.12.2006	1.105.456,47	5.483.302,73	6.588.759,20
Accumulated depreciation on 31.12.2005	260.388,59	4.739.689,20	5.000.077,79
Year's depreciation	281.972,08	213.443,80	495.415,88
Depreciation of deductions	0,00	0,00	0,00
Depreciated total on 31.12.2006	542.360,67	4.953.133,00	5.495.493,67
Net carrying amount on 31 .12. 2006	563.095,80	530.169,73	1.093.265,53
Net carrying amount on 31 .12. 2005	845.067,88	449.210,52	1.294.278,40

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MOVEMENTS IN INTANGIBLE ASSETS
FOR THE YEAR 1.1.-31.12.2006

THE COMPANY

in euros	Internally generated intangible assets	Software and other rights	Total
Opening balance 31.12.2005	648.849,44	1.708.073,66	2.356.923,10
Year's additions (+)	0,00	271.848,75	271.848,75
Year's deductions (-)	0,00	0,00	0,00
Balance on 31.12.2006	648.849,44	1.979.922,41	2.628.771,85
Accumulated depreciation on 31.12.2005	259.539,78	1.606.118,43	1.865.658,21
Year's depreciation	129.769,89	99.372,33	229.142,22
Depreciation of deductions	0,00	0,00	0,00
Depreciated total on 31.12.2006	389.309,67	1.705.490,76	2.094.800,43
Net carrying amount on 31 .12. 2006	259.539,77	274.431,65	533.971,42
Net carrying amount on 31 .12. 2005	389.309,66	101.955,23	491.264,89

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

The balance sheet accounts "Investments in subsidiaries" and "Investments in associates and jointly controlled companies" include the following investments:

INVESTMENTS IN ASSOCIATE COMPANIES	ACQUISITION COST	THE GROUP		THE COMPANY		
		31.12.2006 PORTION OF PROFIT / (LOSS)	BOOK VALUE	ACQUISITION COST	31.12.2005 PORTION OF PROFIT / (LOSS)	BOOK VALUE
MELLON GROUP SA	733.675,72	-733.675,72	0,00	733.675,72	-733.675,72	0,00
NORTHERN GREECE PUBLISHING SA	5.693.900,00	-3.958.126,96	1.735.773,04	5.693.900,00	-5.693.900,00	0,00
ARGOS SA	1.126.247,60	321.820,69	1.448.068,29	1.126.247,60	674.228,78	1.800.476,38
TILETIPOS SA	34.316.255,89	-9.001.103,20	25.315.152,69	0,00	0,00	0,00
PAPASOTIRIOU SA	2.054.210,52	-1.484.582,29	569.728,23	2.054.310,52	-1.487.264,88	567.045,64
TOTAL	43.924.389,73	-14.855.667,48	29.068.722,25	9.608.133,84	-7.240.611,82	2.367.522,02

INVESTMENTS IN OTHER ENTITIES	THE GROUP (Book Value)		THE COMPANY (Book Value)	
	31.12.2006	31.12.2005	31.12.2006	31.12.2005
Joint venture MULTIMEDIA SA - IRIS SA – ELLINIKI GRAMMATA SA	0,00	10.700,00	0,00	0,00
PHAISTOS NETWORKS SA	310.429,20	310.429,20	0,00	0,00
ILISSOS PUBLISHING SA	125.127,39	0,00	0,00	0,00
INTEROPTICS AE	560.585,00	560.585,00	0,00	0,00
TOTAL	996.141,59	881.714,20	0,00	0,00

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THE COMPANY

	31.12.2006	31.12.2005
Investments in subsidiaries		
DOL DIGITAL SA	5.001.339,84	5.001.339,84
MULTIMEDIA SA	1.802.093,27	1.802.093,27
STUDIO ATA SA	2.816.287,83	2.816.287,83
IRIS PRINTING SA	0,00	38.245.527,32
ACTION PLAN SA	4.108.500,03	4.108.500,03
NEA AKTINA SA	44.460,75	44.460,75
EUROSTAR SA	6.784.832,00	6.784.832,00
ELLINIKA GRAMMATA SA	603.593,88	603.593,88
ACTION PLAN HR SA	2.349,00	2.349,00
MICHALAKOPOULOU TOURIST REAL ESTATE SA	24.781.245,00	24.781.245,00
TOTAL	<u>45.944.701,60</u>	<u>84.190.228,92</u>
Investments in jointly controlled companies		
MIKRES AGGELIES SA	800.000,00	800.000,00
MC HELLAS SA	733.750,00	733.750,00
HEARST LAMBRAKIS PUBLISHING LTD	748.350,00	748.350,00
IRIS PRINTING SA	27.318.227,22	0,00
ILISSOS PUBLISHING SA	125.127,39	250.000,00
TOTAL	<u>29.725.454,61</u>	<u>2.532.100,00</u>
Investments in associates		
MELLON GROUP SA	733.675,72	733.675,72
NORTHERN GREECE PUBLISHING SA	5.693.900,00	5.693.900,00
ARGOS SA	1.126.247,60	1.126.247,60
TILETIPOS SA	34.316.255,89	0,00
PAPASOTIRIOU SA	2.054.310,52	2.054.310,52
TOTAL	<u>43.924.389,73</u>	<u>9.608.133,84</u>

The investments in associates are recognized in the consolidated financial statements using the equity method of accounting as described in Note 4 (c.3). The latest valuation was effected on 31.12.2005. The Company believes that on 31.12.2006 there are no material differences in the consolidation of associate companies in relation to that of 31.12.2005.

As described in Note 4 (c.2) the investments of the Group in jointly controlled companies are recognized in the consolidated financial statements using the method of proportional consolidation. The relevant amounts that were included in the consolidated financial statements on 31.12.2006 and 31.12.2005 are the following:

in euros	31.12.2006	31.12.2005
Non current assets	63.895.461,47	87.311,98
Current assets	40.801.758,86	5.934.274,03
Short-term liabilities	33.990.571,05	4.189.093,22
Total revenue	68.015.322,84	7.725.805,99
Total expenses	68.128.410,92	7.997.663,14

The figures of 31.12.2005 do not include IRIS PRINTING SA which according to LAMBRAKIS PRESS holding in the company on 31.12.2005 it was classified under subsidiaries and in 2006 under jointly controlled companies.

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21. FINANCIAL ASSETS AVAILABLE FOR SALE AND HELD FOR TRADING

(a) Financial assets available for sale

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

in euros	THE GROUP		THE COMPANY	
	31.12.2006	31.12.2005	31.12.2006	31.12.2005
TILETIPOS SA	0,00	12.975.899,52	0,00	12.975.899,52
Total listed companies	0,00	12.975.899,52	0,00	12.975.899,52
M. LEVIS SA	18.745,80	18.745,80	18.745,80	18.745,80
EKDOSEIS 4 LTD	20.000,00	20.000,00	0,00	0,00
Total non listed companies	38.745,80	38.745,80	18.745,80	18.745,80
Grand total	38.745,80	13.014.645,32	18.745,80	12.994.645,32

Specifically, on 31.12.2005 the listed company TILETIPOS SA was valued at its market value according to the closing share price of 30.12.2005 and the difference from the acquisition value was directly transferred to a special reserve account under equity. Following that and during the first half of 2006, LAMBRAKIS PRESS SA purchased shares of TILETIPOS SA – on the Athens Stock Exchange – consequently increasing its holding in the Company from 10,76% to 22,11%. As a result, TILETIPOS SA was reclassified from “Financial assets available for sale” to “Investments in affiliated companies”.

(b) Financial assets held for trading

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

in euros	THE GROUP		THE COMPANY	
	31.12.2006	31.12.2005	31.12.2006	31.12.2005
HAIDEMENOS SA	88.759,10	43.226,04	88.759,10	43.226,04
MICROLAND COMPUTERS SA	2.648.446,32	2.378.844,00	2.388.333,80	2.145.210,00
PAPERPACK – I.TSOUKARIDIS SA	2.454.251,80	2.643.040,40	2.454.251,80	2.643.040,40
Total listed shares	5.191.457,22	5.065.110,44	4.931.344,70	4.831.476,44

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22. INVENTORIES

The inventories are detailed as follows:

in euros	THE GROUP		THE COMPANY	
	31.12.2006	31.12.2005	31.12.2006	31.12.2005
Merchandise	4.411.930,21	3.898.546,19	2.561.942,44	1.791.230,44
Finished and unfinished goods, by-products and residuals	6.733.864,43	5.914.356,64	1.968.399,27	1.328.039,40
Work in progress	1.793.019,63	1.362.787,29	0,00	0,00
Raw and secondary materials, consumables, spare parts and packaging materials	8.990.604,56	18.840.548,65	228,73	228,73
Advance payments for purchases of inventories	<u>3.311.382,21</u>	<u>2.092.936,94</u>	<u>0,00</u>	<u>0,00</u>
Total	<u>25.240.801,04</u>	<u>32.109.175,71</u>	<u>4.530.570,44</u>	<u>3.119.498,57</u>

The movement of provisions for impaired inventory (referring to the classes of goods and merchandise) for the year ended on 31.12.2006 is the following:

in euros	THE GROUP	THE COMPANY
Opening balance on 1.1.2006	3.456.679,27	188.609,70
Less: Usage of provision	-210.233,21	-188.609,70
Plus: Additional provision for the period	<u>186.384,74</u>	<u>0,00</u>
Balance on 31.12.2006	<u>3.432.830,80</u>	<u>0,00</u>

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23. TRADE AND OTHER SHORT TERM RECEIVABLES

The trade receivables are analyzed as follows:

in euros	THE GROUP		THE COMPANY	
	31.12.2006	31.12.2005	31.12.2006	31.12.2005
Domestic customers	75.638.625,14	79.290.805,19	28.251.180,33	27.379.449,95
Post-dated cheques receivable and promissory notes receivable	37.586.010,11	44.586.424,07	22.939.667,78	20.800.453,44
Receivables from affiliated companies.	6.399.345,64	854.567,93	5.092.196,56	4.094.146,55
Foreign customers	1.048.204,85	1.493.335,72	257.446,95	576.116,34
Promissory notes receivable	4.780.641,09	7.164.661,12	11.458,49	1.080.960,69
Total trade receivables	125.452.826,83	133.389.794,03	56.551.950,11	53.931.126,97
Provisions for doubtful receivables	-20.158.224,89	-24.767.939,35	-11.581.778,69	-13.297.267,93
	105.294.601,94	108.621.854,68	44.970.171,42	40.633.859,04
Prepaid and withholding taxes	1.438.565,80	1.055.882,42	907.257,06	170.208,34
VAT receivable	689.588,66	2.836.105,07	44.805,80	0,00
Prepaid income tax	287.444,18	376.212,41	0,00	66.579,41
Accrued income	9.534.086,34	5.548.439,07	7.818.205,04	3.864.405,89
Prepaid expenses	2.226.662,61	2.145.580,52	1.202.945,50	1.441.421,75
Advance payments	924.601,87	897.045,01	61.620,18	260.939,64
Loans and advance payments to personnel	1.151.139,48	1.069.877,83	760.541,88	681.094,61
Other	2.843.649,45	4.277.271,07	255.787,88	2.086.674,53
Total other receivables	19.095.738,39	18.206.413,40	11.051.163,34	8.571.324,17
Grand total of trade and other receivables and receivables from related parties	124.390.340,33	126.828.268,08	56.021.334,76	49.205.183,21

The movement of provisions for doubtful receivables for the year ended December 31, 2006 was the following:

in euros	THE GROUP	THE COMPANY
Balance on January 1 2006	24.767.939,35	13.297.267,93
Difference from the proportional consolidation of a subsidiary company	-3.071.141,19	0,00
Additional provision for the year 1.1-31.12.2006	3.146.617,81	1.851.901,97
Less: Transfer of provisions to revenues after the reassessment of bad receivables	-4.685.191,08	-3.567.391,21
Balance on December 31, 2006	20.158.224,89	11.581.778,69

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24. CASH AND CASH EQUIVALENTS

Cash and cash equivalents are detailed as follows:

in euros	THE GROUP		THE COMPANY	
	31.12.2006	31.12.2005	31.12.2006	31.12.2005
Cash	261.006,46	292.651,37	30.837,27	80.979,04
Deposits with banks				
- Demand deposits	3.525.702,15	5.266.613,19	225.624,88	839.433,88
- Time deposits	<u>0,00</u>	<u>2.911.592,00</u>	<u>0,00</u>	<u>1.140.000,00</u>
Total	<u>3.786.708,61</u>	<u>8.470.856,56</u>	<u>256.641,55</u>	<u>2.060.412,92</u>

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

25. SHAREHOLDERS' EQUITY, SHARE PREMIUM

On December 31, ,2006 the issued, approved and fully paid-up share capital of the Company amounted to 45.650.000 euros, divided into 83.000.000 common shares, of 0,55 euros nominal value each and the share premium amounted to 89.759.298,10 euros. During the year 2006 was no change in the share capital of the Company.

26. RESERVES

The reserves of the Company are detailed as follows:

In euros	THE GROUP		THE COMPANY	
	31.12.2006	31.12.2005	31.12.2006	31.12.2005
Statutory reserve	3.423.195,10	3.436.527,09	2.877.769,63	2.877.769,63
Tax exempt and specially taxed reserves	13.811.390,64	12.685.415,02	8.066.142,55	8.066.142,55
Special reserves	16.582,46	16.582,46	0,00	0,00
Other reserves	<u>425.327,03</u>	<u>637.781,27</u>	<u>305.059,11</u>	<u>305.059,11</u>
Total	<u>17.676.495,23</u>	<u>16.776.305,84</u>	<u>11.248.971,29</u>	<u>11.248.971,29</u>

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

Tax exempt and specially taxed reserves: They have been formed according to various laws. According to the Greek tax legislation, specially taxed reserves are exempt from income tax, provided that they will not

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be distributed to shareholders. This figure includes an amount of 4.011.853,38 euros of the parent company, the tax liability of which is already fully paid up.

27. LONG TERM LOANS

The long term loans are analyzed as follows:

In euros	THE GROUP		THE COMPANY	
	31.12.2006	31.12.2005	31.12.2006	31.12.2005
Bond loan	10.711.949,32	13.500.000,00	10.711.949,32	13.500.000,00
Syndicated loan	<u>27.534.465,96</u>	<u>63.819.151,67</u>	<u>0,00</u>	<u>0,00</u>
Long term loans	38.246.415,28	77.319.151,67	10.711.949,32	13.500.000,00
Portion of long term loans payable in the next year	<u>-9.153.661,77</u>	<u>-13.383.424,90</u>	<u>-4.711.949,32</u>	<u>-4.500.000,00</u>
Grand total	<u>29.092.753,51</u>	<u>63.935.726,77</u>	<u>6.000.000,00</u>	<u>9.000.000,00</u>

The long term loans are payable as follows:

In euros	THE GROUP		THE COMPANY	
	31.12.2006	31.12.2005	31.12.2006	31.12.2005
Payable in the next fiscal year	9.153.661,77	13.383.424,90	4.711.949,32	4.500.000,00
Payable from 1 to 5 years	28.208.562,25	53.417.124,50	6.000.000,00	9.000.000,00
Payable after 5 years	<u>884.191,26</u>	<u>10.518.602,27</u>	<u>0,00</u>	<u>0,00</u>
Total	<u>38.246.415,28</u>	<u>77.319.151,67</u>	<u>10.711.949,32</u>	<u>13.500.000,00</u>

(a) Syndicated loan

The jointly controlled company IRIS PRINTING SA has issued a syndicated loan of 82.171.680 euros that bears interest of European interbank borrowing rate ("Euribor") plus a margin of 1,4%. The loan is payable in 37 equal quarterly installments of 2.220.856,20 euros each, the first of which is payable 12 months after the date of the first disbursement.

The syndicated loan includes also collaterals related to the sustainability of certain ratios such as: a) liquidity ratio b) debt to equity ratio, c) loan payout ratio as well as registered encumbrances. This loan expires in February 2013.

On 31.12.2006 the loan balance for the Group appears decreased mainly due to the 50% proportional consolidation of the jointly company Iris Printing SA.

(b) Bond loan

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

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The total interest expense of long term loans amounted to 1.823.454,15 euros for the Group and 458.473,58 euros for the Parent Company for the year ended December 31, 2006 (3.395.867,38 euros and 473.773,83 euros for the Group and the Parent Company respectively, for the year ended December 31, 2005) and is included in the interest expense in the attached income statement.

28. PROVISION FOR PENSION LIABILITIES

This account of the attached financial statements is analyzed as follows:

In euros	<u>THE GROUP</u>		<u>THE COMPANY</u>	
	<u>2006</u>	<u>2005</u>	<u>2006</u>	<u>2005</u>
Provision for pension liabilities	<u>13.048.391,46</u>	<u>12.229.316,02</u>	<u>10.633.979,00</u>	<u>9.650.065,00</u>

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

The pension liabilities were determined after an actuarial study.

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The pension liabilities provision recognized in the income statement of the financial years ended on 31.12.2006 and 31.12.2005 has as follows :

In euros	THE GROUP		THE COMPANY	
	2006	2005	2006	2005
Accounting Entries according to IAS 19				
Present value of non financed liabilities	15.598.782,33	15.443.451,02	12.668.682,00	11.795.294,00
Unrecognized actuarial profit / loss	<u>-2.550.390,87</u>	<u>-3.214.135,00</u>	<u>-2.034.703,00</u>	<u>-2.145.229,00</u>
Net liability recognized on the balance sheet	<u>13.048.391,46</u>	<u>12.229.316,02</u>	<u>10.633.979,00</u>	<u>9.650.065,00</u>
Amounts recognized in the income statement				
Current service cost	1.137.362,11	1.030.854,61	787.657,00	677.511,00
Interest cost on benefit obligation	556.184,28	543.351,50	445.178,00	419.967,00
Cut-backs due to transfer of employees	-69.082,00	-11.483,00	-3.601,00	0,00
Cost due to transfer of employees	68.768,52	11.482,00	0,00	7.968,00
Past service cost	0,00	12.556,41	0,00	0,00
Recognition of actuarial loss / (profit)	<u>99.946,00</u>	<u>7.501,00</u>	<u>73.283,00</u>	<u>0,00</u>
Regular expense in the income statement	<u>1.793.178,91</u>	<u>1.594.262,52</u>	<u>1.302.517,00</u>	<u>1.105.446,00</u>
Cost of additional benefits paid	424.706,68	494.678,50	276.313,00	137.863,00
Cost of cut-backs / settlements / service termination	<u>24.282,00</u>	<u>0,00</u>	<u>0,00</u>	<u>0,00</u>
Total expense in the income statement	<u>2.242.167,59</u>	<u>2.088.941,02</u>	<u>1.578.830,00</u>	<u>1.243.309,00</u>
Changes in net liability recognized on the balance sheet				
Net liability at the beginning of the fiscal year	11.708.510,02	11.386.924,00	9.650.065,00	8.991.540,00
Benefits paid	-902.286,15	-1.246.549,00	-594.916,00	-584.784,00
Total expense recognized in the income statement	<u>2.242.167,59</u>	<u>2.088.941,02</u>	<u>1.578.830,00</u>	<u>1.243.309,00</u>
Net liability at year-end	<u>13.048.391,46</u>	<u>12.229.316,02</u>	<u>10.633.979,00</u>	<u>9.650.065,00</u>

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

	2006	2005
Financing interest rate	4,20%	4,00%
Expected salary increase	4,00%	4,00%
Inflation	2,50%	2,50%

LAMBRAKIS PRESS SA
NOTES TO THE ANNUAL FINANCIAL STATEMENTS
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29. DEFERRED INCOME

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

In euros	THE GROUP	THE COMPANY
Balance on January 1, 2006	4.034.956,05	0,00
Difference due to the proportional consolidation of IRIS SA	-1.955.920,69	0,00
Additions in the period	75.809,33	0,00
Depreciation	<u>-413.572,45</u>	<u>0,00</u>
Balance on December 31, 2006	<u>1.741.272,24</u>	<u>0,00</u>

30. TRADE LIABILITIES

The trade liabilities are analyzed as follows:

In euros	THE GROUP		THE COMPANY	
	31.12.2006	31.12.2005	31.12.2006	31.12.2005
Domestic suppliers	26.350.974,40	22.884.884,80	13.171.689,17	14.598.485,32
Foreign suppliers	6.394.327,06	7.451.909,32	834.519,89	277.341,94
Post dated cheques payable	11.525.411,84	16.278.511,95	6.642.927,78	4.606.494,44
Promissory notes payable	<u>43.957,53</u>	<u>226.214,53</u>	<u>0,00</u>	<u>0,00</u>
Total	<u>44.314.670,83</u>	<u>46.841.520,60</u>	<u>20.649.136,84</u>	<u>19.482.321,70</u>

31. SHORT TERM BORROWING

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

In euros	THE GROUP		THE COMPANY	
	31.12.2006	31.12.2005	31.12.2006	31.12.2005
Available credit line	113.303.811,55	114.508.000,00	34.400.000,00	26.630.000,00
Unutilized credit line	<u>-53.883.809,86</u>	<u>-42.588.960,56</u>	<u>-28.950.000,00</u>	<u>-15.130.000,00</u>
Long term liabilities payable within 12 months	59.320.001,69	71.919.039,44	5.450.000,00	11.500.000,00
	<u>9.153.661,77</u>	<u>13.383.424,90</u>	<u>4.711.949,32</u>	<u>4.500.000,00</u>
Total	<u>68.473.663,46</u>	<u>85.302.464,34</u>	<u>10.161.949,32</u>	<u>16.000.000,00</u>

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

The weighted average interest rate of short term borrowing on 31.12.2006 was 4% (31.12.2006 : 4%)

LAMBRAKIS PRESS SA
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The interest expense relating to short term borrowing totaled 3.076.300,48 euros for the group and 653.193,22 euros for the Parent Company for the year ended on 31.12.2006 (2.974.380,46 euros on consolidated and 385.447,64 euros on parent company basis for the year ended on 31.12.2005) and is included in the interest expense of the attached income statement.

32. OTHER SHORT TERM LIABILITIES AND DEFERRED EXPENSES

The amount shown in the attached balance sheet is analyzed as follows:

In euros	THE GROUP		THE COMPANY	
	31.12.2006	31.12.2005	31.12.2006	31.12.2005
Advance payments of clients	6.522.096,17	2.203.033,75	5.367.017,32	540.674,68
Tax payable excluding income tax	4.145.072,15	3.468.202,68	1.448.203,88	1.726.970,33
Income taxes payable	0,00	458.319,83	0,00	0,00
Insurance payable	2.553.203,69	2.604.632,24	844.244,89	811.115,99
Accrued expenses	12.899.515,16	8.910.098,51	5.121.674,52	2.594.276,60
Salaries and wages payable	172.738,93	251.321,60	82.074,22	165.611,10
Dividend payable	135.817,61	242.731,04	135.817,61	242.731,04
Deferred income	1.745.779,64	1.862.360,69	924.433,35	1.033.529,55
Other transitory accounts and creditors payables	3.004.575,65	4.102.480,13	1.242.860,11	1.085.846,14
Total	<u>31.178.799,00</u>	<u>24.103.180,47</u>	<u>15.166.325,90</u>	<u>8.200.755,43</u>

Deferred expenses refer to commissions to ARGOS SA, year-end-bonus provisions, prorata, royalties, expenses for rents, telecommunication services and expenses for free-lance remunerations.

Deferred income refers primarily to receipts of subscriptions and advertisement in advance.

Other Transitory Accounts and Various Creditors refer mainly to third party remuneration and special expenses.

33 CONTINGENT LIABILITIES AND COMMITMENTS

(a) Commitments from operating leases: The future minimum lease payments according to non reversible operating leases on 31.12.2006 are:

In euros	Future commitments from operating leases on 31.12.2006	
	THE GROUP	THE COMPANY
Up to 1 year	485.143,33	229.100,02
From 1 to 5 years	<u>1.910.044,17</u>	<u>1.260.050,01</u>
Total	<u>2.395.187,50</u>	<u>1.489.150,03</u>

LAMBRAKIS PRESS SA
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(b) Commitments from financial leases: On December 31, 2006 the Group does not have any commitments for financial leases.

(c) Commitments for capital expenditures: On December 31, 2006 the Group does not have any commitments for capital expenditures.

(d) Fiscal years unaudited by the tax authorities: The Company has not been audited by the tax authorities for the fiscal years from 2000 to 2006 inclusive. Furthermore, the affiliates of the Group have not been audited by tax authorities mainly for the fiscal years 2003 - 2006. As a result their tax liabilities are not considered final. In a probable future tax audit, the tax authorities may disallow some expenses, in this way increasing the taxable earnings of the Parent Company and its subsidiaries and may impose additional tax, fines and penalties. At this point in time, it is not possible to determine accurately the amount of additional taxes and fines that may be imposed as this depends on the findings of the tax audit and the negotiations that will follow. For this reason a relevant provision has not been formed in the attached interim financial statements. The unaudited fiscal years of the affiliate companies are presented in the following table :

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Company Name	Business	Registered Office	Group Holding	Fiscal Years Unaudited by Tax Authorities
SPECIAL PUBLICATIONS SA	Publishing	Athens, GR	100,00%	5
MULTIMEDIA SA	Pre-Press	Athens, GR	100,00%	4
MICHALAKOPOULOU TOURIST – REAL ESTATE SA	Real Estate	Athens, GR	100,00%	5
STUDIO ATA SA	TV production studios	Athens, GR	99,30%	3
EUROSTAR SA	Travel agency	Athens, GR	95,50%	7
TRIAINA TRAVEL – ST. LAGAS SA	Travel agency	Athens, GR	95,50%	4
ACTION PLAN HR SA	Temporary employment services	Athens, GR	85,15%	3
ACTION PLAN SA	Call center - customer relationship management	Athens, GR	85,00%	1
LP DIGITAL SA	Holdings in digital economy - IT - internet	Athens, GR	82,62%	4
RAMNET SA	IT applications - digital publishing	Athens, GR	82,62%	4
RAMNET SHOP SA	Electronic commerce	Athens, GR	82,62%	4
ELLINIKA GRAMMATA SA	Publishing house - bookstore	Athens, GR	51,00%	4
NEA AKTINA SA	Publishing	Maroussi, GR	50,50%	4
MC HELLAS SA	Publishing	Athens, GR	50,00%	1
HEARST LAMBRAKIS PUBLISHING LTD	Publishing	Athens, GR	50,00%	2
MIKRES AGGELIES SA	Publishing	Athens, GR	33,33%	1st over-12-month fiscal year
IRIS PRINTING SA	Printing	Koropi, GR	50,00%	2
MELLON GROUP SA	Publishing	Athens, GR	50,00%	6
ARGOS SA	Press distribution agency	Koropi, GR	38,70%	2
NORTHERN GREECE PUBLICATION SA	Publishing - Printing	Thessalonica, GR	33,33%	4
PAPASOTIRIOU SA	Bookstore chain - publishing house	Athens, GR	30,00%	3
TILETIPOS SA	"Mega Channel" TV station	Athens, GR	22,11%	7

(e) Pending litigation against the company: There are pending litigation matters against the Company and its subsidiaries mainly from articles in the newspapers, the final outcome of which is not expected to have material impact on the financial standing or operation of the Company or the Group. Also, there are appeals pending before the Administrative Court of First Instance of Athens against the payment of additional contributions to pension funds by an affiliate Company amounting to approximately 3 million

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euros. It is expected that the court ruling for these appeals will be favourable and that there will be no financial impact of the affiliate and the Group.

(f) Registered encumbrances and collaterals: There are no registered encumbrances on the fixed assets of Lambrakis Press SA. On the fixed assets of the jointly controlled IRIS PRINTING SA there is a registered prenotation of mortgage of 98.606 thousand euros securing bank loans having outstanding balance of 55.069 thousand euros on 31.12.2006 as follows (in thousand euros):

a) In the mortgage registry of Kropia on an agrarian plot of a total area of 62.406,41 m ² that are located at the point «KARELA» of the Municipality of Kropia, Attica and the buildings thereon.	69.259
b) In the mortgage registry of Thives on an agrarian lot of a total area of 148.052,60 m ² that are located at the point «TSEFTELIKI» or «TSEFLIKI» of the Municipality of Inofita, Boeotia and the buildings thereon.	29.347
Total	98.606

On the fixed assets of the subsidiary ELLINIKA GRAMMATA SA there is a prenotation of mortgage registered on 23.7.1999 amounting to 352 thousand euros securing bank loans.

34. RELATED PARTY DISCLOSURES

(a) Subsidiaries, associates and jointly controlled entities

Trade and other contracts

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

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

The associate company ARGOS SA undertakes, at a percentage fee, to handle and distribute all the publications of the Company and the Group.

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

The transactions between LP SA and its subsidiaries (Note 4 c.1), associates (Note 4 c.2) and jointly controlled companies (Note 4 c.3) are the following (in euros):

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Sales		Purchases		Dividends	
01.01- 31.12.2006	01.01- 31.12.2005	01.01- 31.12.2006	01.01- 31.12.2005	01.01- 31.12.2006	01.01- 31.12.2005
<u>83.315.352,41</u>	<u>80.873.672,39</u>	<u>64.575.641,45</u>	<u>56.885.811,49</u>	<u>1.380.139,65</u>	<u>1.023.722,31</u>

Receivables		Liabilities	
31.12.2006	31.12.2005	31.12.2006	31.12.2005
<u>11.992.748,32</u>	<u>5.430.659,63</u>	<u>11.686.551,85</u>	<u>6.283.739,68</u>

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

Granted Guarantees

The guarantees granted by Lambrakis Press SA to associate companies on 31.12.2005 were the following (in thousand euros) :

Granted Guarantees	2006	2005
Northern Greece Publication SA	0,00	3.911,72
DOL Digital SA	8.300,00	6.900,00
Studio ATA SA	1.291,27	1.291,27
Ramnet SA	1.500,00	1.500,00
Mellon Group SA	0,00	2.200,00
Michalakopoulou SA	1.950,00	1.950,00
Action Plan SA	1.000,00	1.000,00
Eurostar SA	1.300,00	1.300,00
Triaina Travel SA	1.200,00	1.200,00
Special Publications SA	1.500,00	1.500,00
Other	200,00	400,00
Total	<u>18.241,27</u>	<u>23.152,99</u>

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

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

LAMBRAKIS PRESS SA
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	Company	Position in The Board of Directors / Administrator
Ch. D. Lambrakis	LP Digital SA	President
Tr. I. Koutalides	Tr. I. Koutalides Low Office – Low Firm	Administrator
	G . Ntinios - S. Nezis & Co	Associate
St. Nezis	Xanthi Nezi & Co	Associate

The sales and the purchases of Lambrakis Press to and from D. E. Publishing SA, whose liquidation was finalized on 31-8-2006, amounted to 1.772,04 euros and 0,00 euros respectively (Year 2005 : 5.999,31 euros and 678.427,81 euros respectively). The LP SA receivables from D.E. Publishing LTD on 31.12.2006 amounted to 0,00 euro (31.12.2005: 638,77 euros). The LP SA liabilities to D.E. Publishing LTD on 31.12.2006 amounted to 0,00 euro (31.12.2005 : 142,80 euros).

LP SA assigns its legal issues to the Tr. I. Koutalides law office on a fee basis.

(c) Companies having common management with LP SA

In the year 2006 the sales of Lambrakis Press SA to Athinaika Nea SA amounted to 261.754,54 euros and purchases amounted to 48.129,09 euros respectively (Year 2005 : sales 251.645,72 euros, purchases 53.156,81 euros respectively). The Lambrakis Press receivables from Athinaika Nea on 31.12.2006 amounted to 357.375,44 euros (31.12.2005 : 3.183.296,80 euros).

In the year 2006 there were no transactions or donations between the Lambrakis Press SA and the public benefit institution named Lambrakis Foundation, other than office space rent of 67.164,00 euros paid to Lambrakis Press SA by the Lambrakis Foundation (in the year 2005 there were neither sales nor purchases. Lambrakis Press SA received from Lambrakis Foundation 55.970,00 euros in office space rents and donated to it 717.500,00 euros)

(d) Remuneration of the Board of Directors

During the financial year of 2006 the remuneration expenses for the Members of the Board of Directors that render their services to the Company as senior managers amounted to 771.682,95 euros while for the financial year of 2005 they amounted to 740.000 euros.

The remuneration expenses for the members of the Board of Directors – except those Members rendering their services to the Company as senior managers - for the financial year of 2006 were setting by the Ordinary General Meeting of the Shareholders of 31.5.2006 at 10.990 euros monthly (financial year of 2005 : 10.990 euros monthly) regardless of the number of sessions of the Board or other corporate bodies in which the members participate. During the twelve month of the financial year of 2006 remuneration expenses of a gross total of 131.880 euros were paid to the Members of the Board of Directors that were debited to the earnings of the year(12 months 2005 : 131,880 euros).

LAMBRAKIS PRESS SA
NOTES TO THE ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED ON 31.12.2006

TRANSACTIONS AND REMUNERATION OF MANAGERS AND DIRECTORS				
in euros	THE GROUP		THE COMPANY	
	1.1.-31.12.2006	1.1.-31.12.2005	1.1.-31.12.2006	1.1.-31.12.2005
Transactions and remuneration of managers and directors	7.686.389,22	6.699.406,79	4.481.272,71	3.667.374,71
RECEIVABLES FROM - LIABILITIES TO MANAGERS AND DIRECTORS				
Receivables from managers and directors	0,00	0,00	0,00	0,00
Liabilities to managers and directors	0,00	0,00	0,00	0,00

Certification

The above «ANNUAL FINANCIAL STATEMENTS OF THE PARENT COMPANY AND ITS GROUP ON DECEMBER 31, 2006» and the attached «NOTES 1- 34» were approved by the Company's Board of Directors in its meeting on March 6, 2007.

Athens, March 6, 2007

THE PRESIDENT OF THE
BOARD OF DIRECTORS

THE VICE PRESIDENT OF THE
BOARD AND MANAGING
DIRECTOR

THE GENERAL MANAGER
OF THE BUSINESS
DEVELOPMENT CENTER

THE GENERAL MANAGER
OF THE CORPORATE
CENTER

THE ACCOUNTING
MANAGER

CHRISTOS D. LAMBRAKIS
Id No.: M 154944

STAVROS P. PSYCHARIS
ID No.: L 352089

STERGIOS G. NEZIS
ID No.: Ξ 305492

NICHOLAS G. PEFANIS
ID No.: Ξ 199212

THEODOROS D. DOLOS
ID No.: L 296576
Reg.No.0001984 Class A'

Lambrakis Press SA
Board of Directors Report to the Shareholders

THE BOARD OF DIRECTORS REPORT ON THE FINANCIAL STATEMENTS
OF THE YEAR 2006

Lambrakis Press SA Board of Directors Report to the Shareholders

THE BOARD OF DIRECTORS REPORT TO THE SHAREHOLDERS

Ladies and Gentlemen,

The Board of Directors of "LAMBRAKIS PRESS SA" is honoured to submit to you for approval the annual financial statements and the concise data and information of the year 1.1.2006 – 31.12.2006, the Company's 36th fiscal year, pursuant to art. 35 of Law 2190/1920 according to the International Accounting Standards.

In relation to the development of the Company's key financial figures, the following are reported:

Assets

Intangible Assets

Intangible assets include the non-depreciated balance of investments in computer software.

These expenditures refer to the Company's investments in printed products and computer software.

The account "Establishment Expenses" is detailed in the following table:

DETAILED TABLE OF AMOUNTS IN ACCOUNT "INTANGIBLE ASSETS" AS OF 31.12.2006

	ACQUISITION VALUE				DEPRECIATION				Non depreciated balance 31.12.06
	Balance on 31.12.05	Fiscal year's additions	Fiscal year's deletions - transfers	Balance on 31.12.06	Balance on 31.12.05	Fiscal year's depreciations	Fiscal year's deletions - Transfers	Total depreciation	
Intangible assets	2.356.923,10	241.848,75	0,00	2.628.771,85	1.865.658,21	229.142,22	0,00	2.094.800,43	533.971,42
TOTAL	2.356.923,10	241.848,75	0,00	2.628.771,85	1.865.658,21	229.142,22	0,00	2.094.800,43	533.971,42

Tangible Assets

In the first adoption of the International Accounting Standards and according to I.F.R.S. 1 the Company valued the land and buildings at their fair value pursuant to a valuation study by recognized surveyors. The goodwill that stemmed from the valuation amounted to 12.421.784,25 euros and was recognized directly to the Equity of the Company.

In 2006 the value of the land lots was decreased by thousand € 7.871 due to the sale of the building at 18, Panepistimiou str. In 2006 the value of the buildings was increased by thousand € 50 due to the refurbishment at Building Installations in Third Party Property that referred to the leased building at 80, Michalakopoulou str. Respectively was decreased by thousand € 5.996 due to the sale of the building at 18, Panepistimiou str and by thousand € 80 due to the write-off of Building Installations in Third Party Property that referred to the leased buildings at 4, Feidiou str, 1, Chr. Lada str. and 2, Chr. Lada str.

In 2006 the value of the installed machinery increased by thousand € 8 and decreased by thousand € 142.

In 2006 the other investments (furniture, appliances and transportation) amounted to thousand €186 vs. € thousand 490 euros in 2005 and there were also asset sales and deletions amounting to € 507.

Lambrakis Press SA Board of Directors Report to the Shareholders

The Company depreciates the value of the buildings consistently every year on the basis of their useful life according to the study of recognized surveyors. The useful life of the Company's buildings was assessed to 40 years. The Company depreciates the other fixed assets consistently every year on the basis of their useful life.

The total amount of fixed assets at acquisition cost reached 32.948 thousand on 31.12.2006 with an undepreciated balance of 23.222 thousand euros vs. 43.225 thousand euros and 33.907 thousand euros respectively of the previous year.

TABLE OF CHANGES IN FIXED ASSETS 31.12.2006

	Acquisition value				Depreciation				Non-depreciated balance
	Balance on 31.12.2005	Fiscal year's additions	Deletions - Transfers	Balance on 31.12.2006	Balance on 31.12.2005	Fiscal year's depreciation	Fiscal year's deletions	Total depreciation	
Land	11.667.294,55	0,00	-3.796.238,74	7.801.055,81	0,00	0,00	0,00	0,00	7.871.055,81
Buildings – building installations	20.913.162,42	50.700,00	-6.076.362,69	14.887.499,73	1.192.900,71	539.116,77	-527.505,65	1.204.511,83	13.682.987,90
Machinery and equipment	1.198.623,33	8.000,00	-142.074,83	1.064.548,50	953.979,62	94.486,14	-73.593,55	974.872,21	89.676,29
Transportation	421.715,39	0,00	-42.614,82	379.100,57	352.682,30	34.352,41	-36.222,58	350.812,13	28.288,44
Furniture and appliances	9.023.713,87	186.414,69	-464.729,12	8.745.399,44	6.817.578,91	837.941,98	-459.804,77	7.195.716,12	1.549.683,32
Fixed assets under construction	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
TOTAL	43.224.509,56	245.114,69	-10.522.020,20	32.947.604,05	9.317.141,54	1.505.897,30	-1.097.126,55	9.725.912,29	23.221.691,76

Lambrakis Press SA
Board of Directors Report to the Shareholders

Participations

The following table itemizes the Company's participations on 31.12.2005 and their respective changes until 31.12.2006.

(amounts in thousand euros)

Company name	Holdings 31.12.2005		Holdings 31.12.2006	
	Acquisition value under IFRS	Holding %	Acquisition value under I.F.R.S.	Holding %
MULTIMEDIA S.A.	1.802	100,00%	1.802	100,00%
DOL DIGITAL S.A.	5.001	82,62%	5.001	82,62%
IRIS PRINTING S.A.	38.246	70,00%	27.318	50,00%
ARGOS S.A.	1.126	38,70%	1.126	38,70%
MELLON GROUP SA	734	50,00%	734	50,00%
NORTHERN GREECE PUBLISHING S.A.	5.694	33,33%	5.694	33,33%
STUDIO ATA S.A.	2.816	99,30%	2.816	99,30%
TILETYPOS S.A.	12.976	10,76%	34.316	22,11%
ACTION PLAN S.A.	4.108	85,00%	4.109	85,00%
NEA AKTINA S.A.	44	50,50%	45	50,50%
SPECIAL PUBLICATIONS S.A.	0	100,00%	0	100,00%
MC HELLAS S.A.	734	50,00%	734	50,00%
HEARST DOL PUBLISHING LTD	748	50,00%	748	50,00%
EUROSTAR S.A.	6.785	95,50%	6.785	95,50%
PAPASOTIRIOU S.A.	2.054	30,00%	2.054	30,00%
ELLINIKA GRAMMATA S.A.	604	51,00%	604	51,00%
ILISSOS PUBLICATIONS S.A.	250	50,00%	125	50,00%
MIKRES AGGELIES S.A.	800	33,33%	800	33,33%
EKDOSEIS 4 LTD	0	30,00%	0	30,00%
ACTION PLAN H.R. S.A.	2	1,00%	2	1,00%
MICHALAKOPOULOU TOURIST – REAL ESTATE S.A.	24.781	100,00%	24.781	100,00%
M. LEVIS S.A.	19	5,00%	19	5,00%
MICROLAND S.A.	2.145	2,64%	2.388	2,64%
PAPER PACK - I. TSOUKARIDIS S.A.	2.643	36,10%	2.454	36,74%
HAIDEMENOS S.A.	43	0.434%	89	0,40%
TOTAL	114.155		124.544	

Lambrakis Press SA Board of Directors Report to the Shareholders

Their acquisition value, their valuation pursuant to art. 43 par. 6 of Law 2190/1920 and the current intrinsic book or market value is detailed in the following table.

(amounts in thousand euros)

Company info	Holding %	Balance sheet of fiscal year	Total equity under I.F.R.S.	Earnings fiscal after tax of years	Acquisition value under I.F.R.S.
<u>1) DOL DIGITAL S.A.</u> Registered office: 80, Michlakopoulou st., Athens VAT No.: 94212684 Registration number in the Ministry of Finance, Prefecture of Athens: 15793/01/B/87/414	82,62%	2006	874	514	5.001
<u>2) MULTIMEDIA S.A.</u> Registered office: 3, Chr. Lada street, Athens VAT No.: 94239623 Registration number in the Ministry of Finance, Prefecture of Athens: 17189/01/B/88/307	100,00%	2006	1.239	257	1.802
<u>3) TILETYPOS SA</u> Registered office: 117, Mesogeion ave., Halandri VAT No.: 942538918 Registration number in the Ministry of Finance, Prefecture of Athens: 19407/04/B/89/208	22,11%	30/9/06	113.443	1.848	34.316
<u>4) STUDIO ATA S.A.</u> Registered office: 10, Ziridi street, Marousi VAT No.: 094328785 Registration number in the Ministry of Finance, Prefecture of Athens: 25466/01AT/B/91/297	95,00%	2006	641	473	2.816
<u>5) MELLON GROUP SA</u> Registered office: 5, Benaki & Ag. Nektariou street, Halandri Registration number in the Ministry of Finance, Prefecture of Athens: 34297/01AT/B/95/299	50,00%	2005	1.221	176	734
<u>6) IRIS PRINTING SA</u> Registered office : 20 th km, Lavriou ave., Koropi VAT No.: 094328620 IRS: Athens Industrial Companies Registration number in the Ministry of Finance, Prefecture of Athens: 25302/04/B/91/175	50,00%	2006	87.420	2,81	27.318
<u>7) ARGOS S.A. (consolidated data)</u> Registered office : 3, Emm. Papa street, Egaleo VAT No.: 094533098 IRS: Athens Industrial Companies	38,70%	2004	5.174	1.830	1.126
<u>8) NORTHERN GREECE PUBLISHING S.A.</u> Registered office : 45, Tsimiski street, Thessaloniki VAT No.: 94490973 IRS: Thessaloniki Commercial Companies	33,33%	2005	5.208	348	5.694
<u>9) PAPASOTIRIOU S.A.</u> Registered office : 35, Stournari street, Athens VAT No.: 094397477 Registration number in the Ministry of Finance, Prefecture of Athens: 29741/01/B/93/525	30,00%	2005	1.681	262	2.054
<u>10) EUROSTAR S.A.</u> Registered office : 80, Michalakopoulou st., Athens VAT No.: 094495077 Registration number in the Ministry of Finance, Prefecture of Athens: 37137/01/B/96/571	95,50%	2006	7.971	181	6.785

Lambrakis Press SA

Board of Directors Report to the Shareholders

Company info	Holding %	Balance sheet of fiscal year	Total equity under I.F.R.S.	Earnings fiscal after tax	of years	Acquisition under I.F.R.S.	value
11) NEA AKTINA S.A. Registered office : 7, Fragoklisias st., Marousi VAT No.: 099359646 Registration number in the Ministry of Finance, Prefecture of Athens: 43316/01AT/B/99/211	50,50%	2006	460	230			45
12) ELLINIKA GRAMMATA S.A. Registered office : 6, Gennadiou st., Athens VAT No.: 099547749 Registration number in the Ministry of Finance, Prefecture of Athens: 45154/01/B/00/47	51,00%	2006	(3.549)	(427)			604
13) SPECIAL PUBLICATIONS S.A. Registered office : 80, Michalakopoulou st., Athens VAT No.: 094250615 Registration number in the Ministry of Finance, Prefecture of Athens: 45154/01/B/00/47	100%	2006	(6.283)	(125)			0
14) HEARST – DOL PUBLISHING LTD Registered office : 80, Michalakopoulou st., Athens VAT No.: 099632655	50,00%	2006	2.132	513			748
15) MC HELLAS S.A. Registered office : 18, Panepistimiou st., Athens VAT No.: 099360239 Registration number in the Ministry of Finance, Prefecture of Athens: 44343/01/B/99/610	50,00%	2006	981	(322)			734
16) ACTION PLAN S.A. Registered office : 24, Stadiou st., Athens VAT No.: 099365259 Registration in the Ministry of Finance, Prefecture of Athens: 43276/01/B/99/356	85,00%	2006	386	235			4.109
17) EKDOSEIS 4 LTD Registered office : 85, Akadimias st., Athens VAT No.: 099913940	30,00%	2002	-	-			0
18) MICHALAKOPOULOU REAL ESTATE-TOURIST SA Registered office: 18, Panepistimiou st., Athens VAT No.: 999982777 Registration number in the Ministry of Finance, Prefecture of Athens: 48926/01/B/01/290	100%	2006	22.707	101			24.781
19) MIKRES AGGELIES S.A Registered office: 80, Michalakopoulou st., Athens VAT No.: 999645299 Registration number in the Ministry of Finance, Prefecture of Athens: 59359/01/B/05/444	33,33%	2006	(1.486)	(3.886)			800
20) ILISSOS PUBLICATIONS S.A. Registered office: 80, Michalakopoulou st., Athens VAT No.: 999644856 Registration number in the Ministry of Finance, Prefecture of Athens: 58592/01/B/05/189	50%	30/11/06	252	(16)			125
21) ACTION PLAN H.R. S.A. Registered office : 24, Stadiou st. Athens VAT No.: 999842443 Registration number in the Ministry of Finance, Prefecture of Athens: 51185/01/B/02/118	1,00%	2006	57	(161)			2

- Companies in which we have a holding through:

a) DOL DIGITAL SA in which we hold 82,62%:

1.	FTEROTOS ERMIS S.A.	Holding	35,11%
2.	INTEROPTICS S.A.	"	37,18%

Lambrakis Press SA
Board of Directors Report to the Shareholders

3.	RAMNET S.A.	"	82,62%
4.	RAMNET SHOP S.A.	"	82,62%
5.	PHAISTOS NETWORKS S.A.	"	41,31%

b) EUROSTAR SA in which we hold 95,50%:

1.	TRIAINA TRAVEL – ST.LAGAS S.A.	Holding	95,50%
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Other Long Term Receivables

The Other Long Term Receivables are detailed as follows:

- Lease guarantees	403.796,12
- Consumption guarantees	15.089,61
	418.885,73
	418.885,73

Current Assets

Inventory

The Company's inventory as at 31.12.2006 amounted to 4.531 thousand euros vs. 3.119 thousand euros in 2005.

Merchandise were increased from 1.980 thousand euros on 31.12.2005 to 2.562 thousand euros on 31.12.2006.

On 31.12.2006 finished and unfinished goods were increased by 640 thousand euros compared to 31.12.2005.

The Company always applies the first-in-first-out (FIFO) method to evaluate its inventory.

Receivables

The fiscal year's receivables amounted to 56.021 thousand euros vs. 49.837 thousand euros during last year.

The Company's credit policy is to grant an average of 7 month credit to its customers.

Until 31.12.2005 the Company had created in Equity a reserve account for "Provisions for Bad Debtors" amounting to 13.297 thousand euros while on 31.12.2006 this account had a balance of 11.582 thousand euros.

On 31.12.2006 the Company do not hold securities (repos). On 31.12.2005 the company's securities amounted at 1.140 thousand euros .

Lambrakis Press SA

Board of Directors Report to the Shareholders

Cash and cash equivalents

The balance of cash and cash equivalents amounted to 256 thousand euros vs. 2,060 thousand euros in the previous year.

Transitory accounts

These accounts include primarily the next fiscal year expenses (royalties, rents, insurance premia, subscriptions e.t.c.) amounting to 1.203 thousand euros vs. 1.441 thousand euros previous year as well as provisions for revenue from the sale of newspapers and magazines mainly from areas outside Athens amounting to 7,818 thousand euros vs. 3.864 thousand euros last year.

Equity and Liabilities

Equity

The total equity in 2005 amounted to 149.856 thousand euros vs. previous year's 145.272 thousand euros.

Provisions

The balance of this account in the current fiscal year refers to a provision for pension liability amounting to 10.634 thousand euros compared to 8.992 thousand euros for pension liabilities previous year and 1 thousand euros for positive foreign exchange differences .

Long- and Short-Term Bank Liabilities

On 31.12.2006 the Company's long term borrowing reached 10.712 thousand euros and refers to a bond loan issued within 2004 with a duration of 5.5 years. An amount of 4.712 thousand euros representing long-term liabilities payable in the next fiscal year is recognized in short-term liabilities.

On 31.12.2006 the short-term borrowing relating to working capital amounted to 5.450 thousand euros vs. 11.500 thousand euros on 31.12.2005.

Suppliers and Cheques Payable

The Company does not have any long-term liabilities towards its suppliers.

On 31.12.2006 the balance of the above accounts was 20.649 thousand euros compared to 19.482 thousand euros on 31.12.2005.

Such balances are current and recur every year.

Lambrakis Press SA

Board of Directors Report to the Shareholders

Taxes, Stamp duties and Pension Funds

The balances of these accounts in the reviewed period are current, stemming from the Company's operation. The Company always pays off its liabilities to the State, the various pension funds and other entities within the deadlines set by Law.

There are no overdue liabilities from tax, pension funds or other pension organizations.

Transitory accounts

The transitory accounts include deferred income amounting to 924 thousand euros, out of which 843 thousand euros refer to advance collections of subscriptions, 81 thousand euros to advertisement. They also include deferred expenses paid amounting to 5.122 thousand euros, for which the following provisions have been made: Provisions for ARGOS SA 2.226 thousand euros, year-end bonuses of advertisers 579 thousand euros, prorated provision 153 thousand euros, royalties and rights: 1.340 thousand euros, provisions for interest payable 2 thousand euros, rentals 16 thousand euros, provision of compensation and benefits of third parties 556 thousand euros, provision for salaries and wages 53 thousand euros, provision for insurance 15 thousand euros, electricity and water supply 48 thousand euros, telecommunications 12 thousand euros, provision for auditors' remuneration 49 thousand euros and other provisions 73 thousand euros.

On the earnings of the fiscal year

In relation to the Company's earnings for fiscal year 2006, we commend the following:

In the reviewed fiscal year (2006) the Company's turnover reached 140.392 thousand euros vs. 136.699 thousand euros last year. In these total revenues, the circulation and advertisement revenue stood at 123.485 thousand euros, while the revenues from rendered services were 6.183 thousand euros. The revenue from sales of promotional products and by-products reached 10.351 thousand euros, while revenue from the sale of other inventories amounted to 373 thousand euros. Besides that, there are revenues amounting to 5.497 thousand euros that refer to rentals of buildings, machinery and revenues from rendered services.

The net financial income amounted to -1.100 thousand euros vs. -889 thousand euros of the previous year.

The special expenses of this fiscal year amounted to 2.118 thousand euros.

Lambrakis Press SA
Board of Directors Report to the Shareholders

LAMBRAKIS PRESS SA
ANNUAL INCOME STATEMENT

In euros

THE COMPANY

	01.01 – 31.12.2006	01.01 – 31.12.2005
Sales	140.392.142,58	136.699.089,14
Less: Cost of goods sold	-86.191.554,58	-86.123.566,13
Gross profit	54.200.588,00	50.575.523,01
Less: Administrative expenses	-13.678.888,49	-14.151.258,37
Selling expenses	-46.843.765,39	-41.279.160,47
Plus: Other operating earnings	5.496.652,02	2.173.851,49
Operating earnings	-825.413,86	-2.681.044,34
Plus: Earnings from investments and securities	7.429.075,84	4,278,317,58
Financial earnings	-1.099.811,02	-889.000,96
Earnings before tax	5.503.850,96	708.272,08
Less: Income tax	-920.015,70	-79.113,41
Earnings after tax	4.583.835,26	629.158,87
Earnings per share (basic and diluted)	0,0552	0,0076
Weighted average number of shares	83.000.000	83.000.000

Lambrakis Press SA

Board of Directors Report to the Shareholders

Notes :

1. The parent company is unaudited by the Tax Authorities for the fiscal years 2000 up to 2006
2. The amounts of the Company's aggregate purchases from its affiliates for the periods 1.1 - 31.12.2006 and 1.1 - 31.12.2005 amount to 64.576 thousand euros and 56.886 thousand euros respectively.
The amounts of the Company's aggregate sales to its affiliates for the periods 1.1 - 31.12.2006 and 1.1 - 31.12.2005 amount to 83.315 thousand euros and 80.874 thousand euros respectively
The balances of the Company's liabilities towards its affiliated companies on 31.12.2006 and 31.12.2005 amount to 11.687 thousand euros and 6.284 thousand euros respectively. The balances of the Company's receivables from its affiliated companies on 31.12.2006 and 31.12.2005 amount to 11.993 thousand euros and 5.431 thousand euros respectively.
3. The number of employed personnel on 31.12.2006 was 814 employees (31.12.2005: 833 employees).
4. There are no registered encumbrances on the real estate assets of the Company.
5. There are pending litigation matters against the company stemming mainly from articles in the newspapers, the final outcome of which is not estimated to have a material impact on the financial standing or operation of the Company.
6. The analysis of the consolidated turnover per sector of business activity (STAKOD 03) for the period 1.1. - 31.12.2006 is the following (in thousand of euros): Code 221.2: € 100.998,01; code 221.3: € 23.537,86; code 521.4: € 10.351,29; code 741.5: € 5.132,47; code 515.7: € 372,52.
7. In February 2006, Lambrakis Press SA sold and transferred to third parties 20% of the share capital of IRIS PRINTING SA, against 17 million euros. As a result the holding of Lambrakis Press SA in the share capital of this affiliate was reduced to 50% from 70% before the sale. Following this sale IRIS PRINTING SA was consolidated proportionally in the consolidated annual financial statements of 2006, while in the annual consolidated statements of 2005 this affiliate was fully consolidated.
8. During 2006 Lambrakis Press SA increased its holding in the share capital of TILETYPOS SA from 10,76% to 22,11%. As a result in the fiscal year 2006, TILETYPOS SA was included in the consolidated statements of Lambrakis Press SA using the equity method of accounting, while in the fiscal year 2005 this affiliate was not consolidated.
10. On August 31, 2006 the company ILISSOS PUBLISHING SA was placed under liquidation and consequently it is no longer included in the consolidated financial statements of Lambrakis Press SA.
11. The Company carries out its business through 6 branch offices, 5 warehouses and 4 offices.

Land properties

Land plot (proportion) at Doiranis and Zaloggou street, land plot (proportion of 4th floor) at 1, Chr. Lada street, plot of land (proportion of 5th floor) at 1 Chr. Lada street, land plot (proportion of 8th floor) at 1, Chr. Lada street, land plot at 3, Chr. Lada street, land plot in Thessalonica, land plot in Chania, Crete, land plot (proportion of 7th floor) at 9-10a, Karytsi square, land plot in Paiania, location Pousi Hatzi.

Lambrakis Press SA

Board of Directors Report to the Shareholders

Buildings

Warehouse at Doiranis & Zaloggou street, 4th floor of building at 1, Chr. Lada street, 5th floor of building at 1, Chr. Lada street, 8th floor of building at 1, Chr. Lada street, building at 3, Chr. Lada street, 7th floor of building at 9-10a Karytsi square , building at Paiania.

1. The Company does not hold any foreign exchange.

Perspectives for 2007

In fiscal year 2006, Lambrakis Press co-operated with an international consulting firm and carried out a plan of administrative and operational restructuring of the group based on the modern international standards followed by mass media companies. The restructuring plan is expected to be completed in 2007.

In the above context, Lambrakis Press Group

The Parent Company is organized on the basis of 5 business units (BUs), ("TO VIMA" newspaper BU, "TA NEA" newspaper BU, Magazine BU, Digital Media BU and Media Affiliates BU), that comprise the core business of the Group. The business units are self-contained and their heads are responsible for the progress of business, the required investment and the financial results of the business activities assigned to their Bus.

The business units are supported by two Centers as follows:

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

The Corporate Center that supervises the financial and administrative operations of the group, and the HR and purchasing departments. The Corporate Center has also been assigned the supervision of the non-media sector affiliates of the Group.

The above structure is part of the Group's strategic planning to concentrate and utilize the Group's resources in order to develop profitable business activities directly related to its core business while concurrently disengaging resources from business that are either non-core or low making.

This strategic approach, as detailed in the 3-year business plan that the Company prepared, is expected to maximize the benefits arising from focusing the corporate resources on the core business, will strengthen its competitiveness, will lower the probable risks from the dispersion of resources in various business activities in which the Group does have any competitive advantages and will finally improve the performance of the invested capital creating positive excess value and strengthening the Group's prospects to the benefit of its shareholders.

Moving towards this direction, the Group intends to strengthen its position in the mass media sector, whether those media refer to traditional printed media and TV or the emerging new digital media.

The targets of the Group for 2007 include strengthening the operational profitability through the immediate adoption of specific initiatives in sales promotion, decreasing the operational costs and exploiting economies of scale and synergies.

Lambrakis Press SA **Board of Directors Report to the Shareholders**

In particular, the measures already taken concern the upgrade of sales monitoring systems, the adjustment, the adjustment of commercial policies, the development of strategies on the basis of tested international practices to improve the image of the newspapers and magazines and the increase of their circulation, the rationalization of the distribution model through monitoring sales and unsold copy returns, the optimization of special offers per issue, the decrease of production costs and the rationalization of advertisement campaigns and promotions (maximization of results in the most efficient way).

THE BOARD OF DIRECTORS

THE PRESIDENT
OF THE BOARD OF DIRECTORS

Chr. Lambrakis

THE VICE PRESIDENT AND
MANAGING DIRECTOR

St. Psycharis

THE MEMBERS OF THE BOARD

El Glykatzi - Ahrweiler

I. Goumas

P. Kapsis

N. Koritsas

Tr. Koutalidis

K. Lymberopoulos

Ad. Pepelassis

Gr. Skalkeas

Exact copy

Athens, March 6, 2007

The President of the Board of Director

Christos D. Lambrakis

It is hereby certified that the above report consisting of 13 pages is the one mentioned in the Certificate of
Audit issued on March 6, 2007.

Athens, March 6, 2007

THE CERTIFIED AUDITORS ACCOUNTANTS

HARALAMBOS AR. PETROPOULOS

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

S.O.L. S.A.

Lambrakis Press SA
Board of Directors Report to the Shareholders

**THE BOARD OF DIRECTORS REPORT ON THE CONSOLIDATED STATEMENTS
OF THE FINANCIAL YEAR 2006**

Lambrakis Press SA

Board of Directors Report to the Shareholders

THE BOARD OF DIRECTORS REPORT ON THE CONSOLIDATED STATEMENTS

To the Ordinary Annual General Meeting of the Shareholders of the Company

Ladies and Gentlemen,

Our holding percentages and the nominal financial value of each share in the above companies on 31.12.2005 are the following:

We are honoured to submit to the General Meeting the Annual Financial Statements of the fiscal year 2006 prepared under the Law that refer to the Companies: LAMBRAKIS PRESS SA and its affiliates MULTIMEDIA SA, NEA AKTINA SA, STUDIO ATA SA, SPECIAL PUBLICATIONS SA., MC HELLAS SA, HEARST LAMBRAKIS PUBLISHING LTD, ACTION PLAN SA, ACTION PLAN H.R. SA. EUROSTAR SA, MIKRES AGGELIES SA, TRIAINA TRAVEL SA, IRIS PRINTING SA, DOL DIGITAL SA, RAMNET SA, RAMNET SHOP SA, ELLINIKA GRAMMATA SA and MICHALAKOPOULOU REAL ESTATE-TOURIST SA.

Our holding percentages and the nominal financial value of each share in the above companies on 31.12.2006 are the following:

	Holding %	Nominal value per share (in euros)
MULTIMEDIA SA	100,00%	29,35
NEA AKTINA SA	50,50%	2,93
STUDIO ATA SA	99,30%	29,35
SPECIAL PUBLICATIONS SA	100,00%	3,00
MC HELLAS SA	50,00%	29,35
HEARST-LAMBRAKIS PUBLISHING LTD	50,00%	30,00
ACTION PLAN SA	85,00%	29,35
ACTION PLAN H.R. SA	85,15%	3,00
EUROSTAR SA	95,50%	30,00
TRIAINA TRAVEL SA	95,50%	30,00
IRIS PRINTING SA	50,00%	3,00
DOL DIGITAL SA	82,62%	5,88
RAMNET SA	82,62%	29,35
RAMNET SHOP SA	82,62%	29,35
ELLINIKA GRAMMATA SA	51,00%	29,35
MICHALAKOPOULOU TOURIST – REAL ESTATE SA	100,00%	100,00
MIKRES AGGELIES SA	33,33%	5,00

Lambrakis Press SA **Board of Directors Report to the Shareholders**

The principal points of the activity and the earnings of the fiscal year 2006 are as follows:

- On 31.12.2006 the turnover reached 276.769 thousand euros vs. 296.274 thousand euros in the previous year.
- The gross operating profit reached 82.910 thousand euros vs. 82.515 thousand euros of the previous year.
- The total non current assets of the Group reached 153.671 thousand euros vs. 223.570 thousand euros in the previous year, decreasing by 12.926 thousand euros.

The regulations of art. 101 to 107 of Codified Law 2190/1920 were applied in the preparation of the Consolidated Financial Statements of this year so as to give a fair presentation of the asset structure, the financial position and the income statement of the consolidated companies.

The following table presents the consolidated equity as they stand on 31.12.2006 and in the previous fiscal year.

<u>Total equity</u>	<u>31.12.2006</u>	<u>31.12.2005</u>
	<u>(in thousand euros)</u>	
Share capital	45.650	45.650
Difference from the issue of shares above par	89.759	89.759
Reserves	17.677	16.564
Retained earnings	-33.086	-23.214
Minority interests	548	26.796
	120.548	155.555

The equity to debt ratio for the year 2006 reached 0,629 €, while for the year 2005 it was 0,647.

Lambrakis Press SA
Board of Directors Report to the Shareholders

TRANSACTIONS OF THE COMPANY WITH ITS AFFILIATES (ART. 2 OF LAW 3016/2002)

1. INTERCOMPANY BALANCES OF DEBTORS – SUPPLIERS ON 31.1.2006

COMPANY HAVING THE LIABILITY	COMPANY HAVING THE RECEIVABLE				
	LP SA	HEARST – LAMBRAKIS LTD	MC HELLAS SA	SPECIAL PUBLICATIONS SA	NEA AKTINA SA
LP SA		1.237,60	7.165,47	27.266,02	2.974,07
HEARST – LAMBRAKIS LTD	396,27			7.527,81	
MC HELLAS SA				257,89	
SPECIAL PUBLICATIONS AS	2.435,48	16.784,32	3.557,08		
NEA AKTINA SA					
MIKRES AGGELIES SA					
IRIS PRINTING SA	3.028.558,79	301.518,08	949.961,58	759.606,66	151.057,23
MULTIMEDIA SA	168.039,44	35.849,41	28.798,56	21.395,35	
EUROSTAR SA	277.357,94		207,00	1.055,00	
TRIAINA TRAVEL SA					
LP DIGITAL SA					
RAMNET SA	15.024,64	1.606,50			
MICHALAKOPOULOU SA					
ACTION PLAN SA	94.032,56		2.407,08		
ACTION PLAN HR SA					
STUDIO ATA SA					
RAMNET SHOP SA	2.433,00	76,00	614,00		
ELLINIKA GRAMMATA SA	1.540.877,73			45,00	
TOTAL LIABILITIES	5.129.155,85	357.071,91	992.710,77	817.153,73	154.031,30

COMPANY HAVING THE LIABILITY	COMPANY HAVING THE RECEIVABLE			
	MIKRES AGGELIES SA	IRIS PRINTING SA	MULTIMEDIA SA	EUROSTAR SA
LP SA	195,16	549,07	774,52	22.686,34
HEARST – LAMBRAKIS LTD				
MC HELLAS SA				
SPECIAL PUBLICATIONS AS				
NEA AKTINA SA				
MIKRES AGGELIES SA				4.925,41
IRIS PRINTING SA	2.419.902,19		725.575,21	55.083,02
MULTIMEDIA SA	1.449,81	13.041,13		93.818,30
EUROSTAR SA		1.686,96		
TRIAINA TRAVEL SA				2.252,64
LP DIGITAL SA				
RAMNET SA				150,00
MICHALAKOPOULOU SA				
ACTION PLAN SA			1.011,29	
ACTION PLAN HR SA				
STUDIO ATA SA				
RAMNET SHOP SA	2.795,98	9.924,72	6.424,00	1.324,00
ELLINIKA GRAMMATA SA		1.049,90	195,61	
TOTAL LIABILITIES	2.424.343,14	26.251,78	733.980,63	180.239,71

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COMPANY HAVING THE LIABILITY	COMPANY HAVING THE RECEIVABLE				
	TRIAINA TRAVEL SA	LP DIGITAL SA	RAMNET SA	MICHALAKOPOULOU SA	ACTION PLAN SA
LP SA	1.267,44	1.304,95	26.532,29	118,13	220.015,24
HEARST – LAMBRAKIS LTD					
MC HELLAS SA					
SPECIAL PUBLICATIONS AS					
NEA AKTINA SA					
MIKRES AGGELIES SA					2.586,49
IRIS PRINTING SA					11.364,50
MULTIMEDIA SA	8.079,81		11.325,13		36.998,14
EUROSTAR SA	592.825,89		1.305,45		
TRIAINA TRAVEL SA					
LP DIGITAL SA					
RAMNET SA					
MICHALAKOPOULOU SA					
ACTION PLAN SA			2.091,50		
ACTION PLAN HR SA					
STUDIO ATA SA					
RAMNET SHOP SA			2.837,60		1.091,49
ELLINIKA GRAMMATA SA					
TOTAL LIABILITIES	602.173,14	1.304,95	44.091,97	118,13	272.055,86

COMPANY HAVING THE LIABILITY	COMPANY HAVING THE RECEIVABLE				
	ACTION PLAN HR SA	STUDIO ATA SA	RAMNET SHOP SA	ELLINIKA GRAMMATA SA	TOTAL RECEIVABLES
LP SA	3.630,88	806,80	35.354,85	818.529,63	1.170.408,46
HEARST – LAMBRAKIS LTD					7.924,08
MC HELLAS SA					257,89
SPECIAL PUBLICATIONS AS				4.593,40	27.370,28
NEA AKTINA SA			320,27	1.695,75	2.016,02
MIKRES AGGELIES SA		107,10			7.619,00
IRIS PRINTING SA				3.096.120,93	11.498.748,19
MULTIMEDIA SA			143,16	782.922,11	1.201.860,35
EUROSTAR SA				1.877,64	876.315,88
TRIAINA TRAVEL SA					2.252,64
LP DIGITAL SA					0,00
RAMNET SA				19.572,12	36.353,26
MICHALAKOPOULOU SA					0,00
ACTION PLAN SA	37.535,00			21.152,66	158.230,09
ACTION PLAN HR SA					0,00
STUDIO ATA SA					0,00
RAMNET SHOP SA				8.102,16	35.622,95
ELLINIKA GRAMMATA SA		1,17	2.335,51		1.544.504,92
TOTAL LIABILITIES	41.165,88	915,07	38.153,79	4.754.566,40	16.569.484,01

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2) INTERCOMPANY BALANCES OF OTHER SHORT-TERM RECEIVABLES - LIABILITIES OF AFFILIATED COMPANIES ON 31.12.2005 (IN THOUSAND EUROS)

COMPANY HAVING THE LIABILITY	COMPANY HAVING THE RECEIVABLE				
	LP SA	HEARST – LAMBRAKIS LTD	MC HELLAS SA	SPECIAL PUBLICATIONS SA	NEA AKTINA SA
LP SA		53.965,45	737.119,45	523.875,20	22.530,93
HEARST – LAMBRAKIS LTD	862,70		118.503,97		
MC HELLAS SA	72.775,64	8.899,61			
SPECIAL PUBLICATIONS AS	127.117,86		631,02		
NEA AKTINA SA					
MIKRES AGGELIES SA	218.844,23				
IRIS PRINTING SA	14.133,92				
MULTIMEDIA SA					
EUROSTAR SA					
TRIAINA TRAVEL SA	238,00				
LP DIGITAL SA					
RAMNET SA	72.008,10		312,13	21.831,43	
MICHALAKOPOULOU SA					
ACTION PLAN SA	1.274,40				
ACTION PLAN HR SA					
STUDIO ATA SA					
RAMNET SHOP SA					
ELLINIKA GRAMMATA SA					
TOTAL LIABILITIES	507.254,85	62.865,06	856.566,57	545.706,63	22.530,93

COMPANY HAVING THE LIABILITY	COMPANY HAVING THE RECEIVABLE			
	MIKRES AGGELIES SA	IRIS PRINTING SA	MULTIMEDIA SA	EUROSTAR SA
LP SA	164.611,52	101.027,22	132.580,74	206.767,19
HEARST – LAMBRAKIS LTD				
MC HELLAS SA		2.985,47		413,00
SPECIAL PUBLICATIONS AS				153,40
NEA AKTINA SA				
MIKRES AGGELIES SA				
IRIS PRINTING SA				
MULTIMEDIA SA				
EUROSTAR SA				
TRIAINA TRAVEL SA				
LP DIGITAL SA		1.785,00		
RAMNET SA			531,00	
MICHALAKOPOULOU SA				
ACTION PLAN SA				
ACTION PLAN HR SA				
STUDIO ATA SA				
RAMNET SHOP SA				
ELLINIKA GRAMMATA SA				
TOTAL LIABILITIES	164.611,52	105.797,69	133.111,74	207.333,59

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COMPANY HAVING THE LIABILITY	COMPANY HAVING THE RECEIVABLE				
	TRIAINA TRAVEL SA	LP DIGITAL SA	RAMNET SA	MICHALAKOPOULOU SA	ACTION PLAN SA
LP SA	32.023,12	567.298,23	266.651,15		752.896,67
HEARST – LAMBRAKIS LTD					
MC HELLAS SA					897,31
SPECIAL PUBLICATIONS AS					
NEA AKTINA SA					
MIKRES AGGELIES SA					
IRIS PRINTING SA					
MULTIMEDIA SA					
EUROSTAR SA			5.977,59		
TRIAINA TRAVEL SA					
LP DIGITAL SA			287.345,54		
RAMNET SA					
MICHALAKOPOULOU SA					
ACTION PLAN SA					
ACTION PLAN HR SA					
STUDIO ATA SA					
RAMNET SHOP SA					
ELLINIKA GRAMMATA SA					
TOTAL LIABILITIES	32.023,12	567.298,23	559.974,28	0,00	753.793,98

COMPANY HAVING THE LIABILITY	COMPANY HAVING THE RECEIVABLE				
	ACTION PLAN HR SA	STUDIO ATA SA	RAMNET SHOP SA	ELLINIKA GRAMMATA SA	TOTAL RECEIVABLE
LP SA	38.107,02	53.915,17	292.220,83	786.031,33	4.731.621,22
HEARST – LAMBRAKIS LTD		190,40			119.557,07
MC HELLAS SA					85.971,03
SPECIAL PUBLICATIONS AS					127.902,28
NEA AKTINA SA					0,00
MIKRES AGGELIES SA					218.844,23
IRIS PRINTING SA					14.133,92
MULTIMEDIA SA					0,00
EUROSTAR SA					5.977,59
TRIAINA TRAVEL SA					238,00
LP DIGITAL SA			31.237,50		320.368,04
RAMNET SA					94.682,66
MICHALAKOPOULOU SA					0,00
ACTION PLAN SA	88.107,62				89.382,02
ACTION PLAN HR SA					0,00
STUDIO ATA SA					0,00
RAMNET SHOP SA					0,00
ELLINIKA GRAMMATA SA					0,00
TOTAL LIABILITIES	126.214,64	54.105,57	323.458,33	786.031,33	5.808.678,06

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3. INTERCOMPANY BALANCES OF CHEQUES ON 31.12.2006
(IN THOUSAND EUROS)

COMPANY HAVING LIABILITY	COMPANY HAVING RECEIVABLE				
	LP SA	HEARST LAMBRAKIS LTD	MC HELLAS SA	NEA AKTINA SA	IRIS PRINTING SA
LP SA				15.500,00	82.264,62
HEARST LAMBRAKIS LTD					
MC HELLAS SA					
NEA AKTINA SA					
IRIS PRINTING SA	3.332.054,91			221.937,12	
MULTIMEDIA SA					
EUROSTAR SA		2.948,87	4.920,93		
STUDIO ATA SA					
ELLINIKA GRAMMATA SA	200.000,00				
TOTAL LIABILITIES	3.352.054,91	2.948,87	4.920,93	237.437,12	82.264,62

COMPANY HAVING LIABILITY	COMPANY HAVING RECEIVABLE				
	MULTIMEDIA SA	EUROSTAR SA	STUDIO ATA SA	ELLINIKA GRAMMATA SA	TOTAL RECEIVABLES
LP SA			164.200,00	146.521,48	408.486,10
HEARST LAMBRAKIS LTD					0,00
MC HELLAS SA					0,00
NEA AKTINA SA				7.823,06	7.823,06
IRIS PRINTING SA				962.285,75	4.516.277,78
MULTIMEDIA SA				113.702,38	113.702,38
EUROSTAR SA			8.854,00	21.056,87	37.780,67
STUDIO ATA SA					0,00
ELLINIKA GRAMMATA SA					200.000,00
TOTAL LIABILITIES	0,00	0,00	173.054,00	1.251.389,54	5.284.069,99

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4 INTERCOMPANY BALANCES OF ADVANCE PAYMENTS OF DEBTORS – SUPPLIERS ON 31.12.2006

(IN THOUSAND EUROS)

COMPANY HAVING LIABILITY	COMPANY HAVING RECEIVABLE		TOTAL RECEIVABLES
	LP SA	STUDIO ATA SA	
LP SA	0,00	0,00	0,00
STUDIO ATA SA	-4.341,00	0,00	-4.341,00
TOTAL LIABILITIES	-4.341,00	0,00	-4.341,00

5. INTERCOMPANY BALANCES OF BAD DEBTORS ON 31.12.2005

(IN THOUSAND EUROS)

COMPANY HAVING LIABILITY	COMPANY HAVING RECEIVABLE		TOTAL RECEIVABLES
	LP SA	LP DIGITAL SA	
LP SA	0,00	23.479,46	23.479,46
TOTAL LIABILITIES	0,00	23.479,46	23.479,46

6. . INTERCOMPANY BALANCES OF BILLS OF EXCHANGE OVERDUE ON 31.12.2006

(IN THOUSAND EUROS)

COMPANY HAVING LIABILITY	COMPANY HAVING RECEIVABLE		TOTAL RECEIVABLES
	LP SA	RAMNET SA	
LP SA	0,00	1.147,47	1.147,47
TOTAL LIABILITIES	0,00	1.147,47	1.147,47

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7) INTERCOMPANY TRANSACTIONS (WRITTEN OFF)

SELLING COMPANY	PURCHASING COMPANY				
	LP SA	HEARST – LAMBRAKIS LTD	MC HELLAS SA	SPECIAL PUBLICATIONS SA	NEA AKTINA SA
LP SA		556.777,20	732.160,77	455.872,80	249.933,66
HEARST – LAMBRAKIS LTD	9.919,13		99.583,16		
MC HELLAS SA	63.099,18	4.612,83			
SPECIAL PUBLICATIONS AS	446.535,91		530,27		
NEA AKTINA SA	1.300,00				
MIKRES AGGELIES SA	184.644,23				
IRIS PRINTING SA	36.648.344,90	1.439.722,55	1.039.931,66	784.151,73	959.227,39
MULTIMEDIA SA	2.106.769,31	187.848,44	167.770,73	124.133,46	
EUROSTAR SA	747.548,74	6.714,37	15.259,51	3.111,32	
TRIAINA TRAVEL SA					
LP DIGITAL SA					
RAMNET SA	271.990,67			7.200,25	
MICHALAKOPOULOU SA	881.081,02				
ACTION PLAN SA	17.188,67				
ACTION PLAN HR SA					
STUDIO ATA SA					
RAMNET SHOP SA	43.563,77	63,87	515,97	879,83	254,39
ELLINIKA GRAMMATA SA	2.688.470,91		16.000,00		
TOTAL PURCHASES	44.110.456,44	2.195.739,26	2.071.752,07	1.375.349,39	1.209.415,44

SELLING COMPANY	PURCHASING COMPANY			
	MIKRES AGGELIES SA	IRIS PRINTING SA	MULTIMEDIA SA	EUROSTAR SA
LP SA	229.969,33	778.010,74	834.100,90	798.960,02
HEARST – LAMBRAKIS LTD				
MC HELLAS SA				
SPECIAL PUBLICATIONS AS				
NEA AKTINA SA				
MIKRES AGGELIES SA				1.049,00
IRIS PRINTING SA	3.962.566,22		401.557,96	101.158,92
MULTIMEDIA SA	19.175,02	157.469,86		43.179,09
EUROSTAR SA		13.037,10	3.126,67	
TRIAINA TRAVEL SA				1.179.104,17
LP DIGITAL SA				
RAMNET SA				
MICHALAKOPOULOU SA				
ACTION PLAN SA				
ACTION PLAN HR SA				
STUDIO ATA SA				
RAMNET SHOP SA	2.349,57	8.650,11	5.442,32	11.499,69
ELLINIKA GRAMMATA SA		1.004,69	211,89	97,49
TOTAL PURCHASES	4.214.060,14	958.172,50	1.244.439,74	2.135.048,38

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SELLING COMPANY	PURCHASING COMPANY				
	TRIAINA TRAVEL SA	LP DIGITAL SA	RAMNET SA	MICHALAKOPOULOU SA	ACTION PLAN SA
LP SA	8.729,77	254.363,97	352.938,20	19,89	369.973,04
HEARST – LAMBRAKIS LTD					
MC HELLAS SA					
SPECIAL PUBLICATIONS AS					
NEA AKTINA SA					
MIKRES AGGELIES SA					1.597,94
IRIS PRINTING SA					9.550,00
MULTIMEDIA SA	3.596,81		276,25		24.265,87
EUROSTAR SA	1.836.128,92		1.305,77		624,00
TRIAINA TRAVEL SA					
LP DIGITAL SA			318.746,54		
RAMNET SA					
MICHALAKOPOULOU SA					
ACTION PLAN SA			1.539,09		
ACTION PLAN HR SA					
STUDIO ATA SA					
RAMNET SHOP SA			4.114,54		
ELLINIKA GRAMMATA SA					15.575,63
TOTAL PURCHASES	1.848.455,50	254.363,97	678.920,39	19,89	421.586,48

SELLING COMPANY	PURCHASING COMPANY				
	ACTION PLAN HR SA	STUDIO ATA SA	RAMNET SHOP SA	ELLINIKA GRAMMATA SA	TOTAL SALES
LP SA	3.956,08	87.164,16	200.399,50	748.804,67	6.662.134,70
HEARST – LAMBRAKIS LTD		160,00			109.662,29
MC HELLAS SA					67.712,01
SPECIAL PUBLICATIONS AS				820,00	447.886,18
NEA AKTINA SA				10.869,00	12.169,00
MIKRES AGGELIES SA		75,00			187.366,17
IRIS PRINTING SA				1.648.282,36	46.994.493,69
MULTIMEDIA SA			36,70	89.790,27	2.924.311,81
EUROSTAR SA		74.891,81	221,91	37.238,41	2.739.208,53
TRIAINA TRAVEL SA				89,90	1.179.194,07
LP DIGITAL SA			45.000,00		363.746,54
RAMNET SA			4.500,00	4.500,00	288.190,92
MICHALAKOPOULOU SA					881.081,02
ACTION PLAN SA	144.828,00	3.859,13		20.238,70	187.653,59
ACTION PLAN HR SA					0,00
STUDIO ATA SA					0,00
RAMNET SHOP SA		54,91		5.309,74	82.698,71
ELLINIKA GRAMMATA SA		530,53	3.629,23	115,00	2.725.635,37
TOTAL PURCHASES	148.784,08	166.735,54	253.787,34	2.566.058,05	65.853.144,60

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The analysis of intercompany transactions per class and general ledger account are detailed in the following table:

General Ledger account	Account description	Total
7000000000	Sales of merchandise	285.242,17
7100000000	Sales of finished & unfinished goods	48.909.974,28
7200000000	Sales of other inventories and raw materials	361,92
7300000000	Domestic sales of services	14.939.684,24
7500000000	Other income	1.550.818,38
7600000000	Capital Income	166.650,00
7800000000	Value of sponsored inventories.	416,61
TOTAL		65.853.144,60

The consolidated earnings of the companies on 31.12.2006 as well as those of the previous year are as follows:

	<u>31.12.2006</u>	<u>31.12.2005</u>
Sales	€ 276.769.362,71	296.274.489,44
Loss after tax	€ -8.942.709,31	-853.323,39
Less: minority interests	€ -240.990,67	-697.316,71
Net consolidated earnings of the Group	€ -9.183.699,98	-1.550.640,10

In the period between the end of the fiscal year to the preparation of this Report there were no significant event affecting materially the financial standing and the asset status of the consolidated companies.

Lambrakis Press SA
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THE PRESIDENT OF THE
BOARD OF DIRECTORS

Chr. Lambrakis

THE VICE PRESIDENT OF THE BOARD
AND MANAGING DIRECTOR

St. Psycharis

THE MEMBERS OF THE BOARD OF
DIRECTORS

El. Glykatzi - Ahrweiler

I. Goumas

P. Kapsis

N. Koritsas

Tr. Koutalidis

K. Lymberopoulos

Ad. Pepelasis

Gr. Skalkeas

Exact copy

Athens, March 6, 2006

The President of the Board of Directors

Christos D. Lambrakis

It is hereby certified the above report consisting of 20 pages is the one mentioned in the audit certificate signed on 6.3.2006.

Athens, March 6, 2006

THE CERTIFIED AUDITORS ACCOUNTANTS

CHARALAMBOS AR. PETROPOULOS

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

SOL SA