D I R E C T O R S´ R E P O R T

ON THE FINANCIAL STATEMENTS OF
"MOTOR OIL (HELLAS) CORINTH REFINERIES S.A."
AND THE CONSOLIDATED FINANCIAL STATEMENTS OF THE GROUP
FOR THE YEAR ENDED 31 DECEMBER 2007
(PERIOD 01.01 – 31.12.2007)

I. RESULTS OF OPERATIONS

The financial results of the **Group** for the year under review are as follows:

	Amounts in Euro 000s		% on Sales Turnover		Change on % of Sales turnover
	2007	2006	2007	2006	
Sales Turnover	4,069,996	3,977,091	100.00%	100.00%	**2.34% ***
Cost of Sales	(3,798,309)	(3,729,274)	-93.32%	-93.77%	0.44%
Gross Profit	**271,687**	**247,817**	**6.68%**	**6.23%**	**0.44%**
Distribution expenses	(52,158)	(47,747)	-1.28%	-1.20%	-0.08%
Administration expenses	(31,243)	(27,576)	-0.77%	-0.69%	-0.07%
Other operating income / (expenses)	57,713	50,249	1.42%	1.26%	0.15%
Operating Profit	**245,999**	**222,743**	**6.04%**	**5.60%**	**0.44%**
Finance costs	(40,013)	(31,576)	-0.98%	-0.79%	-0.19%
Net Profit before Tax	**205,986**	**191,167**	**5.06%**	**4.81%**	**0.25%**
Income Taxes	(56,129)	(63,576)	-1.38%	-1.60%	0.22%
Net Profit after Tax	**149,857**	**127,591**	**3.68%**	**3.21%**	**0.47%**

* % change vs last year

Respectively the financial results of the C**ompany** for the year under review are as follows:

	Amount in Euro 000s		**% on Sales Turnover**		**Change on % of sales turnover**
	2007	**2006**	**2007**	**2006**	
Sales Turnover	3,719,133	3,629,694	100.00%	100.00%	**2.46% ***
Cost of Sales	(3,494,213)	(3,427,013)	-93.95%	-94.42%	0.46%
Gross Profit	**224,920**	**202,681**	**6.05%**	**5.58%**	**0.46%**
Distribution expenses	(15,074)	(12,748)	-0.41%	-0.35%	-0.05%
Administration expenses	(21,862)	(19,727)	-0.59%	-0.54%	-0.04%
Other operating income / (expenses)	52,413	45,126	1.41%	1.24%	0.17%
Operating Profit	**240,397**	**215,332**	**6.46%**	**5.93%**	**0.53%**
Finance costs	(31,985)	(25,733)	-0.86%	-0.71%	-0.15%
Net Profit before Tax	**208,412**	**189,599**	**5.60%**	**5.22%**	**0.38%**
Income Taxes	(53,729)	(62,125)	-1.44%	-1.71%	0.27%
Net Profit after Tax	**154,683**	**127,474**	**4.16%**	**3.51%**	**0.65%**

* % change vs last year

In connection with the above results we note the following:

1. **Sales Turnover**

   Group Sales Turnover has increased by € 92,905 thousand or 2.34% compared to prior year mainly due to the increase in prices by approximately 13% while Company Sales Turnover has increased by € 89,439 thousand or 2.46% compared to prior year mainly due to the increase in prices.

   Sales Turnover analysis by geographical segments of the Group activities and by sales category is as follows:

Geographical Segments	**Sales Category**	**Amounts in Euro 000s 2007**	**2006**	**Change %**
Foreign	Products/Fuel	1,423,065	1,011,721	40.66%
Foreign	Products/Lubricants	72,544	73,710	-1.58%
Foreign	Merchandise/Fuel etc	308,984	452,577	-31.73%
	Σύνολο	**1,804,593**	**1,538,008**	**17.33%**
Domestic	Products/Fuel	1,631,529	1,717,483	-5.00%
Domestic	Products/Lubricants	49,455	56,737	-12.84%
Domestic	Merchandise/Fuel etc	584,419	664,863	-12.10%
	Total	**2,265,403**	**2,439,083**	**-7.12%**
	Grand Total	**4,069,996**	**3,977,091**	**2.34%**

The total quantity of crude oil and other raw materials processed by the **Company** during 2007 compared to the respective quantities of prior year is analysed as follows:

	Tons 2007	**Tons 2006**
Crude oil	5,213,722	5,292,466
Fuel Oil – raw material	1,297,645	1,188,636
Naphtha	88,658	117,348
Gas Oil	1,255,611	936,243
Others	46,449	22,146
Total	**7,902,085**	**7,556,839**

2. Gross Profit

Gross Profit for the Group amounts to € 271,687 thousand compared to € 247,817 thousand in the prior year, increased by 9.63% while Gross Profit for the Company was € 224,920 thousand compared to € 202,681 thousand in the prior year increased by 10.97%.

3. Operating Expenses

Group operating expenses are analysed per category as follows for 2007 and 2006:

Amounts in Euro 000s	**2007**	**2006**	**Variance Amount**	**%**
Administration	31,243	27,576	3,667	13.30%
Distribution	52,158	47,747	4,411	9.24%
Other expenses / (income)	(57,713)	(50,249)	(7,464)	14.85%
Total operating expenses	**25,688**	**25,074**	**614**	**2.45%**

As per the above table, operating expenses have increased by € 614 thousand or 2.45%. In order to have a better assessment and comparison with the prior year, the major expenses should be compared by category as follows:

(a) Administration expenses

Amounts in Euro 000s	**2007**	**2006**	**% change**
Payroll costs and other benefits	15,865	14,864	6.74%
Rental	4,818	3,809	26.50%
Other	10,558	8,903	18.59%
Total administration expenses	**31,243**	**27,576**	**13.30%**

(b) Distribution expenses

Amounts in Euro 000s	2007	2006	% change
Payroll costs and other benefits	8,781	8,716	0.74%
Rental	5,456	4,038	35.11%
Transportation	22,033	20,010	10.11%
Other	15,888	14,983	6.04%
Total distribution expenses	**52,158**	**47,747**	**9.24%**

(c) Other Operating (income) / expenses

Amounts in Euro 000s	2007	2006	% change
Foreign exchange losses	50,859	38,913	30.70%
Foreign exchange gains	(92,291)	(75,955)	21.51%
Services rendered	(8,767)	(7,627)	14.95%
Rental income	(4,888)	(3,693)	32.36%
Other	(2,626)	(1,887)	39.16%
Total other	**(57,713)**	**(50,249)**	**14.85%**
Total Operating Expenses	**25,688**	**25,074**	**2.45%**

The above expenses represent 0.63%on the sales turnover for the years 2007 and 2006.

Respectively the **Company's** operating expenses are analysed per category as follows for 2007 and 2006:

Amounts in Euro 000s	2007	2006	Variance amount	Variance %
Administration	21,862	19,727	2,135	10.82%
Distribution	15,074	12,748	2,326	18.25%
Other expenses / (income)	(52,413)	(45,126)	(7,287)	16.15%
Total operating expenses	**(15,477)**	**(12,651)**	**(2,826)**	**22.34%**

As per the above table, operating expenses have decreased by € 2,826 thousand or 22.34%. The decrease is mainly due to the realised foreign exchange gain that had a positive effect on the current year. It is noted that as a percentage on sales revenue this variance is 0.08%.

In order though to have a better assessment and comparison with the prior year, the major expenses should be compared by category as follows:

(a) Administration expenses

Amounts in Euro 000s	2007	2006	% change
Payroll costs and other benefits	9,905	9,976	-0.71%
Rental	3,718	2,926	27.07%
Other	8,239	6,825	20.71%
Total administration expenses	**21,862**	**19,727**	**10.82%**

(b) Distribution expenses

Amounts in Euro 000s	2007	2006	% change
Payroll costs and other benefits	2,386	2,565	-7.00%
Transportation	7,160	6,039	18.58%
Warehousing	2,831	2,508	12.86%
Other	2,697	1,636	64.86%
Total distribution expenses	**15,074**	**12,748**	**18.25%**

(c) Other Operating (income) / expenses

Amounts in Euro 000s	2007	2006	% change
Foreign exchange losses	50,875	39,047	30.29%
Foreign exchange gains	(92,328)	(76,037)	21.43%
Services rendered	(10,194)	(8,819)	15.59%
Other	(766)	683	-212.15%
Total other	**(52,413)**	**(45,126)**	**16.15%**
Total Operating Expenses	**(15,477)**	**(12,651)**	**22.34%**

The above expenses represent 0.42 % and 0.35 % on the sales turnover for the years 2007 and 2006 respectively.

4. Finance Costs

The **Group's** net finance costs for the year have been increased from prior year by € 8,437 thousand. This variance is analysed per category in the following table:

Amounts in Euro 000s	**2007**	**2006**	**Variance Amount**	**%**
Investment income	15	(2,783)	2,768	-99,46%
Interest income	(2,190)	(1,499)	(691)	46,10%
Interest expense & bank charges	42,188	35,858	6,330	17,65%
Total Finance cost (income)/expense	**40,013**	**31,576**	**8,437**	**26,72%**

Decrease in Investment income is due to the sale of 70% of "CORINTH POWER S.A" in 2006 (€ 2,660 thousand). Increase in interest expense is due to the increase in the average of short term borrowings due to increase in oil prices as well as increase in the interest rates.

Respectively the **Company's** net finance costs for the year have been increased. This variance is analysed per category in the following table:

Amounts in Euro 000s	**2007**	**2006**	**Variance Amount**	**%**
Investment income	(3,317)	(5,676)	2,359	-41.56%
Interest income	(1,736)	(898)	(838)	93.32%
Interest expense & bank charges	37,038	32,307	4,731	14.64%
Total Finance cost (income)/expense	**31,985**	**25,733**	**6,252**	**24.30%**

Increase in interest expense is due to the increase in the average of short term borrowings due to the increase in oil prices as well as increase in the interest rates. Investment income consists of dividends from the subsidiary "AVIN OIL S.A.", the associate "Olympic Fuel Company S.A." and the "Athens Airport Fuel Pipeline Co. S.A". The balance of the respective figure in 2006 includes also the gain on the sale of 40% holding out of the total 70% in "CORINTH POWER S.A." owned by the Company.

5. Income Taxes

In 000´s Euros	GROUP		COMPANY	
	1/1 – 31/12/07	**1/1 – 31/12/06**	**1/1 – 31/12/07**	**1/1 – 31/12/06**
Current corporation tax for the year	43,162	46,068	42,904	44,595
Income tax from prior years audit differences	2,096	10,186	0	10,186
Taxation of the l. 3220/2004 reserves	2,289	0	2,289	0
Less: Income tax discount	0	(1,266)	0	(1,266)
	47,547	54,988	45,193	53,515
Deferred tax	8,582	8,588	8,536	8,610
Total	**56,129**	**63,576**	**53,729**	**62,125**

Domestic income tax is calculated at 25% on the estimated tax assessable profit for the year 2007 (2006: 29%).

According to the tax audit outcome for the years 2003 to 2005, the additional taxes assessed to the wholly owned subsidiary "Avin Oil S.A." amount to Euro 2,096 thousand (of which an amount of Euro 1,502 thousand concerns tax relating to accounting differences and an amount of Euro 594 thousand concerns surcharges) and was charged against the earnings of the period 1/1-31/12/2007. Also by a decision for recovery of Government Grants, the Ministry of Finance imposed the taxation of the L.3220/2003 tax free reserve, accounted for in prior years, resulting in an extra tax for the Company of € 2,289 thousand (€ 1,960 thousand relates to tax and € 329 thousand to the respective interest on tax).

The Company has not been subject to a tax audit for the years 2005 up to 2007. AVIN OIL S.A has not been audited by the tax authorities for the years 2006 and 2007. OLYMPIC FUEL COMPANY SA has not been subject to a tax audit for the years from 2001 up to 2007 and a tax audit is currently in progress, for the fiscal years 2001 up to 2006. HAFCO SA and CORINTH POWER SA have not been audited by the Tax authorities since their establishment (2002 and 2005 respectively).

6. DIVIDENDS

Dividends to shareholders are proposed by management at each year end and are subject to approval by the Annual General Assembly Meeting. Dividends relating to the previous year (1.1-31.12.2006) amounted to € 1.15 per share, of which an interim dividend of € 0.20 per share was paid in December 2006 and was accounted for in 2006, and € 0.95 has been accounted for in 2007. The Management of the Company taking into account the various considerations determining the dividends policy has proposed to the coming Annual General Assembly Meeting the distribution of total dividends for 2007 of € 132,939,576 (or € 1.20 per share). It is noted that an interim dividend of € 22,156,596 (€ 0.20 per share) for 2007 has been paid and accounted for in December 2007, while the remaining € 1.00 per share will be accounted for in 2008.

It is noted that in accordance with Greek Tax legislation, the taxable income is taxed at source fulfilling all tax obligations on dividends. Thus the dividends payable to the shareholders (physical and legal persons) are paid net of any tax.

II. PROSPECTS

The course of the **Group´s** activities within the new year 2008 is satisfactory, since the volume of the crude oil and other raw materials processed by the refinery within January 2008 was 675,325 M.T. (January 2007: M.T. 685,353).

It is expected that, for the total year of 2008, the international refinery margins will remain approximately at the same high levels of 2007. It is also expected that the sales volume for the parent company for 2008 will increase by approximately 2%.

III. CAPITAL EXPENDITURES

The major projects that were accomplished during 2007 were the following:

- Construction of Three Gasoil Tanks
- Replacement of Gas Generator #2 of the Refinery Cogeneration Plant
- Refurbishment of High Pressure Steam Boiler "B"
- Dewaxing filter S-401B replacement
- Road junction at Old National Road – Entrance to Ref. Central Warehouse

For 2008 the estimated capital expenditures are foreseen at 100 million Euros. The most important major project is the New Crude Distillation Unit project that will increase MOH's CDU capacity by 60,000 bbls/day and which has entered the final implementation stage until early 2010 (EPC phase i.e. detail engineering, procurement and construction). Moreover, in 2008 the refinery will execute the largest turnaround in its history because the most important process units will undertake regular maintenance including the hydrocracker complex that is scheduled for turnaround for the first time after its initial operation in 2005.

IV. INVESTMENTS IN SUBSIDIARIES AND ASSOCIATES

Details of the **Group's** subsidiaries and associates, are as follows:

Name	Place of incorporation and operation	Proportion of ownership interest	Principal activity
AVIN OIL S.A.	Greece, Maroussi of Attika	100%	Petroleum Products
AVIN ALBANIA S.A.	Tirana, Albania	100%	Petroleum Products
OLYMPIC FUEL COMPANY S.A.	Greece, Spata of Attika	28%	Aviation Fueling Systems
BRODERICO LTD	Cyprus, Nicosia	100%	Commerce, Investments and Rendering of Services
MAKREON S.A.	Greece, Maroussi of Attika	100%	Trading, Transportation, Storage & Representation of Petroleum Products.
HELLENIC AVIATION FUEL COMPANY S.A. (HAFCO S.A)	Greece, Maroussi of Attika	50%	Aviation Fueling Systems
CORINTH POWER S.A.	Greece, Maroussi of Attika	30%	Energy

V. SHAREHOLDERS - SHARE CAPITAL

The major shareholders of the Company are “Petroventure Holdings ltd” and “Petroshares ltd” holding 51% and 10.5% respectively.
The Company’s share capital is € 33,234,894 consisting of 110,782,980 common bearer’s shares with no right to fixed income, of € 0.30 each. Company shares are listed on Athens Exchange. It is noted that there are no restrictions as to the sale of shares, there are no shareholders with special control rights and there are no restrictions on voting rights. Also there are no agreements according to the provision of article 11a of L3371/2005, cases (i) and (j), (ie. material agreements put in force, revised or expired in case of change in the control of the Company following a public offer as well as agreements with BoD members or Company’s employees that provide for remuneration in case of retirement as a result of public offers). It is also noted that the BoD or its members have no authority to increase share capital, issue new shares or buy treasury shares. Authorisation for the above mentioned matters lies with the General Shareholders Meeting. As far as the appointment of BoD members there are no provisions in the Company’s articles of incorporation different than those provided by CL 2190/1920. As an exception, while according to the above mentioned law the General Shareholders Meeting (authorised to appoint or replace BoD members) is considered to have a quorum when 1/5 of the share capital is present, the Company’s articles of incorporation (article 28) provides for a quorum of 51% and if this is not possible then the recurring General Shareholders Meeting (as per the CL 2190/1920) convenes and is authoritative with whatever part of the share capital is present. Finally there are no agreements by the shareholders that are known to the Company.

VI. SIGNIFICANT POST BALANCE SHEET EVENTS

There are no significant events occurred todate, which may affect the Group´s financial position as at 31 December 2007.

VIII. MANAGEMENT OF FINANCIAL RISKS

a. Capital risk management

The Group manages its capital to ensure that Group companies will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance. The capital structure of the Group consists of debt, which includes the borrowings disclosed in note 21, cash and cash equivalents and equity attributable to equity holders of the parent, comprising issued capital, share premium, reserves and retained earnings as disclosed in notes 24, 25, 26 and 27 respectively. The Group’s management reviews the capital structure on a frequent basis. As a part of this review, management considers the cost of capital and the risks associated with each class of capital. The Group’s intention is to balance its overall capital structure through the payment of dividends, as well as the issue of new debt or the redemption of existing debt.

Gearing Ratio

The **Group's** management reviews the capital structure on a frequent basis. As part of this review, the committee considers the cost of capital and the risks associated with each class of capital.

The gearing ratio at the year end was as follows:

	GROUP		COMPANY	
In 000´s Euros	**31/12/2007**	**31/12/2006**	**31/12/2007**	**31/12/2006**
Bank loans	721,751	738,591	616,276	647,351
Cash and cash equivalents	(13,743)	(8,785)	(10,634)	(6,533)
Net debt	708,008	729,806	605,642	640,818
Equity	363,738	341,281	371,533	344,250
Net debt to equity ratio	1.95	2.14	1.63	1.86

b. Financial risk management

The Group's Treasury function provides services to the business, co-ordinates access to domestic and international financial markets, monitors and manages the financial risks relating to the operations of the Group. These risks include market risk (including currency risk, fair value interest rate risk and price risk), credit risk and liquidity risk. The Group does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes. The Treasury function reports on a frequent basis to the Group's management that monitors risks and policies implemented to mitigate risk exposures.

c. Market risk

Due to the nature of its activities the Group is exposed primarily to the financial risks of changes in foreign currency exchange rates (see (d) below), interest rates (see (e) below) and to the volatility of oil prices mainly due to the obligation to maintain certain level of inventories. The Company addresses the fluctuation of oil prices by monitoring the inventory levels to the possible minimum. Furthermore, any change in the pertaining refinery margin, denominated in USD, affects the Company's gross margin. There has been no change to the Group's exposure to market risks or the manner in which it manages and measures the risk.

d. Foreign currency risk

The Group undertakes certain transactions denominated in foreign currencies. Hence, exposures to exchange rate fluctuations may arise. In addition, due to the use of the international Platts prices in USD for oil purchases/sales, the exchange rate of EUR/USD is a very important factor for the Company's profit margins. The Company minimises foreign currency risks through physical hedging, mostly by monitoring assets and liabilities in foreign currencies as shown in the table below as at 31/12/2007:

	COMPANY	
Amounts in mil.	**31/12/2007**	**31/12/2006**
Assets		
Balances in USD	733	390
Liabilities		
Balances in USD	772	449

In addition to the above there is a part of the Company's liabilities expressed in CHF which are considered not having a material risk since their amount is not material and the exchange rate EUR/CHF had no material fluctuations during the last two years.

e. Interest rate risk

The Group has access to various major domestic and international financial markets and manages to succeed borrowings with very competitive interest rates and terms. Hence, the operating expenses and cash flows from financing activities are not materially affected by interest rates fluctuations.

Had the current interest rates been 50 basis points higher/lower and all other variables were kept constant, the Group's profit for the year ended 31 December 2007 would have decreased/increased by approximately € 3.3 million.

f. Credit risk

The Group's credit risk is primary attributable to its trade and other receivable as cash and cash equivalents are deposited with well known banks.

The Company's trade receivables are significantly concentrated, due to a limited number of customers comprising a high percentage of the trade receivable balances. Most of them are international well known oil companies and consequently the credit risk is very limited. None of them exceeds the 10%, of the total year to date sales revenue, during the year. The Group companies have signed contracts with their clients, where the product prices are determined according to the corresponding current prices in the international oil market during the period of transactions. In addition the Company, as a policy, obtains letters of guarantee from its clients in order to secure its receivables, which as at 31/12/2007 amounted to € 29,068 thousand. As far as receivables of "Avin Oil S.A" are concerned these are spread in a wide base of customers and consequently there is no material concentration and the credit risk is very limited.

g. Liquidity risk

Liquidity risk is managed through the proper combination of cash and cash equivalents and the bank loan facilities granted, used or unused. In order to address such risks, the Group's management monitors the balance of cash and cash equivalents and ensures available bank loans facilities. The Group expects to maintain current debt to equity ratio, approximately at the level of "2".

The following tables detail the **Group's** remaining contractual maturity for its non-derivative financial liabilities:

GROUP
2007

In 000´s Euros	Weighted average effective interest rate	0-6 months	6-12 months	1-5 years	5 + years	Total
Trade & other payables	-	344,677	-	-	-	344,677
Finance leases	6.08%	94	94	649	-	837
Bank loans	5.38%	425,770	19,673	275,471	-	720,914
Total		770,541	19,767	276,120	-	1,066,428

GROUP
2006

In 000´s Euros	Weighted average effective interest rate	0-6 months	6-12 months	1-5 years	5 + years	Total
Trade & other payables		123,388	-	-	-	123,388
Finance leases		-	-	-	-	-
Bank loans	4.73%	400,956	20,587	317,048	-	738,591
Total		524,344	20,587	317,048	-	861,979

The following tables detail the **Company's** remaining contractual maturity for its non-derivative financial liabilities:

COMPANY
2007

In 000´s Euros	Weighted average effective interest rate	0-6 months	6-12 months	1-5 years	5 + years	Total
Trade & other payables	-	317,914	-	-	-	317,914
Finance leases	6.08%	94	94	649	-	837
Bank loans	5.36%	354,968	15,000	245,471	-	615,439
Total		672,976	15,094	246,120	-	934,190

COMPANY
2006

In 000´s Euros	Weighted average effective interest rate	0-6 months	6-12 months	1-5 years	5 + years	Total
Trade & other payables	-	102,591	-	-	-	102,591
Finance leases	-	-	-	-	-	-
Bank loans	4.78%	345,303	15,000	287,048	-	647,351
Total		447,894	15,000	287,048	-	749,942

IX. ENVIRONMENT AND WORKING CONDITIONS

Group's commitment to environmental protection is spelled out in the group's Health, Safety and Environment Policy and is implemented through the operation of our Environmental Management System which is part of the Integrated Management System.

The company's *Environmental Management System* was first certified compliant with the ISO 14001:1996 standard in 2000 for all refinery operations; since 2004 it has also been certified compliant with the stricter ISO 14001:2004 standard by BV (Bureau Veritas). In the oil refining sector, the combination of the double ISO certification (ISO 14001:2004 for environmental protection and ISO 9001:2000 for quality management) is particularly important and provides multiple advantages. The *Environmental Management System* is an effective tool for implementing, and monitoring compliance with, the company's various environmental protection policy objectives.

Labour relations are at a particularly good level. We not only comply with legal requirements, relating to worker participation and the protection of human rights, but also aim to cultivate mutual trust and co-operation. We operate a progressive system of human resources management policies, which enshrines clarity and fairness in matters of recruitment, transfers, promotion, remuneration, education and training, benefits, holidays and other types of leave. A reflection of the harmonious state of industrial relations is the fact that there have been no strikes in recent years. Terms and conditions of employment are covered by a company collective labour agreement, approved by the Ministry of Labour, which has been in place (for MOTOR OIL) since September 1974. Refinery employees have their own union which has been a signatory to a collective labour agreement with the Federation of Greek Industries since 1986. This agreement, which lays down terms of employment and pay levels at the refinery, is supplemented by an annual local agreement between the company and the union.

Company's approach to pay policy is to set, manage and review salary levels in a consistent, transparent and objective way. We offer competitive and performance-linked remuneration packages.

Besides the basic pay and benefits package, we make available to our employees and their families a wide range of discretionary non-wage benefits. These provisions aim at providing for their welfare and security over and above what the law requires, at strengthening their bonds with the company, at cultivating cooperation and team spirit, and at helping towards achieving of a healthy work/life balance. Among the benefits introduced on the company's initiative are:

- A private health and life insurance scheme.
- A company pension scheme.

We recognise that in a globalised, high technology and highly specialised sector, such as oil, following our growth path and implementing our business strategy is closely linked with the development of the skills and competencies of our staff. Hence, our education and vocational training activities, and the personal development of our employees, are of paramount importance and we allocate significant resources to those activities, both in terms of money and effort. The companies' training policy aims to ensure that each employee's knowledge and skills match their job function, the ultimate goal being the continuous, flexible and comprehensive vocational education, training and personal development of employees.

IX. BASIC FINANCIAL RATIOS

The basic financial ratios for the **Group** and the **Company** are as follows:

	Group		Company	
	2007	**2006**	**2007**	**2006**
Return On Assets (ROA) Net Profits after Taxes / Total Assets	9.81%	9.90%	11.08%	10.86%
Return On Equity (ROE) Net Profits after Taxes / Total Owners' Equity	41.20%	37.39%	41.63%	37.03%
Debt to Capital Ratio Total Borrowings / Total Borrowings + Owners' Equity	66.49%	68.40%	62.39%	65.28%
Return On Invested Capital (ROIC) Net Profits After Taxes + Finance Costs / Total Net Borrowings + Owners' Equity + Provisions	16.31%	13.65%	17.99%	14.58%
Debt to Equity Ratio Total Borrowins / Owners' Equity	1.98	2.16	1.66	1.88

Maroussi , 25 February 2008

THE CHAIRMAN OF THE BOD AND MANAGING DIRECTOR

VARDIS J. VARDINOYANNIS

THE VICE CHAIRMEN

JOHN V. VARDINOYANNIS

PANAGIOTIS N. KONTAXIS

THE DEPUTY MANAGING DIRECTORS

JOHN N. KOSMADAKIS

PETROS T. TZANNETAKIS

THE MEMBERS OF THE BOD

DEMOSTHENES N. VARDINOYANNIS

NIKOS TH. VARDINOYANNIS

GEORGE P. ALEXANDRIDIS

GEORGE TH. THEODOROULAKIS

KONSTANTINOS B. MARAVEAS

ANTONIOS CH. THEOCHARIS

DESPINA N. MANOLI