

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

**CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS**

**30<sup>th</sup> JUNE 2007**

**ACCORDING TO  
INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRS)**

## CONTENTS

|  | <u>Pages</u> |
|--|--------------|
| AUDITORS' REPORT   |              |
| INCOME STATEMENT   | 1-2          |
| BALANCE SHEET  | 3            |
| STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY   | 4-5          |
| CASH FLOW STATEMENT  | 6            |
| 1. GENERAL INFORMATION   | 7            |
| 2. ADOPTION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS               | 8            |
| 3. SIGNIFICANT ACCOUNTING POLICIES   | 8            |
| 3.1. Statement of compliance   | 8            |
| 3.2. Historical cost convention  | 8-9          |
| 3.3. Investments in associates   | 9            |
| 3.4. Foreign currency transactions and balances  | 9-10         |
| 3.5. Borrowing Costs   | 10           |
| 3.6. Programme and film rights   | 10           |
| 3.6.1. Self-owned television programmes  | 10           |
| 3.6.2. Licensed third parties' TV programmes   | 11           |
| 3.7. Depreciation and Amortization   | 11-12        |
| 3.8. Taxation  | 13           |
| 3.9. Inventories   | 14           |
| 3.10. Provisions   | 14           |
| 3.11. Revenues recognition   | 14           |
| 3.12. Impairment of assets   | 14           |
| 3.13. Trade receivables  | 14           |
| 3.14. Investments  | 15           |
| 3.15. Cash and cash equivalents  | 15           |
| 3.16. Bank Loans   | 15           |
| 3.17. Trade creditors  | 15           |
| 3.18. Use of derivative products and hedging of foreign exchange and interest rate risks | 16           |
| 3.19. Patents and trademarks   | 16           |
| 3.20. Retirements benefits   | 16           |
| 4. BUSINESS SEGMENT  | 17           |
| 5. BUSINESS RISK MANAGEMENT  | 17-18        |
| 6. MANAGEMENT'S ASSUMPTIONS  | 18           |
| 7. DIVIDENDS   | 18           |
| 8. REVENUE   | 19           |
| 9. OPERATING EXPENSES  | 19           |
| 10. OTHER OPERATING INCOME   | 20           |
| 11. PRIOR YEAR'S INCOME  | 20           |
| 12. OTHER INCOME   | 20           |

## CONTENTS (cont.)

|   | <b><u>Pages</u></b> |
|---|---------------------|
| 13. PRIOR YEAR'S EXPENSES                                       | 20                  |
| 14. OTHER EXPENSES  | 20                  |
| 15. TAXATION  | 21                  |
| 16. INTANGIBLE ASSETS - PROGRAMME RIGHTS                        | 22                  |
| 17. TANGIBLE ASSETS   | 23-24               |
| 18. INVESTMENTS - SHARES IN ASSOCIATED AND SUBSIDIARY COMPANIES | 24-25               |
| 19. OTHER FINANCIAL ASSETS                                      | 26                  |
| 20. TRADE AND OTHER RECEIVABLES                                 | 26-27               |
| 21. RECEIVABLES - ASSOCIATED COMPANIES                          | 27                  |
| 22. DEFERRED TAXES  | 28                  |
| 23. PREPAID PROGRAMME RIGHTS                                    | 29                  |
| 24. CASH AND CASH EQUIVALENT                                    | 29                  |
| 25. SHARE CAPITAL   | 29-30               |
| 26. RESERVES  | 31                  |
| 27. LONG TERM LI ABILITIES                                      | 32                  |
| 27.1. Debenture Loans   | 33                  |
| 27.2. Retirement indemnities                                    | 34                  |
| 28. TRADE AND OTHER PAYABLE                                     | 35                  |
| 28.1. Dividends payable   | 35                  |
| 28.2. Taxes and duties  | 35                  |
| 28.3. Other creditors   | 36                  |
| 28.4. Accrual expenses  | 36                  |
| 29. SHORT TERM BORROWING  | 37                  |
| 30. SHARES THAT HAVE BEEN ISSUED                                | 37                  |
| 31. EARNINGS PER SHARE  | 38                  |
| 32. CONTINGENCIES   | 39                  |
| 33. FINANCIAL COMMITMENTS                                       | 39                  |
| 34. COMPENSATION TO EXECUTIVES AND MANAGEMENT                   | 39                  |
| 35. RELATED PARTIES TRANSACTIONS                                | 39-40               |
| 36. EVENTS AFTER THE BALANCE SHEET DATE                         | 41                  |
| 37. APPROVAL OF FINANCIAL STATEMENTS                            | 41                  |

93 Akti Miaouli  
185 38 Piraeus - Greece  
PO BOX 80 132

Tel: (+30)10 42 90 620  
Fax: (+30)10 42 90 375  
E-mail: [inno@moorestephens.gr](mailto:inno@moorestephens.gr)  
[www.moorestephens.gr](http://www.moorestephens.gr)

**TRANSLATION FROM THE RESPECTIVE ON  
ISSUED IN GREEK LANGUAGE**

**REPORT OF INTERIM FINANCIAL INFORMATION  
TO THE SHAREHOLDERS OF  
TELETYPOS TELEVISION PROGRAMMES S.A.  
“MEGA CHANNEL – GREECE**

We have reviewed the accompanying individual and consolidated balance sheet of **TELETYPOS TELEVISION PROGRAMMES S.A. “MEGA CHANNEL - GREECE** as at 30 June, 2007, and the related statements of income, changes in equity and cash flows for the six months period then ended, and a summary of significant accounting policies and other explanatory notes (set out on pages 7 to 41). Management is responsible for the preparation and fair presentation of this interim financial information in accordance with International Financial Reporting Standards which have been adopted by the European Union and are applied in the interim financial information (IAS 34). Our responsibility is to express a conclusion on this interim financial information based on our review.

**Scope of Review**

We conducted our review in accordance with International Standard on Review Engagements 2410 “Review of Interim Financial Information Performed by the Independent Auditor of the Entity” which is similar to the Greek Auditing Standards. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

**Conclusion**

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial information do not present fairly in all material respects the financial position of the entity and of the Group as at 30 June, 2007 and their financial performance and their cash flows for the six month period then ended in accordance with IAS 34.

**Emphasis of matter**

Without qualifying our opinion we draw attention to note 32.1 to the financial statements where it is mentioned that the company's tax liability is not finalised since 2000. The financial impact of such finalisation cannot be estimated.

Piraeus, 3 August, 2007

THE CERTIFIED PUBLIC ACCOUNTANT

STYLIANOS KOURTELLAS

A.M. SOEL 11031

**TELETYPOS TELEVISION PROGRAMMES S.A.**  
**“MEGA CHANNEL”**  
**INCOME STATEMENT**  
**1<sup>st</sup> January – 30<sup>th</sup> June, 2007**  
**(Expressed in Euro)**

**GROUP**

|   | <u>Notes</u> | <u>01.01/<br/>30.06.07</u> | <u>01.04/<br/>30.06.07</u> | <u>01.01/<br/>30.06.06</u> | <u>01.04/<br/>30.06.06</u> |
|---|--------------|----------------------------|----------------------------|----------------------------|----------------------------|
| Revenues                                | 8            | 92.398.455                 | 50.554.189                 | 75.837.927                 | 42.849.992                 |
| Cost of Sales                           | 9            | <u>(77.308.644)</u>        | <u>(40.498.493)</u>        | <u>(63.882.203)</u>        | <u>(34.068.112)</u>        |
| <b>Gross Profit</b>                     |              | <b>15.089.811</b>          | <b>10.055.696</b>          | <b>11.955.724</b>          | <b>8.781.880</b>           |
| Other operating income                  | 10           | <u>5.707.957</u>           | <u>2.297.707</u>           | <u>3.773.747</u>           | <u>2.263.335</u>           |
|   |              | <b>20.797.768</b>          | <b>12.353.403</b>          | <b>15.729.471</b>          | <b>11.045.215</b>          |
| Distribution expenses                   | 9            | (2.612.033)                | (1.425.518)                | (2.026.569)                | (922.899)                  |
| Administration expenses                 | 9            | <u>(4.224.709)</u>         | <u>(2.067.347)</u>         | <u>(3.689.704)</u>         | <u>(1.817.697)</u>         |
| <b>Operating profit</b>                 |              | <b><u>13.961.026</u></b>   | <b><u>8.860.538</u></b>    | <b><u>10.013.198</u></b>   | <b><u>8.304.619</u></b>    |
| <b>Non operating income</b>             |              |                            |                            |                            |                            |
| Interest received and receivable        |              | 4.560                      | 3.435                      | 2.335                      | 2.058                      |
| Profit on disposal of fixed assets      |              | 11.847                     | 1.681                      | 55.815                     | 55.815                     |
| Prior years' income                     | 11           | 26.998                     | 26.998                     | 79.380                     | 79.380                     |
| Other income                            | 12           | <u>45.841</u>              | <u>25.096</u>              | <u>125.898</u>             | <u>63.581</u>              |
|   |              | <b>89.246</b>              | <b>57.210</b>              | <b>263.428</b>             | <b>200.834</b>             |
| <b>Non operating expenses</b>           |              |                            |                            |                            |                            |
| Interest and similar charges            | 9            | (2.099.280)                | (1.056.792)                | (1.594.438)                | (1.312.725)                |
| Prior years' expenses                   | 13           | (189.013)                  | (15.936)                   | (258.731)                  | (60.274)                   |
| Provisions for doubtful debtors         |              | 0                          | 0                          | 0                          | 0                          |
| Extraordinary expenses                  |              | (269)                      | (3)                        | 0                          | 0                          |
| Other expenses                          | 14           | <u>(1.348.579)</u>         | <u>(199.403)</u>           | <u>(1.544.330)</u>         | <u>(1.512.043)</u>         |
|   |              | <b>(3.637.141)</b>         | <b>(1.272.134)</b>         | <b>(3.397.499)</b>         | <b>(2.885.042)</b>         |
| <b>Profit for the period before tax</b> |              | <b>10.413.131</b>          | <b>7.645.614</b>           | <b>6.879.127</b>           | <b>5.620.411</b>           |
| Income tax                              | 15           | (2.402.833)                | (1.810.343)                | (1.775.635)                | (1.508.147)                |
| <b>Profit for the period after tax</b>  |              | <b><u>8.010.298</u></b>    | <b><u>5.835.271</u></b>    | <b><u>5.103.492</u></b>    | <b><u>4.112.264</u></b>    |
| Earnings per share € (note 31)          |              | <b><u>0,23</u></b>         | <b><u>0,17</u></b>         | <b><u>0,16</u></b>         | <b><u>0,13</u></b>         |

Notes forming an integral part of the financial statements on pages 7 to 41.

**TELETYPOS TELEVISION PROGRAMMES S.A.**  
**“MEGA CHANNEL”**  
**INCOME STATEMENT**  
**1<sup>st</sup> January – 30<sup>th</sup> June, 2007**  
**(Expressed in Euro)**

| <u>COMPANY</u>                          |              | <b>01.01/<br/>30.06.07</b> | <b>01.04/<br/>30.06.07</b> | <b>01.01/<br/>30.06.06</b> | <b>01.04/<br/>30.06.06</b> |
|---|--------------|----------------------------|----------------------------|----------------------------|----------------------------|
|   | <u>Notes</u> |                            |                            |                            |                            |
| Revenues                                | 8            | 91.537.258                 | 50.011.971                 | 74.893.670                 | 42.191.506                 |
| Cost of Sales                           | 9            | <u>(77.032.737)</u>        | <u>(40.307.472)</u>        | <u>(63.478.508)</u>        | <u>(33.758.370)</u>        |
| <b>Gross Profit</b>                     |              | <b><u>14.504.521</u></b>   | <b><u>9.704.499</u></b>    | <b><u>11.415.162</u></b>   | <b><u>8.433.136</u></b>    |
| Other operating income                  | 10           | <u>5.707.957</u>           | <u>2.297.707</u>           | <u>3.773.747</u>           | <u>2.263.335</u>           |
|   |              | <b><u>20.212.478</u></b>   | <b><u>12.002.206</u></b>   | <b><u>15.188.909</u></b>   | <b><u>10.696.471</u></b>   |
| Distribution expenses                   | 9            | (2.612.033)                | (1.425.518)                | (2.026.569)                | (922.899)                  |
| Administration expenses                 | 9            | <u>(4.092.925)</u>         | <u>(1.960.278)</u>         | <u>(3.629.257)</u>         | <u>(1.761.369)</u>         |
| <b>Operating profit</b>                 |              | <b><u>13.507.520</u></b>   | <b><u>8.616.410</u></b>    | <b><u>9.533.083</u></b>    | <b><u>8.012.203</u></b>    |
| <b>Non operating income</b>             |              |                            |                            |                            |                            |
| Interest received and receivable        |              | 4.560                      | 3.435                      | 2.335                      | 2.058                      |
| Profit on disposal of fixed assets      |              | 11.847                     | 1.681                      | 55.815                     | 55.815                     |
| Prior years' income                     | 11           | 26.998                     | 26.998                     | 79.380                     | 79.380                     |
| Other income                            | 12           | <u>45.841</u>              | <u>25.096</u>              | <u>125.898</u>             | <u>63.581</u>              |
|   |              | <b><u>89.246</u></b>       | <b><u>57.210</u></b>       | <b><u>263.428</u></b>      | <b><u>200.834</u></b>      |
| <b>Non operating expenses</b>           |              |                            |                            |                            |                            |
| Interest and similar charges            | 9            | (2.087.377)                | (1.049.020)                | (1.589.241)                | (1.311.333)                |
| Prior years' expenses                   | 13           | (189.013)                  | (15.936)                   | (258.731)                  | (60.274)                   |
| Extraordinary expenses                  |              | (269)                      | (3)                        | <u>0</u>                   | <u>0</u>                   |
| Other expenses                          | 14           | <u>(1.348.579)</u>         | <u>(199.403)</u>           | <u>(1.544.330)</u>         | <u>(1.512.043)</u>         |
|   |              | <b><u>(3.625.238)</u></b>  | <b><u>(1.264.362)</u></b>  | <b><u>(3.392.302)</u></b>  | <b><u>(2.883.650)</u></b>  |
| <b>Profit for the period before tax</b> |              | <b><u>9.971.528</u></b>    | <b><u>7.409.258</u></b>    | <b><u>6.404.209</u></b>    | <b><u>5.329.387</u></b>    |
| Income tax                              | 15           | (2.357.797)                | (1.786.710)                | (1.728.144)                | (1.479.045)                |
| <b>Profit for the period after tax</b>  |              | <b><u>7.613.731</u></b>    | <b><u>5.622.548</u></b>    | <b><u>4.676.065</u></b>    | <b><u>3.850.342</u></b>    |
| Earnings per share € (note 30)          |              | <b><u>0,22</u></b>         | <b><u>0,16</u></b>         | <b><u>0,15</u></b>         | <b><u>0,12</u></b>         |

Notes forming an integral part of the financial statements on pages 7 to 41.

**TELETYPOS TELEVISION PROGRAMMES S.A.**  
**“MEGA CHANNEL”**  
**BALANCE SHEET**  
**1<sup>st</sup> January – 30<sup>th</sup> June, 2007**  
**(Expressed in Euro)**

|  |       | <u><b>GROUP</b></u>       |                           | <u><b>COMPANY</b></u>     |                           |
|--|-------|---------------------------|---------------------------|---------------------------|---------------------------|
|  | Note: | <u><b>30.06.2007</b></u>  | <u><b>31.12.2006</b></u>  | <u><b>30.06.2007</b></u>  | <u><b>31.12.2006</b></u>  |
| <b>FIXED ASSETS</b>                              |       |                           |                           |                           |                           |
| Intangible assets – Programme rights             | 16    | 155.563.085               | 144.273.143               | 155.563.085               | 144.273.143               |
| Tangible assets                                  | 17    | 12.045.325                | 11.814.972                | 12.045.325                | 11.814.972                |
| Investments in associates                        | 18    | 33.699.696                | 33.699.696                | 1.447.514                 | 1.447.514                 |
| Deferred taxation                                | 22    | 1.656.558                 | 1.517.596                 | 1.656.558                 | 1.517.596                 |
| Other financial assets                           | 19    | <u>446.305</u>            | <u>398.923</u>            | <u>446.305</u>            | <u>398.923</u>            |
| <b>Total fixed assets</b>                        |       | <u><b>203.410.969</b></u> | <u><b>191.704.330</b></u> | <u><b>171.158.787</b></u> | <u><b>159.452.148</b></u> |
| <b>CURRENT ASSETS</b>                            |       |                           |                           |                           |                           |
| Inventories                                      |       | 353.941                   | 332.480                   | 353.941                   | 332.480                   |
| Trade and other receivables                      | 20    | 48.862.278                | 42.680.768                | 47.469.888                | 40.729.029                |
| Claims against associated companies              | 21    | 0                         | 0                         | 3.758.700                 | 3.758.700                 |
| Prepayments of programme rights & other expenses | 23    | 31.357.857                | 35.382.367                | 31.357.857                | 35.382.367                |
| Cash and cash equivalents                        | 24    | <u>13.213.249</u>         | <u>4.873.426</u>          | <u>11.925.216</u>         | <u>4.190.966</u>          |
|  |       | <u><b>93.787.325</b></u>  | <u><b>83.269.041</b></u>  | <u><b>94.865.602</b></u>  | <u><b>84.393.542</b></u>  |
| <b>Total assets</b>                              |       | <u><b>297.198.294</b></u> | <u><b>274.973.371</b></u> | <u><b>266.024.389</b></u> | <u><b>243.845.690</b></u> |
| <b>EQUITY AND LIABILITIES</b>                    |       |                           |                           |                           |                           |
| Share capital                                    | 25    | 34.361.250                | 34.361.250                | 34.361.250                | 34.361.250                |
| Share premium                                    | 25    | 33.469.247                | 33.469.247                | 33.469.247                | 33.469.247                |
| Reserves   | 26    | 39.901.411                | 39.901.411                | 11.564.658                | 11.564.658                |
| Retained earnings                                |       | 8.010.298                 | 0                         | 7.613.731                 | 0                         |
| Prior year's earnings                            |       | 4.641.966                 | 9.108.929                 | 241.674                   | 4.708.637                 |
| Translation difference                           |       | <u>41.225</u>             | <u>47.818</u>             | <u>0</u>                  | <u>0</u>                  |
| <b>Long term liabilities</b>                     |       | <u><b>120.425.397</b></u> | <u><b>116.888.655</b></u> | <u><b>87.250.560</b></u>  | <u><b>84.103.792</b></u>  |
| <b>CURRENT LIABILITIES</b>                       | 27    | <b>50.265.793</b>         | <b>58.754.986</b>         | <b>50.265.793</b>         | <b>58.754.986</b>         |
| <b>SHORT TERM LIABILITIES</b>                    |       |                           |                           |                           |                           |
| Trade and other payables                         | 28    | 113.796.506               | 85.831.721                | 115.797.438               | 87.488.903                |
| Short term borrowings                            | 29    | 3.710.598                 | 4.498.009                 | 3.710.598                 | 4.498.009                 |
| Long term liabilities payable next period        | 27.1  | <u>9.000.000</u>          | <u>9.000.000</u>          | <u>9.000.000</u>          | <u>9.000.000</u>          |
| <b>Total Short Term Liabilities</b>              |       | <u><b>126.507.104</b></u> | <u><b>99.329.730</b></u>  | <u><b>128.508.036</b></u> | <u><b>100.986.912</b></u> |
| <b>Total equity and liabilities</b>              |       | <u><b>297.198.294</b></u> | <u><b>274.973.371</b></u> | <u><b>266.024.389</b></u> | <u><b>243.845.690</b></u> |

Notes forming an integral part of the financial statements on pages 7 to 41.

**TELETYPOS TELEVISION PROGRAMMES S.A.**  
**“MEGA CHANNEL”**  
**STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY**  
**1<sup>st</sup> January – 30<sup>th</sup> June, 2007**  
**(Expressed in Euro)**

|  | <u>Share<br/>Capital</u> | <u>Share<br/>Premium</u> | <u>Statutory<br/>Reserve</u> | <u>Other<br/>Reserves</u> | <u>Revaluation<br/>Reserves</u> | <u>Translation<br/>Differences</u>   | <u>Earnings for<br/>the period</u> | <u>Retained<br/>Earnings</u> | <u>Total</u>       |
|--|--------------------------|--------------------------|------------------------------|---------------------------|---------------------------------|--------------------------------------|------------------------------------|------------------------------|--------------------|
|  |                          |                          |                              |                           |                                 | <u>fin. Statements of subsidiary</u> |                                    |                              |                    |
| <b>GROUP</b>                                       |                          |                          |                              |                           |                                 |                                      |                                    |                              |                    |
| <b>Net position 2006</b>                           |                          |                          |                              |                           |                                 |                                      |                                    |                              |                    |
| Balance 31st December, 2005                        | 31.237.500               | 35.031.122               | 3.588.430                    | 7.771.271                 | 29.826.287                      | 48.125                               | 0                                  | 8.152.236                    | 115.654.971        |
| Translation difference 31/12/2005                  |                          |                          |                              |                           |                                 | -48.125                              |                                    |                              | -48.125            |
| Translation difference 30/06/2006                  |                          |                          |                              |                           |                                 | 49.253                               |                                    |                              | 49.253             |
| Approval of 2005 dividend by G.A.                  |                          |                          |                              |                           |                                 |                                      |                                    | -4.060.875                   | -4.060.875         |
| Share capital increase                             | 3.123.750                | -1.561.875               |                              | -72.341                   | -1.489.534                      |                                      |                                    |                              | 0                  |
| Profit for the period after tax (01/01-30/06/2006) |                          |                          |                              |                           |                                 |                                      | 5.103.492                          |                              | 5.103.492          |
| <b>Net position 30/06/2006</b>                     | <b>34.361.250</b>        | <b>33.469.247</b>        | <b>3.588.430</b>             | <b>7.698.930</b>          | <b>28.336.753</b>               | <b>49.253</b>                        | <b>5.103.492</b>                   | <b>4.091.361</b>             | <b>116.698.716</b> |
| Balance 30th June, 2006                            | 34.361.250               | 33.469.247               | 3.588.430                    | 7.698.930                 | 28.336.753                      | 49.253                               | 5.103.492                          | 4.091.361                    | 116.698.716        |
| Translation difference 30/06/2006                  |                          |                          |                              |                           |                                 | -49.253                              |                                    |                              | -49.253            |
| Translation difference 31/12/2006                  |                          |                          |                              |                           |                                 | 47.818                               |                                    |                              | 47.818             |
| Profit for the period after tax (01/01-30/06/2006) |                          |                          |                              |                           |                                 |                                      | -5.103.492                         |                              | -5.103.492         |
| Profit for the year after tax                      |                          |                          |                              |                           |                                 |                                      | 5.718.866                          |                              | 5.718.866          |
| Statutory reserve                                  |                          |                          | 277.298                      |                           |                                 |                                      | -277.298                           |                              | 0                  |
| Distribution of earnings to personnel              |                          |                          |                              |                           |                                 |                                      | -400.000                           |                              | -400.000           |
| Board of Directors Remuneration                    |                          |                          |                              |                           |                                 |                                      | -24.000                            |                              | -24.000            |
| Retained earnings 31/12/2005                       |                          |                          |                              |                           |                                 |                                      | 4.091.361                          | -4.091.361                   | 0                  |
| Retained earnings 31/12/2006                       |                          |                          |                              |                           |                                 |                                      | -4.641.966                         | 4.641.966                    | 0                  |
| Proposed dividend for the fiscal year 2006         |                          |                          |                              |                           |                                 |                                      | -4.466.963                         | 4.466.963                    | 0                  |
| <b>Net position 31/12/2006</b>                     | <b>34.361.250</b>        | <b>33.469.247</b>        | <b>3.865.728</b>             | <b>7.698.930</b>          | <b>28.336.753</b>               | <b>47.818</b>                        | <b>0</b>                           | <b>9.108.929</b>             | <b>116.888.655</b> |
| <b>Net position 2007</b>                           |                          |                          |                              |                           |                                 |                                      |                                    |                              |                    |
| Balance 31st December, 2006                        | 34.361.250               | 33.469.247               | 3.865.728                    | 7.698.930                 | 28.336.753                      | 47.818                               | 0                                  | 9.108.929                    | 116.888.655        |
| Translation difference 31/12/2006                  |                          |                          |                              |                           |                                 | -47.818                              |                                    |                              | -47.818            |
| Translation difference 30/06/2007                  |                          |                          |                              |                           |                                 | 41.225                               |                                    |                              | 41.225             |
| Approval of 2006 dividend by G.A.                  |                          |                          |                              |                           |                                 |                                      |                                    | -4.466.963                   | -4.466.963         |
| Profit for the period after tax (01/01-30/06/2007) |                          |                          |                              |                           |                                 |                                      | 8.010.298                          |                              | 8.010.298          |
| <b>Net position 30/06/2007</b>                     | <b>34.361.250</b>        | <b>33.469.247</b>        | <b>3.865.728</b>             | <b>7.698.930</b>          | <b>28.336.753</b>               | <b>41.225</b>                        | <b>8.010.298</b>                   | <b>4.641.966</b>             | <b>120.425.397</b> |

**TELETYPOS TELEVISION PROGRAMMES S.A.**  
**“MEGA CHANNEL”**  
**STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY**  
**1<sup>st</sup> January – 30<sup>th</sup> June, 2007**  
**(Expressed in Euro)**

**COMPANY**

**Net position 2006**

|  | <u>Share</u><br><u>Capital</u> | <u>Share</u><br><u>Premium</u> | <u>Statutory</u><br><u>Reserve</u> | <u>Other</u><br><u>Reserves</u> | <u>Revaluation</u><br><u>Reserves</u> | <u>Earnings for</u><br><u>the period</u> | <u>Retained</u><br><u>Earnings</u> | <u>Total</u>      |
|--|--------------------------------|--------------------------------|------------------------------------|---------------------------------|---------------------------------------|--|------------------------------------|-------------------|
| Balance 31st December, 2005                        | 31.237.500                     | 35.031.122                     | 3.588.430                          | 7.771.271                       | 1.489.534                             | 0  | 4.689.297                          | 83.807.154        |
| Approval of 2005 dividend by G.A.                  |                                |                                |                                    |                                 |                                       |  | -4.060.875                         | -4.060.875        |
| Share capital increase                             | 3.123.750                      | -1.561.875                     |                                    | -72.341                         | -1.489.534                            |  |                                    | 0                 |
| Profit for the period after tax (01/01-30/06/2006) |                                |                                |                                    |                                 |                                       | 4.676.065                                |                                    | 4.676.065         |
| <b>Net position 30/06/2006</b>                     | <b>34.361.250</b>              | <b>33.469.247</b>              | <b>3.588.430</b>                   | <b>7.698.930</b>                | <b>0</b>                              | <b>4.676.065</b>                         | <b>628.422</b>                     | <b>84.422.344</b> |

|  |                   |                   |                  |                  |          |            |                  |                   |
|--|-------------------|-------------------|------------------|------------------|----------|------------|------------------|-------------------|
| Balance 30th June, 2006                            | 34.361.250        | 33.469.247        | 3.588.430        | 7.698.930        | 0        | 4.676.065  | 628.422          | 84.422.344        |
| Profit for the period after tax (01/01-30/06/2006) |                   |                   |                  |                  |          | -4.676.065 |                  | -4.676.065        |
| Profit for the year after tax                      |                   |                   |                  |                  |          | 4.781.513  |                  | 4.781.513         |
| Statutory reserve                                  |                   |                   |                  |                  |          | -277.298   |                  | -277.298          |
| Distribution of earnings to personnel              |                   |                   | 277.298          |                  |          | -400.000   |                  | -122.702          |
| Board of Directors Remuneration                    |                   |                   |                  |                  |          | -24.000    |                  | -24.000           |
| Retained earnings 31/12/2005                       |                   |                   |                  |                  |          | 628.422    | -628.422         | 0                 |
| Retained earnings 31/12/2006                       |                   |                   |                  |                  |          | -241.674   | 241.674          | 0                 |
| Proposed dividend for the fiscal year 2006         |                   |                   |                  |                  |          | -4.466.963 | 4.466.963        | 0                 |
| <b>Net position 31/12/2006</b>                     | <b>34.361.250</b> | <b>33.469.247</b> | <b>3.865.728</b> | <b>7.698.930</b> | <b>0</b> | <b>0</b>   | <b>4.708.637</b> | <b>84.103.792</b> |

**Net position 2007**

|  |                   |                   |                  |                  |          |                  |                |                   |
|--|-------------------|-------------------|------------------|------------------|----------|------------------|----------------|-------------------|
| Balance 31st December, 2006                        | 34.361.250        | 33.469.247        | 3.865.728        | 7.698.930        | 0        | 0                | 4.708.637      | 84.103.792        |
| Translation difference 31/12/2006                  |                   |                   |                  |                  |          |                  |                | 0                 |
| Translation difference 30/06/2007                  |                   |                   |                  |                  |          |                  |                | 0                 |
| Approval of 2006 dividend by G.A.                  |                   |                   |                  |                  |          |                  | -4.466.963     | -4.466.963        |
| Profit for the period after tax (01/01-30/06/2007) |                   |                   |                  |                  |          | 7.613.731        |                | 7.613.731         |
| <b>Net position 30/06/2007</b>                     | <b>34.361.250</b> | <b>33.469.247</b> | <b>3.865.728</b> | <b>7.698.930</b> | <b>0</b> | <b>7.613.731</b> | <b>241.674</b> | <b>87.250.560</b> |

**TELETYPOS TELEVISION PROGRAMMES S.A.**  
**“MEGA CHANNEL”**  
**CASH FLOW STATEMENT**  
**1<sup>st</sup> January – 30<sup>th</sup> June, 2007**  
**(Expressed in Euro)**

|   | <b><u>GROUP</u></b>    |                        | <b><u>COMPANY</u></b>  |                        |
|---|------------------------|------------------------|------------------------|------------------------|
|   | <b><u>30.06.07</u></b> | <b><u>30.06.06</u></b> | <b><u>30.06.07</u></b> | <b><u>30.06.06</u></b> |
| <b>Cash flow from operating activities</b>                      |                        |                        |                        |                        |
| Profit before taxation  | 10.413.131             | 6.879.126              | 9.971.528              | 6.404.209              |
| <b>Adjustments for items not involving the movement of cash</b> |                        |                        |                        |                        |
| Depreciation and amortisation                                   | 49.603.468             | 36.257.222             | 49.603.468             | 36.257.222             |
| Provisions  | 1.945.509              | 2.027.498              | 1.945.509              | 2.027.498              |
| Translation differences   | (23.094)               | (18.847)               | (16.501)               | (19.977)               |
| Profit on disposal of fixed assets                              | (16.138)               | (58.150)               | (16.138)               | (58.150)               |
| <b>Interest and similar charges</b>                             | 2.099.280              | 1.594.438              | 2.087.377              | 1.589.241              |
| <br>  |                        |                        |                        |                        |
| Decrease / (Increase) in stock of spares and consumables        | (21.461)               | 7.780                  | (21.461)               | 7.780                  |
| Decrease in stock of programme rights                           | 4.024.510              | 3.711.429              | 4.024.510              | 3.711.429              |
| (Increase) in debtors and others                                | (7.543.580)            | (9.282.803)            | (8.102.929)            | (9.389.119)            |
| (Decrease) in payables  | (47.382)               | (9.821)                | (47.382)               | (9.821)                |
| Minus: Interest and similar charges                             | 21.718.326             | (8.104.588)            | 22.041.081             | (7.860.034)            |
| Income tax paid   |                        |                        |                        |                        |
| <b>Total Cash Flow from Operating Activities (a)</b>            | (2.071.091)            | (1.596.267)            | (2.059.189)            | (1.591.069)            |
|   | (703.551)              | (617.416)              | (637.520)              | (585.564)              |
| <b>Net Cash Flow from Operating Activities</b>                  | <b>79.377.927</b>      | <b>30.789.601</b>      | <b>78.772.353</b>      | <b>30.483.645</b>      |
| <br>  |                        |                        |                        |                        |
| <b>Cash Flow from investing activities</b>                      |                        |                        |                        |                        |
| Purchase of tangible and intangible fixed assets                | 0                      | (600)                  | 0                      | (600)                  |
| (Increase)/ in long term receivables                            | (61.124.034)           | (42.171.558)           | (61.124.034)           | (42.171.558)           |
| (Increase) of investments and participations                    | 11.848                 | 57.000                 | 11.848                 | 57.000                 |
| Interest  | 4.560                  | 2.334                  | 4.560                  | 2.334                  |
| <b>Net Cash Flow from Investing Activities (b)</b>              | <b>(61.107.626)</b>    | <b>(42.112.824)</b>    | <b>(61.107.626)</b>    | <b>(42.112.824)</b>    |
| <br>  |                        |                        |                        |                        |
| <b>Cash Flow from Financing Activities</b>                      |                        |                        |                        |                        |
| (Decrease) in long term borrowings                              | 0                      | 28.987.006             | 0                      | 28.987.006             |
| Εξοφλήσεις δανείων  | (9.833.902)            | (7.818.843)            | (9.833.901)            | (7.818.843)            |
| Dividend paid   | (96.576)               | (4.128.390)            | (96.576)               | (4.128.390)            |
| <b>Net Cash Flow from Financing Activities (c)</b>              | <b>(9.930.478)</b>     | <b>17.039.773</b>      | <b>(9.930.477)</b>     | <b>17.039.773</b>      |
| <br>  |                        |                        |                        |                        |
| <b>Increase in net liquid funds (a)+(b)+(c)</b>                 | <b>8.339.823</b>       | <b>5.716.550</b>       | <b>7.734.250</b>       | <b>5.410.594</b>       |
| <br>  |                        |                        |                        |                        |
| <b>Cash and cash equivalents at beginning of the period</b>     | 4.873.426              | 2.442.620              | 4.190.966              | 1.910.298              |
| <b>Cash and cash equivalents at end of period</b>               | <b>13.213.249</b>      | <b>8.159.170</b>       | <b>11.925.216</b>      | <b>7.320.892</b>       |

Notes forming an integral part of the financial statements on pages 7 to 41.

**TELETYPOS TELEVISION PROGRAMMES S.A.**  
**“MEGA CHANNEL - GREECE” AND ITS SUBSIDIARY**  
**Notes to the consolidated and parent financial statements in accordance with IFRS**  
**30<sup>TH</sup> June, 2007**  
**(Expressed in Euro)**

**1. General Information**

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

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

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

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

The company's main objectives are:

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

The financial statements have been approved by the company's Board of Directors at 2/8/2007. The composition of the Board of Directors is as follows:

|                        |                                    |
|------------------------|------------------------------------|
| Christos Lambrakis     | - Chairman, non-executive member   |
| Elias Tsigas           | - Managing Director                |
| Yiorgos Bobolas        | - Non-executive member             |
| Yiorgos Vardinogiannis | - Non-executive member             |
| Fotis Bobolas          | - Non-executive member             |
| Stauros Psicharis      | - Non-executive member             |
| Yiorgos Aidinis        | - Independent non-executive member |
| Yiorgos Poursanidis    | - Independent non-executive member |

**TELETYPOS TELEVISION PROGRAMMES S.A.**  
**“MEGA CHANNEL - GREECE”**  
**Notes to the consolidated and separate financial statements in accordance with IFRS**  
**30<sup>th</sup> June 2007**  
**(Expressed in Euro)**

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

The group adopted, in the current year, the new and revised International Financial Reporting Standards (IFRS) and the corresponding amendments that have been published from the International Accounting Standards Board (IASB) and from the International Financial Reporting Interpretation Committee (IFRIC) respectively, in the respect that these are related with the group's activity and are effective with the accounting periods beginning on 1<sup>st</sup> of January 2007.

**a. New and revised standards and interpretations effective from the 1<sup>st</sup> of January 2007**

The compliance with the new and revised standards and interpretations which are effective from the 1<sup>st</sup> of January 2007 either do not relate with the activities of the group or do not impose changes on the accounting policies with cause material effect on the reported financial data for the current year and for the previous year.

**b. New and revised standards not yet in effect**

It is estimated that the new and revised standards and interpretations that are not yet in effect either do not relate with the activities of the group or will not have material effect in the financial data.

**3. Significant Accounting Policies**

**3.1. Statement of compliance**

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

**3.2. Historical cost convention**

The financial statements have been prepared under the historical cost convention, except for the revaluation of land and buildings, which has been done in 1992, 1996, 2000 and 2004 on the basis of relevant legislation. The resulting revaluation increase was capitalised. Group's management decided that the valuation of land and buildings on current value is not necessary.

**TELETYPOS TELEVISION PROGRAMMES S.A.**  
**“MEGA CHANNEL - GREECE”**  
**Notes to the consolidated and separate financial statements in accordance with IFRS**  
**30<sup>th</sup> June 2007**  
**(Expressed in Euro)**

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

**3.2. Historical cost convention (cont.)**

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

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

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

**3.3. Investments in associates**

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

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

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

**3.4. Foreign currency transactions and balances**

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

The company's parent and consolidated accounts are presented in the country's currency which is the functional currency of the company. The consolidated accounts are presented in euros which is the parent's company functional currency.

**TELETYPOS TELEVISION PROGRAMMES S.A.**  
**“MEGA CHANNEL - GREECE”**  
**Notes to the consolidated and separate financial statements in accordance with IFRS**  
**30<sup>th</sup> June 2007**  
**(Expressed in Euro)**

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

#### **3.4. Foreign currency transactions and balances (cont.)**

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

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

Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in items of historical cost in a foreign currency are not translated.

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

- Exchange differences which relate to assets under construction to be used in future production and that are included in the production cost.
- Exchange differences on monetary items receivables from or payable to a foreign operation for which settlement is neither planned nor likely to occur, which form part of the net investment in a foreign operations, and which are recognised in the foreign currency translation reserve and recognised in profit or loss on disposal of the net investment.

#### **3.5. Borrowing Cost**

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

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

#### **3.6. Programme and film rights**

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

##### **3.6.1. Self-owned television programmes**

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

**TELETYPOS TELEVISION PROGRAMMES S.A.**

**“MEGA CHANNEL - GREECE”**

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

30<sup>th</sup> June 2007

(Expressed in Euro)

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

**3.6. Programme and film rights (cont.)**

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

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

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

**3.7 Depreciation and Amortization**

**Fixed Assets**

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

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

**TELETYPOS TELEVISION PROGRAMMES S.A.**  
**“MEGA CHANNEL - GREECE”**  
**Notes to the consolidated and separate financial statements in accordance with IFRS**  
**30<sup>th</sup> June 2007**  
**(Expressed in Euro)**

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

**3.7. Depreciation and Amortization (cont.)**

**Fixed Assets (cont.)**

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

In addition to the original accounting presentation of cost, land is presented at revised values. The revised value is defined according to relevant legislation. The excess amount of the revaluation is transferred to the account ‘Revaluation Reserve’ and is presented in the Balance Sheet as part of Equity. According to the relevant law, the time of capitalisation of reserves should take place within two years. Thus, the revised surplus of 2004 has been capitalized in 2006.

**Programme and film rights**

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

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

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

**TELETYPOS TELEVISION PROGRAMMES S.A.**  
**“MEGA CHANNEL - GREECE”**  
**Notes to the consolidated and separate financial statements in accordance with IFRS**  
**30<sup>th</sup> June 2007**  
**(Expressed in Euro)**

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

**3.8 Taxation**

Income tax is calculated on taxable profits and according to the rate which is in force (25% for the year 2007 and 29% for the year 2006). Taxable profit differs from company's profit as reported in the income statement because it excludes items of income or expenses that are not taxable or deductible in other years and it further excludes items that are never taxable or deductible.

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

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

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

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

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

**TELETYPOS TELEVISION PROGRAMMES S.A.**  
**“MEGA CHANNEL - GREECE”**  
**Notes to the consolidated and separate financial statements in accordance with IFRS**  
**30<sup>th</sup> June 2007**  
**(Expressed in Euro)**

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

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

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

**3.10. Provisions**

Provisions are recognised when:

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

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

**3.11. Revenues**

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

**3.12. Impairment**

At each balance sheet date, the company's management reviews the carrying amounts of its tangible and intangible assets to determine whether there is indication that those assets have suffered an impairment loss. At 30.06.2007, there was no such indication.

**3.13. Trade receivables**

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

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

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

**Notes to the consolidated and separate financial statements in accordance with IFRS**  
**30<sup>th</sup> June 2007**  
**(Expressed in Euro)**

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

**3.14. Investments**

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

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

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

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

**3.15. Cash and cash equivalents**

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

**3.16. Bank loans**

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

**3.17. Trade Creditors**

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

**TELETYPOS TELEVISION PROGRAMMES S.A.**  
**“MEGA CHANNEL - GREECE”**  
**Notes to the consolidated and separate financial statements in accordance with IFRS**  
**30<sup>th</sup> June 2007**  
**(Expressed in Euro)**

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

**3.18. Use of derivative products and hedging of foreign exchange and interest rate risks**

Company's activities are subject to exchange rate and interest rate fluctuations. The company uses derivative products for the hedging of these risks, according to the need for covering the exposure to changes in exchange or interest rates.

**3.19. Patents and trademarks**

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

**3.20. Retirement benefits**

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

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

This liability is specified in at the balance sheet date with the method 'Projected unit credit method'. According to this method, the liabilities that correspond to the services obtained at the balance sheet date are accounted separately from the liability that correspond to future services.

The most important assumptions taken into account are the same with those that were followed at the 31.12.2006.

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

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

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

**Notes to the consolidated and separate financial statements in accordance with IFRS**  
**30<sup>th</sup> June 2007**  
**(Expressed in Euro)**

**4. Business Segment**

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

**5. Business Risk Management**

Company's operations are subject to several business risks such as:

- Foreign exchange risk
- Business risk
- Credit risk
- Liquidity risk
- Cash flow and fair value interest rate risk

- **Foreign exchange risk**

Although the company operates within the Greek state, a large sum of its TV programmes are purchased from abroad. As a result, it is subject to foreign exchange risk between the Euro and other currencies (mainly US dollars). Nevertheless, the fact that majority of the TV programmes are purchased from countries within the European Union eliminates the foreign currency risk.

- **Business risk**

Company's main revenue comes from the sale of advertisement. Thus, the company is subject to advertisement's price fluctuations as a result from the competition with other TV stations or with other mass media.

**TELETYPOS TELEVISION PROGRAMMES S.A.**  
**“MEGA CHANNEL - GREECE”**  
**Notes to the consolidated and separate financial statements in accordance with IFRS**  
**30<sup>th</sup> June 2007**  
**(Expressed in Euro)**

**5. Business Risk Management (cont.)**

- **Credit risk**

The credit risk, which is related to the credit profile of the clients, is low and controllable since most of the company's clients have strong balance sheets.

- **Liquidity risk**

The management is exercising a conservative policy as of the liquidity risk aiming in maintaining a balance between the financing and the credit period and an adequate cash flow.

- **Cash flow and fair value interest rate risk**

Interest rate risk is mainly related to long term borrowing. When needed, the management applies a preventive policy to cover the exposure to changes in interest rates.

There was no need to estimate the reasonable value of the financial means using the real interest rate method.

**6. Management's assumptions**

The company makes estimates and assumptions before adopting its accounting principles. There is no particular issue which would require further investigation.

**7. Dividends**

Dividends to shareholders are recognized as payables and appear as liabilities in the balance sheet in the year in which dividends have been approved by the Shareholder's General Assembly meeting.

**TELETYPOS TELEVISION PROGRAMMES S.A.**  
**“MEGA CHANNEL - GREECE”**  
**Notes to the consolidated and separate financial statements in accordance with IFRS**  
**30<sup>th</sup> June 2007**  
**(Expressed in Euro)**

| <b>8. Revenue</b>                    | <b><u>GROUP</u></b>      |                      |                          |                      | <b><u>COMPANY</u></b>    |                      |                          |                      |
|--------------------------------------|--------------------------|----------------------|--------------------------|----------------------|--------------------------|----------------------|--------------------------|----------------------|
|                                      | <b><u>30/6/2007</u></b>  | <b><u>%</u></b>      | <b><u>30/6/2006</u></b>  | <b><u>%</u></b>      | <b><u>30/6/2007</u></b>  | <b><u>%</u></b>      | <b><u>30/6/2006</u></b>  | <b><u>%</u></b>      |
| Advertising                          | 90.899.697               | 98,38                | 74.257.595               | 97,92                | 90.899.697               | 99,30                | 74.257.595               | 99,15                |
| Income from TV rights                | 637.561                  | 0,69                 | 636.075                  | 0,84                 | 637.561                  | 0,70                 | 636.075                  | 0,85                 |
| Income from TV rights (sub. Company) | 861.197                  | 0,93                 | 944.257                  | 1,25                 | 0                        | 0,00                 | 0                        | 0,00                 |
|                                      | <b><u>92.398.455</u></b> | <b><u>100,00</u></b> | <b><u>75.837.927</u></b> | <b><u>100,00</u></b> | <b><u>91.537.258</u></b> | <b><u>100,00</u></b> | <b><u>74.893.670</u></b> | <b><u>100,00</u></b> |

| <b>9. Operating expenses</b>                | <b><u>30/6/2007</u></b>  | <b><u>30/6/2006</u></b>  | <b><u>30/6/2007</u></b>  | <b><u>30/6/2006</u></b>  |
|---|--------------------------|--------------------------|--------------------------|--------------------------|
| Staff wages and expenses                    | 17.325.898               | 15.957.813               | 17.325.898               | 15.957.813               |
| Third parties fees and expenses             | 10.998.608               | 11.601.211               | 10.998.608               | 11.601.211               |
| Utilities                                   | 2.720.389                | 2.931.411                | 2.720.389                | 2.931.411                |
| Taxes and duties                            | 1.852.621                | 1.733.812                | 1.852.621                | 1.733.812                |
| Sundry expenses                             | 4.013.967                | 3.707.936                | 3.606.276                | 3.243.794                |
| Financial expenses                          | 2.099.280                | 1.594.438                | 2.087.377                | 1.589.241                |
| Consumables - spare parts                   | 164.566                  | 164.198                  | 164.566                  | 164.198                  |
| Depreciation/Amortization                   | 49.603.468               | 36.257.222               | 49.603.468               | 36.257.222               |
| Less: Cost of origination of own production | (2.534.131)              | (2.755.126)              | (2.534.131)              | (2.755.126)              |
|   | <b><u>86.244.666</u></b> | <b><u>71.192.914</u></b> | <b><u>85.825.072</u></b> | <b><u>70.723.575</u></b> |

The above amounts have been allocated as follows:

|                                | <b><u>30/6/2007</u></b>  | <b><u>30/6/2006</u></b>  | <b><u>30/6/2007</u></b>  | <b><u>30/6/2006</u></b>  |
|--------------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| <b>Cost of Sales</b>           | 77.308.644               | 63.882.203               | 77.032.737               | 63.478.508               |
| <b>Administrative expenses</b> | 4.224.709                | 3.689.704                | 4.092.925                | 3.629.257                |
| <b>Distribution expenses</b>   | 2.612.033                | 2.026.569                | 2.612.033                | 2.026.569                |
| <b>Financial expenses</b>      | 2.099.280                | 1.594.438                | 2.087.377                | 1.589.241                |
|                                | <b><u>86.244.666</u></b> | <b><u>71.192.914</u></b> | <b><u>85.825.072</u></b> | <b><u>70.723.575</u></b> |

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

Notes to the consolidated and separate financial statements in accordance with IFRS  
**30<sup>th</sup> June 2007**  
**(Expressed in Euro)**

|  | <u><b>GROUP</b></u>     |                         | <u><b>COMPANY</b></u>   |                         |
|--|-------------------------|-------------------------|-------------------------|-------------------------|
|  | <u><b>30/6/2007</b></u> | <u><b>30/6/2006</b></u> | <u><b>30/6/2007</b></u> | <u><b>30/6/2006</b></u> |
| <b>10. Other operating income</b>                  |                         |                         |                         |                         |
| Computer and technical support to clients          | 4.736.937               | 3.244.572               | 4.736.937               | 3.244.572               |
| Income earned from co-operation with third parties | 953.754                 | 506.108                 | 953.754                 | 506.108                 |
| Income from rentals                                | 17.266                  | 23.067                  | 17.266                  | 23.067                  |
|  | <u><b>5.707.957</b></u> | <u><b>3.773.747</b></u> | <u><b>5.707.957</b></u> | <u><b>3.773.747</b></u> |
| <b>11. Prior years' income</b>                     |                         |                         |                         |                         |
|  | <u><b>30/6/2007</b></u> | <u><b>30/6/2006</b></u> | <u><b>30/6/2007</b></u> | <u><b>30/6/2006</b></u> |
| Discounts 'OTE'                                    | 0                       | 79.380                  | 0                       | 79.380                  |
| Discounts 'DIONYSOS'                               | 26.998                  | 0                       | 26.998                  | 0                       |
|  | <u><b>26.998</b></u>    | <u><b>79.380</b></u>    | <u><b>26.998</b></u>    | <u><b>79.380</b></u>    |
| <b>12. Other income</b>                            |                         |                         |                         |                         |
|  | <u><b>30/6/2007</b></u> | <u><b>30/6/2006</b></u> | <u><b>30/6/2007</b></u> | <u><b>30/6/2006</b></u> |
| Foreign exchange valuation differences             | 45.841                  | 125.885                 | 45.841                  | 125.885                 |
| Sundry income                                      | 0                       | 13                      | 0                       | 13                      |
|  | <u><b>45.841</b></u>    | <u><b>125.898</b></u>   | <u><b>45.841</b></u>    | <u><b>125.898</b></u>   |
| <b>13. Prior years' expenses</b>                   |                         |                         |                         |                         |
|  | <u><b>30/6/2007</b></u> | <u><b>30/6/2006</b></u> | <u><b>30/6/2007</b></u> | <u><b>30/6/2006</b></u> |
| Technical support services                         | 119.611                 | 180.364                 | 119.611                 | 180.364                 |
| Compensation                                       | 24.135                  | 0                       | 24.135                  | 0                       |
| Sundry expenses                                    | 45.267                  | 78.367                  | 45.267                  | 78.367                  |
|  | <u><b>189.013</b></u>   | <u><b>258.731</b></u>   | <u><b>189.013</b></u>   | <u><b>258.731</b></u>   |
| <b>14. Other expenses</b>                          |                         |                         |                         |                         |
|  | <u><b>30/6/2007</b></u> | <u><b>30/6/2006</b></u> | <u><b>30/6/2007</b></u> | <u><b>30/6/2006</b></u> |
| Provisions   | 1.196.768               | 1.494.000               | 1.196.768               | 1.494.000               |
| Foreign exchange valuation differences             | 119.647                 | 14.193                  | 119.647                 | 14.193                  |
| Other expenses                                     | 32.164                  | 36.137                  | 32.164                  | 36.137                  |
|  | <u><b>1.348.579</b></u> | <u><b>1.544.330</b></u> | <u><b>1.348.579</b></u> | <u><b>1.544.330</b></u> |

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

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

30<sup>th</sup> June 2007

(Expressed in Euro)

### 15. Taxation

The company's profits are taxed at the rate of 25% for the year 2007 and 29% for the year 2006 after they have been adjusted for expenses not tax allowable and for any tax free reserves.

The company's tax liability is not finalised unless the books and records are examined by the Greek tax authorities. Such examination has been carried out up to 1999.

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

|   | <u>GROUP</u>              |                           | <u>COMPANY</u>            |                           |                           |      |                           |      |
|---|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|------|---------------------------|------|
|   | <u>30/6/2007</u>          | <u>30/6/2006</u>          | <u>30/6/2007</u>          | <u>30/6/2006</u>          |                           |      |                           |      |
| Current income tax                              | (2.537.918)               | (1.904.713)               | (2.492.882)               | (1.857.222)               |                           |      |                           |      |
| Other non-incorporated in operating cost taxes  | (3.877)                   | (3.877)                   | (3.877)                   | (3.877)                   |                           |      |                           |      |
| Deferred taxes (note 22)                        | 138.962                   | 132.955                   | 138.962                   | 132.955                   |                           |      |                           |      |
| <b>Total tax for the period</b>                 | <b><u>(2.402.833)</u></b> | <b><u>(1.775.635)</u></b> | <b><u>(2.357.797)</u></b> | <b><u>(1.728.144)</u></b> |                           |      |                           |      |
| Total tax for the year consists of:             |                           |                           |                           |                           |                           |      |                           |      |
|   | <u>30/6/2007</u>          | TAX                       | <u>30/6/2006</u>          | TAX                       | <u>30/6/2007</u>          | TAX  | <u>30/6/2006</u>          | TAX  |
|   |                           | RATE                      |                           | RATE                      |                           | RATE |                           | RATE |
| Profit for the period before taxes (parent)     | 9.971.528                 |                           | 6.404.209                 |                           | 9.971.528                 |      | 6.404.209                 |      |
| Profit for the period before taxes (subsidiary) | 441.604                   |                           | 474.917                   |                           | 0                         |      | 0                         |      |
| <b>Taxable profit</b>                           | <b><u>10.413.132</u></b>  |                           | <b><u>6.879.126</u></b>   |                           | <b><u>9.971.528</u></b>   |      | <b><u>6.404.209</u></b>   |      |
| Income tax (parent)                             | (2.492.882)               | 25%                       | (1.857.221)               | 29%                       | (2.492.882)               | 25%  | (1.857.222)               | 29%  |
| Income tax (subsidiary)                         | (44.160)                  | 10%                       | (47.492)                  | 10%                       | 0                         |      | 0                         |      |
| Prepayment of income tax (subsidiary)           | (876)                     |                           | 0                         |                           | 0                         |      | 0                         |      |
| <b>Total tax for the period</b>                 | <b><u>(2.537.918)</u></b> |                           | <b><u>(1.904.713)</u></b> |                           | <b><u>(2.492.882)</u></b> |      | <b><u>(1.857.222)</u></b> |      |
| <b>Deferred taxes</b>                           |                           |                           |                           |                           |                           |      |                           |      |
| Intangible assets. Formation expenses           | (362)                     |                           | (420)                     |                           | (362)                     |      | (420)                     |      |
| Provision for contingencies - expenses          | 139.324                   |                           | 133.375                   |                           | 139.324                   |      | 133.375                   |      |
| Total tax                                       | <b><u>138.962</u></b>     |                           | <b><u>132.955</u></b>     |                           | <b><u>138.962</u></b>     |      | <b><u>132.955</u></b>     |      |
| Other non-incorporated in operating cost taxes  | (3.877)                   |                           | (3.877)                   |                           | (3.877)                   |      | (3.877)                   |      |
| <b>Total tax for the period</b>                 | <b><u>(2.402.833)</u></b> |                           | <b><u>(1.775.635)</u></b> |                           | <b><u>(2.357.797)</u></b> |      | <b><u>(1.728.144)</u></b> |      |

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

Notes to the consolidated and separate financial statements in accordance with IFRS  
**30<sup>th</sup> June 2007**  
**(Expressed in Euro)**

**16. Intangible assets- Programme rights**

**GROUP/COMPANY**

|                                  | <b>Programme<br/>and<br/>film rights</b> | <b>Formation<br/>expenses</b> | <b>Share<br/>Capital's<br/>Increase<br/>Expenses</b> | <b>License<br/>Trademark</b> | <b>Total</b>              |
|----------------------------------|--|-------------------------------|--|------------------------------|---------------------------|
| <b>2006</b>                      |  |                               |  |                              |                           |
| <b><u>Cost</u></b>               |  |                               |  |                              |                           |
| 1.1.2006                         | 577.432.978                              | 0                             | 0  | 384.892                      | <b>577.817.870</b>        |
| Purchases                        | 81.934.112                               | 15.619                        | 3.124  | 0                            | <b>81.952.855</b>         |
| Disposals                        | 0  | 0                             | 0  | (115.009)                    | <b>(115.009)</b>          |
| In House production under way    | 4.270.051                                | 0                             | 0  | 0                            | <b>4.270.051</b>          |
| 31.12.2006                       | <b><u>663.637.141</u></b>                | <b><u>15.619</u></b>          | <b><u>3.124</u></b>                                  | <b><u>269.883</u></b>        | <b><u>663.925.767</u></b> |
| <b><u>Amorization</u></b>        |  |                               |  |                              |                           |
| 1.1.2006                         | 441.572.639                              | 0                             | 0  | 268.745                      | <b>441.841.384</b>        |
| Charge for the period            | 77.853.670                               | 15.619                        | 3.124  | 53.835                       | <b>77.926.248</b>         |
| Disposals                        | 0  | 0                             | 0  | (115.008)                    | <b>(115.008)</b>          |
| 31.12.2006                       | <b><u>519.426.309</u></b>                | <b><u>15.619</u></b>          | <b><u>3.124</u></b>                                  | <b><u>207.572</u></b>        | <b><u>519.652.624</u></b> |
| <b>Net Book Value 31.12.2006</b> | <b><u>144.210.832</u></b>                | <b><u>0</u></b>               | <b><u>0</u></b>                                      | <b><u>62.311</u></b>         | <b><u>144.273.143</u></b> |
| <b>2007</b>                      |  |                               |  |                              |                           |
| <b><u>Cost</u></b>               |  |                               |  |                              |                           |
| 1.1.2007                         | 663.637.141                              | 15.619                        | 3.124  | 269.883                      | <b>663.925.767</b>        |
| Purchases                        | 55.582.973                               | 0                             | 0  | 0                            | <b>55.582.973</b>         |
| Disposals                        | 0  | (15.619)                      | (3.124)  | (8.479)                      | <b>(27.222)</b>           |
| In House production under way    | 4.253.289                                | 0                             | 0  | 0                            | <b>4.253.289</b>          |
| 30.06.2007                       | <b><u>723.473.403</u></b>                | <b><u>0</u></b>               | <b><u>0</u></b>                                      | <b><u>261.404</u></b>        | <b><u>723.734.807</u></b> |
| <b><u>Amortization</u></b>       |  |                               |  |                              |                           |
| 1.1.2007                         | 519.426.309                              | 15.619                        | 3.124  | 207.572                      | <b>519.652.624</b>        |
| Charge for the period            | 48.520.180                               | 0                             | 0  | 26.140                       | <b>48.546.320</b>         |
| Disposals                        | 0  | (15.619)                      | (3.124)  | (8.479)                      | <b>(27.222)</b>           |
| 30.06.2007                       | <b><u>567.946.489</u></b>                | <b><u>0</u></b>               | <b><u>0</u></b>                                      | <b><u>225.233</u></b>        | <b><u>568.171.722</u></b> |
| <b>Net Book Value 30.06.2007</b> | <b><u>155.526.914</u></b>                | <b><u>0</u></b>               | <b><u>0</u></b>                                      | <b><u>36.171</u></b>         | <b><u>155.563.085</u></b> |

**TELETYPOS TELEVISION PROGRAMMES S.A.**  
**“MEGA CHANNEL - GREECE”**  
**Notes to the consolidated and separate financial statements in accordance with IFRS**  
**30<sup>th</sup> June 2007**  
**(Expressed in Euro)**

**17. Tangible assets**  
**GROUP-COMPANY**

| <b>2006</b>                | <b><u>Land</u></b><br><b><u>1</u></b> | <b><u>Buildings</u></b> | <b><u>Plant and</u></b><br><b><u>machinery</u></b> | <b><u>Transportation</u></b><br><b><u>means</u></b> | <b><u>Furnitures</u></b><br><b><u>and</u></b><br><b><u>equipment</u></b> | <b><u>Advanced</u></b><br><b><u>Payments</u></b> | <b><u>Total</u></b>      |
|----------------------------|---------------------------------------|-------------------------|--|---|--|--|--------------------------|
| <b><u>Cost</u></b>         |                                       |                         |  |   |  |  |                          |
| 1.1.2006                   | 4.799.610                             | 2.531.878               | 17.252.380   | 917.058   | 13.104.759   | 0  | <b>38.605.685</b>        |
| Purchases                  | 0                                     | 65.200                  | 1.864.603  | 37.906  | 804.563  | 0  | <b>2.772.272</b>         |
| Sales                      | 0                                     | 0                       | (1.850)  | (12.801)  | (45.000)   | 0  | <b>(59.651)</b>          |
| Disposals                  | 0                                     | 0                       | (13.902)   | (164.971)   | (638.123)  | 0  | <b>(816.996)</b>         |
| <b>31.12.2006</b>          | <b><u>4.799.610</u></b>               | <b><u>2.597.078</u></b> | <b><u>19.101.231</u></b>                           | <b><u>777.192</u></b>                               | <b><u>13.226.199</u></b>   | <b><u>0</u></b>                                  | <b><u>40.501.310</u></b> |
| <b><u>Depreciation</u></b> |                                       |                         |  |   |  |  |                          |
| 1.1.2006                   | 0                                     | 1.551.919               | 13.528.339   | 576.246   | 11.584.762   | 0  | <b>27.241.266</b>        |
| For the period             | 0                                     | 269.678                 | 984.334  | 88.413  | 896.706  | 0  | <b>2.239.131</b>         |
| Disposals                  | 0                                     | 0                       | (14.568)   | (176.837)   | (602.654)  | 0  | <b>(794.059)</b>         |
| <b>31.12.2006</b>          | <b><u>0</u></b>                       | <b><u>1.821.597</u></b> | <b><u>14.498.105</u></b>                           | <b><u>487.822</u></b>                               | <b><u>11.878.814</u></b>   | <b><u>0</u></b>                                  | <b><u>28.686.338</u></b> |
| <b>N.B.V.</b>              |                                       |                         |  |   |  |  |                          |
| <b>31.12.2006</b>          | <b><u>4.799.610</u></b>               | <b><u>775.481</u></b>   | <b><u>4.603.126</u></b>                            | <b><u>289.370</u></b>                               | <b><u>1.347.385</u></b>  | <b><u>0</u></b>                                  | <b><u>11.814.972</u></b> |
| <b>2007</b>                |                                       |                         |  |   |  |  |                          |
| <b><u>Cost</u></b>         |                                       |                         |  |   |  |  |                          |
| 1.1.2007                   | 4.799.610                             | 2.597.078               | 19.101.231   | 777.192   | 13.226.199   | 0  | <b>40.501.310</b>        |
| Purchases                  | 0                                     | 45.600                  | 810.123  | 13.517  | 415.181  | 3.350  | <b>1.287.771</b>         |
| Sales                      | 0                                     | 0                       | (10.060)   | (1.680)   | (108)  | 0  | <b>(11.848)</b>          |
| Disposals                  | 0                                     | 0                       | (424.137)  | (14.911)  | (785.312)  | 0  | <b>(1.224.360)</b>       |
| <b>30.06.2007</b>          | <b><u>4.799.610</u></b>               | <b><u>2.642.678</u></b> | <b><u>19.477.157</u></b>                           | <b><u>774.118</u></b>                               | <b><u>12.855.960</u></b>   | <b><u>3.350</u></b>                              | <b><u>40.552.873</u></b> |
| <b><u>Depreciation</u></b> |                                       |                         |  |   |  |  |                          |
| 1.1.2007                   | 0                                     | 1.821.597               | 14.498.105   | 487.822   | 11.878.814   | 0  | <b>28.686.338</b>        |
| for the period             | 0                                     | 142.125                 | 436.838  | 46.824  | 431.361  | 0  | <b>1.057.148</b>         |
| Sales                      | 0                                     | 0                       | (434.015)  | (16.592)  | (785.331)  | 0  | <b>(1.235.938)</b>       |
| <b>30.06.2007</b>          | <b><u>0</u></b>                       | <b><u>1.963.722</u></b> | <b><u>14.500.928</u></b>                           | <b><u>518.054</u></b>                               | <b><u>11.524.844</u></b>   | <b><u>0</u></b>                                  | <b><u>28.507.548</u></b> |
| <b>N.B.V.</b>              |                                       |                         |  |   |  |  |                          |
| <b>30.06.2007</b>          | <b><u>4.799.610</u></b>               | <b><u>678.956</u></b>   | <b><u>4.976.229</u></b>                            | <b><u>256.064</u></b>                               | <b><u>1.331.116</u></b>  | <b><u>3.350</u></b>                              | <b><u>12.045.325</u></b> |

**TELETYPOS TELEVISION PROGRAMMES S.A.**  
**“MEGA CHANNEL - GREECE”**  
**Notes to the consolidated and separate financial statements in accordance with IFRS**  
**30<sup>th</sup> June 2007**  
**(Expressed in Euro)**

**17. Fixed assets (cont.)****(1) Land**

|  |                         |
|--|-------------------------|
| Acquisition cost   | 1.333.457               |
| Revaluation (according to Greek<br>Legislation (see note 3.7)) |                         |
| - 1992 192.293   |                         |
| - 1996 838.590   |                         |
| - 2001 945.736   |                         |
| - 2004 1.489.534   | <u>3.466.153</u>        |
| <b>Revaluated balance as at 30.06.2007</b>                     | <b><u>4.799.610</u></b> |

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

Investments are stated at cost as follows:

**GROUP**

|                                 | <b>30/06/2007</b> | <b>%<br/>Shareholding</b> | <b>31/12/2006</b> | <b>%<br/>Shareholding</b> |
|---------------------------------|-------------------|---------------------------|-------------------|---------------------------|
| NETMED N.V.<br>(via subsidiary) | 33.260.500        | 12,5                      | 33.260.500        | 12,5                      |
| Logos (Cyprus)                  | 438.596           | 25                        | 438.596           | 25                        |
| Television Royalties S.A.       | 600               | 1                         | 600               | -                         |
|                                 | <b>33.699.696</b> |                           | <b>33.699.696</b> |                           |

|                                 | <b>30/06/2007<br/>%<br/>Voting Rights</b> | <b>31/12/2006<br/>%<br/>Voting Rights</b> |
|---------------------------------|---|---|
| NETMED N.V.<br>(via subsidiary) | 12,5                                      | 12,5                                      |
| Logos (Cyprus)                  | 25  | 25  |
| Television Royalties S.A.       | 1   | -   |

**Main activities:**

NETMED N.V.: Production of, and trading in, television programmes. Investments that represented participation of 35% in Multichoice Hellas have been sold for 19.225.725 pounds (33.260.500 euro). The income was invested at a 12.5% participation in ‘NetMed N.V. The difference in value of the new participation is included in the reserves. The BoD has decided that there is no need for the revaluation of the investments.

Logos (Cyprus) : Logos is a TV and Radio broadcasting company based on Cyprus. The participation of the parent company (25%) is restricted only in the TV activity since the day of its participation 26/4/2002. Thus, the participation is not identical with the participation in the net position of Logos.

Television Royalties S.A.: Management and protection of third parties’ royalties.

**TELETYPOS TELEVISION PROGRAMMES S.A.**  
**“MEGA CHANNEL - GREECE”**  
**Notes to the consolidated and separate financial statements in accordance with IFRS**  
**30<sup>th</sup> June 2007**  
**(Expressed in Euro)**

**18. Investments – Shares in associated companies and subsidiary companies (cont.)**

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

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

The valuation of the investment has been estimated at acquisition cost. The negative results (accumulated losses at 30/6/2006 £ 114,163 or approximately 200,000 euro and revenues at 30/6/2006 £ 4,152,642 or 7,185,00 euro) considered as temporary and non-significant for the size of Teletypos S.A. The management foreseeing the positive prospects as well as the size of the investment maintained the policy of valuating Logos at acquisition cost.

**TELEVISION ROYALTIES S.A.** : Management and protection of third parties royalties

**COMPANY**

|                           | <u>30/06/2007</u> | %                   | <u>31/12/2006</u> | %                   |
|---------------------------|-------------------|---------------------|-------------------|---------------------|
|                           |                   | <u>Shareholding</u> |                   | <u>Shareholding</u> |
| Teletypos Cyprus Ltd      | 1.008.318         | 100                 | 1.008.318         | 100                 |
| Logos (Cyprus)            | 438.596           | 25                  | 438.596           | 25                  |
| Television Royalties S.A. | <u>600</u>        | 1                   | <u>600</u>        | 1                   |
|                           | <u>1.447.514</u>  |                     | <u>1.447.514</u>  |                     |

|                           | <u>30/06/2007</u>      | <u>31/12/2006</u>      |
|---------------------------|------------------------|------------------------|
|                           | <u>% Voting Rights</u> | <u>% Voting Rights</u> |
| Teletypos Cyprus Ltd      | 100                    | 100                    |
| Logos (Cyprus)            | 25                     | 25                     |
| Television Royalties S.A. | 1                      | 1                      |

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

**Notes to the consolidated and separate financial statements in accordance with IFRS**  
**30<sup>th</sup> June 2007**  
**(Expressed in Euro)**

**19. Other financial assets**

|                         | <u>GROUP</u>          |                       | <u>COMPANY</u>        |                       |
|-------------------------|-----------------------|-----------------------|-----------------------|-----------------------|
|                         | <u>30/6/2007</u>      | <u>31/12/2006</u>     | <u>30/6/2007</u>      | <u>31/12/2006</u>     |
| <b>Guarantee given:</b> |                       |                       |                       |                       |
| Rent                    | 391.463               | 344.770               | 391.463               | 344.770               |
| Hertz (car rental)      | 30.019                | 29.330                | 30.019                | 29.330                |
| Electricity Power       | 15.876                | 15.876                | 15.876                | 15.876                |
| EBU (4 lines)           | 6.000                 | 6.000                 | 6.000                 | 6.000                 |
| Associated Press        | 1.388                 | 1.388                 | 1.388                 | 1.388                 |
| Attiki Road             | 1.500                 | 1.500                 | 1.500                 | 1.500                 |
| Other financial assets  | <u>59</u>             | <u>59</u>             | <u>59</u>             | <u>59</u>             |
|                         | <b><u>446.305</u></b> | <b><u>398.923</u></b> | <b><u>446.305</u></b> | <b><u>398.923</u></b> |

**20. Trade and other receivables**

|   | <u>GROUP</u>             |                          | <u>COMPANY</u>           |                          |
|---|--------------------------|--------------------------|--------------------------|--------------------------|
|   | <u>30/6/2007</u>         | <u>31/12/2006</u>        | <u>30/6/2007</u>         | <u>31/12/2006</u>        |
| Clients (1)   | 34.899.282               | 35.177.494               | 33.507.725               | 33.331.524               |
| Post dated cheques  | 11.685.580               | 1.819.904                | 11.685.580               | 1.819.904                |
| Delinquent cheques  | 1.236.857                | 8.000                    | 1.236.857                | 8.000                    |
| Income tax 2003   | 0                        | 1.657.424                | 0                        | 1.657.424                |
| Provision for prepayment of income tax and other receivables from Greek Government        | 1.845.942                | 1.843.259                | 1.845.942                | 1.843.259                |
| Shares of listed company (2)  | 4.691                    | 4.691                    | 4.691                    | 4.691                    |
| Doubtful debtors  | 283.028                  | 283.028                  | 283.028                  | 283.028                  |
| V.A.T.  | 0                        | 1.857.793                | 0                        | 1.857.793                |
| Advances on account   | 68.451                   | 22.150                   | 68.451                   | 22.150                   |
| <b>Minus:</b> Provision for doubtful customers and επιταγών σε καθυστέρηση (σφραγισμένων) | (1.485.465)              | (452.537)                | (1.485.465)              | (452.537)                |
| Other debtors   | <u>323.912</u>           | <u>459.562</u>           | <u>323.079</u>           | <u>353.793</u>           |
|   | <b><u>48.862.278</u></b> | <b><u>42.680.768</u></b> | <b><u>47.469.888</u></b> | <b><u>40.729.029</u></b> |

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

**Notes to the consolidated and separate financial statements in accordance with IFRS**  
**30<sup>th</sup> June 2007**  
**(Expressed in Euro)**

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

- (1) Bank letters of guarantee of € 1.284.389 (30/06/2007) were received as a security against receivables.
- (2) a) Cost of shares (19.564 shares) of a company listed in the Greek stock exchange under the name of “GREEK STOCK EXCHANGE S.A.” which is valued at the remaining value after the decrease of capital mentioned in b and c. The Stock Exchange market price as at 29.06.2007 was Euro 19,40 per share.
- b) By means of a decision of the Annual General Meeting of the company’s shareholders that was held on the 25<sup>th</sup> of April 2005, the share capital of the company “GREEK STOCK EXCHANGE S.A.” was reduced by 145.730.754,65 euro with cash payback to shareholders (2,05 per share) and the distribution of 0,2 euro per share dividends to the shareholders.

The share capital decrease was followed by a corresponding decrease of the company’s par value to 3 euro from 5,05 euro per share.

- c) By means of a decision of the Annual General Meeting of the company’s shareholders that was held on the 23<sup>rd</sup> of May 2006, the share capital of the company “GREEK STOCK EXCHANGE S.A.” was reduced by 87.788.078,75 euro . The share capital decrease was followed by a corresponding decrease of the company’s par value to 1,75 euro from 3 euro and a cash payback to shareholders of 1,25 euro per share.

**21. Receivables - Associated companies**

**COMPANY**

|                      | <u>31/03/2007</u> | <u>31/12/2006</u> |
|----------------------|-------------------|-------------------|
| Teletypos Cyprus Ltd | <u>3.758.700</u>  | <u>3.758.700</u>  |

In 2003 the company transferred in ‘Teletypos Cyprus Ltd’, at value cost, its participation in Multichoice Hellas.

**GROUP**

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

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

**Notes to the consolidated and separate financial statements in accordance with IFRS**  
**30<sup>th</sup> June 2007**  
**(Expressed in Euro)**

**22. Deferred taxes**

**GROUP/COMPANY**

|                                     | <u>30/6/2007</u> | <u>31/12/2006</u> |
|-------------------------------------|------------------|-------------------|
| Deferred tax liabilities            | (275.465)        | (275.103)         |
| Receivable from deferred taxes      | 1.932.023        | 1.792.699         |
|                                     | 1.656.558        | 1.517.596         |
| <b>Closing balance</b>              | <b>1.656.558</b> | <b>1.517.596</b>  |
| Deferred tax analysis:              |                  |                   |
|                                     | <u>30/6/2007</u> | <u>31/12/2006</u> |
| At 1st January                      | 1.517.596        | 1.355.647         |
| Deferred tax for the period:        | 138.962          | 161.949           |
|                                     | 1.656.558        | 1.517.596         |
| <b>Balance as of 30th June 2007</b> | <b>1.656.558</b> | <b>1.517.596</b>  |

Deferred taxation assets/liabilities are connected to:

| <u>Group/Company</u>                             | Intangible<br>assets<br>Preliminary<br>expenses | Provisions       | Unrealized<br>exchange<br>differences | Total            |
|--|---|------------------|---------------------------------------|------------------|
| Balance as 1st January, 2006                     | 7.104   | 1.365.184        | (16.641)                              | <b>1.355.647</b> |
| Plus: Charge to income statement<br>for the year | (841)   | 184.782          | (21.992)                              | <b>161.949</b>   |
| <b>Balance as 31st December 2006</b>             | <b>6.263</b>                                    | <b>1.549.966</b> | <b>(38.633)</b>                       | <b>1.517.596</b> |
| Plus: Charge to income statement<br>for the year | (362)   | 139.324          | 0                                     | <b>138.962</b>   |
| <b>Balance 30th June, 2007</b>                   | <b>5.901</b>                                    | <b>1.689.290</b> | <b>(38.633)</b>                       | <b>1.656.558</b> |

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

**Notes to the consolidated and separate financial statements in accordance with IFRS**  
**30<sup>th</sup> June 2007**  
**(Expressed in Euro)**

**23. Prepaid programme rights**

**GROUP/COMPANY**

|                 | <u>30/6/2007</u>  | <u>31/12/2006</u> |
|-----------------|-------------------|-------------------|
| Film rights     | 31.216.274        | 35.240.835        |
| Sundry expenses | 141.583           | 141.532           |
|                 | <u>31.357.857</u> | <u>35.382.367</u> |

**24. Cash and cash equivalent**

|              | Group             |                   | Company           |                   |
|--------------|-------------------|-------------------|-------------------|-------------------|
|              | <u>30/6/2007</u>  | <u>31/12/2006</u> | <u>30/6/2007</u>  | <u>31/12/2006</u> |
| Cash         | 20.209            | 65.567            | 20.209            | 65.567            |
| Cash in bank | 13.193.040        | 4.807.859         | 11.905.007        | 4.125.399         |
|              | <u>13.213.249</u> | <u>4.873.426</u>  | <u>11.925.216</u> | <u>4.190.966</u>  |

**25. Share capital**

**GROUP/COMPANY**

|  | <u>000' Drs.</u> | <u>Euro</u>       |
|--|------------------|-------------------|
| Authorised share capital   |                  |                   |
| Issued and fully paid € 31,237,500,00<br>nominal ordinary shares of G.Drs. 200 each        | 6,247,500        |                   |
| Increase of share capital through capitalisation:  |                  |                   |
| - Share premium (a)  | 3,393,146        |                   |
| - Revaluation reserve  | 322,259          |                   |
| - Tax free reserves  | <u>681,273</u>   |                   |
| <b>Total share capital 31,237,500 nominal ordinary shares of Euro 1 (Drs 340,75) each</b>  |                  | <u>10,644,178</u> |
|  |                  | <u>31.237.500</u> |
| Increase of share capital through capitalisation:  |                  |                   |
| - Difference from issuance of shares   |                  | 1.561.875         |
| - Revaluation reserves   |                  | 1.489.534         |
| - Taxable reserves   |                  | <u>72.341</u>     |
| <b>Total</b>   |                  | <u>3.123.750</u>  |
| <b>Total share capital at 30/06/2007 34,361,250 nominal ordinary shares of Euro 1 each</b> |                  | <u>34.361.250</u> |

**TELETYPOS TELEVISION PROGRAMMES S.A.**  
**“MEGA CHANNEL - GREECE”**  
**Notes to the consolidated and separate financial statements in accordance with IFRS**  
**30<sup>th</sup> June 2007**  
**(Expressed in Euro)**

**25 Share capital (cont.)**

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

**25(b)** The G.M. of the 23<sup>rd</sup> of May 2006 decided to increase the share capital by three million one hundred twenty three thousands seven hundred and fifty (3.123.750) euros through capitalization **a)** amount 1.489.534,26 euro through a revaluation of assets according to law 2065/1992 **b)** amount 1.561.875,00 euro through existent reserves that occurred from previous share capital increases and **c)** amount 72.340,74 through taxable reserves according to article 8 of the law 2579/1998 with the issuance of three million one hundred twenty three thousands seven hundred and fifty (3.123.750) common ordinary shares of nominal value (1) euro each and the distribution to shareholders of 1 share for every 10 held. After the above mentioned share capital increase the company's share capital will amount to thirty four million three thousand sixty one and two hundred and fifty euros (34.361.250), which accounts to thirty four million three thousand sixty one and two hundred and fifty (34.361.250) common ordinary shares of nominal value 1 euro each.

**25(c)** The share capital of Teletypos Cyprus has been crossed out for consolidation purposes.

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

Notes to the consolidated and separate financial statements in accordance with IFRS  
**30<sup>th</sup> June 2007**  
**(Expressed in Euro)**

**26. Reserves**

**Group**

|                                     | <b>*Statutory<br/>Reserves</b> | <b>Revenue<br/>reserve</b> | <b>Revaluation<br/>reserve</b> | <b>Total</b>             |
|-------------------------------------|--------------------------------|----------------------------|--------------------------------|--------------------------|
| Balance at 1 January, 2006          | 3.588.430                      | 7.771.271                  | 29.826.286                     | 41.185.987               |
| Change in year (note25b-26a)        | 0                              | (72.341)                   | (1.489.534)                    | (1.561.874)              |
| Distribution of profits 2006        | 277.298                        | 0                          | 0                              | 277.298                  |
| <b>Balance at 31 December, 2006</b> | <b><u>3.865.728</u></b>        | <b><u>7.698.930</u></b>    | <b><u>28.336.752</u></b>       | <b><u>39.901.411</u></b> |
| Change in year                      | 0                              | 0                          | 0                              | 0                        |
| <b>Balance at 30 June, 2007</b>     | <b><u>3.865.728</u></b>        | <b><u>7.698.930</u></b>    | <b><u>28.336.752</u></b>       | <b><u>39.901.411</u></b> |

**Company**

|                                     | <b>*Statutory<br/>Reserves</b> | <b>Revenue<br/>reserve</b> | <b>Revaluation<br/>reserve</b> | <b>Total</b>             |
|-------------------------------------|--------------------------------|----------------------------|--------------------------------|--------------------------|
| Balance at 1 January, 2006          | 3.588.430                      | 7.771.272                  | 1.489.534                      | 12.849.236               |
| Change in year (note25b-26a)        | 0                              | (72.341)                   | (1.489.534)                    | (1.561.876)              |
| Distribution of profits 2006        | 277.298                        | 0                          | 0                              | 277.298                  |
| <b>Balance at 31 December, 2006</b> | <b><u>3.865.728</u></b>        | <b><u>7.698.931</u></b>    | <b><u>0</u></b>                | <b><u>11.564.658</u></b> |
| Change in year                      | 0                              | 0                          | 0                              | 0                        |
| <b>Balance at 30 June, 2007</b>     | <b><u>3.865.728</u></b>        | <b><u>7.698.931</u></b>    | <b><u>(0)</u></b>              | <b><u>11.564.658</u></b> |

**26a.** The company is obliged by Greek company Law 2190/1920 to transfer to this reserve 5% of its annual profits until these reserves are accumulated to one third (1/3) of its paid up share capital.

**TELETYPOS TELEVISION PROGRAMMES S.A.**  
**“MEGA CHANNEL - GREECE”**  
**Notes to the consolidated and separate financial statements in accordance with IFRS**  
**30<sup>th</sup> June 2007**  
**(Expressed in Euro)**

**27. Long term liabilities**

|  | <u>GROUP</u>             |                          | <u>COMPANY</u>           |                          |
|--|--------------------------|--------------------------|--------------------------|--------------------------|
|  | <u>30/6/2007</u>         | <u>31/12/2006</u>        | <u>30/6/2007</u>         | <u>31/12/2006</u>        |
| Debenture loan (27.1)                    | 43.500.000               | 52.500.000               | 43.500.000               | 52.500.000               |
| Bank loans                               | 0                        | 46.491                   | 0                        | 46.491                   |
| Guarantees                               | 8.633                    | 8.633                    | 8.633                    | 8.633                    |
|  | <u><b>43.508.633</b></u> | <u><b>52.555.124</b></u> | <u><b>43.508.633</b></u> | <u><b>52.555.124</b></u> |
| <br>                                     |                          |                          |                          |                          |
| Provision for retirement benefits (27.2) | 6.757.160                | 6.199.862                | 6.757.160                | 6.199.862                |
|  | <u><b>6.757.160</b></u>  | <u><b>6.199.862</b></u>  | <u><b>6.757.160</b></u>  | <u><b>6.199.862</b></u>  |
| <br>                                     |                          |                          |                          |                          |
| <b>Total long term liabilities</b>       | <u><b>50.265.793</b></u> | <u><b>58.754.986</b></u> | <u><b>50.265.793</b></u> | <u><b>58.754.986</b></u> |

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

**Notes to the consolidated and separate financial statements in accordance with IFRS**  
**30<sup>th</sup> June 2007**  
**(Expressed in Euro)**

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

**27.1. Debenture loans**

**a)** Represent debenture loan of Euro 45.000.000 that was obtained by the company under a loan agreement dated 25.05.2004. The loan was undertaken in order to readjust the balance of short term loans. The loan is free from any guarantees, the applicable interest rate is 1,55% per annum above 3 months Euribor. The remaining amount is payable in three instalments as follows: Euro 9,0 mil. in 06.06.08 and Euro 13,5 mil. in 06.06.09 and

**b)** Debenture loan of Euro 15.000.000 that was obtained by the company under a loan agreement dated 27.09.2006. The loan was undertaken in order to readjust the balance of short term loans. The loan is free from any guarantees, the applicable interest rate is 1,50% per annum above 6 months Euribor. The amount is payable at 29.09.2009.

**c)** Debenture loan of Euro 15.000.000 that was obtained by the company under a loan agreement dated 7.12.2006. The loan was undertaken in order to readjust the balance of short term loans. The loan is free from any guarantees, the applicable interest rate is 1,50% per annum above 6 months Euribor. The amount is payable at 7.12.2010.

The component banks of the **a)** debenture loans are as follows. Alpha Bank is the administrative bank.

|  | <u>Total</u>             | <u>Payments</u>          | <u>Short Term<br/>Portion</u> | <u>Long Term<br/>Portion</u> |
|--|--------------------------|--------------------------|-------------------------------|------------------------------|
| Alpha Bank   | 11.900.000               | 5.950.000                | 2.375.000                     | 3.575.000                    |
| Piraeus Bank   | 10.000.000               | 5.000.000                | 2.000.000                     | 3.000.000                    |
| Commercial Bank  | 7.000.000                | 3.500.000                | 1.400.000                     | 2.100.000                    |
| National Bank  | 3.000.000                | 1.500.000                | 600.000                       | 900.000                      |
| Egnatia Bank   | 3.000.000                | 1.500.000                | 600.000                       | 900.000                      |
| General Bank   | 2.300.000                | 1.150.000                | 462.500                       | 687.500                      |
| Aspis Bank   | 2.000.000                | 1.000.000                | 400.000                       | 600.000                      |
| Laiki Bank   | 2.000.000                | 1.000.000                | 400.000                       | 600.000                      |
| EFG Telesis Finance  | 2.000.000                | 1.000.000                | 400.000                       | 600.000                      |
| Bank of Attica   | <u>1.800.000</u>         | <u>900.000</u>           | <u>362.500</u>                | <u>537.500</u>               |
| <b>(a) Debenture Loan</b>  | <b><u>45.000.000</u></b> | <b><u>22.500.000</u></b> | <b><u>9.000.000</u></b>       | <b><u>13.500.000</u></b>     |
| <b>(b)</b> The component bank and the administrative bank of the b) debenture loan is Alpha Bank   |                          |                          |                               | <b><u>15.000.000</u></b>     |
| <b>(c)</b> The component bank and the administrative bank of the c) debenture loan is Piraeus Bank |                          |                          |                               | <b><u>15.000.000</u></b>     |
| <b>Total of (a)+(b)+(c) debenture Loan</b>   |                          |                          |                               | <b><u>43.500.000</u></b>     |

**TELETYPOS TELEVISION PROGRAMMES S.A.**  
**“MEGA CHANNEL - GREECE”**  
**Notes to the consolidated and separate financial statements in accordance with IFRS**  
**30<sup>th</sup> June 2007**  
**(Expressed in Euro)**

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

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

Retirement indemnities have been calculated by the actuarial company ‘Hewitt Associates’.  
 For the first half 2007 retirement indemnities account for € 557.298 while for 2006 account for €739127.

|                                 |            |                         |
|---------------------------------|------------|-------------------------|
|                                 |            | <b><u>2006</u></b>      |
| Opening provisions              | 31/12/2005 | 5.460.735               |
| Payments during                 | 2006       | (487.330)               |
| Adjustment of liabilities       | 31/12/2006 | <u>1.226.457</u>        |
| Forecast retirement indemnities | 31/12/2006 | <u><b>6.199.862</b></u> |
|                                 |            | <b><u>2007</u></b>      |
| Opening provisions              | 31/12/2006 | 6.199.862               |
| Payments during                 | 2007       | 0                       |
| Adjustment of liabilities       | 30/6/2007  | <u>557.298</u>          |
| Forecast retirement indemnities | 30/6/2007  | <u><b>6.757.160</b></u> |

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

**Notes to the consolidated and separate financial statements in accordance with IFRS**  
**30<sup>th</sup> June 2007**  
**(Expressed in Euro)**

|   | <u><b>GROUP</b></u>              |                                 | <u><b>COMPANY</b></u>            |                                 |
|---|----------------------------------|---------------------------------|----------------------------------|---------------------------------|
|   | <u><b>30/6/2007</b></u>          | <u><b>31/12/2006</b></u>        | <u><b>30/6/2007</b></u>          | <u><b>31/12/2006</b></u>        |
| <b>28. Trade and other payable</b>              |                                  |                                 |                                  |                                 |
| Payables trade                                  | 62.178.706                       | 73.206.962                      | 64.236.681                       | 74.864.145                      |
| Dividends payable                               | 28.1 4.746.038                   | 375.652                         | 4.746.038                        | 375.652                         |
| Advances by customer                            | 9.130.736                        | 266.468                         | 9.130.736                        | 266.468                         |
| Taxes and duties                                | 28.2 12.042.917                  | 7.079.363                       | 12.027.959                       | 7.079.363                       |
| Social security funds                           | 627.122                          | 1.038.414                       | 627.122                          | 1.038.413                       |
| Other creditors                                 | 28.3 1.267.294                   | 2.073.916                       | 1.267.294                        | 2.073.916                       |
| Accruals  | 28.4 23.803.693                  | 1.790.946                       | 23.761.608                       | 1.790.946                       |
| <b>Balance as per books at 30th of June</b>     | <u><u><b>113.796.506</b></u></u> | <u><u><b>85.831.721</b></u></u> | <u><u><b>115.797.438</b></u></u> | <u><u><b>87.488.903</b></u></u> |
| <b>28.1. Dividends payable</b>                  |                                  |                                 |                                  |                                 |
|   | <u><b>30/6/2007</b></u>          | <u><b>31/12/2006</b></u>        | <u><b>30/6/2007</b></u>          | <u><b>31/12/2006</b></u>        |
| Balance at 1 January                            | 375.652                          | 509.289                         | 375.652                          | 509.289                         |
| Plus: Approved dividends<br>for the year 2006   | 4.466.963                        | 0                               | 4.466.963                        | 0                               |
| Plus: Approved dividends<br>for the year 2005   | 0                                | 4.060.875                       | 0                                | 4.060.875                       |
| Less: Dividends paid during the<br>period       | (96.577)                         | (4.194.512)                     | (96.577)                         | (4.194.512)                     |
| <b>Dividends payable 30th June</b>              | <u><u><b>4.746.038</b></u></u>   | <u><u><b>375.652</b></u></u>    | <u><u><b>4.746.038</b></u></u>   | <u><u><b>375.652</b></u></u>    |
| <b>28.2. Taxes and duties</b>                   |                                  |                                 |                                  |                                 |
|   | <u><b>30/6/2007</b></u>          | <u><b>31/12/2006</b></u>        | <u><b>30/6/2007</b></u>          | <u><b>31/12/2006</b></u>        |
| Broadcasting licence fees                       | 4.537.145                        | 2.959.233                       | 4.537.145                        | 2.959.233                       |
| Income tax (note 3. 8)                          | 1.912.559                        | 2.550.079                       | 1.912.559                        | 2.550.079                       |
| Income tax (Provisions)                         | 2.507.840                        | 0                               | 2.492.882                        | 0                               |
| Taxes and Duties related to full time employees | 497.216                          | 1.123.513                       | 497.216                          | 1.123.513                       |
| Other withholding taxes                         | 288.164                          | 189.664                         | 288.164                          | 189.664                         |
| V.A.T.  | 2.044.158                        | 0                               | 2.044.158                        | 0                               |
| Prior years' taxes and duties                   | 254.725                          | 254.725                         | 254.725                          | 254.725                         |
| Settlement Stamp Duty L. 2328/95                | 1.110                            | 2.149                           | 1.110                            | 2.149                           |
| <b>Balance as per books at 30th June</b>        | <u><u><b>12.042.917</b></u></u>  | <u><u><b>7.079.363</b></u></u>  | <u><u><b>12.027.959</b></u></u>  | <u><u><b>7.079.363</b></u></u>  |

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

**Notes to the consolidated and separate financial statements in accordance with IFRS**  
**30<sup>th</sup> June 2007**  
**(Expressed in Euro)**

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

|  | <b><u>GROUP</u></b>      |                          | <b><u>COMPANY</u></b>    |                          |
|--|--------------------------|--------------------------|--------------------------|--------------------------|
|  | <b><u>30/06/2007</u></b> | <b><u>31/12/2006</u></b> | <b><u>30/06/2007</u></b> | <b><u>31/12/2006</u></b> |
| <b>28.3. Other creditors</b>             |                          |                          |                          |                          |
| Staff wages                              | 58.644                   | 17.283                   | 58.644                   | 17.283                   |
| Third parties fees                       | 260.482                  | 382.870                  | 260.482                  | 382.870                  |
| Suppliers' checks outstanding            | 0                        | 881.877                  | 0                        | 881.877                  |
| Sundry creditors                         | 544.035                  | 387.753                  | 544.035                  | 387.753                  |
| Distribution of earnings to personnel    | 404.133                  | 404.133                  | 404.133                  | 404.133                  |
| <b>Balance as per books at 30th June</b> | <b><u>1.267.294</u></b>  | <b><u>2.073.916</u></b>  | <b><u>1.267.294</u></b>  | <b><u>2.073.916</u></b>  |

|  | <b><u>GROUP</u></b>      |                          | <b><u>COMPANY</u></b>    |                          |
|--|--------------------------|--------------------------|--------------------------|--------------------------|
|  | <b><u>30/06/2007</u></b> | <b><u>31/12/2006</u></b> | <b><u>30/06/2007</u></b> | <b><u>31/12/2006</u></b> |
| <b>28.4. Accrual expenses</b>            |                          |                          |                          |                          |
| Interest and similar charges             | 443.885                  | 319.150                  | 443.885                  | 319.150                  |
| Third party royalties                    | 1.226.279                | 443.885                  | 1.226.279                | 443.885                  |
| Other third party and customer rights    | 11.500.000               | 0                        | 11.500.000               | 0                        |
| Staff wages                              | 1.013.640                | 0                        | 1.013.640                | 0                        |
| Third parties fees                       | 409.266                  | 654.011                  | 367.181                  | 654.011                  |
| Sundry expenses                          | 68                       | 168                      | 68                       | 168                      |
| Programme cost                           | 9.156.250                | 305.000                  | 9.156.250                | 305.000                  |
| Film rights                              | 54.305                   | 68.732                   | 54.305                   | 68.732                   |
| <b>Balance as per books at 30th June</b> | <b><u>23.803.693</u></b> | <b><u>1.790.946</u></b>  | <b><u>23.761.608</u></b> | <b><u>1.790.946</u></b>  |

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

**Notes to the consolidated and separate financial statements in accordance with IFRS**  
**30<sup>th</sup> June 2007**  
**(Expressed in Euro)**

**29. Short-term borrowings**

**Bank overdrafts**

| <u>GROUP/COMPANY</u>    | <u>30/6/2007</u>        |                            | <u>31/12/2006</u>       |                            |
|-------------------------|-------------------------|----------------------------|-------------------------|----------------------------|
|                         | <b>Credit<br/>limit</b> | <b>Amount<br/>withdraw</b> | <b>Credit<br/>limit</b> | <b>Amount<br/>withdraw</b> |
| NATIONAL BANK OF GREECE | 12.000.000              | 803                        | 12.000.000              | 776                        |
| COMMERCIAL BANK         | 12.000.000              | 71.203                     | 12.000.000              | 1.082.496                  |
| ALPHA BANK              | 17.000.000              | 223.298                    | 17.000.000              | 1.065.633                  |
| PIRAEUS BANK            | 10.000.000              | 3.415.294                  | 10.000.000              | 311.896                    |
| EGNATIA BANK            | 3.000.000               | 0                          | 3.000.000               | 1.001.580                  |
| BANK OF ATTICA          | 4.000.000               | 0                          | 4.000.000               | 0                          |
| ASPIS BANK.             | 3.000.000               | 0                          | 3.000.000               | 0                          |
| MILLENNIUM BANK         | 6.000.000               | 0                          | 4.500.000               | 1.014.281                  |
| BANK OF CYPRUS          | 6.000.000               | 0                          | 5.000.000               | 21.347                     |
| H S B C                 | 3.000.000               | 0                          | 0                       | 0                          |
| EFG EUROBANK - ERGASIAS | 10.000.000              | 0                          | 10.000.000              | 0                          |
| PANELINIA BANK          | 10.000.000              | 0                          | 10.000.000              | 0                          |
| HELLENIC BANK           | 5.000.000               | 0                          | 0                       | 0                          |
|                         | <u>101.000.000</u>      | <u>3.710.598</u>           | <u>90.500.000</u>       | <u>4.498.009</u>           |

Interest rate of short term bank loans for the period fluctuated from 4,50% to 5,00%.

**30. Shares that have been issued**

| <u>COMPANY</u>                       | <u>Number<br/>of shares</u> | <u>Period</u> | <u>Adjusted number<br/>of shares</u> |
|--------------------------------------|-----------------------------|---------------|--------------------------------------|
| <b><u>2006</u></b>                   |                             |               |                                      |
| 1 <sup>st</sup> January - 31.12.2005 | 31.237.500                  | 12/12         | 31.237.500                           |
| Issuance of shares (note25b)         | <u>3.123.750</u>            | 7/12          | <u>1.822.187</u>                     |
| Adjusted number of<br>Shares         | 34,361,250                  |               | <u>33,059,687</u>                    |
| <b><u>2007</u></b>                   |                             |               |                                      |
| 1 <sup>st</sup> January - 30.06.2007 |                             |               |                                      |
| Adjusted number<br>of shares         | <u>34,361,250</u>           | 6/6           | <u>34,361,250</u>                    |

**GROUP**

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

**TELETYPOS TELEVISION PROGRAMMES S.A.**  
**“MEGA CHANNEL - GREECE”**  
**Notes to the consolidated and separate financial statements in accordance with IFRS**  
**30<sup>th</sup> June 2007**  
**(Expressed in Euro)**  
**(Ποσά σε Ευρώ)**

**31. Earnings per Share**

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

|                                     | <u>GROUP</u>        |                     | <u>COMPANY</u>      |                     |
|-------------------------------------|---------------------|---------------------|---------------------|---------------------|
|                                     | <u>30/6/2007</u>    | <u>30/6/2006</u>    | <u>30/6/2007</u>    | <u>30/6/2006</u>    |
| Profit for the year after taxes     | 8.010.298           | 5.103.492           | 7.613.731           | 4.676.065           |
| Weighted average shares outstanding | 34.361.250          | 31.497.813          | 34.361.250          | 31.497.813          |
| Earnings per share in Euro          | <u><u>0,233</u></u> | <u><u>0,162</u></u> | <u><u>0,222</u></u> | <u><u>0,148</u></u> |

**TELETYPOS TELEVISION PROGRAMMES S.A.**  
**“MEGA CHANNEL - GREECE”**  
**Notes to the consolidated and separate financial statements in accordance with IFRS**  
**30<sup>th</sup> June 2007**  
**(Expressed in Euro)**

**32. Contingencies**

- 32.1 Additional income tax may be assessed by the tax authorities in the case of a tax audit for the unaudited fiscal years 2000 to 2006 (note 15).
- 32.2 Letters of guarantee issued by banks amounting to USD 3,310,849 for meeting of liabilities of foreign programme, of Euro 803,250 for meeting liabilities on behalf of the Greek Football Association (ΕΠΟ) and 400.000 euro for meeting liabilities on behalf of TELESTARE 3.700.000 euro and 362.490 euro for Gkakou family based on decision of the court of appeal.
- 32.3 Payment of compensation to third parties amounting to 17,5 million euros approximately claimed in the above suits.

The company's lawyers do not expect any significant charges from the above mentioned contingencies.

**33. Financial Commitments**

- 33.1 Commitments under agreements of approximately 22,52 million euro for the production of Greek programmes.
- 33.2 Commitments under agreements of approximately 10,50 million euro for foreign programmes.

**34. Compensation to executives and management**

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

|          | <u>01/01-30/06/2007</u> | <u>01/01-30/06/2006</u> |
|----------|-------------------------|-------------------------|
| Salaries | 1.402.848               | 1.235.848               |

**35. Related parties transactions**

The company has a participation in the capital of the company TELETYPOS CYPRUS Ltd. (100%) and a participation in the company Logos Cyprus (25%). (Transactions with affiliated companies have been cleared in the balance sheet due to consolidation).

**TELETYPOS TELEVISION PROGRAMMES S.A.**  
**“MEGA CHANNEL - GREECE”**  
**Notes to the consolidated and separate financial statements in accordance with IFRS**  
**30<sup>th</sup> June 2007**  
**(Expressed in Euro)**

**35. Related parties transactions (cont.)**

Transactions with related parties are as follows:

|                  | SALE           | SALE           | PURCHASE          | PURCHASE          |
|------------------|----------------|----------------|-------------------|-------------------|
|                  | 01/01-30/06/07 | 01/01-30/06/06 | 01/01-30/06/07    | 01/01-30/06/06    |
| DOL              | 303.637        | 202.943        | 6.332             | 2.292             |
| PHGASOS          | 586.340        | 240.649        | 3.308             | 6.311             |
| ANOSI S.A        | 0              | 0              | 10.455.138        | 5.441.200         |
| ATA S.A.         | 0              | 0              | 9.544.817         | 6.689.208         |
| O LOGOS          | 50             | 0              | 0                 | 0                 |
| TELETYPOS CYPRUS | 0              | 0              | 1.300.000         | 0                 |
| <b>TOTAL</b>     | <b>890.027</b> | <b>443.592</b> | <b>21.309.595</b> | <b>12.139.011</b> |

|                  | CLAIMS           |                  | LIABILITIES        |                    |
|------------------|------------------|------------------|--------------------|--------------------|
|                  | 30/6/2007        | 31/12/2006       | 30/6/2007          | 31/12/2006         |
| DOL              | 244.886          | 76.704           | -68                | -7.365             |
| PHGASOS          | 676.703          | 374.639          | -9.767             | -6.248             |
| ANOSI S.A.       | 0                | 0                | -10.989.759        | -4.676.207         |
| ATA S.A.         | 0                | 0                | -12.332.314        | -9.319.998         |
| O LOGOS          | 50               | 0                | 0                  | 0                  |
| TELETYPOS CYPRUS | 3.758.700        | 3.758.700        | -4.875.950         | -3.575.950         |
| <b>TOTAL</b>     | <b>4.680.339</b> | <b>4.210.043</b> | <b>-28.207.858</b> | <b>-17.585.768</b> |

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

**TELETYPOS TELEVISION PROGRAMMES S.A.**  
**“MEGA CHANNEL - GREECE”**  
**Notes to the consolidated and separate financial statements in accordance with IFRS**  
**30<sup>th</sup> June 2007**  
**(Expressed in Euro)**

**36. Events after the balance sheet date**

The new legislation (3592 FEK 161/2007) “Concentration and license of Media Companies” foresees that : The continuance of the operation of the existing legally operating private TV channels, assumes their participation in the competition for the granting of permit. Until the issuance of the permit, it is assumed that the TV channels operate legally in the geographical territory in which they broadcast.

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

**37. Approval of financial statements**

The financial statements have been approved by the BoD.

Athens 02 August 2007

President of Board of Directors

Christos D. Lambrakis  
M 154944

Financial Controller

Athanasios G. Andreoulis  
Φ 064116

The Managing Director  
And member of Board of Directors

Elias E. Tsigas  
Ξ 414434

Chief Accountant

Vasilios A. Kritikos  
X 575439