

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

**INTERIM CONSOLIDATED**  
**AND SEPARATE FINANCIAL STATEMENTS**

**(1<sup>st</sup> January 2011 – 30<sup>th</sup> September 2011)**

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**TRANSLATION FROM THE ORIGINAL ISSUED IN THE GREEK LANGUAGE**

**REVIEW REPORT ON INTERIM FINANCIAL INFORMATION**

To the Shareholders of

**TELETYPOS TELEVISION PROGRAMMES S.A.**

**“MEGA CHANNEL – GREECE”**

***Introduction***

We have reviewed the accompanying individual and consolidated condensed statement of financial position of Teletypos Television Programmes S.A. “Mega Channel – Greece” and its subsidiary as at 30<sup>th</sup> September, 2011, the related individual and consolidated condensed statements of comprehensive income, changes in equity and cash flows for the nine-month period then ended, and a summary of significant accounting policies and selected explanatory notes, that comprise the interim financial information. The Company’s Management is responsible for the preparation and fair presentation of this interim financial information in accordance with International Financial Reporting Standards as adopted by European Union and applied to interim financial reporting (“IAS 34”). Our responsibility is to express a conclusion on this interim condensed 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”. 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 is not prepared, in all material respects, in accordance with IAS 34.

Piraeus 8 November, 2011

The Certified Public Accountant

Constantinos Constantinou  
Registered No. SOEL 33801  
**MOORE STEPHENS CHARTERED ACCOUNTANTS S.A.**  
Akti Miaouli 93 - 185 38 PIRAEUS  
Registered No. SOEL 119

**TELETYPOS TELEVISION PROGRAMMES S.A.**  
**“MEGA CHANNEL”**  
**STATEMENT OF COMPREHENSIVE INCOME**  
**1<sup>st</sup> January – 30th September, 2011**  
**(Expressed in Euro)**

**GROUP**

	<u>Notes</u>	<u>01.01/ 30.09.11</u>	<u>01.07/ 30.09.11</u>	<u>01.01/ 30.09.10</u>	<u>01.07/ 30.09.10</u>
Revenues	8	67,880,291	15,006,549	88,537,025	19,546,281
Cost of Sales	9	<u>(88,086,642)</u>	<u>(26,167,204)</u>	<u>(95,117,220)</u>	<u>(27,246,822)</u>
<b>Gross Loss</b>		<b><u>(20,206,351)</u></b>	<b><u>(11,160,655)</u></b>	<b><u>(6,580,195)</u></b>	<b><u>(7,700,541)</u></b>
Other operating income		<u>6,549,048</u>	<u>677,856</u>	<u>7,390,724</u>	<u>1,501,270</u>
		<b><u>(13,657,303)</u></b>	<b><u>(10,482,799)</u></b>	<b><u>810,529</u></b>	<b><u>(6,199,271)</u></b>
Distribution expenses	9	<u>(1,840,393)</u>	<u>(626,533)</u>	<u>(2,557,802)</u>	<u>(762,100)</u>
Administration expenses	9	<u>(5,047,680)</u>	<u>(1,655,041)</u>	<u>(5,904,701)</u>	<u>(1,725,020)</u>
<b>Operating loss</b>		<b><u>(20,545,376)</u></b>	<b><u>(12,764,373)</u></b>	<b><u>(7,651,974)</u></b>	<b><u>(8,686,391)</u></b>
<b>Non operating income</b>					
Interest received and receivable		607,469	188,287	1,010,152	540,493
Profit on disposal of fixed assets		5,008	0	36,034	1,934
Income from securities		0	0	11,797	0
Other income	11	<u>4,211,182</u>	<u>26,088</u>	<u>102,192</u>	<u>(15,726)</u>
		<b><u>4,823,659</u></b>	<b><u>214,375</u></b>	<b><u>1,160,175</u></b>	<b><u>526,701</u></b>
<b>Non operating expenses</b>					
Interest and similar charges	9	<u>(7,005,723)</u>	<u>(2,340,883)</u>	<u>(4,797,863)</u>	<u>(1,864,310)</u>
Provisions		<u>(2,649,053)</u>	<u>(660,973)</u>	<u>(681,806)</u>	<u>(164,462)</u>
Losses on disposal of fixed assets		<u>(1,890)</u>	<u>0</u>	<u>0</u>	<u>0</u>
Other expenses		<u>(379,298)</u>	<u>(69,553)</u>	<u>(1,049,031)</u>	<u>(303,351)</u>
		<b><u>(10,035,964)</u></b>	<b><u>(3,071,409)</u></b>	<b><u>(6,528,700)</u></b>	<b><u>(2,332,123)</u></b>
<b>Loss for the period before tax</b>		<b><u>(25,757,681)</u></b>	<b><u>(15,621,407)</u></b>	<b><u>(13,020,499)</u></b>	<b><u>(10,491,813)</u></b>
Prior year's additional income tax	10	<u>(2,146,407)</u>	<u>0</u>	<u>0</u>	<u>0</u>
Income tax	10	<u>99,437</u>	<u>4,000</u>	<u>123,731</u>	<u>7,769</u>
<b>Loss for the period after tax</b>		<b><u>(27,804,651)</u></b>	<b><u>(15,617,407)</u></b>	<b><u>(12,896,768)</u></b>	<b><u>(10,484,044)</u></b>
<b>TOTAL OTHER INCOME - (EXPENSES)</b>					
Translation difference in euro		<u>(499,576)</u>	<u>0</u>	<u>0</u>	<u>0</u>
Adjustment from value of shares		<u>(26,998)</u>	<u>(30,989)</u>	<u>(29,052)</u>	<u>13,382</u>
Total other income - (expenses)		<b><u>(526,574)</u></b>	<b><u>(30,989)</u></b>	<b><u>(29,052)</u></b>	<b><u>13,382</u></b>
<b>Total income for the period</b>		<b><u>(28,331,225)</u></b>	<b><u>(15,648,396)</u></b>	<b><u>(12,925,820)</u></b>	<b><u>(10,470,662)</u></b>
Losses per share € (note 27)		<b><u>-0.7356</u></b>	<b><u>-0.4132</u></b>	<b><u>-0.3412</u></b>	<b><u>-0.2774</u></b>

Notes forming an integral part of the financial statements on pages 8 to 47.

**TELETYPOS TELEVISION PROGRAMMES S.A.**  
**“MEGA CHANNEL”**  
**STATEMENT OF COMPREHENSIVE INCOME**  
**1<sup>st</sup> January – 30<sup>th</sup> September, 2011**  
**(Expressed in Euro)**

**COMPANY**

	<u>Notes</u>	<u>01.01/ 30.09.11</u>	<u>01.07/ 30.09.11</u>	<u>01.01/ 30.09.10</u>	<u>01.07/ 30.09.10</u>
Revenues	8	67,415,112	14,762,293	88,477,025	19,486,281
Cost of Sales	9	<u>(88,227,042)</u>	<u>(26,167,204)</u>	<u>(95,117,220)</u>	<u>(27,246,822)</u>
<b>Gross Loss</b>		<b><u>(20,811,930)</u></b>	<b><u>(11,404,911)</u></b>	<b><u>(6,640,195)</u></b>	<b><u>(7,760,541)</u></b>
Other operating income		<u>5,726,421</u>	<u>677,856</u>	<u>7,390,724</u>	<u>1,501,270</u>
		<b><u>(15,085,509)</u></b>	<b><u>(10,727,055)</u></b>	<b><u>750,529</u></b>	<b><u>(6,259,271)</u></b>
Distribution expenses	9	(1,840,393)	(626,532)	(2,557,802)	(762,100)
Administration expenses	9	<u>(4,894,804)</u>	<u>(1,605,263)</u>	<u>(5,797,359)</u>	<u>(1,671,222)</u>
<b>Operating loss</b>		<b><u>(21,820,706)</u></b>	<b><u>(12,958,850)</u></b>	<b><u>(7,604,632)</u></b>	<b><u>(8,692,593)</u></b>
<b>Non operating income</b>					
Interest received and receivable		230,084	154,304	13,669	292
Profit on disposal of fixed assets		5,008	0	36,034	1,934
Investment income	17	4,600,000	0	0	0
Income from securities		0	0	11,797	0
Other income		<u>171,697</u>	<u>26,088</u>	<u>102,192</u>	<u>(15,726)</u>
		<b><u>5,006,789</u></b>	<b><u>180,392</u></b>	<b><u>163,692</u></b>	<b><u>(13,500)</u></b>
<b>Non operating expenses</b>					
Interest and similar charges	9	(7,005,332)	(2,341,316)	(4,781,584)	(1,848,476)
Provisions		(2,649,053)	(660,973)	(681,806)	(164,462)
Losses on disposal of fixed assets		(1,890)	0	0	0
Other expenses		<u>(379,298)</u>	<u>(69,553)</u>	<u>(1,049,031)</u>	<u>(303,351)</u>
		<b><u>(10,035,573)</u></b>	<b><u>(3,071,842)</u></b>	<b><u>(6,512,421)</u></b>	<b><u>(2,316,289)</u></b>
<b>Loss for the period before tax</b>		<b><u>(26,849,490)</u></b>	<b><u>(15,850,300)</u></b>	<b><u>(13,953,361)</u></b>	<b><u>(11,022,382)</u></b>
Prior year's additional income tax	10	(2,146,407)	0	0	0
Income tax	10	<u>223,887</u>	<u>82,210</u>	<u>301,947</u>	<u>104,616</u>
<b>Loss for the period after tax</b>		<b><u>(28,772,010)</u></b>	<b><u>(15,768,090)</u></b>	<b><u>(13,651,414)</u></b>	<b><u>(10,917,766)</u></b>
<b>OTHER INCOME - (EXPENSES)</b>					
Adjustment of deferred tax due to income tax rate decrease		(499,576)	0	0	0
Adjustment from value of shares		<u>(26,998)</u>	<u>(30,989)</u>	<u>(29,052)</u>	<u>13,382</u>
Total other income - (expenses)		<b><u>(526,574)</u></b>	<b><u>(30,989)</u></b>	<b><u>(29,052)</u></b>	<b><u>13,382</u></b>
<b>Total comprehensive income for the period</b>		<b><u>(29,298,584)</u></b>	<b><u>(15,799,079)</u></b>	<b><u>(13,680,466)</u></b>	<b><u>(10,904,384)</u></b>
Losses per share euro (note 27)		<b><u>-0.7612</u></b>	<b><u>-0.4172</u></b>	<b><u>-0.3612</u></b>	<b><u>-0.2888</u></b>

Notes forming an integral part of the financial statements on pages 8 to 47.

**TELETYPOS TELEVISION PROGRAMMES S.A.**  
**“MEGA CHANNEL”**  
**STATEMENT OF FINANCIAL POSITION**  
**30th September 2011**  
**(Expressed in Euro)**

		<u><b>GROUP</b></u>		<u><b>COMPANY</b></u>	
	Note:	<u><b>30.09.2011</b></u>	<u><b>31.12.2010</b></u>	<u><b>30.09.2011</b></u>	<u><b>31.12.2010</b></u>
<b>FIXED ASSETS</b>					
Intangible assets – Programme rights	12	119,003,701	145,880,477	119,003,701	146,020,877
Tangible assets	13	9,593,459	10,566,661	9,593,459	10,566,661
Investments in associates	14	1,210,396	1,110,396	1,797,800	1,697,800
Deferred taxation	18	2,190,733	2,439,576	2,190,733	2,439,576
Other financial assets	15	<u>647,337</u>	<u>431,472</u>	<u>647,337</u>	<u>431,472</u>
<b>Total fixed assets</b>		<u><b>132,645,626</b></u>	<u><b>160,428,582</b></u>	<u><b>133,233,030</b></u>	<u><b>161,156,386</b></u>
<b>CURRENT ASSETS</b>					
Inventories		347,088	350,929	347,088	350,929
Trade and other receivables	16	34,654,444	36,663,325	34,293,379	36,447,293
Claims against associated companies	17	0	0	438,596	24,438,596
Prepayments of programme rights & other expenses	19	40,128,541	34,781,740	40,128,541	34,781,740
Cash and cash equivalents	20	<u>14,748,848</u>	<u>42,109,538</u>	<u>12,280,456</u>	<u>11,149,728</u>
		<u><b>89,878,921</b></u>	<u><b>113,905,532</b></u>	<u><b>87,488,060</b></u>	<u><b>107,168,286</b></u>
<b>Total assets</b>		<u><b>222,524,547</b></u>	<u><b>274,334,114</b></u>	<u><b>220,721,090</b></u>	<u><b>268,324,672</b></u>
<b>EQUITY AND LIABILITIES</b>					
Share capital	21	37,797,375	37,797,375	37,797,375	37,797,375
Share premium	21	33,469,247	33,469,247	33,469,247	33,469,247
Reserves	22	10,411,495	10,438,493	10,411,495	10,438,493
Loss for the period		(27,804,651)	0	(28,772,011)	0
Retained loss	27.2	<u>(7,625,230)</u>	<u>(7,125,655)</u>	<u>(7,008,167)</u>	<u>(6,508,592)</u>
<b>Total Equity</b>		<u><b>46,248,236</b></u>	<u><b>74,579,460</b></u>	<u><b>45,897,939</b></u>	<u><b>75,196,523</b></u>
<b>Long-term liabilities</b>	23	<u><b>45,632,826</b></u>	<u><b>45,042,697</b></u>	<u><b>45,632,826</b></u>	<u><b>45,042,697</b></u>
<b>SHORT TERM LIABILITIES</b>					
Trade and other payables	24	61,455,687	81,489,058	60,002,527	74,862,553
Short term borrowings	25	59,187,798	58,222,899	59,187,798	58,222,899
Long term liabilities payable next period	23.1	<u>10,000,000</u>	<u>15,000,000</u>	<u>10,000,000</u>	<u>15,000,000</u>
<b>Total Short Term Liabilities</b>		<u><b>130,643,485</b></u>	<u><b>154,711,957</b></u>	<u><b>129,190,325</b></u>	<u><b>148,085,452</b></u>
<b>Total equity and liabilities</b>		<u><b>222,524,547</b></u>	<u><b>274,334,114</b></u>	<u><b>220,721,090</b></u>	<u><b>268,324,672</b></u>

Notes forming an integral part of the financial statements on pages 8 to 47.

**TELETYPOS TELEVISION PROGRAMMES S.A.**  
**“MEGA CHANNEL”**  
**STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY**  
**30th September 2011**  
**(Expressed in Euro)**

**Group****Net position 30/09/2010**

Balance 1st January 2010  
 Loss for the period after tax  
 Loss for the period  
**Net position 30/09/2010**

<u>Share Capital</u>	<u>Share premium</u>	<u>Statutory reserve</u>	<u>Other reserves</u>	<u>Valuation reserve on listed securities</u>	<u>Loss for the period</u>	<u>Retained earnings/(loss)</u>	<u>Total</u>
37,797,375	33,469,247	6,102,831	4,262,805	107,113	0	20,342,400	102,081,771
				-29,052		0	-29,052
					-12,896,768		-12,896,768
<b>37,797,375</b>	<b>33,469,247</b>	<b>6,102,831</b>	<b>4,262,805</b>	<b>78,061</b>	<b>-12,896,768</b>	<b>20,342,400</b>	<b>89,155,951</b>

**Net position 30/09/2011**

Balance 1st January 2011  
 Loss for the period  
 Loss for the period after tax  
**Net position 30/09/2011**

37,797,375	33,469,247	6,102,831	4,262,805	72,857	0	-7,125,655	74,579,460
					-27,804,651	0	-27,804,651
				-26,998		-499,575	-526,573
<b>37,797,375</b>	<b>33,469,247</b>	<b>6,102,831</b>	<b>4,262,805</b>	<b>45,859</b>	<b>-27,804,651</b>	<b>-7,625,230</b>	<b>46,248,236</b>

<u>Share Capital</u>	<u>Share Premium</u>	<u>Statutory Reserve</u>	<u>Other Reserves</u>	<u>Valuation reserve on listed securities</u>	<u>Loss the period</u>	<u>Retained Earnings/(loss)</u>	<u>Total</u>
37,797,375	33,469,247	6,102,831	4,262,805	107,113	0	-2,006,944	79,732,427
					-13,651,414		-13,651,414
				-29,052	0	0	-29,052
<b>37,797,375</b>	<b>33,469,247</b>	<b>6,102,831</b>	<b>4,262,805</b>	<b>78,061</b>	<b>-13,651,414</b>	<b>-2,006,944</b>	<b>66,051,961</b>

**COMPANY****Net position 30/9/2010**

Balance 1st January 2010  
 Loss for the period  
 Loss for the period after tax  
**Net position 30/9/2010**

37,797,375	33,469,247	6,102,831	4,262,805	72,856	0	-6,508,591	75,196,523
					-28,772,010		-28,772,010
				-26,998		-499,576	-526,574
<b>37,797,375</b>	<b>33,469,247</b>	<b>6,102,831</b>	<b>4,262,805</b>	<b>45,858</b>	<b>-28,772,010</b>	<b>-7,008,167</b>	<b>45,897,939</b>

**Net position 30/9/2011**

Balance 1st January 2011  
 Loss for the period  
 Loss for the period after tax  
**Net position 30/09/2011**

**TELETYPOS TELEVISION PROGRAMMES S.A.**  
**“MEGA CHANNEL”**  
**STATEMENT OF CASH FLOW**  
**1<sup>st</sup> January – 30th September 2011**  
**(Expressed in ttEuro)**

	<u>GROUP</u>		<u>COMPANY</u>	
	<u>30.09.11</u>	<u>30.09.10</u>	<u>30.09.11</u>	<u>30.09.10</u>
<b>Cash flow from operating activities</b>				
Loss before taxation	(25,757,680)	(13,020,498)	(26,849,490)	(13,953,360)
<b>Adjustments for items not involving the movement of cash</b>				
Depreciation and amortisation	56,050,619	61,504,694	56,050,619	61,504,694
Provisions	2,701,086	1,743,106	3,523,713	1,743,106
Translation differences	0	0	0	0
Profit on disposal of fixed assets	(610,588)	(1,057,983)	(4,833,203)	(61,500)
Interest and similar charges	7,005,723	4,797,863	7,005,332	4,781,584
Decrease in inventories of spares and consumables	3,842	16,835	3,842	16,835
Increase in stock of programme rights	(5,346,801)	(3,958,319)	(5,346,801)	(3,958,319)
Increase in debtors and others	(678,715)	(2,418,696)	(533,681)	(2,464,783)
(Decrease)/Increase in payables	(215,865)	50,000	(215,865)	50,000
Decrease of Repayments of borrowings	(19,884,285)	(12,692,314)	(15,450,858)	(12,468,537)
Minus:				
Interest and similar charges	(6,927,092)	(4,730,756)	(6,926,701)	(4,714,477)
Income tax paid	(974,927)	(1,591,116)	(933,187)	(1,446,406)
<b>Net Cash Generated by Operating Activities (a)</b>	<b>5,365,317</b>	<b>28,642,816</b>	<b>5,493,720</b>	<b>29,028,837</b>
<b>Cash Flow from investing activities</b>				
Investments in subsidiaries, affiliates, cooperations and other	(100,000)	(420,600)	(100,000)	(420,600)
Proceeds from sale of intangible fixed assets	(28,204,557)	(54,418,757)	(28,064,157)	(54,577,157)
Sale of subsidiaries, affiliates, cooperations and other	7,035	36,665	7,035	36,665
Interest	607,469	1,010,152	230,084	13,669
Dividends paid	0	11,797	28,600,000	11,797
<b>Net Cash (used in)/generated by Investing Activities (b)</b>	<b>(27,690,053)</b>	<b>(53,780,743)</b>	<b>672,962</b>	<b>(54,935,626)</b>
<b>Cash Flow from Financing Activities</b>				
Increase in long term borrowings	0	19,926,612	0	19,926,612
Repayments of bowwings	(5,035,101)	0	(5,035,101)	0
Dividends paid	(853)	(40,789)	(853)	(40,789)
<b>Net Cash (used in)/generated by Financing Activities (c)</b>	<b>(5,035,954)</b>	<b>19,885,823</b>	<b>(5,035,954)</b>	<b>19,885,823</b>
<b>Net (decreas) /Increase in cash and cash equivalens (a)+(b)+(c)</b>	<b>(27,360,690)</b>	<b>(5,252,104)</b>	<b>1,130,728</b>	<b>(6,020,966)</b>
<b>Cash and cash equivalents at the beginning of the period</b>	<b>42,109,538</b>	<b>44,447,435</b>	<b>11,149,728</b>	<b>11,498,588</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>14,748,848</b>	<b>39,195,331</b>	<b>12,280,456</b>	<b>5,477,622</b>

**TELETYPOS TELEVISION PROGRAMMES S.A.**  
**“MEGA CHANNEL - GREECE” AND ITS SUBSIDIARY**  
**Notes to the consolidated and parent financial statements in accordance with IFRS**  
**30th September, 2011**  
**(Expressed in Euro)**

**1. General Information**

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

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

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

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

The company's main objectives are:

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

The Board of the Athens Stock Exchange based on the ratio results of 2010 to net worth as at 31/12/2010 decided on 8/4/2011 to have the company's shares under observation.

The financial statements have been approved by the company's Board of Directors at 18/10/2011. The composition of the Board of Directors is as follows:

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

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

**Notes to the consolidated and separate financial statements in accordance with IFRS  
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**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 2011.

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

***a. Standards and Interpretations issued (by IASB and the International Financial Reporting Interpretations Committee) in effect since 1<sup>st</sup> January 2011***

The adoption of the new and revised International Financial Reporting Standards in effect as of 1<sup>st</sup> January 2011 are either not related with the activities of the group or of the company or do not led to any changes in the company's accounting policies.

***b. Standards and interpretations not yet effective***

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

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

**Notes to the consolidated and separate financial statements in accordance with IFRS**  
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**3. Significant Accounting Policies**

**3.1. Statement of compliance**

The financial statements have been prepared in accordance with the International Accounting Standards IAS 34 “Interim Financial Reporting” and they should be read together with annual financial statements of 2010.

**3.2. Historical cost convention**

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

**Basis of consolidation**

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

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

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

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

**3.3. Investments in associates**

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

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

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

**3.4. Foreign currency transactions and balances**

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

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

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

**Notes to the consolidated and separate financial statements in accordance with IFRS**  
**30th September, 2011**  
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**3. Significant Accounting Policies (cont'd)**

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

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

Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. Non-monetary items measured at historic cost that are denominated in foreign currency are translated at the rates prevailing at the date of acquisition.

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

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

Such exchange differences are recognized in profit and loss in the period in which the foreign operation is disposed of. The subsidiary has adopted from 1/1/2008 euro as its operating currency, resulting in no exchange rate differences.

**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 (i.e. bonds issue costs) are recognised as impairment of the liability.

**TELETYPOS TELEVISION PROGRAMMES S.A.****“MEGA CHANNEL - GREECE”****Notes to the consolidated and separate financial statements in accordance with IFRS****30th September, 2011****(Expressed in Euro)****3. Significant Accounting Policies (cont'd)****3.6. Programme and film rights**

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

**3.6.1. Self-owned television programmes**

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

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

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

- The profit and loss account is charged with the cost of the broadcasted programmes plus or minus any foreign exchange differences which arise upon settlement or valuation of the corresponding liability at the end of the year.

The statement of financial position presents such as follows:

- under liabilities, the amount due to the suppliers for the programmes invoiced and not yet settled, under prepayments the invoiced amount of not yet transmitted programmes.
- in case a contract provides for more than one transmission the profit and loss account is charged in proportion to the number of transmissions allowed.

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

**Notes to the consolidated and separate financial statements in accordance with IFRS**  
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**3. Significant Accounting Policies (cont'd)**

**3.7. Depreciation and Amortization**

**Fixed Assets**

Equipment and vehicles of the parent company are presented at cost minus accumulated depreciation and impairment loss. Depreciation is charged using the straight-line method over their estimated useful lives. Depreciation rates remain constant throughout the useful life of the assets. Land is not depreciated.

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

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

**Programme and film rights**

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

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

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

**TELETYPOS TELEVISION PROGRAMMES S.A.**  
**“MEGA CHANNEL - GREECE”**  
**Notes to the consolidated and separate financial statements in accordance with IFRS**  
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**3. Significant Accounting Policies (cont.)**

**3.8. Taxation**

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

**Current taxation**

Income tax is calculated on taxable profits and according to the rate which is in force. Due to the reported losses of the company no such tax has been reported.

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

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

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

**Deferred taxation**

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.

Deferred tax liability is also recognised for short-term taxation differences which are related with investments in subsidiaries and associates, except for occasions where the Group has the ability to direct the mitigation of tax difference and it is likely that this difference would not be mitigated in the foreseeable future.

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

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

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

**3.9. Inventories**

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

**3.10. Provisions**

Provisions are recognised when:

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

Provisions are reviewed by management of the company during the date when each statement of financial position is compiled and can be recalculated if their current value is different from their accounting value. The Board of Directors proposal for distribution of profits to the staff and the Board of Directors is also accounted as provision charging staff wages and third parties fees and expenses respectively.

**3.11. Revenues recognition**

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

**3.12. Impairment of assets**

At each statement of financial position date, the company's management reviews the carrying amounts of its tangible and intangible assets to determine whether there is indication that those assets have suffered an impairment loss. At 30.09.2011, there was no such indication.

**3.13. Trade receivables**

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

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

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

**3.14. Investments**

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

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

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

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

**3.15. Cash and cash equivalents**

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

**3.16. Bank loans**

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

**3.17. Trade Creditors**

Trade creditors are stated, at first, at the nominal value of the liabilities. Then, they are revised at their fair value using the real discount rate method, and if there is significant difference from the nominal value, then this difference is recognised in the statement of comprehensive income.

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

**3.18 Patents and trademarks**

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

**3.19 Retirement benefits**

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

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

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

The most important assumptions taken into account are the following:

Date of assumption	Interest rate	Increase in remuneration	Inflation rate
31/12/2010	4,84%	0,00%	2,50%
30/09/2011	4,84%	0,00%	2,50%

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

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

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**“MEGA CHANNEL - GREECE”**

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

The company's activities, are uniform and are controlled by uniform management information system. The main activity being advertisement (99%), is not different from other activities as far as reporting and monitoring by management is concerned. All the activities are essentially performed inside Greece, except for a (0.5%) which is performed by a subsidiary in Cyprus. The income is generated from many customers, no customer exceeds 10% of activity

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

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

Financial assets are classified into the following four categories:

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

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

The entity does not hold such financial assets

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

The entity does not hold such investments

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

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

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

**TELETYPOS TELEVISION PROGRAMMES S.A.****“MEGA CHANNEL - GREECE”****Notes to the consolidated and separate financial statements in accordance with IFRS****30th September, 2011****(Expressed in Euro)****5. Financial assets (cont.)****5.1. Financial assets (cont.)****5.1.4 Loans and receivables**

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

**5.1.5 Impairment of financial assets**

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

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

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

**5.2 Financial liabilities and equity instruments issued by the Group****5.2.1. Equity instrument**

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

**5.2.2 Financial liabilities**

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

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

The entity does not hold such financial liabilities

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

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

**5.2.2 Financial liabilities (cont.)**

**5.2.2.2 Other financial liabilities**

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

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

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

**5.3. Derivative financial instruments**

The company has loan agreement carrying variable interest rate, consequently it is exposed to fluctuations of interest rates. To mitigate the risk of such it enters into interest rate swap agreement. These agreements are measured at fair value at inception and re-measured at the date of the financial statements.

The results (gain or loss) are recognised in the statement of comprehensive income, except for cases which are considered as a hedging/fair value or cash flow hedging. Derivatives with positive fair value are treated as assets and with negative fair value as liabilities.

**TELETYPOS TELEVISION PROGRAMMES S.A.**

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

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

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

**7. Dividends**

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

**TELETYPOS TELEVISION PROGRAMMES S.A.**  
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<b>8. Revenue</b>	<u><b>Group</b></u>				<u><b>Company</b></u>			
	<u><b>30/9/2011</b></u>	<u><b>%</b></u>	<u><b>30/9/2010</b></u>	<u><b>%</b></u>	<u><b>30/9/2011</b></u>	<u><b>%</b></u>	<u><b>30/9/2010</b></u>	<u><b>%</b></u>
Advertising	64.692.661	95,30	86.183.984	97,34	64.692.661	95,96	86.183.984	97,41
Income from TV programmes	1.609.455	2,37	1.380.532	1,56	1.609.455	2,39	1.380.532	1,56
Income from TV rights	1.112.996	1,64	912.509	1,03	1.112.996	1,65	912.509	1,03
Income from TV rights (Sub. Company)	465.179	0,68	60.000	0,07	0	0,00	0	0,00
	<u><b>67.880.291</b></u>	<u><b>100,00</b></u>	<u><b>88.537.025</b></u>	<u><b>100,00</b></u>	<u><b>67.415.112</b></u>	<u><b>100,00</b></u>	<u><b>88.477.025</b></u>	<u><b>100,00</b></u>

**9. Operating expenses**

	<u><b>30/9/2011</b></u>	<u><b>30/9/2010</b></u>	<u><b>30/9/2011</b></u>	<u><b>30/9/2010</b></u>
Staff wages and expenses	24.465.921	27.784.726	24.465.921	27.784.726
Third parties fees and expenses	7.365.731	6.959.118	7.506.131	6.959.118
Utilities	4.453.182	4.878.553	4.453.182	4.878.553
Taxes and duties	1.976.186	377.749	1.976.186	377.749
Sundry expenses	2.619.750	3.909.490	2.466.874	3.802.148
Financial expenses	7.005.723	4.797.863	7.005.332	4.781.584
Consumables-spare parts	81.499	226.425	81.499	226.425
Depreciation/Amortization	56.050.619	61.504.694	56.050.619	61.504.694
Less: Cost or origination of own production	(2.038.173)	(2.061.032)	(2.038.173)	(2.061.032)
	<u><b>101.980.438</b></u>	<u><b>108.377.586</b></u>	<u><b>101.967.571</b></u>	<u><b>108.253.965</b></u>

The above amounts have been allocated as follows:

	<u><b>30/9/2011</b></u>	<u><b>30/9/2010</b></u>	<u><b>30/9/2011</b></u>	<u><b>30/9/2010</b></u>
<b>Cost of sales</b>	88.086.642	95.117.220	88.227.042	95.117.220
<b>Administrative expenses</b>	5.047.680	5.904.701	4.894.804	5.797.359
<b>Selling expenses</b>	1.840.393	2.557.802	1.840.393	2.557.802
<b>Financial expenses</b>	7.005.723	4.797.863	7.005.332	4.781.584
	<u><b>101.980.438</b></u>	<u><b>108.377.586</b></u>	<u><b>101.967.571</b></u>	<u><b>108.253.965</b></u>

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**10. Taxation**

The company's profits are taxed at the rate of 20% after they have been adjusted for expenses not tax allowed and for any tax free reserves. Due to the losses reported for the period 01/01 - 30/9/2011 no tax has been claimed.

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 2009.

The profits of the subsidiary company are taxed at the tax rate of 10% and no further taxation applies in the country of operations. Profits arising from sales of investments in associates are not taxable. Dividends for the subsidiary company are added to the taxable income of the parent company. The corresponding dividend's tax paid in foreign country is counterbalanced.

	<u>GROUP</u>		<u>COMPANY</u>	
	<u>30/9/2011</u>	<u>30/9/2010</u>	<u>30/9/2011</u>	<u>30/9/2010</u>
Current income tax	(124.450)	(178.216)	-	-
Deferred taxes (note 18)	239.190	317.250	239.190	317.250
Other non-incorporated in operating cost taxes	<u>(15.303)</u>	<u>(15.303)</u>	<u>(15.303)</u>	<u>(15.303)</u>
<b>Total tax for the period</b>	<b>99.437</b>	<b>123.731</b>	<b>223.887</b>	<b>301.947</b>
Additional income tax of previous years	(2.146.407)	0	(2.146.407)	0
<b>Total tax expense</b>	<b><u>(2.046.970)</u></b>	<b><u>123.731</u></b>	<b><u>(1.922.520)</u></b>	<b><u>301.947</u></b>
Total tax for the year consists of:				
Profit for the period before taxes (parent)	<u>30/9/2011</u> (26.849.490)	<u>30/9/2010</u> (13.953.361)	<u>30/9/2011</u> (26.849.490)	<u>30/9/2010</u> (13.953.361)
	689.297	1.091.262	-	-
	4.039.486	0	-	-
Profit for the period before taxes (subsidiary)	<u>(3.636.974)</u>	<u>(158.400)</u>	-	-
<b>Taxable profit</b>	<b>(25.757.681)</b>	<b>(13.020.499)</b>	<b>(26.849.490)</b>	<b>(13.953.361)</b>
Income tax (parent)	0	0	-	0
	0%	0%		0%
Income tax (subsidiary)	(68.930)	(109.126)	-	-
	10%	10%		
Prepayment of income tax (subsidiary)	<u>(55.520)</u>	<u>(69.090)</u>	-	-
<b>Total tax for the period</b>	<b>(124.450)</b>	<b>(178.216)</b>	<b>0</b>	<b>0</b>
<b>Deferred taxes</b>				
Provision for contingencies - expenses	239.190	317.250	239.190	317.250
<b>Total tax</b>	<b>239.190</b>	<b>317.250</b>	<b>239.190</b>	<b>317.250</b>
Other non-incorporated in operating cost taxes	(15.303)	(15.303)	(15.303)	(15.303)
	(2.146.407)	0	(2.146.407)	0
<b>Total tax for the period</b>	<b><u>(2.046.970)</u></b>	<b><u>123.731</u></b>	<b><u>(1.922.520)</u></b>	<b><u>301.947</u></b>

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**10. Taxation (cont.)**

The company has closed its open tax years until the year 2009. The closing of the tax years 2005, 2006, 2007, 2008, 2009 was completed in 2011. The additional tax obligations as presented annually was computed mainly on the basis of accounting differences (expenses not allowed by tax authorities) on which the management has its reservations.

<b>Year</b>	<b>Tax obligation (in euro)</b>
2005	481,536
2006	537,925
2007	415,352
2008	370,978
2009	340,616
<b>TOTAL</b>	<b>2,146,407</b>

The sum of the tax obligations are going to be paid in 36 settlements.

Payment due 30/09/2011	858.562
Payment from 01/09/2011 to 30/09/2012	572 374 (short term liabilities)
Payment from 01/10/2012 to 30/04/2014	715.470 (long term liabilities)

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

**11. Other income**

Other income totally represent (4.039.486 euros) a reversal entry of accrued expenses which incurred in the past (2008) as result of the sales contract of associated company (note 24.4).

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**12. Intangible assets-Programme rights**

**COMPANY**

	<b>Programme and film rights</b>	<b>License Trade mark</b>	<b>Total</b>
<b>2010</b>			
<b><u>Cost</u></b>			
1.1.2010	923.645.130	5.400	<b>923.650.530</b>
Purchases	79.115.222	0	<b>79.115.222</b>
Disposals	0	(5.400)	<b>(5.400)</b>
In House production under way	(2.007.912)	0	<b>(2.007.912)</b>
31.12.2010	<b><u>1.000.752.440</u></b>	<b><u>0</u></b>	<b><u>1.000.752.440</u></b>
<b><u>Amortization</u></b>			
1.1.2010	771.981.883	5.400	<b>771.987.283</b>
Charge for the period	82.749.680	0	<b>82.749.680</b>
Disposals	0	(5.400)	<b>(5.400)</b>
31.12.2010	<b><u>854.731.563</u></b>	<b><u>0</u></b>	<b><u>854.731.563</u></b>
<b>Net Book Value 31.12.2010</b>	<b><u>146.020.877</u></b>	<b><u>0</u></b>	<b><u>146.020.877</u></b>
<b>2011</b>			
<b><u>Cost</u></b>			
1.1.2011	<b>1.000.752.440</b>	<b>0</b>	<b>1.000.752.440</b>
Purchases	33.625.164	0	<b>33.625.164</b>
In House production under way	(5.965.119)	0	<b>(5.965.119)</b>
30.09.2011	<b><u>1.028.412.485</u></b>	<b><u>0</u></b>	<b><u>1.028.412.485</u></b>
<b><u>Amortization</u></b>			
1.1.2011	<b>854.731.563</b>	<b>0</b>	<b>854.731.563</b>
Charge for the period	54.677.221	0	<b>54.677.221</b>
30.09.2011	<b><u>909.408.784</u></b>	<b><u>(5.400)</u></b>	<b><u>909.403.384</u></b>
<b>Net Book Value 30.09.2011</b>	<b><u>119.003.701</u></b>	<b><u>5.400</u></b>	<b><u>119.009.101</u></b>

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**12. Intangible assets-Programme rights**

**GROUP**

	<b>Programme and film rights</b>	<b>License Trade mark</b>	<b>Total</b>
<b>2010</b>			
<b><u>Cost</u></b>			
1.1.2010	923.645.130	5.400	<b>923.650.530</b>
Purchases	78.974.822	0	<b>78.974.822</b>
Disposals	0	(5.400)	<b>(5.400)</b>
In House production under way	(2.007.912)	0	<b>(2.007.912)</b>
31.12.2010	<b><u>1.000.612.040</u></b>	<b><u>0</u></b>	<b><u>1.000.612.040</u></b>
<b><u>Amortization</u></b>			
1.1.2010	771.981.883	5.400	<b>771.987.283</b>
Charge for the period	82.749.680	0	<b>82.749.680</b>
Disposals	0	(5.400)	<b>(5.400)</b>
31.12.2010	<b><u>854.731.563</u></b>	<b><u>0</u></b>	<b><u>854.731.563</u></b>
<b>Net Book Value 31.12.2010</b>	<b><u>145.880.477</u></b>	<b><u>0</u></b>	<b><u>145.880.477</u></b>
<b>2011</b>			
<b><u>Cost</u></b>			
1.1.2011	<b>1.000.612.040</b>	<b>0</b>	<b>1.000.612.040</b>
Purchases	33.765.564	0	<b>33.765.564</b>
In House production under way	(5.965.119)	0	<b>(5.965.119)</b>
30.09.2011	<b><u>1.028.412.485</u></b>	<b><u>0</u></b>	<b><u>1.028.412.485</u></b>
<b><u>Amortization</u></b>			
1.1.2011	<b>854.731.563</b>	<b>0</b>	<b>854.731.563</b>
Charge for the period	54.677.221	0	<b>54.677.221</b>
30.09.2011	<b><u>909.408.784</u></b>	<b><u>0</u></b>	<b><u>909.408.784</u></b>
<b>Net Book Value 30.09.2011</b>	<b><u>119.003.701</u></b>	<b><u>0</u></b>	<b><u>119.003.701</u></b>

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**13. Tangible assets**  
**GROUP-COMPANY**

<b>2010</b>	<b><u>Land</u></b>	<b><u>Buildings</u></b>	<b><u>Plant and machinery</u></b>	<b><u>Transportation means</u></b>	<b><u>Furnitures and equipment</u></b>	<b><u>Total</u></b>
<b><u>Cost</u></b>						
1.1.2010	4,799,610	2,766,942	20,299,908	728,965	14,348,365	<b>42,943,790</b>
Purchases	0	507,884	547,358	0	720,363	<b>1,775,605</b>
Sales	0	0	(35,560)	(2,334)	(681)	<b>(38,575)</b>
Disposals	0	(1,316)	(852,566)	334	(479,263)	<b>(1,332,811)</b>
<b>31.12.2010</b>	<b><u>4,799,610</u></b>	<b><u>3,273,510</u></b>	<b><u>19,959,140</u></b>	<b><u>726,965</u></b>	<b><u>14,588,784</u></b>	<b><u>43,348,009</u></b>
<b><u>Depreciation</u></b>						
1.1.2010	0	2,309,475	15,712,532	593,161	13,281,588	<b>31,896,756</b>
For the period	0	105,135	1,204,728	74,666	870,009	<b>2,254,538</b>
Disposals	0	(1,315)	(887,532)	(1,800)	(479,299)	<b>(1,369,946)</b>
<b>31.12.2010</b>	<b><u>0</u></b>	<b><u>2,413,295</u></b>	<b><u>16,029,728</u></b>	<b><u>666,027</u></b>	<b><u>13,672,298</u></b>	<b><u>32,781,348</u></b>
<b>N.B.V.</b>						
<b>31.12.2010</b>	<b><u>4,799,610</u></b>	<b><u>860,215</u></b>	<b><u>3,929,412</u></b>	<b><u>60,938</u></b>	<b><u>916,486</u></b>	<b><u>10,566,661</u></b>
<b>2011</b>						
<b><u>Cost</u></b>						
1.1.2011	4,799,610	3,273,510	19,959,140	726,965	14,588,784	<b>43,348,009</b>
Purchases	0	1,100	40,103	20,002	342,906	<b>404,111</b>
Sales	0	0	(3,135)	(3,000)	(900)	<b>(7,035)</b>
Disposals	0	0	(55,397)	(27,846)	(11,475)	<b>(94,718)</b>
<b>30.09.2011</b>	<b><u>4,799,610</u></b>	<b><u>3,274,610</u></b>	<b><u>19,940,711</u></b>	<b><u>716,121</u></b>	<b><u>14,919,315</u></b>	<b><u>43,650,367</u></b>
<b><u>Depreciation</u></b>						
1.1.2011	0	2,413,295	16,029,728	666,027	13,672,298	<b>32,781,348</b>
for the period	0	104,479	738,814	24,811	505,293	<b>1,373,397</b>
Sales	0	0	(56,157)	(29,304)	(12,376)	<b>(97,837)</b>
<b>30.09.2011</b>	<b><u>0</u></b>	<b><u>2,517,774</u></b>	<b><u>16,712,385</u></b>	<b><u>661,534</u></b>	<b><u>14,165,215</u></b>	<b><u>34,056,908</u></b>
<b>N.B.V.</b>						
<b>30.09.2011</b>	<b><u>4,799,610</u></b>	<b><u>756,836</u></b>	<b><u>3,228,326</u></b>	<b><u>54,587</u></b>	<b><u>754,100</u></b>	<b><u>9,593,459</u></b>

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

Investments are stated at cost as follows:

**GROUP**

		30/9/2011	% Shareholding	31/12/2010	% Shareholding
Logos (Cyprus)	<b>a.</b>	438.596	25	438.596	25
Television Royalties S.A.	<b>b.</b>	1.800	1	1800	1
Digital Provider S.A.	<b>c.</b>	670.000	14,29	670,000	14,29
TELETYPOS Commercial LTD	<b>d.</b>	100.000	100	0	
		<b>1,210,396</b>		<b>1,110,396</b>	

**Main activities:**

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

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

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

The management foreseeing the positive prospects as well as the size of the investment maintained the policy of valuating Logos at acquisition cost. This investment of the subsidiary is governed by a contract which expired on 30/06/2011. Negotiations for extension of this contract are in progress.

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

- b. TELEVISION ROYALTIES S.A.:** Management and protection of third parties royalties. It’s a newly established company aiming in the management and protection of third parties royalties.
- c. DIGITAL PROVIDER S.A.:** The company Digital Provider S.A. was established in 2009 along with other 7 television companies. The main objective of the company is the development of the digital network, the providing of technical services for the establishment, operations and the maintenance of this network.
- d. TELETYPOS COMMERCIAL LTD.** The company incorporated TELETYPOS COMMERCIAL LTD with 100% participation on its share capital. The company is not active yet. The company’s headquarters are in Nicosia (Cyprus).

**COMPANY**

	<u>30/9/2011</u>	%	<u>31/12/2010</u>	%
		<u>Shareholding</u>		<u>Shareholding</u>
Teletypos Cyprus Ltd	1.026.000	100	1.026.000	100
Television Royalties S.A.	1.800	1	1,800	1
Digital Provider S.A.	670.000	14,29	670,000	14,29
TELETYPOS Commercial LTD	100.000	100		
	<u>1.797.800</u>		<u>1.697.800</u>	

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**15. Other financial assets**

	<u>GROUP</u>		<u>COMPANY</u>	
	<u>30/9/2011</u>	<u>31/12/2010</u>	<u>30/9/2011</u>	<u>31/12/2010</u>
<b>Guarantee given:</b>				
Rent	348,423	340,222	348,423	340,222
Hertz (car rental)	38,656	42,582	38,656	42,582
Electricity Power	14,581	15,121	14,581	15,121
EBU (4 lines)	30,600	30,600	30,600	30,600
Associated Press	1,388	1,388	1,388	1,388
Attiki Road	1,500	1,500	1,500	1,500
Other financial assets	<u>59</u>	<u>59</u>	<u>59</u>	<u>59</u>
	<u>435,207</u>	<u>431,472</u>	<u>435,207</u>	<u>431,472</u>
Others (share capital increase of DIGEA)	212,130	0	212,130	0
	<u>647,337</u>	<u>431,472</u>	<u>647,337</u>	<u>431,472</u>

**16. Trade and other receivables**

	<u>GROUP</u>		<u>COMPANY</u>	
	<u>30/9/2011</u>	<u>31/12/2010</u>	<u>30/9/2011</u>	<u>31/12/2010</u>
Clients (1)	30,342,510	24,925,622	30,144,370	24,925,622
Post dated cheques	6,817,111	2,766,767	6,817,111	2,766,767
Deliquent cheques	3,578,831	1,562,809	3,578,831	1,562,809
Provision for prepayment of income tax and other receivables from Greek Government	309,913	8,965,105	309,913	8,913,894
Shares of listed company (2)	57,323	95,864	57,323	95,864
V.A.T.	162,925	2,574,715	0	2,409,894
Advances on account	376,267	13,918	376,267	13,918
Settlement stamp	116,886	116,886	116,886	116,886
Settlement stamp	988,848	988,848	988,848	988,848
Personnel loans	38,120	136,820	38,120	136,820
Other debtors	1,614	2,819	1,614	2,819
<b>Minus: Provision for doubtful customers and overdue postdated cheques</b>	<u>(8,135,904)</u>	<u>(5,486,848)</u>	<u>(8,135,904)</u>	<u>(5,486,848)</u>
	<u>34,654,444</u>	<u>36,663,325</u>	<u>34,293,379</u>	<u>36,447,293</u>

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

- (1) Bank letters of guarantee of € 203.018 (30/9/2011) were received as a security against receivables.
- (2) Cost of shares (19.564 shares) of a company listed in the Greek stock exchange under the name of “GREEK STOCK EXCHANGE S.A.” which is valued at the remaining value after the decrease of capital mentioned in b and c. The Stock Exchange market price as at 30/9/2011 was Euro 2,93 per share.

**17. Receivables - Associated companies**

<u>COMPANY</u>	<u>30/9/2011</u>	<u>31/12/2010</u>
Teletypos Cyprus Ltd (dividend 2010)	0	24.000.000
Teletypos Cyprus Ltd (Sale of investment note14a)	<u>438.596</u>	<u>438.596</u>
	<b>438.596</b>	<b>24.438.596</b>

The G.M. of Teletypos Cyprus Ltd at 31/12/2010 decided the distribution of dividend € 24.000.000 (year 2010). The G.M. of the same company has decided at 21/06/2011 the distribution of interim dividend € 4.600.000 (year 2011) .

**GROUP**

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

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**18 Deferred taxes**

<u>GROUP/COMPANY</u>	<u>30/9/2011</u>	<u>31/12/2010</u>
Deferred tax liabilities	(143.009)	(148.699)
Receivable from deferred taxes	2.333.742	2.588.275
<b>Closing balance</b>	<b>2.190.733</b>	<b>2.439.576</b>
Deferred tax analysis:		
	<u>30/9/2011</u>	<u>31/12/2010</u>
At 1st January	2.439.576	2.163.578
Deferred tax for the period:	239.191	263.302
	(488.034)	12.696
<b>Balance as of 30 September 2011</b>	<b>2.190.733</b>	<b>2.439.576</b>

Deferred taxation assets/liabilities are connected to:

<u>Group/Company</u>	Provisions	Unrealised exchange differences	Valuation reserves on listed securities	Total
Balance as 1st January, 2010	2.232.997	(33.714)	(35.705)	<b>2.163.578</b>
Plus: Charge to income statement for the year	275.120	(11.818)	0	<b>263.302</b>
Recognised directly in equity	0	0	12.696	<b>12.696</b>
<b>Balance as 31st December 2010</b>	<b>2.508.117</b>	<b>(45.532)</b>	<b>(23.009)</b>	<b>2.439.576</b>
Plus: Charge to income statement for the year	239.191	0	0	<b>239.191</b>
Recognised directly in equity	(499.576)	0	11.542	<b>(488.034)</b>
<b>Balance 30 September 2011</b>	<b>2.747.308</b>	<b>(45.532)</b>	<b>(11.467)</b>	<b>2.190.733</b>

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

	<b>Group</b>		<b>Company</b>	
	<u>30/9/2011</u>	<u>31/12/2010</u>	<u>30/9/2011</u>	<u>31/12/2010</u>
Film rights	39.971.118	34.671.983	39.971.118	34.671.983
Sundry Expenses	157.423	109.757	157.423	109.757
	<u><b>40.128.541</b></u>	<u><b>34.781.740</b></u>	<u><b>40.128.541</b></u>	<u><b>34.781.740</b></u>

Prepared programme rights represent the cost of the third parties programmes which have been invoiced but not yet transmitted.

**20. Cash and cash equivalent**

	<b>Group</b>		<b>Company</b>	
	<u>30/9/2011</u>	<u>31/12/2010</u>	<u>30/9/2011</u>	<u>31/12/2010</u>
Cash	16.219	21.410	16.219	21.410
Cash in bank	14.732.629	42.088.128	12.264.237	11.128.318
	<u><b>14.748.848</b></u>	<u><b>42.109.538</b></u>	<u><b>12.280.456</b></u>	<u><b>11.149.728</b></u>

**21. Share capital**

<u>GROUP/COMPANY</u>	<u>000' Drs.</u>	<u>Euro</u>
Authorised share capital		
Issued and fully paid € 31,237,500,00 nominal ordinary shares of G.Drs. 200 each	6,247,500	
(a) Increase of share capital through capitalisation:		
- Share premium (a)	3,393,146	
- Revaluation reserve	322,259	
- Tax free reserves	<u>681,273</u>	
<b>Total share capital 31,237,500 nominal ordinary shares of Euro 1 (Drs 340,75) each</b>	<u><b>10,644,178</b></u>	<u><b>31,237,500</b></u>
(b) Increase of share capital through capitalisation:		
- Difference from issuance of shares		1.561.875
- Revaluation reserves		1.489.534
- Taxable reserves		<u>72.341</u>
<b>Total</b>		<u><b>3.123.750</b></u>
<b>Total share capital at 31/03/2008 34,361,250 nominal ordinary shares of Euro 1 each</b>		<u><b>34,361,250</b></u>

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**21. Share capital (cont.)**

(c) Increase of share capital through capitalisation :

- Taxable reserves	<u>3.436.125</u>
Total share capital increase (General Meeting 15 <sup>th</sup> May 2008)	3.436.125
<b>Total share capital at 30/6/2011 37,797,375 nominal ordinary shares of Euro 1 each</b>	<u><u>37.797.375</u></u>

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

31/12/2010 € 3,50 and € 1,68

30/06/2011 € 1,80 and €1,96

30/9/2011 € 1,68 and €0,85

**21(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.

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

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

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

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

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

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**22. Reserves**

<u>Group</u>	*Statutory Reserves	Revenue reserve	Valuation reserves on listed securities	Total
Balance at 1 January, 2010	6.102.831	4.262.806	107.113	10.472.750
Change in year (note 22a)	0	0	(34.257)	(34.257)
<b>Balance at 31 December, 2010</b>	<b><u>6.102.831</u></b>	<b><u>4.262.806</u></b>	<b><u>72.856</u></b>	<b><u>10.438.493</u></b>
Translation difference (note 22b)	0	0	(26.998)	(26.998)
<b>Balance at 30 September, 2011</b>	<b><u>6.102.831</u></b>	<b><u>4.262.806</u></b>	<b><u>45.858</u></b>	<b><u>10.411.495</u></b>

**Company**

	*Statutory Reserves	Revenue reserve	Valuation reserves on listed securities	Total
Balance at 1 January, 2010	6.102.831	4.262.806	107.113	10.472.750
Change in year (note 22a)	0		(34.257)	(34.257)
<b>Balance at 31 December, 2010</b>	<b><u>6.102.831</u></b>	<b><u>4.262.806</u></b>	<b><u>72.856</u></b>	<b><u>10.438.493</u></b>
Share Capital Increase (note 22b)	<u>0</u>	<u>0</u>	(26.998)	(26.998)
<b>Balance at 30 September 2011</b>	<b><u>6.102.831</u></b>	<b><u>4.262.806</u></b>	<b><u>45.858</u></b>	<b><u>10.411.495</u></b>

**22a.** Change of reserves and valuation of shares of 34 thousands euro.

**22b.** Valuation of the cost of shares listed on the stock exchange for which previously a reserve was created. The amount of approximately 27 thousand euros represent impairments equivalent to the original reserve.

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**23. Long term liabilities**

	<b>GROUP</b>		<b>COMPANY</b>	
	<b><u>30/9/2011</u></b>	<b><u>31/12/2010</u></b>	<b><u>30/9/2011</u></b>	<b><u>31/12/2010</u></b>
Debenture loan (23.1)	33.666.000	34.666.000	33.666.000	34.666.000
	<b><u>33.666.000</u></b>	<b><u>34.666.000</u></b>	<b><u>33.666.000</u></b>	<b><u>34.666.000</u></b>
Provision for retirement benefits (23.2)	11.251.357	10.376.697	11.251.357	10.376.697
	<b><u>11.251.357</u></b>	<b><u>10.376.697</u></b>	<b><u>11.251.357</u></b>	<b><u>10.376.697</u></b>
Difference in taxation of previous years (10)	715.469	0	715.469	0
	<b><u>715.469</u></b>	<b><u>0</u></b>	<b><u>715.469</u></b>	<b><u>0</u></b>
<b>Total long term liabilities</b>	<b><u>45.632.826</u></b>	<b><u>45.042.697</u></b>	<b><u>45.632.826</u></b>	<b><u>45.042.697</u></b>

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

**23.1 Debenture loans**

Long-term liabilities is mainly a loan of 50.000.000 euro that the company issued at 4.12.2009. The purpose of the loan was the restructuring of short term and long term debt. The loan is without guarantees, with floating interest rate, based on 3month Euribor plus spread 4,50% with duration of 69 months. The debenture loan is payable by four instalments: 10 million euro at 14.09.2012, 10 million euro at 14.09.2013, 12 million euro at 14.09.2014 and 12 million euro at 14.09.2015. Alpha Bank and Piraeus bank are the administrative banks. Alpha bank is the administrator for payments.

		<b>Date of payment</b>	<b>Long-term portion</b>	<b>Short-term portion</b>
Debenture loan	Alpha Bank-Piraeus	14-09-2012	0	10.000.0000
Debenture loan	Alpha Bank-Piraeus	14-09-2013	10.000.000	0
Debenture loan	Alpha Bank-Piraeus	14-09-2014	12.000.000	0
Debenture loan	Alpha Bank-Piraeus	14-09-2015	12.000.000	0
<b>Total</b>			<b>34.000.000</b>	<b>10.000.000</b>

**Issuance expenses of the loan**

-334.000

**Total loans 30/09/2011**

**43.666.000**

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

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

Retirement indemnities have been calculated by the actuarial company ‘Hewitt Associates’.  
 For the period 1/1-30/09/2011 retirement indemnities amounted to € 874.660 while for 2010 amounted to € 2.218.399.

		<b><u>2010</u></b>
Opening provisions	31/12/2009	9.432.986
Payments during	2010	(1.274.688)
Adjustment of liabilities	31/12/2010	<u>2.218.399</u>
Forecast retirement indemnities	31/12/2010	<u><b>10.376.697</b></u>
		<b><u>2011</u></b>
Opening provisions	31/12/2010	10.376.697
Adjustment of liabilities (provision)	30/9/2011	<u>874.660</u>
Forecast retirement indemnities	30/9/2011	<u><b>11.251.357</b></u>

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	<u><b>GROUP</b></u>		<u><b>COMPANY</b></u>	
	<u><b>30/9/2011</b></u>	<u><b>31/12/2010</b></u>	<u><b>30/9/2011</b></u>	<u><b>31/12/2010</b></u>
<b>24. Trade and other payable</b>				
Payables trade	44.135.270	64.299.136	45.716.808	64.984.744
Dividends payable	24.1 11.072	11.925	11.072	11.925
Advances by customer	299.608	2.532.570	299.608	2.532.570
Taxes and duties	24.2 4.838.168	2.561.397	4.806.670	1.738.770
Social security funds	515.175	1.133.848	515.175	1.133.848
Other creditors	24.3 387.365	3.318.868	387.365	3.318.868
Accruals	24.4 11.269.029	7.631.314	8.265.829	1.141.828
<b>Balance as per books at 30th September</b>	<u><u><b>61.455.687</b></u></u>	<u><u><b>81.489.058</b></u></u>	<u><u><b>60.002.527</b></u></u>	<u><u><b>74.862.553</b></u></u>
<b>24.1. Dividends payable</b>				
	<u><b>30/9/2011</b></u>	<u><b>31/12/2010</b></u>	<u><b>30/9/2011</b></u>	<u><b>31/12/2010</b></u>
Balance at 1 January	11.925	52.714	11.925	52.714
Less: Dividends payable during the period	(853)	(40.789)	(853)	(40.789)
<b>Balance as per books at 30th September</b>	<u><u><b>11.072</b></u></u>	<u><u><b>11.925</b></u></u>	<u><u><b>11.072</b></u></u>	<u><u><b>11.925</b></u></u>
	<u><b>Group</b></u>		<u><b>Company</b></u>	
<b>24.2. Taxes and duties</b>	<u><b>30/9/2011</b></u>	<u><b>31/12/2010</b></u>	<u><b>30/9/2011</b></u>	<u><b>31/12/2010</b></u>
Broadcasting licence fees	2.533.048	767.603	2.533.048	767.603
Taxes and Duties related to full time employees	31.498	0	0	0
Taxes related to dividends	335.059	782.051	335.059	782.051
Additional income tax	0	822.627	0	0
Other withholding taxes	0	74.624	0	74.624
	113.827	114.492	113.827	114.492
VAT	1.252.361	0	1.252.361	0
Settlement Stamp Duty L. 2328/95	572.375	0	572.375	0
<b>Balance as per books at 30th September</b>	<u><u><b>4.838.168</b></u></u>	<u><u><b>2.561.397</b></u></u>	<u><u><b>4.806.670</b></u></u>	<u><u><b>1.738.770</b></u></u>

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

	<u>GROUP</u>		<u>COMPANY</u>	
	<u>30/9/2011</u>	<u>31/12/2010</u>	<u>30/9/2011</u>	<u>31/12/2010</u>
<b>24.3. Other creditors</b>				
Staff wages	605	9.602	605	9.602
Third parties fees	194.038	158.466	194.038	158.466
Suppliers' checks outstanding	0	2.393.459	0	2.393.459
Sundry creditors	11.922	25.341	11.922	25.341
Distribution of earnings to personnel	180.800	732.000	180.800	732.000
<b>Balance as per books at 30th September</b>	<b><u>387.365</u></b>	<b><u>3.318.868</u></b>	<b><u>387.365</u></b>	<b><u>3.318.868</u></b>

	<u>GROUP</u>		<u>COMPANY</u>	
	<u>30/9/2011</u>	<u>31/12/2010</u>	<u>30/9/2011</u>	<u>31/12/2010</u>
<b>24.4. Accrual expenses</b>				
Interest and similar charges	555.531	155.612	555.531	155.612
Royalties	1.224.959	519.398	1.224.959	519.398
Other third party royalties	3.000.000	0	3.000.000	0
Third parties fees	943.823	0	943.823	0
Board of directors wages	1.017.716	474.476	14.516	24.476
Programme cost	2.527.000	427.000	2.527.000	427.000
Film rights	0	15.342	0	15.342
Guarantees for sale of investment *	2.000.000	6.039.486	0	0
<b>Balance as per books at 30th September</b>	<b><u>11.269.029</u></b>	<b><u>7.631.314</u></b>	<b><u>8.265.829</u></b>	<b><u>1.141.828</u></b>

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**25. Short-term borrowings**

**Bank overdrafts**

<u>GROUP/COMPANY</u>	<u>30/9/2011</u>		<u>31/12/2010</u>	
	<b>Credit limit</b>	<b>Amount withdraw</b>	<b>Credit limit</b>	<b>Amount withdraw</b>
NATIONAL BANK OF GREECE	6.000.000	5.910.000	6.100.000	6.066.454
COMMERCIAL BANK	15.500.000	5.961.761	15.500.000	5.927.609
ALPHA BANK	8.200.000	8.198.364	11.100.000	10.702.720
PIRAEUS BANK	8.000.000	8.000.000	5.200.000	5.115.496
MARFIN - EGNATIA BANK	10.300.000	10.278.533	10.300.000	10.254.681
MILLENNIUM BANK	6.000.000	4.172.472	6.000.000	4.155.939
BANK OF CYPRUS	4.700.000	4.666.668	6.000.000	6.000.000
EFG EUROBANK - ERGASIAS	<u>12.000.000</u>	<u>12.000.000</u>	<u>21.500.000</u>	<u>10.000.000</u>
	<u>70.700.000</u>	<u>59.187.798</u>	<u>81.700.000</u>	<u>58.222.899</u>

Interest rate of short term bank loans for the period fluctuated from 5,50% to 10,45%.

**26. Issued Shares**

<u>COMPANY</u>	<u>Number of shares</u>	<u>Period</u>	<u>Adjusted number of shares</u>
<b><u>2010</u></b>			
1 <sup>st</sup> January – 31.12.2010	<u>37,797,375</u>	12/12	<u>37,797,375</u>
<b><u>2011</u></b>			
1 <sup>st</sup> January – 30.09.2011			
Number of shares	<u>37,797,375</u>	9/9	<u>37,797,375</u>

**GROUP**

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

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**27. Losses per Share**

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

	<u>GROUP</u>		<u>COMPANY</u>	
	30/9/2011	30/9/2010	30/9/2011	30/9/2010
Loss for the period after taxes	27,804,651	12,896,768	28,772,010	13,651,414
Weighted average number of shares outstanding	37,797,375	37,797,375	37,797,375	37,797,375
Losses per share in Euro	<u><u>0.7356</u></u>	<u><u>0.3412</u></u>	<u><u>0.7612</u></u>	<u><u>0.3612</u></u>

**Retained Loss**

	<u>GROUP</u>		<u>COMPANY</u>	
	30/9/2011	31/12/2010	30/9/2011	31/12/2010
Retained loss 01/01/2011	(7,125,655)	(7,125,655)	(6,508,592)	(6,508,592)
Adjustment of deferred taxation due to decrease of taxation factor	(499,575)	0	(499,575)	0
Retained loss 30/09/2011	<u><u>(7,625,230)</u></u>	<u><u>(7,125,655)</u></u>	<u><u>(7,008,167)</u></u>	<u><u>(6,508,592)</u></u>

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**28. Financial instruments**

**28.1. Significant accounting policies**

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

<b>Categories of financial instruments</b>	<b>Group</b>		<b>Company</b>	
	<b>30.9.2011</b>	<b>31.12.2010</b>	<b>30.9.2011</b>	<b>31.12.2010</b>
<b>Financial Assets</b>				
Receivables (including cash and cash equivalents)	49,345,970	78,676,999	46,955,108	71,939,753
Available-for-sale financial assets	57,323	95,864	57,323	95,864
<b>Financial Liabilities</b>				
Carrying amounts of payables (including loans)	176,276,311	199,754,654	174,823,151	193,128,149

**28.2. Fair value of financial instruments**

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

Exceptionally investments in shares of listed companies in the Stock Exchange Market are measured at fair value at the closing date rate in 30/9/2011.

**28.3. Financial risk management objectives**

The management considers this risk managed and the existence of a special function for its monitor is not considered necessary. This risk includes “market risk (including currency risk, fair value interest rate risk, and price risk), credit risk, liquidity risk”. The company tries to minimize the consequences of those risks and mainly the fluctuations of interest rate via the use of derivatives financial instruments. The company does not use derivative financial instruments for speculation purposes.

**28.4. Market**

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

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**28.5. Interest rate risk management**

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

**Interest rate swap agreements**

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

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

Interest expenses of these contracts are paid on quarterly basis and are recorded in the statement of comprehensive income.

**28.6. Credit risk management**

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

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

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

**28.7. Liquidity risk management**

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

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**29. Contingent liabilities**

- 29.1 Additional income tax may be assessed by the tax authorities in the case of a tax audit for the unaudited fiscal years 2010 and forward (note 10).
- 29.2 Letters of guarantee issued by banks amounting 9,500,000 euro for meeting liabilities on behalf of UEFA.
- 29.3 Payment of compensation to third parties amounting to 19,79 million euros approximately claimed in the above suits.  
The company's lawyers do not expect any significant charges arising from the above mentioned contingencies.

**30. Financial Commitments**

- 30.1 Commitments under agreements of approximately 30,77 million euro for the production of Greek programmes.
- 30.2 Commitments under agreements of approximately 2,49 million euro for foreign programmes.
- 30.3 Commitments under agreements of approximately 9,03 million euro for premises.

**Operating lease obligations**

Payable for the period 01/10/2011 - 30/09/2012	2.045.164
Payable for the period 01/10/2012 - 30/09/2017	6.729.923
Payable after a five year period from 01/10/2017	<u>250.564</u>
	<u><u>9.025.651</u></u>

**31. Remuneration of executives and management**

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

	<u>01/01-30/9/2011</u>	<u>01/01-30/9/2010</u>
Salaries	1.999.974	2.544.478
BOD remuneration	-	24.000

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**32. Related parties transactions**

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

Transactions with related parties are as follows:

	SALE		PURCHASE	
	01/01-30/09/11	01/01-30/09/10	01/01-30/09/11	01/01-30/09/10
DOL	552,878	696,629	1,936	5,450
PHGASOS	0	0	0	0
ANOSI S.A	0	0	5,768,410	11,357,412
ATA S.A.	0	0	2,637,850	5,803,783
O LOGOS	44,367	44,898	0	0
TELETYPOS CYPRUS*	0	0	913,200	1,160,400
<b>TOTAL</b>	<b>597,245</b>	<b>741,527</b>	<b>9,321,396</b>	<b>18,327,045</b>

	CLAIMS		LIABILITIES	
	01/01-30/09/11	01/01-30/09/10	01/01-30/09/11	01/01-30/09/10
DOL	1,505,147	1,192,483	-726	0
PHGASOS	0	0	0	0
ANOSI S.A.	0	0	-8,388,800	-7,881,751
ATA S.A.	0	0	-6,026,285	-7,948,378
O LOGOS	0	0	0	0
TELETYPOS CYPRUS (dividends)	0	24,000,000	0	0
TELETYPOS CYPRUS*	438,596	438,596	-2,353,800	-1,740,600
<b>TOTAL</b>	<b>1,943,743</b>	<b>25,631,079</b>	<b>-16,769,611</b>	<b>-17,570,729</b>

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

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

**TELETYPOS TELEVISION PROGRAMMES S.A.**  
**“MEGA CHANNEL - GREECE”**  
**Notes to the consolidated and separate financial statements in accordance with IFRS**  
**30th September, 2011**  
**(Expressed in Euro)**

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

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

**34. Approval of financial statements**

The financial statements have been approved by the BoD at the 18<sup>th</sup> of October 2011.

Athens, 18 October 2011

President of Board of Directors

Managing Director

Stavros P.Psicharis  
X 214638

Elias E.Tsigas  
Ξ 414434

Financial Controller

Chief Accountant

Athanasios G. Andreoulis  
Φ 064116

Vasilios A. Kritikos  
X 575439