LYKOS

GROUP OF COMPANIES

ANNUAL FINANCIAL REPORT

For the year from January 1st toDecember 31st 2008

According to article 4 of Law 3556/2007

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A) STATEMENTS BY THE REPRESENTATIVES OF THE BOARD OF DIRECTORS ACCORDING TO ARTICLE 4 PAR. 2 OF LAW 3556/2007

The members of the Board of Directors:
1) Nikolaos Lykos, President of the Board of Directors and Managing Director
2) Pavlos Tryposkiadis, Vice President of the Board of Directors and Substitute Managing Director
3) Elias Karantzalis, Member of the Board of Directors

By the above capacity, especially assigned by the Board of Directors of the Societte Anonyme named «INFORM P. LYKOS S.A.» we declare and certify that to the best of our knowledge:

(α) the annual, company and consolidated, financial statements of the company for the year 1/1/2008-31/12/2008, which were issued according to the International Financial Reporting Standards, present truly and fairly the assets and liabilities, the equity and the financial results of the Group and the Company, as well as of the consolidated companies,
(b) the annual management report of the Board of Directors of the company presents in a true and fair view the development, earnings and financial position of «INFORM P.LYKOS S.A.», and also of the companies consolidated as a total, including the description of the main risks and uncertainties they face.

Koropi Attica, March 26, 2009

The designees

President of the Board of Directors and Managing Director	Vice President of the Board of Directors and Deputy Managing Director	Member of the Board of Directors
Nikolaos Lykos I.D. No AB 241783	Paulos Triposkiadis I.D. No AH 120974	Elias Karantzalis I.D. No K 358862

B) ANNUAL REPORT OF THE BOARD OF DIRECTORS

REPORT OF ADMINISTRATION BY THE BOARD OF DIRECTORS TO THE GENERAL ASSEMBLY OF SHAREHOLDERS

Dear Shareholders,

The Board of Directors of INFORM P. LYKOS S.A. presents its report on the Annual Company and consolidated Financial Statements of the year ended at December 31st of 2008.

The company and consolidated financial statements have been issued according to the International Financial Reporting Standards .

1. PRESENTATION OF MOST IMPORTANT EVENTS OF 2008

The year 2008 was very important for Inform P. Lykos S.A. since the company Austria Card GmbH was acquired and incorporated successfully signalling the entry of Inform P. Lykos S.A. in the market of smart cards with the centre of business activity in the markets of Central and Eastern Europe of 150 millions of consumers. This acquisition resulted to the doubling of consolidated financial figures of Inform P. Lykos S.A. All economic targets were achieved at the first year of ownership with sales exceeding the amount of € 60 millions and earnings of € 5,3 millions. This exceptionally beneficial and strategic acquisition returned only in the first year already the 50% of the acquisition cost. The plan of incorporation of new company in the Group has been achieved to a large extent, maintaining 100% of customers and important executives and putting in operation the synergies of sales in the Group. The company Austria Card will constitute the central core of operation for the entire market of Central and Eastern Europe regarding payment cards of Group.

In July 2008 Inform P. Lykos S.A. acquired via her subsidiary company Lykos Paperless Solutions S.A. (LPS) a participation of 30% in company TECHNOVISIE BVBA with domicile in Belgium. The price for the acquisition came up to € 0,4 millions. TECHNOVISIE is specialised in offering network solutions and support of last technology, combining suitably essential hardware and software as well as the corresponding advisory services. The acquisition by the LPS of strategic participation in the TECHNOVISIE substantially constitutes the development of indirect relation of collaboration that already had been developed between the two companies during the last years. Specifically LPS, via the Belgian company @rrowUp, in which also possesses strategic participation of 30%, collaborates with TECHNOVISIE for the execution of important projects in Central Europe, as for example the Smart Card Parking and the Smart Card of Sports fan and the project of Ticketing of Football Teams of A Series of Belgium. The participation in TECHNOVISIE strengthens the possibilities of LPS in offering completed solutions of information technology in smart cards projects and comes in addition to an extended core of departments of information technology and development of specialised software and applications that are constituted by the corresponding departments of Austria Card and Inform Lykos in Greece and Romania.

In November 2008 Inform P. Lykos participates in the share capital increase of the subsidiary company in Romania by paying in cash € 5 millions. The share capital increase aims to strengthen the capital structure of company. The investment of new ultramodern factory and new mechanical equipment in Romania were financed mainly with bank loans. The international financial and credit crisis and the instability of Romanian currency, led to important increase of interest-rates to Romania with result the extra high cost of borrowing. This cash payment from the existing liquidity of Inform P. Lykos was used in order to decrease the net borrowing position of the company, and accordingly decrease the financing expenses, while at the same time its financial adequacy was strengthened.

In Greece the company decided the merger of the subsidiary "Ektypotiki voreiou ellados". This merger is considered essential in the context of making the structure of Group more rational, aiming at the reduction of operational expenses. The installations in Thessalonica will operate after the merger as centre of distribution of Inform P. Lykos in Northern Greece.

2. EARNINGS OF GROUP AND COMPANY

The sales of Group for 2008 were almost doubled and amounted in € 127,9 millions opposite € 73,4 millions in 2007, presenting an increase of 74,2% compared to 2007. This increase is caused by the incorporation of Austria Card in the Group with sales for 2008 of € 60,3 mil. The sales of mother company, INFORM P. LYKOS S.A., for 2008 presented a marginal reduction of 4,1% compared to 2007, and amounted in € 37,6 millions opposite € 39,2 millions in 2007. This reduction is caused by significant delays in projects with the State and a decrease in demand of cards of mobile telephony. The sales in our subsidiary company in Romania present a reduction of 6,3% concerning 2007 in the presenting currency Euro, and amounted in € 29,3 millions opposite € 31,3 millions in 2007, with constant however exchange parities would present increase at 3,4% and would be amounted in € 32,4 millions.

The consolidated earnings before taxes, interest, depreciation and amortization (EBITDA) of the Group were increased by 47,1% and came up to € 18,5 millions, opposite € 12,5 millions compared to 2007, increased by € 6 millions. The participation of Austria Card in these earnings came up to € 11,1 millions, which however concerning 2007 was partly compensated by the reduction of 32% in the parent and by 50% in the subsidiary company in Romania. The reduction of profitability in the parent was caused by the reduction of sales by € 1,3 mil. and the increase of cost of general expenses concerning the operation of Group by € 0,7 mil. In Romania, the negative economic conditions in combination with the cost of operation of the new factory reduced profitability by € 2,8 millions.

Earnings before taxes of Group amounted in € 8,9 millions opposite € 7,6 millions in 2007, increased by 17% concerning 2007. The participation of Austria Card in these earnings came up to € 6,7 mil. Earnings before taxes of parent were decreased by net expenses of interest € 0,5 millions that concern the acquisition of Austria Card. Earnings before taxes of subsidiary company in Romania were decreased by financing expenses € 1,1 mil. compared to 2007, because of the transformation of all borrowings from Euro in RON in the context of a hedging policy of exchange rate risk of local currency and a simultaneous increase of borrowing cost from 8% to 20%.

Finally, the net earnings of Group after taxes amounted in € 6,5 millions opposite € 5,1 millions, increased by 26% compared to 2007. Income tax came up to € 2,5 millions similar to the previous year, because of the tax policy followed at the acquisition of Austria Card and the lower income tax of the parent due to the decrease of profits.

During 2008, special attention was given in the cautious management of reserves, receivables and liabilities of both parent and subsidiaries. This resulted to a benefit of roughly € 5 mil. The operational cash flows in 2008 reached € 16,4 millions and cash came up to € 20,3 millions in the end of year, providing high liquidity to the Group.

The presentation of the above figures drives to the conclusion that the Group covered a significant year of completion of his extension in Central and Eastern Europe via the acquisition of Austria Card that will constitute also the base for his growth in the following years.

Financial ratios of the Group

According to the above figures the financial ratios of the Group in 2008 compared to 2007, are the following:

-the margin of earnings before interest and tax came up to 7,8% in 2008 from 11,6%, reduced by 3,8 basis points.

-the margin of earnings before tax came up to 7% in 2008 from 10%, reduced by 3 basis points.

-The performance ratio of equity came up to 7,1% in 2008 from 6,4% in 2007, increased by 0,7 basis points.

- The performance ratio of assets came up to 3,5% in 2008 from 3,4% in 2007, increased by 0,1 basis points.

-Total liabilities divided by Equity came up to 1,0 in 2008 from 0,9 in 2007, maintaining the financial adequacy of the company.

-The ratio of Loans divided by Equity, came up to 0,6 in 2008 similar to 2007.

-The ratio of General Liquidity came up to 1,64 in 2008 from 1,17 in 2007, increased by 0,5 basis points, because of the increased cash.

3. SOURCES AND USE OF CAPITAL

During 2008, the total investments of Group amounted in € 7,2 millions against 6,9 millions in 2007, which were invested mainly in modern mechanical equipment € 4,2 millions and software € 1,5 millions, for the support of productive process and in building and other equipment € 1,5 millions.

The Group's borrowings amounted in € 53,3 mil. in 2008 from € 47,8 millions in 2007, because of the incorporation of Austria. The Group's borrowings for 2008 are analyzed in bond loan of € 35 millions, € 5,1 millions long-term loan and € 13,2 short-term bank loan.

4. RISK MANAGEMENT

The Group uses financial assets for commercial, financing and investment purposes. The use of financial assets from the Group influences essentially the financial position, the profitability and its cash flows.

The main risks arising from the financial assets of the Group are mainly the following:

- Market risk
- Exchange rate risk
- Interest-rate risk
- Credit risk
- Liquidity risk

Market risk

The Group has reduced exposure in the particular risk, because of its geographic dissemination with isomeric distribution of sales between Greece, Austria, Romania and other countries with main exposure in the markets of Central and Eastern Europe. A significant part of these sales is addressed in the financing sector and mainly in banking. The current negative economic conditions renders the markets in which we operate more sensitive. However the products which we offer in our customers in the private and public sector are essential for their daily operation and for their growth.

Exchange rate risk

The main part of economic transactions of companies of Group (Greece, Austria, Romania) is denominated in the currency of the main economic environment each company operates in (currency of operation). In Romania, all the obligations of company are in RON.
An exposure to exchange rate fluctuations exists in the value of investments of Group in Romania, only at the consolidation of financial statements and their transformation from functional currency RON in the currency of presentation Euro, with relation of Banking Capital to Proper Funds 1 **:** 2,3.

Interest rate risk

All borrowings of the Group are connected with fluctuating interest-rates, having however the possibility depending on the conditions of market of be changed in stable interest-rates. Based on the figures of the Group as at 31/12/2008, in a hypothetical increase or reduction of Euribor of+/- 1,5% the earnings of Group would be influenced negatively or positive, respectively, by an amount of € 570 thousands roughly.

The company does not use financial derivatives. As in the previous year other financial assets and other financial liabilities are not influenced considerably by prices of interest-rates.

Credit risk

The Group has established and applied processes of credit control aiming at the minimisation of bad debt. Sales are directed mainly in big public and private organizations with evaluated historical credit abilities. In case there are indications of bad debts, the appropriate impairment losses are recorded.

Liquidity risk

The Group manages its needs of liquidity with careful follow-up of debts of long-term financing obligations as well as payments. The needs of liquidity are watched in daily base and the planning of payments in weekly and monthly base. Special attention is given in the management of reserves, receivables and liabilities in order to achieve the highest possible liquidity for the Group.

The central economic department of the company is responsible for risk management, which operates by certain rules approved by the Board of Directors.
The Board of Directors via commissioned executives:
(a) establishes and applies processes and regulations that allow the identification of risks, connected to activities, processes and systems of operation of the Company (mainly credit risk, market risk and operational risk).
(b) determines the acceptable level of risk.
(c) checks that the Group maintains the required capital adequacy and manages appropriately the risks arising from its operation.

5. SIGNIFICANT INTERCOMPANY TRANSACTIONS

In thousands euros

2.1 Parent	**Sales of products or services**	**Purchases of products or services**	**Receivables**	**Liabilities**
- from subsidiaries				
Ektypotiki Voreiou Ellados S.A.	305	261	28	34
Lykos Paperless Solutions S.A.		255		121
Inform Lykos S.A. (Romania)	559	1.236	168	63
Austria Card GmbH	31	451	13	371
- from related				
Arrow Up S.A		56		21
Technovisie BVBA		21		
Total	**895**	**2.280**	**209**	**610**

On the above we mark the following:
The sales of parent company to: (a) " Ektypotiki Voreiou Ellados S.A." they concern mainly printing items (b) "Inform Lykos S.A. (Romania)" they concern mainly printing items, as products of data processing.
The purchases of parent company from: (a) " Ektypotiki Voreiou Ellados S.A." they concern mainly forms (b) "Lykos Paperless Solutions S.A." they concern processing products (c) "Inform Lykos S.A. (Romania)" they concern mainly forms and printing items (d) "Austria Card GmbH" they concern cards.

6.PURCHASE OF OWN SHARES

As at 31/12/2008, the parent company INFORM P. LYKOS S.A. possessed 97.553 own shares with average acquisition cost of € 4,10 per share, total value of € 399.701,74, that represent the 0,48% of its share capital. The value traded in the Stock Exchange (fair value) as at 31/12/2008 was € 178.521,99.
Own shares were purchased in stages from the 17/12/2007 up to the 18/1/2008 according to the article 16 of Law 2190/1920 as effective, and the relative decisions of the General Assembly of Shareholders as at 26/06/2007 and the Board of Directors as at 11/12/2007.

7. DIVIDENDS POLICY

The closing price of the stock of INFORM LYKOS in the Stock Exchange as at 31/12/2008 was € 1,83 which is 57,6% less than the respective closing price as at 31.12.2007. The highest price of the year for the company's stock came up to € 4,28 (3/1/2008) and the lowest to € 1,45 (24/10/2008). The Volume Weighted Average Price came up to € 2,99 which refers to company capitalization of € 61,3 mil. The net equity of the company at the Balance Sheet of 31/12/2008 came up to € 62,2 mil. In average 12.830 stocks were traded daily which refers to 0,06% of the total number of company's shares. Totally in 2008 3.169.132 shares were traded referring to 15,4% of the total number of the company's shares.

The Board of Directors of the Company, decided to propose in the 27th General Assembly of Shareholders, the distribution of the total earnings of the year 2008. The dividend for the year 2008, amounts in € 0,08 per share of total dividend € 1.632.710,48, opposite € 0,11 per share of total dividend € 2.153.175,57 in 2007.
The proposed dividend per share for the year 2008 corresponds dividend return of 4,4% based on the closing share price as at 31/12/2008 against 2,44% of previous year. It is 27% less than the amount of year 2007 and it reflects the priority of the Group to guarantee the highest liquidity possible, in order to face the challenges of 2009.

8. SIGNIFICANT EVENTS AFTER THE END OF THE YEAR

As at 28/8/2008 the Board of Directors of the Company decided the acquisition of the subsidiary "Ektypotiki Voreiou Ellados S.A.". The procedures of the acquisition (contracts, approval from authorities etc.), are expected to be completed in the first semester of 2009. Apart from this, there was no other case of event subsequent to the financial statements.

9. PROSPECTS FOR 2009

The Group faces important economic challenges, because of the global economic conditions and its exposure in the unstable markets of Central and Eastern Europe.
In this unstable environment it is rendered enough difficult to proceed in forecasts for the trend of economic figures of 2009. The Group taking into consideration the global economic conditions will place as priority for 2009 the focus in actions that will ensure the reduction of cost of production and operational expenses as well as the production of positive cash flows aiming at the reduction of borrowings and the enforcement of financial figures of Group. More specifically:

- Promotion of the cards of Austria Card to the Greek and Romanian banks. The personalization centers of EMV cards (new technology of cards with chip offered by Austria Card) in Greece and Romania have already been completed.
- Promotion of products and services of the parent to customers of Austria Card, through contracts for the offer of completed solutions in the whole area of Central and Eastern Europe, beginning by the production of bank card, personalization, enveloping and posting the card, up to printing, enveloping and posting the analytical statement with the monthly transactions, Inform Lykos will be able to offer services to banks and follow their expansion in the whole Central and Eastern Europe.
- Severe investment plan including only investments absolutely necessary giving priority to research and development. Unification of research centers of the companies for maximizing research in new technologies in the market of smart cards and data processing technologies. In this area the contribution of @rrowUp and Technovisie will be significant.
- Improvement of productive procedures – infrastructures by concentrating production plants and creating improved production centers aiming to improve the gross margins of profits through the increase of productivity.
- Development of common supply network for the whole Group to improve the cost and purchase conditions of significant raw materials.
- Focusing to the improvement of supply chain in order to achieve a significant reduction of inventory of raw materials required for the normal operation of the companies.
- Application of severe credit policy in order to ensure the in time payment of liabilities and the minimization of impairments.

I. EXPLANATORY REPORT OF THE BOARD OF DIRECTORS ACCORDING TO ARTICLE 4 PAR.7 AND 8 OF LAW 3556/2007

(a) Share capital structure

The Company's share capital as at December 31st 2008, came up to € 12.508.924,74 divided in 20.506.434 common nominal shares of nominal value 0,61 euro each.

According to the shareholders registry as at December 31st 2008, the share composition of the company was the following:

Shareholder	Number of shares	Percentage %
Nikolaos Lykos	10.258.466	50,03%
Olga Lykos	1.937.856	9,45%
Other shareholders (<5%)	8.310.112	40,52%
Total	**20.506.434**	**100,00%**

All (100%) shares of the Company are common, nominal and undivided and there are no special categories of shares. Rights and obligations related to shares are those set by the Law 2190/1920.
Regarding the structure of the Company's share capital, it is mentioned that, according to the decision of the Board of Directors of December 6th 2007, the Company's share capital was increased by € 62.799,50 because of the exercise of Stock Option Plan. The new 102.950 common nominal shares of the Company, were listed at the Athens Stock Exchange from January 4th 2008.
It is also mentioned that as at March 26th 2009, the Company's share capital came up to € 12.508.924,74 divided in 20.506.434 common nominal shares, of nominal value 0,61 euro each.

Based on the shareholder registry as at March 26th 2009, the share composition of the Company was the following:

Shareholder	Number of shares	Percentage %
Nikolaos Lykos	10.258.466	50,03%
Olga Lykos	1.937.856	9,45%
Other shareholders (<5%)	8.310.112	40,52%
Total	**20.506.434**	**100,00%**

Finally, the main rights and obligations derived by shares, according to the Company's Memorandum of association and Law 2190/1920, are the following:

1. Each share, offers a right to the distribution of the company's earnings and the result of liquidation of the company's assets, in case of termination, by the rate of paid capital of the share divided by total paid share capital.
2. In every case of share capital increase, not paid (a) by contribution of items or (b) by bonds issue bearing rights to convert in shares or (c) by Stock Option Plan for acquiring shares, according to paragraph 13 of article 13 of Law 2190/1920, a right of preference is offered to the total new capital or bond loan in favor of the existing shareholders at the time of share issue, proportional to their participation to the current share capital.
3. After an inquiry of any shareholder, the Board of Directors is obliged to offer to the General Assembly all the required information about the company's affairs to the extent necessary for the real evaluation of the issues raised.
4. After inquiry of shareholders, representing at least 5% (1/20) of paid share capital (a) the Board of Directors is obliged to call for a special General Assembly, (b) the Board of Directors is obliged to include additional issues in the schedule of the General Assembly, (c) the President of the Assembly is obliged to postpone only once the decisions of the General Assembly, regular or not, for all or certain matters, (d) the Board of Directors is obliged to announce at the General Assembly of shareholders the amounts which over the last two years have been paid for any reason by the Company to the members of the Board of Directors or the managers or other employees and also every other benefit to these individuals or every existing contract of the company with them of any kind, (e) the Board of Directors is obliged to offer the General Assembly information about the course of business matters and the financial position of the company, (f) the decision on a matter in the General Assembly is taken by nominal vote. Shareholders representing 5% (1/20) of paid share capital have the right to ask for audit of the company by the local court of the domicile of the company in case (a) there are indications of illegal actions or against the company's Memorandum of association or decisions of the General Assembly, (b) the course of company's matters indicates that the management of company's matters is not ethical and sensible.
5. In the above cases 3 and 4, the applicant shareholders ought to prove that they own the shares offering the above (3 and 4) rights.
6. Shareholders who wish to participate and vote at the General Assembly of shareholders, ought to maintain their shares deposited.
7. Responsibility of shareholders is limited to their contribution, which is the nominal capital of their shares.

(b) Limitations in Company's shares transfer

b.1. There are no limitations according to the Company's Memorandum of association in the transfer of its shares.
b.2. According to article 4 of Law 3016/2002, as effective, the independent not executive members of the B.o.D. of the Company cannot at the same time own company's shares higher than 0,5% of the share capital.

(c) Significant direct or indirect participations according to P.D. 51/1992

As at March 26th 2009, Mr Nıkolaos Lykos and Mrs Olga Lykos owned a percentage of 50,03% and 9,45% respectively of the Company's share capital.
The company is not aware of any other shareholders, who own directly or indirectly a percentage higher than 5% of the share capital of INFORM P. LYKOS S.A.
It is mentioned that, at March 26th 2009, INFORM P. LYKOS S.A. did not participate in the share capital of any other company listed in the Athens Stock Exchange.

(d) Shareholders possessing special control rights

There are no company shares offering special control rights.

(e) Limitations in voting rights – Time schedule of exercising such rights

There are no limitations in voting rights.
1. According to the Company's Memorandum of association the ownership of a share offers one voting right.

2. The General Assembly is in quorum and meets validly over the agenda, when shareholders representing at least 20% (1/5) of paid share capital are present or represented.
If no quorum is achieved, the General Assembly is gathered again in twenty (20) days from the date of the postponed Assembly, as long as it is called at least ten (10) days before and is considered in quorum and decides validly over the initial agenda, whatever part of paid share capital is represented.
The decisions of General Assembly by the above regular in quorum are taken by absolute majority of the votes represented.
Especially, decisions concerning change of the nationality of the Company, change of the Company's objective, increase of shareholders obligations, share capital increase not referred in the Memorandum of association, according to article 5 par. 2 and 3 of it, unless imposed by Law or paid by capitalization of reserves, decrease of share capital, unless it is done according to article 16 par. 6 of Law 2190/1920, change in the procedure of earnings distribution, merger, split, transformation, revival, exceed duration or termination of the company, offer or renewal of the B.o.D. authority for share capital increase according to article 5 par. 2 Memorandum of association, and in any other case the Law and Memorandum of association defines that for the decision by the General Assembly requires extra quorum, the Assembly is considered in quorum and works validly when shareholders representing two thirds of the paid share capital are present. If no such quorum is achieved, General Assembly is gathered again, and is considered in quorum and works validly and decides over the initial agenda, when at least 50% (1/2) of the paid share capital is represented. In case again no quorum is achieved, General Assembly is gathered again by the same procedure as described above and is considered in quorum and meets validly and decides for the issues of the initial agenda, if at least 20% (1/5) of paid share capital is represented.
Decisions of General Assembly which require the above special quorum are taken by majority of two thirds (2/3) of votes represented in it.
3. According to the Company's Memorandum of association, the shareholder who wish to participate and vote in the General Assembly, is obliged to deposit at least five (5) days before the Assembly the shares or temporary titles to the Company's cashier or the State Fund of Loan and Collateral or any bank in Greece upon receipt which should be deposited at the Company at least five (5) days, prior to the Assembly.
In the same period, any representation documents must be deposited at the Company.
Fourty eight (48) hours before the General Assembly a table including all shareholders with voting rights to it, must be available in the Company's offices, showing representatives if any and the number of shares and votes of each together with the addresses of shareholders and representatives.
Any objections against that table, is announced at the beginning and before the Assembly discuss the agenda.
The General Assembly, before beginning the discussion of the agenda, may approve the participation of shareholders or representatives of shareholders that did not deposit in time their shares or representation letters.

(f) Agreements between shareholders for limitations in the transfer of shares or exercise of voting rights

The Company is not aware of any such agreements for limitations in the transfer of shares or exercise of voting rights.

(g) Rules of placement / replacement of members of the B.o.D. and adjustment of Memorandum of association when different than the provisions of Law 2190/1920

There is nothing different than the provisions of Law 2190/1920.
1. According to articles 19, 21 and 22 of the Company's Memorandum of association:
The Board of Directors consists of five to nine (5 to 9) members elected by the General Assembly of shareholders.
The duration of the Board of Directors is three (3) years and can be extended automatically until the first after expiration General Assembly, but in any case not further than four years.
The members of the Board of Directors at expiration, can be elected again without any limitation and are freely recalled.
In case a member dies or resign or lose for any reason the ability to participate in the Board of Directors, then the rest members of the Board, provided they are at least (3), elect a substitute member until the expiry of the Board. This election of new members of the Board of Directors demands the approval of the first General Assembly that follows. In case the General Assembly does not approve this election all actions in the intermediate time from the election until the General Assembly are considered valid.
The member elected in order to replace another and is approved by the General Assembly remains a member until the expiration of the Board.
The members, elect among them the President and Vice President of the Board of Directors.
The President, when is absent or cannot perform his duties, is replaced by the Vice President, which in the same case is replaced after a decision of the Board of Directors by the Managing Director. The Managing Director can be at the same time an executive member of the Board of Directors and especially President.
The Board gathers and consist a body right after election by the General Assembly. At this meeting the President, Vice President and Managing Director are elected.
The President, Vice President and Managing Director can be elected again without limitations.
2. There are no rules of adjusting the company's Memorandum of association different than the provisions of Law 2190/1920.

(h) Authority of the B.o.D. for the issue of new shares / purchase of own shares according to article 16 of Law 2190/1920

h.1. During the first five years from the establishment of the company, the Board of Directors can decide by a majority of two thirds (2/3) of total members, to increase share capital partly or totally by issuing new shares. The amount of these increases, cannot exceed the initial share capital. The above decision of the Board of Directors, is subject to publicity requirements of article 7b of Law 2190/1920. The above authority of the Board of Directors, can be renewed by General Assembly, for a period not exceeding five years for every renewal and is effective after the expiration of the five years period. This decision of the General Assembly of the shareholders, is subject to publicity requirements of article 7b of Law 2190/1920.
The above authority has not been assigned to the Board of Directors by the General Assembly.
Exceptionally, in case the Company's reserves exceed 25% (1/4) of the paid share capital, then the increase of share capital is always subject to the approval of the General Assembly.

h.2. By the same conditions of par. h.1. above, the Board of Directors can decide the issue of bond loan by issuing convertible bonds into shares.
As mentioned above in par h.1., the above authority, has not been assigned to the Board of Directors by the General Assembly.

h.3. According to par. 13 of the article 13 of Law 2190/1920, as effective after Law 3604/2007, the Board of Directors at the last month of the fiscal year can increase the company's share capital, without modifying the Memorandum of association, by issuing new shares in order to apply an approved by the General Assembly Stock Option Plan for the purchase of company shares.
The General Assembly of shareholders at July 12th 2004, has approved a Stock Option Plan, which expired during 2007 and is no longer effective.
It is mentioned regarding this Stock Option Plan, that concerns the issue of three (3) lines of Stock Options issued at years 2005, 2006 and 2007.
The total number of shares issued, according to the options exercised, comes up to two hundred ninety seven thousands a hundred and seventy (297.170) shares.

h.4. The company is forbidden from buying own shares, except for the cases and conditions approved by the provisions of the legislation effective.
The General Assembly of the Company's shareholders, at June 25th 2008, has approved the ability of the Company to acquire own shares according to article 16 of Law 2190/1920.
It must be mentioned that regarding the purchase of own shares, the company has the ability to acquire, in a period of twelve months, an amount up to 10% of the total number of its shares, at the price of 1 to 10 euros.
As at 31/12/2008, the parent company INFORM P. LYKOS S.A. owned 97.553 own shares with average acquisition cost of € 4,10 per share, and total value € 399.701,74, representing 0,48% of its share capital.

i) Significant agreements of the company effective / modified / terminated in case of change in the control over the company after a public offering.

There are no significant agreements effective, modified or terminated in case of change in the control over the company.

(j) Agreements for compensation of members of the B.o.D. or employees in case of resignation / firing without reason or terminationof service / employeement because of public offering.

There are no agreements of compensation of members of the B.o.D. or employees for any reason.

Koropi, March 26th 2009

Nikolaos Lykos
President of the Board of Directors

C) AUDIT REPORT OF INDEPENDENT AUDITOR

Report on the Financial Statements

We have audited the accompanying financial statements of Inform P. Lykos S.A. (the "Company"), and the consolidated financial statements of the Company and its subsidiaries, which comprise the company and consolidated balance sheet as at 31 December 2008, and the income statements, statements of changes in shareholders' equity and cash flow statements for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards, as adopted by the European Union. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies, and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Greek Auditing Standards, which are based on International Standards of Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers the system of internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's system of internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Inform P. Lykos S.A. and the Group as of 31 December 2008 and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

Reference on Other Legal Matters

We have verified the consistency of The Board of Directors' Report with the accompanying financial statements, in accordance with the articles 43a, 107 and 37 of Law 2190/1920.

Athens, March 30, 2009
The independent auditor

Ntzanatos Demetrios
S.O.E.L. R.N. 11 521

GrantThornton
Ορκωτοί Ελεγκτές Σύμβουλοι Επιχειρήσεων
Βασ. Κωνσταντίνου 44, 116 35, Αθήνα
Α.Μ.ΣΟΕΛ 127

D) ANNUAL FINANCIAL STATEMENTS FOR THE YEAR 1/1 – 31/12/2008

Income statements

The Income Statements of the Group and the Company for the year 1/1 – 31/12/2008 and the respective comparative figures of the previous year are the following:

	Note	THE GROUP 1/1 - 31/12/2008	THE GROUP 1/1 - 31/12/2007	THE COMPANY 1/1 - 31/12/2008	THE COMPANY 1/1 - 31/12/2007
Sales	43	**127.922.680**	**73.435.466**	**37.568.807**	**39.159.573**
Cost of sales	31	(89.036.163)	(54.516.321)	(27.810.759)	(27.309.814)
Gross profit		**38.886.517**	**18.919.145**	**9.758.048**	**11.849.759**
Other operating income	32	5.436.570	3.781.277	1.286.015	865.625
Selling expenses	33	(14.944.733)	(7.229.525)	(4.800.352)	(5.147.981)
Administrative expenses	34	(14.198.673)	(5.523.958)	(4.133.095)	(3.236.165)
Research and development expenses	35	(4.228.624)	(123.588)	0	0
Other operating expenses	36	(925.323)	(1.327.622)	(234.405)	(386.004)
Earnings before interest and taxes (EBIT)		**10.025.734**	**8.495.728**	**1.876.211**	**3.945.234**
Earnings before interest-taxes-depreciation and amortization (EBITDA)		**18.477.144**	**12.556.897**	**4.263.194**	**6.280.385**
Financial income	37	459.217	216.547	1.627.113	211.303
Financial expenses	38	(4.376.526)	(1.067.607)	(2.132.872)	(392.070)
Income from subsidiaries & related companies	39	1.824.644	(22.100)	1.432.688	1.436.508
Profit from acquisition of subsidiary(negative premium)	40	984.233	0	0	0
Earnings before taxes (EBT)		**8.917.302**	**7.622.568**	**2.803.140**	**5.200.975**
Income tax	41	(2.443.371)	(2.493.659)	(1.129.614)	(1.858.961)
Net income		**6.473.931**	**5.128.908**	**1.673.526**	**3.342.014**
Distributed to :					
Company's Shareholders	42	*5.526.297*	4.942.702	1.673.526	3.342.014
Minority interests	42	*947.634*	186.206	0	0
Earnings after tax per share - basic (in Euros)	42	*0,2705*	*0,2423*	*0,0819*	*0,1638*
Proposed dividend per share - (in Euros)	51	-	-	*0,0800*	*0,1055*

Consolidated financial statements of the current year 1/1 - 31/12/2008 of the Group, in contrast to the respective previous year, included for the first time, by the method of total consolidation, the financial statements of the Group "Austria Card GmbH", which became a member of the Group at 1/1/2008. The effect from this incorporation was significant. Note 9 of the explanatory notes presents information regarding this incorporation. Also in this note there is an analysis of the amounts and rates of the effect of the consolidation of the Group "Austria Card GmbH" in the income statement and the financial position of the Group "Inform P. Lykos S.A.".

The notes in pages 17 – 61 consist an inseparable part of these annual financial statements.

Balance Sheet
The Balance Sheet of the Group and the Company for the year ended at 31/12/2008 and the respective comparative figures of the previous year are the following:

		THE GROUP		THE COMPANY	
		31/12/2008	31/12/2007	31/12/2008	31/12/2007
ASSETS	**Note**				
Fixed & Other Long Term Assets					
Tangible assets	6	96.658.493	69.715.486	39.759.223	40.333.110
Investment property	7	5.004.647	2.442.350	0	0
Intangible assets	8	7.093.003	3.806.463	2.265.934	2.518.068
Investments in subsidiaries	9	0	0	50.113.015	19.917.093
Investments in related companies	10	579.709	195.823	2.141	2.141
Goodwill	11	5.298.107	5.298.107	0	0
Long term receivables from affiliates	12	0	0	0	26.000.000
Deferred tax assets	13	1.026.365	987.993	639.830	682.335
Other long term assets	14	697.812	73.648	74.787	66.123
		116.358.136	**82.519.870**	**92.854.930**	**89.518.870**
Current assets					
Inventories	15	18.320.305	8.936.246	4.858.119	5.467.972
Customers and other receivables	16	22.698.819	20.829.272	11.141.598	11.471.831
Receivables from related companies	17	0	0	2.353.281	554.849
Other receivables	18	5.569.991	3.350.303	2.747.099	2.807.244
Cash and other cash equivalents	19	20.288.740	36.705.410	1.555.732	4.108.480
		66.877.855	**69.821.231**	**22.655.829**	**24.410.375**
Non current assets available for sale		56.174	0	0	0
Total assets		**183.292.165**	**152.341.101**	**115.510.759**	**113.929.245**
COMMON EQUITY AND LIABILITIES					
Common Equity					
Share capital	21	12.508.925	12.508.925	12.508.925	12.508.925
Above Par	21	28.448.736	28.448.736	28.448.736	28.448.736
Own shares	22	(399.702)	(112.866)	(399.702)	(112.866)
Other reserves	23	19.644.717	14.698.293	6.992.389	5.925.775
Retained profits		23.042.879	22.841.816	14.615.832	16.775.097
Equity to the shareholders of the parent		**83.245.555**	**78.384.904**	**62.166.180**	**63.545.667**
Minority interests		7.897.131	1.705.268	0	0
Total Common Equity		**91.142.686**	**80.090.172**	**62.166.180**	**63.545.667**
Liabilities					
Long term Liabilities					
Long term bank debt	24	40.128.478	6.069.611	35.000.000	0
Deferred tax liabilities	13	5.559.725	4.398.138	3.654.288	3.207.975
Staff leaving indemnities	25	5.057.234	1.991.547	1.712.118	1.785.938
Other long term liabilities	26	569.773	94.268	0	94.268
Total Long term Liabilities		**51.315.210**	**12.553.564**	**40.366.406**	**5.088.181**
Short term Liabilities					
Suppliers and other related liabilities	27	12.092.687	12.114.995	4.723.981	4.531.558
Taxes payable	28	4.448.006	3.089.315	1.496.203	2.046.053
Short term bank debt	24	13.171.655	41.743.280	2.609.375	36.323.427
Obligations to subsidiaries	44	0	0	589.713	372.503
Other Short term liabilities	29	11.121.921	2.736.275	3.558.901	2.021.857
Short term provisions	30	0	13.500	0	0
Total Short term Liabilities		**40.834.269**	**59.697.365**	**12.978.173**	**45.295.398**
Total Liabilities		**92.149.479**	**72.250.928**	**53.344.579**	**50.383.579**
Total Common Equity and Liabilities		**183.292.165**	**152.341.101**	**115.510.759**	**113.929.245**

The notes in pages 17 – 61 consist an inseparable part of these annual financial statements.

Cash flow statement
Cash flow of the Group and the Company for the year 1/1 – 31/12/2008, and the respective comparative figures of the previous year are the following:

	THE GROUP		THE COMPANY	
Operating activities	**1/1-31/12/2008**	**1/1-31/12/2007**	**1/1-31/12/2008**	**1/1-31/12/2007**
Earnings before taxes	8.917.302	7.622.568	2.803.140	5.200.974
Plus / minus adjustments for:				
Depreciations	8.451.410	4.061.169	2.386.983	2.335.151
Provisions	(201.511)	(137.100)	(107.423)	159.217
Other non cash transactions	(790.835)	(2.392.909)	(1.011.883)	(264.840)
Results (revenues, expenses, profit and losses) from investing activities	(3.853.365)	(419.861)	(2.315.251)	(1.521.712)
Debit interest and other related expenses	4.262.668	1.192.662	2.135.226	392.670
Plus / minus adjustments for changes in working capital accounts or related to operating activities				
Decrease / (increase) of inventories	2.650.593	(1.931.472)	609.853	(2.003.930)
Decrease / (increase) of receivables	7.589.856	(2.665.677)	(10.051)	1.358.440
(Decrease) / increase of payables (except banks)	(5.946.160)	2.483.861	386.353	(1.863.216)
Minus:				
Debit interest and other related expenses paid	(3.359.951)	(675.047)	(1.343.328)	(103.451)
Taxes paid	(1.279.829)	(1.704.965)	(709.230)	(1.341.834)
Total inflows/ (outflows) from operating activities (a)	**16.440.178**	**5.433.228**	**2.824.388**	**2.347.469**
Investing activities				
Acquisition of subsidiaries, related companies, joint ventures and other investments	(23.422.620)	(4.014.000)	(6.570.923)	(30.046.500)
Purchase of tangible and intangible fixed assets	(6.707.261)	(6.505.357)	(1.617.801)	(2.355.232)
Cash collections from sales of tangible and intangible fixed assets	185.378	528.409	59.382	12.289
Interest received	432.484	200.228	1.010.920	80.403
Dividends received	0		242.212	1.245.421
State subsidies received	400.000	0	400.000	0
Total inflows/ (outflows) from investing activities (b)	**-(29.112.019)**	**(9.790.720)**	**-(6.476.210)**	**-(31.063.620)**
Financing activities				
Proceeds from share capital increase	5.000.000	4.092.655	0	92.655
Purchases of own shares	(286.836)	(112.866)	(286.836)	(112.866)
Cash collection from issued / withdrawn loans	42.293.752	39.624.463	37.375.000	34.107.900
Loans settlements	(47.375.876)	(3.026.825)	(33.783.821)	0
Leasing obligations settlements	(1.171.476)	(88.852)	(52.932)	(55.204)
Dividends paid	(2.204.393)	(4.404.895)	(2.152.339)	(4.287.568)
Total inflows/(outflows) from financing activities (c)	**(3.744.829)**	**36.083.679**	**1.099.072**	**29.744.918**
Net increase / (decrease) of cash & Cash equivalents of period (a)+(b)+(c)	**-(16.416.670)**	**31.726.187**	**-(2.552.749)**	**1.028.767**
Cash and cash equivalents at the beginning period	**36.705.410**	**4.979.223**	**4.108.480**	**3.079.713**
Cash and cash equivalents at the end of period	**20.288.740**	**36.705.410**	**1.555.732**	**4.108.480**

The notes in pages 17 – 61 consist an inseparable part of these annual financial statements.

Statement of changes in equity
The statement of changes in equity of the Group is the following:

	THE GROUP							
	Share capital	**Share premium**	**Other Reserves**	**Own shares**	**Retained earnings**	**Total**	**Minority Interests**	**Total**
	Changes of Equity of year 1/1 - 31/12/2007							
Balance at January 1st 2007	**12.446.125**	**28.382.621**	**8.742.047**	**0**	**23.650.117**	**73.220.911**	**1.335.460**	**74.556.371**
Allocation of earnings and reserves of year 2006	0	0	(2.621.176)	0	(2.551.496)	**(5.172.672)**	(107.000)	**(5.279.672)**
Earnings of year 1/1-31/12/2007	0	0	0	0	4.942.701	**4.942.701**	186.206	**5.128.908**
Share capital increase and share premium	62.800	29.856	0	0	0	**92.655**	0	**92.655**
Reserves from allocation of earnings	0	0	1.099.219	0	(1.099.219)	**0**	0	**0**
Loss recorded directly in equity	0	0	0	0	(139.162)	**(139.162)**	0	**(139.162)**
Other reserves	0	0	1.159.039	0	(1.159.039)	**0**	0	**0**
Purchase of own shares	0	0	0	(112.866)	0	**(112.866)**	0	**(112.866)**
Currency translation differences of financial statements of foreign subsidiaries	0	0	0	0	(802.085)	**(802.085)**	(42.186)	**(844.271)**
Offer of stock options	0	36.260	0	0	0	**36.260**	0	**36.260**
Re-adjustment of value of land	0	0	6.319.163	0	0	**6.319.163**	332.787	**6.651.950**
Total recognized earnings of year	**62.800**	**66.116**	**5.956.246**	**(112.866)**	**(808.301)**	**5.163.994**	**369.808**	**5.533.802**
Balance at December 31st, 2007	**12.508.925**	**28.448.736**	**14.698.293**	**(112.866)**	**22.841.817**	**78.384.904**	**1.705.268**	**80.090.172**
	Changes of Equity of year 1/1 - 31/12/2008							
Balance at January 1st 2008	**12.508.925**	**28.448.736**	**14.698.293**	**(112.866)**	**22.841.817**	**78.384.904**	**1.705.268**	**80.090.172**
Allocation of earnings of year 2007	0	0	0	0	(2.766.176)	**(2.766.176)**	(140.915)	**(2.907.091)**
Earnings of year 1/1-31/12/2008	0	0	0	0	5.526.297	**5.526.297**	947.634	**6.473.931**
Reserves from allocation of earnings	0	0	1.066.614	0	(1.066.614)	**0**	0	**0**
Purchase of own shares	0	0	0	(286.836)	0	**(286.836)**	0	**(286.836)**
Currency translation differences of financial statements of foreign subsidiaries	0	0	(577.817)	0	(1.859.625)	**(2.437.442)**	(24.242)	**(2.461.684)**
Acquisition of subsidiaries	0	0	0	0	367.181	**367.181**	5.290.812	**5.657.993**
Re-adjustment of value of land net of tax	0	0	4.457.627	0	0	**4.457.627**	118.573	**4.576.200**
Total recognized earnings of year	**0**	**0**	**4.946.424**	**(286.836)**	**201.063**	**4.860.651**	**6.191.862**	**11.052.513**
Balance at December 31st 2008	**12.508.925**	**28.448.736**	**19.644.717**	**(399.702)**	**23.042.879**	**83.245.555**	**7.897.131**	**91.142.686**

The notes in pages 17 – 61 consist an inseparable part of these annual financial statements.

The statement of changes in equity of the Company is the following:

	THE COMPANY					
	Share capital	**Share premium**	**Other reserves**	**Own shares**	**Retained earnings**	**Total**
	Changes of Equity of year 1/1 - 31/12/2007					
Balance at January 1st 2007	**12.446.125**	**28.382.621**	**7.430.806**	**0**	**17.215.868**	**65.475.421**
Allocation of earnings and reserves of year 2006	0	0	(2.594.686)	0	(2.551.496)	**(5.146.182)**
Earnings of year 1/1-31/12/2007	0	0	0	0	3.342.014	**3.342.014**
Share capital increase and share premium	62.800	29.856	0	0	0	**92.655**
Reserves from allocation of earnings	0	0	1.089.655	0	(1.089.655)	**0**
Profit/loss recorded directly in equity	0	0	0	0	(141.634)	**(141.634)**
Purchase of own shares	0	0	0	(112.866)	0	**(112.866)**
Offer of stock options	0	36.260	0	0	0	**36.260**
Total recognized earnings of the year	**62.800**	**66.116**	**(1.505.031)**	**(112.866)**	**(440.771)**	**(1.929.753)**
Balance at December 31st 2007	**12.508.925**	**28.448.736**	**5.925.775**	**(112.866)**	**16.775.097**	**63.545.667**
	Changes of Equity of year 1/1 - 31/12/2008					
Balance at January 1st 2008	**12.508.925**	**28.448.736**	**5.925.775**	**(112.866)**	**16.775.097**	**63.545.667**
Allocation of earnings of year 2007	0	0	0	0	(2.766.177)	**(2.766.177)**
Earnings of year 1/1-31/12/2008	0	0	0	0	1.673.526	**1.673.526**
Reserves from allocation of earnings	0	0	1.066.614	0	(1.066.614)	**0**
Purchase of own shares	0	0	0	(286.836)	0	**(286.836)**
Total recognized earnings of year	**0**	**0**	**1.066.614**	**(286.836)**	**(2.159.265)**	**(1.379.487)**
Balance at December 31st 2008	**12.508.925**	**28.448.736**	**6.992.389**	**(399.702)**	**14.615.832**	**62.166.180**

The notes in pages 17 – 61 consist an inseparable part of these annual financial statements.

Explanatory notes

1. General information

The Group Inform P. Lykos S.A. (the Group) consists a rapidly developing Group of companies, that forms the market on the line of graphic arts and software. Today, the Group is among the leaders internationally, that create the evolution of the printing market and also the market of secured data processing, information and applications which include added value and also services of printed Computing.

The domicile of the parent company Inform P. Lykos S.A. (the Company) is in Koropi Attica, 5th klm. of Varis-koropi Avenue.

The financial statements for the year 1/1– 31/12/2008 (including the comparative figures of the year 1/1 - 31/12/2007) were approved by the Board of Directors in March 26, 2009 (No. 1033 minute of the Board of Directors).

The companies of the Group incorporated in the consolidated financial statements, the domicile, the activities, the participation rates and the consolidation method are given below:

Company	Domicile	Activities	Participation rate	Consolidation method	Type of Relation
Inform P. Lykos S.A.	Greece	Services of data processing etc	Parent	-	Parent
Ektypotiki Voreiou Ellados S.A.	Greece	Printing, services of printed computing etc.	85,90%	Total	Direct
Terrane L.T.D.	Cyprus	Holding	100,00%	Total	Direct
Lykos Paperless Solutions A.E.	Greece	Services of data processing etc	99,91%	Total	Direct
Sagime Gmbh	Austria	Holding	100,00%	Total	Direct
Inform Lykos (Romania) L.T.D.	Cyprus	Holding	97,34%	Total	Indirect
Inform Lykos S.A.	Romania	Printing, services of printed computing etc.	97,34%	Total	Indirect
Compaper Converting S.A.	Romania	Printing, services of printed computing etc.	94,85%	Total	Indirect
Arrow Up S.A.	Belgium	Development of special software (smart cards applications etc.)	29,97%	Net Equity	Indirect
Technovisie BVBA	Belgium	Network solutions and new technology support	29,97%	Net Equity	Indirect
Salnea GmbH	Austria	Holding	100,00%	Total	Indirect
Austria Card GmbH	Austria	Production and development of secured smart cards	85,00%	Total	Indirect
Austria Card Polska Sp.z.o.o.	Poland	Production and development of secured smart cards	85,00%	Total	Indirect
Austria Card Akilii Kart STI	Turkey	Production and development of secured smart cards	84,97%	Total	Indirect

Consolidated financial statements of the current year 1/1 - 31/12/2008, of the Group, in contrast to the respective previous period, included for the first time, by the method of total consolidation, the financial statements of the Group "Austria Card GmbH" and by the method of net equity the financial statements of the company "Technovisie BVBA". The Group "Austria Card GmbH" includes the subsidiaries: "Austria Card Polska Sp.z.o.o." and "Austria Card Akilii Kart STI" ((information is presented in par. 9 and 10 of the explanatory notes).

The number of personnel at 31/12/2008 came up to 1.140 persons, for the Group and 354 persons, for the Company. In the comparative year 31/12/2007 came up to 826 and 387 persons respectively. The number of the personnel of the Group was increased because it included also the personnel of Austria Card Gmbh.

1. Basis of issuing the annual financial statements

The accompanying and consolidated financial statements (from now on «financial statements»), have been compiled by the management based on the principal of historic cost, as modified by the adjustment of certain assets and liabilities in fair values and the principle of going concern and are in accordance with the International Financial Reporting Standards (from now on «IFRS») and the International Accounting Standards (from now on «IAS»), as adopted by the European Union and published by the International Accounting Standards Board (IASB), and also their interpretations, as published by the International Financial Reporting Interpretation Committee (I.F.R.I.C.) of the IASB.

The financial statements have been compiled in Euros, which is the presenting currency of the financial statements of the Group. All amounts are presented in Euros, unless it is stated differently.

The issue of financial statements according to I.F.R.S. requires the adoption of estimates, principles, and assertions which affect the valuation of assets, liabilities, recognition of contingent liabilities and also the recording of income and expenses in the financial statements.

It also requires estimations by the management during the application of the accounting principles of the Company.

The current financial statements reflect the fair view of the financial position of the Company and the Group at the date of issue.

2. Basic accounting principles

The main accounting principles adopted and followed for the preparation of the attached company and consolidated financial statements according to the I.F.R.S. are described below and have been applied consistently by the Group unless it is stated differently:

2.1. Tangible assets

Land and buildings used for the production, the disposal of goods or services, or for cover of needs of administrative services of Company, are presented in the balance-sheet in their readjusted values, minus their accumulated depreciation and impairment if any. The management decides readjustments of value of these assets in intervals, such in order that the balances in the balance-sheet do not differ essentially from fair values at the date of balance-sheet.

Each readjustment premium, (minus the appropriate tax) is recorded directly to readjustment reserves , apart from the cases where the premium corresponds in a loss resulted from previous readjustment of the same asset and was recorded at the income statement. In this case the premium is recorded at the income statement, up to the amount that corresponds to the loss previously recorded. The loss that can result from the readjustment of an asset, is recorded directly at the income statement, to the extend it is not covered by premium previously recorded for the same asset and is presented as a balance in the account of readjustment reserve at the year of readjustment.

The remaining categories of tangible assets are presented at their acquisition cost, decreased by the accumulated depreciation and impairment if any.
These values are presented deducted by (a) accumulated depreciation and (b) impairment of fixed assets.
The acquisition cost of fixed assets includes all the directly attributable expenses for acquiring them.

Subsequent expenditure is added to the carrying value of the tangible fixed assets or is recorded as a separate fixed asset only if it is probable that future economic benefits will flow to the company and their cost can be accurately measured. The repair and maintenance cost is carried in the results when such is realized.

Depreciation of other fixed assets (except from land which is not depreciated) is calculated using the straight-line method over their useful life as follows:

Buildings	20-50 years
Plant and machinery	3-20 years
Motor vehicles	10 years
Other equipment	3-20 years

The residual values and useful economic lives of tangible fixed assets are subject to reassessment at every date of balance sheet. Where an asset's carrying amount is greater than its estimated recoverable amount, the difference (devaluation) is carried directly to the income statement as an expense.

Whenever fixed assets are sold, the difference between the disposal proceeds and the carrying amount is carried as gain or loss in operating income. Repairs and maintenance expenditures are charged to the income statement during the financial period in which they have incurred.

Self constructed fixed assets consist an addition to the acquisition cost of fixed assets by an amount including direct salary cost of employees participating to the construction (respective social security contributions), cost of consumed materials and other general costs.

2.2. Intangible assets

Intangible assets include development costs and software licenses.

Software licenses are valuated at acquisition cost minus depreciation. Depreciation is calculated by the straight line method during their useful life which is calculated from 5 to 10 years.

The expenses of growth that are recognized as intangible assets, concern expenses that result from the execution of development programs, are related with the planning and testing of new or improved products and are likely they offer in the Group future economic profits.

The rest, except above, expenses of growth as the expenses of research are recognized as expenses of the year. Expenses of growth which in previous economic years had been recorded as expenses, are not recorded as intangible assets in following years.

The expenses of growth which have been capitalized are depreciated by the beginning of the commercial production of the product, based on the straight line method of depreciation at the period of expected benefits by the product. The depreciation period adopted by the Group does not exceed 5 years.

Developing expenses of company recognized as intangible assets concern:

- Products or productive process that is precisely determined and the expenses that correspond in them can be individualised and calculated reliably.
- The possibility of technical exploitation of product or process can be proved
- The company intends to produce and trade or use the product or the process
- The existence of a market for the product or the process can be proved or that these will be usefull for the company in the case they are to be used instead of being sold.
- Sufficient resources exist, or their availability for the completion of program and the marketing or use of product or process can be proved. The developing expenses do not exceed the amount that is expected to be covered by the relative future profits (economically) after the abstraction of further developing expenses of relative cost of production and expenses of distribution and administration connected directly to the trade of product.

2.3. Investment property

Investment property owned by the Group includes land possessed mainly for increase of the value of its equity. This land is expected to generate cash flows for the Group mainly apart from the other assets owned by the Group.

Investment property is recorded only in the following cases: (a) it is possible that future economic benefits related to investment property will inflow at the entity and (b) the cost of investment property can be reliably valued.

Investment property is initially valued at cost. The transaction cost is included at the initial measurement. The cost of an acquired by purchase investment property includes the acquiring price and every directly attributable expense. The directly attributable expenses include, for example, professional remuneration for legal advice, tax on real estate transfer and other transaction costs.

After initial recognition, the Group evaluates the investment property by the method of fair value, under the condition that there is rebuttable evidence that the Group is in position to determine the fair value of investment property reliably on a constant basis.

Profit or loss caused by a change of fair value of investment property will be included at the income statement of the period it appears.

2.4. Basis of consolidation

Subsidiaries: Subsidiaries are all entities managed and controlled, directly or indirectly, by another company (parent), either through holding the majority of the invested company's shares, or through the dependence of it by the knowhow supplied by the Group. Subsidiaries are all entities over which the parent has the power to govern. INFORM P. LYKOS S.A. obtains and exercises control through voting rights.

The existence of potential voting rights that are currently exercisable at the time of preparation of the financial statements, are considered when assessing whether the mother company controls the subsidiaries. Subsidiaries are fully consolidated (full consolidation) by the date on which control over them is acquired and they are de-consolidated by the date on which control ceases.

Group uses the purchase method of accounting in order to account for the acquisition of subsidiaries. The cost of acquisition of a subsidiary is measured, as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition. Identifiable assets acquired, liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date, irrespective of the participation percentage. The excess of the cost of acquisition over the fair value of the Group's share of the identifiable net assets acquired is recorded as goodwill. If the cost of acquisition is less than the fair value of the Group's share of the net assets acquired, the difference is recognized directly in the income statement.
The company recognizes its investments in subsidiaries according to I.A.S 27 by the cost of acquisition less impairment, according to I.A.S 36.

Inter-company transactions, balances and unrealized gains on transactions between group companies are eliminated. Unrealized losses , are also eliminated unless the transaction provides evidence of an impairment, of the asset transferred.

Subsidiaries' accounting policies have been changed where necessary to ensure consistency with the policies adopted by the Group.

Associates: are all entities, over which the Group has significant influence, but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Investments in associates are accounted for by the equity method of accounting and are initially recognized at the cost of acquisition. At the end of every year, the cost is increased by the portion of the investing company to the changes of net equity of the invested company and reduced by dividends received from the related company.

As far as the acquisition premium is concerned, this reduces the value of participation by charging the income statement, when its value is reduced.

The Group's share of its associates post-acquisition profits or losses, is recognized in the income statement, while its share of post-acquisition movements in reserves is recognized in reserves. The cumulative movements are adjusted against the carrying amount of the investment in associates. When the Group's share of losses in an associate exceeds the value of the investment in the associate, the Group does not recognize further losses, unless it has incurred obligations or made payments on behalf of the associate.

Unrealized gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in the associates. Unrealized losses are also eliminated, but considered as evidence of an impairment of the asset transferred. Associates accounting policies have been changed where necessary to ensure consistency with the policies adopted by the group.

2.5. Goodwill

Goodwill represents the excess of the cost of an acquisition over the fair value of the net assets of the acquired subsidiary/associate at the date of acquisition. The company at the date of acquisition recognizes the premium arising from acquisition, as an asset and presents it at cost. This cost is equal to the amount by which the consolidation cost exceeds the portion of the company, to the assets, liabilities and contingent liabilities of the acquired company.

Goodwill represents a payment of the buyer against future economic benefits from assets that cannot be evaluated and recognized independently.

After the initial recognition, the premium is evaluated at cost minus accumulated losses caused by reduction of it's value. The premium is not depreciated, but tested annually for impairment, if there are any events indicating a loss according to I.A.S. 36.

acquiring cost is less than the part of the company in the equity of the acquired company, the cost of acquisition must be calculated again. The assets, liabilities and contingent liabilities of the acquired company are revaluated and any difference remaining after the recalculation is recognized directly to the income statement as a profit.

In case the Group increases its share in subsidiaries the difference between the cost and the proportion of minority share acquired (goodwill) is considered a transaction between shareholders and the difference is recognized directly to the net equity. In case the Group reduces its share in subsidiaries, by maintaining the control over it, the difference is recognized again directly to the net equity.

2.6. Financial assets

A financial asset is considered every contract generating a financial asset to one company and a financial obligation or participation to another one.
The Group classifies its financial instruments according to the nature of the contract and the purpose of acquiring them, in the following categories:

2.6.1. Financial assets in fair value through the income statement

These are financial assets that satisfy any of the following conditions:

- Financial assets held for trading purpose (derivatives are included, except from those determined for hedging, those acquired or created in order to be sold or repurchased and finally those consisting a part of a portfolio of recognized financial instruments).
- At initial recording they are considered by the company as assets at fair value, through the income statement.

Financial assets at fair value through the income statement are valued at fair value and profits or losses are recorded directly to the income statement.

The company's financial assets at fair value through the income statement are included in the current assets of the Balance Sheet, in the figure «Cash and cash equivalents».

Cash equivalents, include short-term,easy liquidated investments, easy translated in cash and so close to their expire that present a very low risk of change in their value at the time of liquidation and time deposits.

2.6.2. Investments held to maturity

Includes not derivative financial assets with fixed payments and a fixed maturity and which the Group has the intention and the ability to hold to maturity.

Investments held to maturity are valued at deemed cost according to the method of real interest. Income or expenses from valuation are recorded in the income statement.

The Group does not hold any investments in this category.

2.6.3. Borrowings and receivables

Include not derivative financial assets with fixed or predefined payments, not negotiable in active markets. This category (Borrowings and receivables) does not include:

- Receivables not related to the transaction of cash or other financial assets.

- Prepayments for purchasing goods, tangible and intangible assets or services, since they are not supposed to offset with cash or other financial assets, but with inventory, tangible or intangible assets or services rendered.
- The amount of prepaid expenses that do not consist contractual obligations for receiving or paying cash or other financial assets.
- Receivables not contractual, but imposed by the State.
- Receivables concerning tax, legislatively imposed by the State.
- any receivable not covered by a contract which gives the company the right to receive cash or other financial fixed assets.

Borrowings and receivables with fixed expiration are valued in deemed cost based on the method of real interest, while Borrowings and receivables without fixed expiration are valued at cost. Income or expenses from valuation are recorded in the income statement.

Borrowings and receivables are classified as current assets, except with a maturity date that is further than 12 months from the balance sheet date. The latter are included in the non-current assets.

2.6.4. Financial assets available for sale

Includes not derivative financial assets which are either allocated to this category, or they do not belong to any other from the above categories.

Available for sale financial assets are valuated according to their fair value and the corresponding profit or loss is recorded to equity reserve until these assets are sold or impaired. When they are sold or impaired, the profit or loss is carried at the income statement. The impairment loss recognized at the income statement cannot be reversed.

Especially, the valuation of financial assets that fair value cannot be estimated reliably are valued at cost.

The Group does not hold any assets in this category.

2.6.5. Financial liabilities

Includes contractual liabilities regarding:

- Cash payment or other security to another entity
- Exchange of financial assets with another entity, with terms possibly unpleasant.
- A contract which will be settled with a security of the entity like: (a) a non derivative for which the company is obliged to give a variable number of own securities or (b)a derivative which will be settled in any other way except the exchange of a fixed amount of cash or other security with a fixed number of securities of the company.

Financial assets at initial recognition are valued at fair value plus (minus) the directly attributable expenses of the transaction. Fair value is considered the net cash inflow from the issue of the asset or the fair value of the asset acquired at the creation of the liability.

Apart from certain exceptions (as the case of financial liabilities through the income statement), in which the financial liabilities of Group are not included , the financial liabilities are valued at cost by the use of real interest-rate method.

Financial liabilities of the Group are included in the long-term liabilities of the Balance Sheet in the figure «Long term borrowings» and in the short term liabilities of the Balance Sheet in the figures «Trade and other payables», «Short term borrowings», «Liabilities to subsidiaries» και «Other short term liabilities».

2.7. Inventories

At the balance sheet date, inventories are valued at the lower of cost and net realizable value. Net realizable value is the estimated selling price in the ordinary course of business less any selling expenses. Cost of inventories does not include any financial expenses. Cost is estimated by the use of weighted average method.

2.8. Assets or group of assets or liabilities available for sale

Assets or group of assets or liabilities available for sale are recognized those that the Group:

- Has the intention and ability to sell
- Has already issued a selling plan
- Can estimate a fair value for sale
- Can sell in a short period (a period of 1 or 2 years).

These assets or liabilities are valued at the lower price between the accounting and fair value deducted by the selling expenses while they stop been depreciated.

2.9. Share capital

External costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax from the proceeds. Share issue costs incurred directly in connection with a business combination are included in the cost of acquisition.

2.10. Own shares

Own shares possessed by the company or its subsidiaries, are presented at acquisition cost (cost of purchase plus expenses) deducted from equity. When the own shares are sold, cancelled or allocated any income or loss is recorded directly in equity.

2.11. Income tax & deferred tax

The period charge for income tax comprises current tax and deferred tax, the tax charges or tax credits that are associated with economic benefits accruing in the period but have been assessed by the tax authorities in different periods. Income tax is recognized in the income statement of the period, except for the tax relating to transactions that have been recorded directly to equity, in which case it is, accordingly, recorded directly to equity.

Current income taxes include the short-term liabilities or receivables from the fiscal authorities that relate to taxes payable on the taxable income of the period and any additional income taxes from previous periods.

Current taxes are measured according to the tax rates and tax laws in effect during the financial years to which they relate, based on the taxable profit for the year. All changes to the short-term tax assets or liabilities are recognized as part of the tax expense in the income statement.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements.
Deferred tax is not recorded if it results from the initial recognition of an asset or liability in a transaction, except for a business combination, which when it occurred did not affect neither the accounting nor the tax profit or loss.

Deferred tax assets and liabilities are valued based on the tax rates that are expected to be in effect during the period in which the asset or liability will be settled, taking into consideration the tax rates (and tax laws) that have been put into effect or are essentially in effect up until the balance sheet date. In the event where it is impossible to identify the timing of the reversal of the temporary differences, the tax rate in effect on the day after the financial statements date is used.

Deferred tax assets are recognized to the extent that it is probable that future taxable profit, against which the temporary differences can be utilized, will be available.

Deferred income tax is provided on temporary differences arising on investments in subsidiaries, associates and joint ventures, except where the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Most changes in the deferred tax assets or liabilities are recognized as part of the tax expense in the income statement. Only changes in assets or liabilities that affect the temporary differences are recognized directly in the equity of the Group, such as the revaluation of property value, that results in the relevant change in deferred tax assets or liabilities being charged against the relevant equity account.

2.12. Exchange rate translations

(a) Operating currency and presenting currency

The figures of financial statements of companies of Group, are measured based on the currency of economic environment, in which each company operates (operating currency). The financial statements are presented in Euros, which is the operating currency and the presenting currency of the parent company. The operating currency of subsidiaries is also the Euro, except of the subsidiaries in Romania where the operating currency is the Romanian Ron.

At the consolidation of the above companies of which the operating currency differs from the presentation currency, their earnings and financial position are translated in the presenting currency.

The earnings and financial position of these companies are translated in the presenting currency according to the following processes:

- assets and liabilities for each balance-sheet presented (including the comparable figures), will be translated by closing exchange rates at the date of the balance-sheet.
- income and expenses for every income statement (including comparable figures), are translated by the exchange rates which approaches the exchange rates of dates of transactions (for example average exchange rate of period) and
- any exchange rate differences derived will be recognized as an individual part of equity.

(b) Transactions and balances

The initial recognition in the operating currency of a transaction in foreign currency, is applied by the use of the current exchange rate between the operating currency and the foreign currency at the date of transaction. The date of transaction is the date that the transaction meets for first time the conditions of recognition according to the IFRS.

At the date of balance-sheet:

- Cash in foreign currency, is translated by the closing exchange rate,
- Non cash items valued according to their historical cost in foreign currency, are translated by the exchange rate at the date of transaction and

- Non cash items valued in fair values in foreign currency, are translated by the exchange rates that existed, when fair values were estimated.

The exchange rate differences, that result at the application of the above are recognized in the income statements of the period in which they appear.

2.13. Impairment of assets

The assets that have not determined useful life are not depreciated and they tested for impairment annually and when certain events indicate that the accounting value cannot be recovered. The assets under depreciation are tested for impairment when there are indications that their accounting value will not be recovered. The recovering value is the highest amount among net selling price and the value because of use. The loss from the decrease of value of assets is recognized by the company, when the accounting value of these assets (or Unit of Creation of cash flows) is higher than their recoverable amount.

The amount of sale of an asset in a fair transaction when both sides have complete knowledge and participate willingly is considered the net selling value, after the abstraction of any additional direct cost of distribution of the asset, while, value of use is the present value of the estimated future cash flows that are expected to inflow in the company from the use of the asset and from the disposal in the end of its useful life.

2.14. Employee benefits

2.14.1. Short term benefits:

Short-term benefits to the employees include:

- Daily wages, salaries and social security contributions
- Short term compensated absences, such as annual paid leave and sick paid leave when the absences are expected to happen in the next 12 months, after the end of the year in which the employees offer the relevant service
- Profit appropriation and exceptional benefits paid in 12 months after the end of the year, in which the employees offer the relevant service.
- Non-currency benefits (like medicare, residence, cars and free or subsided goods or services) for current employees.

Short-term employee benefits (except for termination of employment benefits) monetary and in kind are recognized as an expense when they accrue. Any unpaid amount is recorded as a liability, while in the case where the amount paid exceeds the amount of services rendered, the company recognizes the excess amount as an asset (prepaid expense) only to the extent that the prepayment will lead to a reduction of future payments or to reimbursement.

2.14.2. Termination benefits

Termination benefits are payable, whenever a company is demonstrably committed to either:

- Terminate the employment of current employees before the normal retirement date
- Or to provide termination benefits as a result of an offer made to encourage voluntary redundancy.

These benefits are recognized as a liability and an expense only when the company is demonstrably committed to provide them. Benefits falling due more than 12 months after balance sheet date are discounted to present value. In the case of an offer that is made to encourage voluntary departure, the valuation of benefits for employment termination must be based on the number of employees that are expected to accept the offer.

When such benefits are deemed payable in periods that exceed twelve months from the Balance Sheet date, then they must be discounted based on the yields of investment grade corporate or government bonds. In the case of employment termination where there is an inability to asses the number of employees that will use such benefits, they are not accounting for but are disclosed as a contingent liability.

According to the new accounting principles, the company recognizes as a liability the present value of it's legal commitment for the gratuity payment of compensation to retired employees. The corresponding liability was calculated after an actuarial report. Specifically , such a report referred to the examination and calculation of actuarial figures required by the standards set by the International Accounting Standards (IAS 19) and is mandatory to be recorded at the balance sheet and the income statement of every company.

The basic date used as the date of the actuarial valuation of the various figures is 31st/12/07. The respective actuarial assumptions – admissions were used for the estimation of the respective liability of 31st/12/08.

The main actuarial admissions used for the above accounting purposes are the following:

Average annual rhythm of long-term inflation raise	2% according to the aim of Lisbon strategy (2000)
Average annual long-term raise of G.N.P.	3% (according to the congruity program of the ministry of economics to the rest economies of the countries of the European Union)

Average annual long-term raise of salary considered for compensation of N.2112	4,5% = Inflation+2,5%
Discount rate	4,6 % weighted average on the yields of government bonds, considering the timetable of the benefit payments (IAS 19 par. 80 and 81).
Investment performance	Equal in all cases to the discounting rate
Assets for compensation of Law 2112/20 as at 31/12/2008	Zero (0)
Compensation rate	Application of the provisions of the law 2112/20 without considering the upper limit of the salaries of the employees
General principle of calculation of actuarial figures	The principle of going concern according to the context of IAS (IAS 1. § 23)
Actuarial evaluation method	The method of Projected Unit Credit Method has been used (IAS 19)

2.15. State subsidies

A subsidy is a financial aid provided by the State, having the form of a fund transfer to a company, in return to its compliance by certain conditions regarding its operations. State subsidies which cannot be evaluated because of their form, are not included to the above concept and the same applies to the transactions with the State which cannot be separated from the usual transactions of the company.

Subsidies regarding assets are State subsidies with a basic condition, that in order for a company to be entitled for it, must buy, construct or acquire by any other way, long lived assets. Additional terms can also be defined, regarding the kind or location of the assets, or the time period in which these have to be acquired or remain in the possession of the company.

Subsidies regarding income are State subsidies not related to the acquisition of assets.

The Group recognizes State subsidies which satisfy cumulative the following criteria: a) there is a concluded certainty that the company complies or is about to comply by the conditions of the subsidy and b) the amount of the subsidy has been received or is thought possible to be received. Subsidies are recorded at fair value and recognized systematically as income, based on the principle of relating subsidies to the respective costs which they finance.

Subsidies regarding assets are included in the long term liabilities as income of following years and systematically recognized as income during the useful life of the fixed asset.

2.16. Provisions

Provisions are recognized when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount can be made.
Provisions are reviewed during the date when each balance sheet is compiled so that they may reflect the present value of the outflow that is expected to be required for the settlement of the obligation. Contingent liabilities are not recognized in the financial statements but are disclosed, except if the probability that there will be an outflow of resources that embody economic benefits is very small. Contingent claims are not recognized in the financial statements but are disclosed provided that the inflow of economic benefits is probable.

2.17. Revenue and expense recognition

Revenues: comprise the fair value of sale of goods and services, net of value added tax, rebates and discounts. Sales within the Group are eliminated. The recognition of revenues is as follows:

- **Sale of goods:** Recognized when the Group delivers the goods to the customers, these are accepted by them and the collection of the receivable is fairly guaranteed.
- **Rendering of services:** Revenue arising from rendering services is based on the stage of completion determined by reference to services performed to date as a percentage of total services to be performed.
- **Interest**: Income from interest is recognized according to time and by using the real interest.
- **Dividends:** Dividends are recognized when the right to receive payment is established.

Expenses: Expenses are recognized in the results on an accrued basis.

2.18. Payments based on securities

Refer to the recognition and counting in the financial statements, of all the liabilities to the employees of the company, which are settled by amounts based on the value of its shares. The company receives services from it's employees and in return provides them with securities (options for purchase of shares). The amount of services received is recognized when these are obtained. The amount of services obtained is recognized by the company at the fair value of the services. If the company is not able to evaluate reliably the fair value of the services, then the estimation of the value and the increase of net equity is indirect, referring to the fair value of the securities given. These services are recognized when received with a respective increase of net equity. The bonus of securities is subject to certain terms and specifically under the condition that the employee has already completed 3 years of employment.

2.19. Intercompany transactions

The entities over which the parent company is in control either by holding directly or indirectly over 50% of their share capital or by affecting their management and economic policy are considered as related parties. The members of the management of the companies of the Group are as well considered as related parties and also their 1st degree relatives and companies controlled by them or substantially affected in taking business decisions.

All transactions between the company and related parties are carried out by the same economic terms, that similar transactions with not related parties are at the same time.

2.20. Dividends

Dividends to the shareholders of the parent company are recorded as a liability in the consolidated financial statements at the date the distribution is approved by the General Assembly of the shareholders.

2.21. Important accounting estimations and judgements

The preparation of the financial statements requires by management to proceed to judgements, estimations and assumptions which affecti the published assets and liabilities at the date the financial statements are issued. These judgements and estimations are used by the Company regarding the selection of accounting principles, according to the provisions of the IFRS.

3. New Standards and interpretations

3.1. Modification of standards compulsory for the current year 2008

IAS 39 – Financial assets: recognition and valuation (modification applied since 30/6/2008) **and I.F.R.S. 7 – Financial assets: disclosures** (modification applied since 30/6/2008)
This modification allows the non derivative financial assets, held for trading and available for sale, to be reclassified, under certain conditions to the rest categories, while the potential of reclassification remain effective, from and to the available for sale portfolio, to and from held to maturity portfolio. The application of the above modifications has shown no reasons for the reclassification of the Group's financial assets and as a result there was no impact by the above modifications to the financial statements of the Group.

3.2. New interpretations compulsory for the current year 2008

IFRIC 11 - IFRIC 2: Purchase of Own Shares
The interpretation is applied from March 1st, 2008 and clarifies the accounting treatment when the employees of a subsidiary receive shares of the parent company. It also clarifies whether certain types of transactions should be accounted as transactions settled by participating titles or transactions settled in cash.

IFRIC 12 - Service Concession Agreements
The interpretation is applied from January 1st, 2008 and concerns companies that participate in concession agreements. The interpretation has no application for the Group.

IFRIC 13 – Customer Loyalty Programs
This interpretation will be applied from July 1st, 2008 and clarifies the accounting treatment for companies that grant award credits like "loyalty points or reward miles to customers buying goods or services.
The interpretation has no application for the Group.

IFRIC 14 – Limits of assets of employee benefits, minimum required capital and their interaction
This interpretation is applied from January 1st, 2008 and concerns employee benefits and other long term programs of benefits. This interpretation clarifies when benefits by the form of returns by the program or reduction of future contributions to the program should be accounted as cash, how the existence of a minimum required capital may possibly affect the benefits by the form of reduction of future contributions and when the existence of a minimum required capital would create a liability. Since the Group does not offer such benefit programs for the employees, this interpretation has no application for the Group.

IFRIC 16 – Hedging of a net investment abroad

This interpretation will be applied from October 1st, 2008. This interpretation offers instructions about how an entity should determine the amounts from equity to income statement regarding the hedging mean and the hedged figure. This interpretation has no application for the Group.

3.3. New revised or modified standards applied compulsory after the current year 2008

IFRS 8 – Operating Sectors
The standard will be applied from January 1st, 2009 and replaces IAS 14, under which sectors were recognized and presented based on an analysis of risk and return. According to IFRS 8 sectors consist parts of an economic entity examined regularly by the Managing Director / Board of Directors of the entity and presented in the financial statements based on this internal categorization. The Group will apply IFRS 8 from January 1st, 2009.

IAS 1 – Presentation of Financial Statements
IAS 1 has been revised in order to upgrade the utility of information presented in the financial statements and is applied for accounting periods beginning at the 1st of July 2009. The most important revisions are: a requirement that the statement of changes in equity includes only transactions with shareholders, a new statement of comprehensive income is introduced combining all income and expenses recognized in the income statement as «other comprehensive income» and a requirement that restatements in the financial statements or retrospective applications of new accounting policies should be presented from the beginning of the earlier comparative period. The Group will make the necessary changes in the presentation of it's financial statements of 2009.

IAS 23 – Borrowing Cost
The revised standard will be applied from January 1st, 2009. It's main difference from the previous concerns the elimination of the option to record borrowing costs as an expense related to assets, which will need certain time before they can operate or be sold. The Group will apply the revised IAS 23 from January 1st, 2009.

IFRS 3 – Business Combinations' and modified IAS 27
The revised IFRS 3 "Business Combinations" and the modified IAS 27 "Consolidated and separate Financial Statements" are applied for accounting periods beginning on or after July 1st, 2009. The revised IFRS 3 introduces a change in the accounting treatment of business combinations which will affect the amount of recognized premium, the earnings of the period in which the business combination takes place and the future earnings. These changes include that expenses related to acquisition and recognition of future changes in fair value of the contingent price will be recorded in the income statement. The modified IAS 27 requires that transactions leading to changes in the participation rates in subsidiaries should be recorded directly to equity. All changes of the above standards will be applied from the beginning and will affect future acquisitions and transactions with minority from this date and forward.

IAS 39 – Financial assets: recognition and valuation (modification of the standard applied from 1/7/2009)
This modification clarifies the accounting treatment of the principles determining how a hedged risk or part of the cash flows under hedging should be applied in certain cases. The Group will apply this revised standard from 1/7/2009.

IAS 32 and IAS 1 – Puttable Financial Instruments
The amendment to IAS 32 requires certain puttable financial instruments and obligations arising on liquidation to be classified as equity if certain criteria are met. The amendment to IAS 1 requires disclosure of certain information relating to puttable instruments classified as equity. The amendment to IAS 32 becomes effective for financial years beginning on or after July 2009. The Group does not expect these amendments to have an impact on its financial statements.

IFRS 1 – First adoption of IFRS (modification of the standard applied by 1/7/2009) **and**
IAS 27 – Consolidated and company financial statements (modification of the standard applied by 1/7/2009)
The modification of IFRS 1 allows a company adopting IFRS for the first time, to choose to evaluate its investments in subsidiaries, joint ventures or related at the acquisition cost, use as deemed cost either the fair value or the accounting value according to the previous accounting principles. The modification also suppresses the definition of the method of cost by IAS 27 and replaces it by the requirement that dividends should be recorded in the income statement of the company. The above modifications will be applied by the Group by 1/7/2009 (in case new mergers arise).

IFRS 2 (Modification) «Payments based on securities (modification of the standard applied by 1/1/2009)
The requirements regarding the treatment of terms of an agreement which do not consist consolidation of securities have been modified. The definitions of consolidation and conditions of consolidation, and also conditions of return have also been modified. The above modifications will be applied by the Group by 1/7/2009.

3.4. New interpretations applied compulsory after the current year 2008

IFRIC 15 – Contracts for construction real estate
This interpretation will be applied from January 1st, 2009 and concerns the current different accounting treatments regarding sales of real estate. This interpretation has no application to the Group.

IFRIC 17 – Distribution of non cash assets to the shareholders (applied by 1/7/2009)

This interpretation offers instructions about the following: (a) when an entity should recognize dividends payable (b) how an entity should measure dividends payable and (c) when a company pays the dividends payable, how should the difference between the accounting value of assets distributed and the accounting value of dividends payable be recorded. The instructions of the interpretation will be applied by the Group by 1/7/2009.

4. Risk management

4.1. Use of financial assets

The Group uses financial assets for trading, financial and investing purpose. The use of these financial assets by the Group affects substantially the financial position, earnings and its cash flows.

Below in note 45 follows an analysis of value and categories of financial assets owned by the Group as well as the figures of Balance-sheet in which these financial assets are recognized. In note 3.6 information is given with regard to the way of recognition and valuation of financial assets, while below in the present note is mentioned information regarding the risks involved for the Group from the ownership of financial assets

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4.2. Financial risk factors

The main risks derived from the use of financial assets are the following:

- Market risk (interest rate risk and exchange rate risk)
- Credit risk
- Liquidity risk

Market risk

Market risk is the risk that the fair value or the future cash flows of the Group's financial assets are expected to present fluctuations because of changes in market prices.

This risk for the company is focused mainly the risk of change in the borrowing interest rates and exchange rates.

Exchange rate risk

The Group's companies as individuals do not face substantial risk according to which the fair value or future cash flows of financial assets of the Group or the company are expected to present significant fluctuations because of changes in exchange rates. The main part of the trade transactions (Greece, Austria, Romania etc.) is settled by the currency of the main economic environment in which each one operates (operating currency), while no significant exchange rate risk exists for cash, cash equivalents and deposits.

Risk from the fluctuation of foreign currency rates exists mainly for the value of financial assets of the subsidiaries in Romania. The risk of exchange rate is derived by the operating currency of the subsidiaries in Romania which is the Romanian RON against the presenting currency of the financial statements which is Euro.

Below at note 47 there is a table presenting the (maximum) exposure of the Group to exchange rate risk.

Interest rate risk

The Group's borrowings are related to fluctuating interest rates (for further information see below in note 24).

The Group does not use financial derivatives. As in the previous year the rest (except of borrowings) financial assets and other financial liabilities are not seriously affected by interest rates.

Below at note 46 follows a table presenting the exposure of the Group and the Company to interest rate risk.

Credit risk

The Group is exposed to credit risk, which is derived by the inability of the counterparty to pay its liabilities. Specifically, this risk focuses mainly to the risk of failure to collect the receivables.

Below at note 48 follows a table presenting the maximum exposure of the Company to credit risk and also an analysis of the figures in: (a) Not due, (b) Past due and (c) Impaired.

Liquidity risk

This is the risk that the Group faces difficulty in paying its liabilities, which are related to financial liabilities.

The Group manages its liquidity needs by careful monitoring of its debts, long term financial liabilities and also daily payments. Liquidity needs are monitored in different time periods, in daily and weekly basis and also in a floating period of 30 days. Long term liquidity needs for the following 6 months and the following year are determined monthly.

Below in note 49 follows a table presenting the expiration of Group and Company financial assets and liabilities.

4.3. Risk management policy

The Board of Directors (B.o.D.) holds the final responsibility for undertaking by the company of any kind of risk and also the monitoring of them in a regular basis. Furthermore the Board of Directors is responsible for monitoring the capital adequacy of the Company and the Group.

The Board of Directors via commissioned executives:
(a) establishes and applies processes and regulations that allow the identification of risks, connected to activities, processes and systems of operation of the Company (mainly credit risk, market risk and operational risk).
(b) determines the acceptable level of risk.
(c) checks that the Group maintains the required capital adequacy and manages appropriately the risks arising from its operation.

Especially, in relation to the present risks, the basic principles of risk management for each risk, are the following :

In the context of managing market risk, general management in collaboration with the economic department, sets the processes and the policies essential for the effective prevention and management of this risk. Also, it sees to for the effective application of set for this purpose processes and regulations and mainly:

- Monitors the capital adequacy against the financial liabilities of the Group.
- Monitors the policy of approaching and the methods of calculating the value of the liabilities and the adjustment of their value and provisions.
- In co-operation with special consultants evaluates the need for hedging tools and also the existence of alternative financing resources.
- Application of sensitivity analysis and programs of stress testing.

In the context of managing the credit risk the Board of Directors sets the appropriate procedures and policies for the effective prevention and management of credit risk.

The Board of Directors, collaborating with the General, economic and commercial management:

- Sets and applies credit control procedures aiming to the minimization of impairments and the direct cover of receivables by securities
- Separates receivables in: - past due and - impaired
- Tests the receivables constantly, separately or in groups and includes this information in the credit controls
- estimates the amounts of required impairments of receivables
- determines the policies and procedures of valuation and management of assurances if any
- analyses receivables based on expiration
- assess the assurances offered to the Group
- Tests the integrity, reliability and precision of data sources used and also the procedure of update
- evaluates, in collaboration with the Commercial Management, the credit ability of counterparties.

In order to reduce credit risk, the company takes into account the credit ability of the counterparty, the country risk, the economic sector in which operates and also quality and quantity features.

It must be mentioned that, wholesale of the Group are directed mainly to credit rated customers. The Group's policy refers to collaborating only with reliable customers.

The Board of Directors, collaborating with the economic department, manages the liquidity needsı through the cautious monitoring of scheduled payments for long term liabilities and also cash outflows from daily operations. Liquidity needs are monitored in different time periods (daily, weekly, monthly).

The Group maintains cash and easily liquidated investments, in order to cover the liquidity needs for a period up to 30 days. The financing of long term needs is covered, further, by a sufficient number of credits and the ability to sell long term financial assets.

5. Tangible assets

The tangible assets of the Group and the Company are analyzed as follows:

	THE GROUP				
	Land & Buildings	**Vehicles & mechanical equipment**	**Furniture and other equipment**	**Tangible assets under construction**	**Total**
Gross Book Value	38.289.009	38.215.654	7.166.548	6.709.096	90.380.306
Accumulated Depreciations	(14.561.864)	(8.605.845)	(5.215.110)	0	(28.382.819)
Accounting value at January 1st 2007	**23.727.145**	**29.609.810**	**1.951.438**	**6.709.096**	**61.997.487**
Gross Book Value	52.623.654	40.728.334	7.292.765	335.980	100.980.733
Accumulated Depreciations	(15.000.251)	(10.640.176)	(5.624.819)	0	(31.265.246)

Accounting value at December 31st 2007	**37.623.403**	**30.088.159**	**1.667.946**	**335.980**	**69.715.486**
Gross Book Value	82.006.391	60.322.162	15.071.540	906.688	158.306.781
Accumulated Depreciations	(25.649.533)	(23.685.920)	(11.748.281)	(564.551)	(61.648.285)
Accounting value at December 31 2008	**56.356.858**	**36.636.242**	**3.323.259**	**342.137**	**96.658.493**
Accounting value at January 1st 2007	**23.727.145**	**29.609.810**	**1.951.438**	**6.709.096**	**61.997.487**
Additions	8.932.768	3.616.314	178.966	0	12.728.048
Re-adjustments	6.651.950	0	0	0	6.651.950
Revaluation due to exchange rates	(1.211.492)	(487.218)	(40.174)	631.076	(1.107.808)
Disposals	(38.581)	(554.114)	(12.575)	(18.601)	(623.871)
Depreciation	(438.387)	(2.034.331)	(409.709)	0	(2.882.427)
Transfers	0	(62.302)	0	(6.985.591)	(7.047.893)
Accounting value at December 31st 2007	**37.623.403**	**30.088.159**	**1.667.946**	**335.980**	**69.715.486**
Additions	789.718	4.123.526	651.487	165.618	5.730.349
Acquisition of fixed assets from subsidiary	18.600.000	7.329.029	2.076.953	794.268	28.800.250
Re-adjustments	4.095.748	0	0	0	4.095.748
Revaluation due to exchange rates	(1.528.117)	(615.243)	(51.493)	(28.669)	(2.223.522)
Disposals	(12.825)	(514.691)	(35.041)	(626.016)	(1.188.573)
Depreciation	(1.441.887)	(3.621.472)	(1.019.200)	(564.551)	(6.647.110)
Transfers	(1.769.182)	(153.065)	32.608	265.507	(1.624.132)
Accounting value at December 31 2008	**56.356.858**	**36.636.242**	**3.323.259**	**342.137**	**96.658.493**

THE COMPANY

	Land & Buildings	**Vehicles & mechanical equipment**	**Furniture and other equipment**	**Tangible assets under construction**	**Total**
Gross Book Value	34.346.021	24.387.249	3.997.388	49.300	62.779.958
Accumulated Depreciations	(13.572.232)	(5.345.575)	(3.004.098)	0	(21.921.905)
Accounting value at January 1st 2007	**20.773.788**	**19.041.675**	**993.290**	**49.300**	**40.858.053**
Gross Book Value	34.407.770	25.317.317	4.131.539	31.300	63.887.926
Accumulated Depreciations	(13.873.056)	(6.433.344)	(3.248.414)	0	(23.554.814)
Accounting value at December 31st 2007	**20.534.713**	**18.883.974**	**883.126**	**31.300**	**40.333.110**
Gross Book Value	34.432.283	26.099.025	4.344.718	66.950	64.942.976
Accumulated Depreciations	(14.141.058)	(7.560.628)	(3.482.065)	0	(25.183.751)
Accounting value at December 31 2008	**20.291.224**	**18.538.397**	**862.654**	**66.950**	**39.759.223**
Accounting value at January 1st 2007	**20.773.788**	**19.041.674**	**993.290**	**49.300**	**40.858.052**
Additions	61.749	1.237.867	143.841	0	1.443.457
Disposals	0	(307.799)	(9.690)	0	(317.489)
Depreciation	(300.824)	(1.087.769)	(244.316)	0	(1.632.909)
Transfers	0	0	0	(18.000)	(18.000)
Accounting value at December 31st 2007	**20.534.713**	**18.883.973**	**883.126**	**31.300**	**40.333.110**
Additions	24.513	809.091	242.636	35.650	1.111.890
Disposals	0	(27.383)	(29.457)	0	(56.840)
Depreciation	(268.002)	(1.127.284)	(233.651)	0	(1.628.937)
Accounting value at December 31 2008	**20.291.224**	**18.538.397**	**862.655**	**66.950**	**39.759.223**

There are encumbrances of amount € 5.128.478 over the tangible assets of the Group companies against loans. There are no encumbrances over the Company's tangible assets.

The Group applies at the valuation of land and buildings, the method of value readjustment (alternative method of IAS 16). By applying this method, land and buildings are presented in their fair value.

In the current year as in the previous year the values of land and buildings of Group in Romania were readjusted. The estimation of fair value of these tangible assets was based on the report of the independent estimator DUNAREANU MIHAIL, Expert Valuator ANEVAR (National Association of Valuators in Romania). This independent estimator possesses recognized and relatively professional qualifications and he has experience from similar reports of land of the same geographic region.

6. Investment property

Investment property refers to land owned by the Group in Romania mainly for the purpose of increase of capital value. The parent company has no investment property.

The changes in investment property during the year 2008 and the respective year 2007 are as follows:

	THE GROUP
	Land
Accounting value at January 1st 2007	**484.470**
Re-adjustment of value based on the report of an independent valuator	1.968.544
Re-adjustment of value due to exchange rates	(30.664)
Accounting value at December 31st 2007	**2.422.350**
Additions	1.247.834
Re-adjustment of value based on the report of an independent valuator	1.562.401
Re-adjustment of value due to exchange rates	(227.938)
Accounting value at December 31 2008	**5.004.647**

After initial recognition, the Group evaluates the investment property by the method of fair value.

Investment property is expected to generate cash flows to the Group, apart from the other assets owned by the Group. It refers to part of land, which can be sold separately from the land owned by the Group for production purposes.

In the current year as in the previous year the values of land and buildings of Group in Romania were readjusted. The estimation of fair value of these tangible assets was based on the report of the independent estimator DUNAREANU MICHEAL, Expert Valuator ANEVAR (National Association of Valuators in Romania). This independent estimator possesses recognized and relatively professional qualifications and he has experience from similar reports of land of the same geographic region. The value was estimated through a direct reference to current market prices.

There is no limit in the liquidation of the above investment property of the Group.

7. Intangible assets

Intangible assets refer to software (Licenses, upgrades etc.) and development expenses.

	THE GROUP		
	Software	Development expenses	Total
Gross Book Value	8.237.203	989.704	**9.226.907**
Accumulated Depreciations	(5.007.943)	(342.801)	**(5.350.744)**
Accounting value at January 1st 2007	**3.229.260**	**646.903**	**3.876.163**
Gross Book Value	8.765.666	1.570.284	**10.335.950**
Accumulated Depreciations	(5.872.627)	(656.858)	**(6.529.485)**
Accounting value at December 31st 2007	**2.893.039**	**913.426**	**3.806.463**
Gross Book Value	19.201.195	1.623.768	**20.824.963**
Accumulated Depreciations	(12.750.349)	(981.612)	**(13.731.961)**
Accounting value at December 31 2008	**6.450.846**	**642.156**	**7.093.003**

	Software	Development expenses	Total
Accounting value at January 1st 2007	**3.229.260**	**646.903**	**3.876.163**
Additions	576.360	580.580	**1.156.940**
Re-adjustment of value due to exchange rates	(47.897)	0	**(47.897)**
Depreciations	(864.684)	(314.057)	**(1.178.741)**

Accounting value at December 31st 2007	**2.893.039**	**913.426**	**3.806.463**
Additions	1.425.977	53.484	**1.479.461**
Acquisition of fixed assets from subsidiary	3.693.833	0	**3.693.833**
Re-adjustment of value due to exchange rates	(82.457)	0	**(82.457)**
Depreciations	(1.479.546)	(324.754)	**(1.804.300)**
Accounting value at December 31 2008	**6.450.846**	**642.156**	**7.093.001**

THE COMPANY

	Software	Development expenses	Total
Gross Book Value	4.555.813	989.704	**5.545.517**
Accumulated Depreciations	(2.912.182)	(342.801)	**(3.254.983)**
Accounting value at January 1st 2007	**1.643.631**	**646.903**	**2.290.534**
Gross Book Value	4.905.010	1.570.284	**6.475.294**
Accumulated Depreciations	(3.300.367)	(656.858)	**(3.957.225)**
Accounting value at December 31st 2007	**1.604.643**	**913.426**	**2.518.068**
Gross Book Value	5.387.318	1.593.887	**6.981.205**
Accumulated Depreciations	(3.899.024)	(816.247)	**(4.715.271)**
Accounting value at December 31 2008	**1.488.293**	**777.640**	**2.265.934**

	Software	Development expenses	Total
Accounting value at January 1st 2007	**1.643.631**	**646.903**	**2.290.534**
Additions	349.197	580.580	**929.777**
Depreciations	(388.185)	(314.057)	**(702.242)**
Accounting value at December 31st 2007	**1.604.643**	**913.426**	**2.518.068**
Additions	482.308	23.603	505.911
Depreciations	(598.657)	(159.389)	(758.046)
Accounting value at December 31 2008	**1.488.293**	**777.640**	**2.265.934**

8. Participation in subsidiaries

The changes of the figure of participations are analyzed as follows:

1/1/2007	**15.870.593**
Acquisition of subsidiaries	4.046.500
31/12/2007	**19.917.093**
Acquisition of subsidiaries	1.570.922
Re-allocation of acquisition cost from the figure «Long term receivables from related companies» (note 7)	26.000.000
Receipt of part of the re-allocated claim (note 7)	(2.375.000)
Participation to an equal increase of share capital of the Romanian subsidiary «Inform Lykos S.A.»	5.000.000
31/12/2008	**50.113.015**

A) Acquisition of subsidiaries in the previous year 2007

Inform P. Lykos S.A. acquired at 30/8/2007, 100% of the company Sagime GmbH, paying € 46.500. This is a holding company based in Austria and was acquired with a sole purpose, the acquisition of the company Austria Card GmbH, to which we refer in the following paragraphs of this note.

The share capital of this subsidiary was raised at 31/12/2007 by the amount of € 4.000.000, by an equal participation by Inform P. Lykos S.A.

Sagime GmbH owns 100% of Salnea GmbH, a holding company based in Vienna Austria, which was also founded with a sole purpose to develop a business activity in Europe.

The financial statements of the above subsidiaries holding companies Sagime GmbH and Salnea GmbH were consolidated for the first time, in the financial statements of the Group "Inform P. Lykos S.A." of the year 1/1 – 31/12/2007 by the method of total consolidation.

B) Acquisition of subsidiaries in the current year 2008

Acquisition of Austria Card GmbH

The Group acquired at 1/1/2008 85% of the company Austria Card GmbH, based in Vienna Austria, which until then was a 100% subsidiary of the Central Bank of Austria. The financial figures of Austria Card GmbH, compared to the previous year, were consolidated in the Group for the first time in the current financial statements of 1/1 – 31/12/2008.

Austria Card GmbH, is one of the largest suppliers of smart cards globally and an international leader in the production and development of smart cards for Banks, Telecommunications, Public Organizations and wholesaling trade chains. It produces more than 75 millions cards annually and occupies 350 employees.

The acquisition of Austria Card GmbH is a strategic choice of Inform P. Lykos S.A. since it's geographical coverage is expanded and it's position gets stronger, by becoming a strategic supplier in the developing market of Central and Eastern Europe. Austria Card GmbH will be the central operation core for the whole area concerning the payment cards of the Group.

The acquisition was financed by funds raised from the issue of common bonds loan (see below in paragraph 24).

The price for the acquisition of 85% of the share capital of Austria Card GmbH, came up to € 30.000.000. The directly attributable costs of the acquisition came up to € 1.622.125. These costs concern mainly remuneration of financial and legal advisors.

The acquired company was evaluated at June 2007 by the financial advisor Rothschild. The methods applied are the following:

- Method of discounted cash flows
- Comparative analysis of listed companies by using stock market indices
- Comparative analysis of transactions of similar companies.

The Group "Austria Card GmbH" includes the subsidiaries: "Austria Card Polska Sp.z.o.o." and "Austria Card Akilii Kart STI". The participation of Austria Card GmbH in these two companies comes up to 100% and 99,96%, respectively, while their domicile are Poland and Turkey, respectively. Their operations are similar to "Austria Card GmbH" (production and trade of smart cards). The effect of incorporation of these two companies "Austria Card Polska Sp.z.o.o." and "Austria Card Akilii Kart STI" in the financial statements of the Group "Austria Card GmbH" and further of the Group "Inform P. Lykos S.A.", is not significant (below 5%, of sales, earnings after tax and equity of the Group "Austria Card GmbH").

Further information for this acquisition is available at the company's web site www.lykos.gr (Investor relations/Annual Report/Briefing Report)

The financial effect of this incorporation in the Group's income statement was significant. Information about the effects from the incorporation of Austria Card GmbH on the figures of the Income Statements of the Group is presented at the following table:

	Year 1/1 - 31/12/2008		
Figures from Income statement of the year	**Group Inform P. Lykos S.A.**	**Group Austria Card GmbH**	**Rate of effect**
Sales	127.922.680	60.327.956	47,16%
	-	-	
Cost of sales	(89.036.163)	(36.016.488)	40,45%
Gross profit	**38.886.517**	**24.311.468**	**62,52%**
Other operating income	5.436.570	2.340.865	43,06%
	-	-	
Operation expenses	(34.297.353)	(20.078.504)	58,54%
Earnings before interest and Taxes (EBIT)	**10.025.734**	**6.573.829**	**65,57%**
Earnings before interest – taxes - depreciation and amortization(EBITDA)	**18.477.144**	**11.107.208**	**60,11%**
Financial income	(1.108.432)	187.092	-16,88%
Earnings before taxes (EBT)	**8.917.302**	**6.760.921**	**75,82%**

Net income	**6.473.931**	**5.319.941**	**82,17%**
Earnings of the parent	5.526.297	4.363.909	78,97%
Earnings of the minority	947.634	956.031	100,89%
Total Earnings	**6.473.931**	**5.319.941**	**82,17%**

	31/12/2008		
Figure	**Group Inform P. Lykos S.A.**	**Group Austria Card GmbH**	**Rate of effect**
Equity	91.142.686	5.319.941	5,83%

Participation in share capital increase of «Inform Lykos S.A.»

The Company proceeded in increase of share capital of the subsidiary in Romania "Inform Lykos S.A. of amount € 5.000.000 with cash payment. This increase was realised at the 5/12/2008 without participation of minority because of resignation from this right. This denial of participation of minority in the increase had as consequence the additional acquisition from the Company of a participation rate of 2,34%. With the above acquisition, the total participation rate of the Company in the share capital of "Inform Lykos S.A." amounted in 97,34% (previous participation rate 95%).

The aim of the share capital increase is the stregthen of capital structure of the subsidiary. Specifically the capital of increase will be used by the subsidiary for the reduction of its net borrowings and accordingly the reduction of its financing expenses, while at the same time its economic adequacy will be strengthened as well as its presence in the local market.

The above mentioned increase of participation of the company in the share capital of the subsidiary, of 2,34%, refers to the following acquired assets and liabilities of the subsidiary:

Net assets and liabilities	Accounting value	Fair value
Tangible assets	565.759	565.759
Intangible assets	21.803	21.803
Inventories	60.842	60.842
Customers and other receivables	104.471	104.471
Other receivables	29.080	29.080
Cash and cash equivalents	21.530	21.530
Borrowings	-273.132	-273.132
Deferred tax liabilities	-20.658	-20.658
Suppliers and other related liabilities	-133.730	-133.730
Current tax liabilities	-8.785	-8.785
Net assets	**367.181**	**367.181**

The above net value of assets was recorded directly to equity of the Group.

C) Basic economic figures of subsidiaries

The basic economic figures (before elimination for consolidation) of the subsidiaries in the current and previous year are the following:

Name	Domicile	Assets	Liabilities	Sales	Earnings (losses)	Participation rate
31/12/2007						
Ektypotiki Voreiou Ellados S.A.	Greece	4.826.468	1.692.084	3.608.685	271.025	86%
Lykos Paperless Solutions S.A.	Greece	3.657.527	621.464	795.048	13.000	100%
Group Terrane L.T.D. (incorporated companies: "Terrane L.T.D.", "Inform Lykos (Romania) L.T.D.", "Inform Lykos S.A.", "Compaper Converting S.A.")	Cyprus, Romania	41.896.458	20.851.653	31.315.417	3.600.489	100%
Group Sagime Gmbh (incorporated companies: "Salnea GmbH")	Austria	30.153.459	26.142.918	0	-26.413	100%
		80.533.912	**49.308.119**	**35.719.150**	**3.858.101**	
31/12/2008						
Ektypotiki Voreiou Ellados S.A.	Greece	4.189.733	1.437.088	3.194.360	-40.990	86%
Lykos Paperless Solutions S.A.	Greece	3.513.994	339.573	763.057	138.356	100%

Group Terrane L.T.D. (incorporated companies: "Terrane L.T.D.", "Inform Lykos (Romania) L.T.D.", "Inform Lykos S.A.", "Compaper Converting S.A.")	Cyprus, Romania	45.357.000	18.645.478	29.336.764	-358.923	100%
Group Sagime Gmbh (incorporated companies: "Salnea GmbH","Austria Card GmbH","Austria Card Polska Sp.z.o.o.","Austria Card Akilii Kart STI")	Austria, Poland Turkey	62.271.556	44.669.927	60.327.956	7.921.596	100%
		115.332.283	**65.092.066**	**93.622.137**	**7.660.039**	

9. Investments in related companies

Investments in related companies are analyzed as follows:

	THE GROUP	THE COMPANY
1/1/2007	**217.923**	**2.141**
Proportion of losses of period 1/1 - 31/12/2008 of "Arrow Up SA"	-22.100	0
31/12/2007	**195.823**	**2.141**
Acquisition of participation in "Technovisie BVBA"	400.000	0
Proportion of losses of period 1/1 - 31/12/2008 of "Arrow Up SA"	-23.938	0
Proportion of earnings of period 17/7 - 31/12/2008 of "Technovisie BVBA"	7.824	0
31/12/2008	**579.709**	**2.141**

In the current year 1/1 – 31/12/2008 and especially at 17/7/2008 the Group (through the subsidiary "Lykos Paperless Solutions S.A.") acquired a participation share of 30% (indirect participation of 29,97%) in the company "Technovisie BVBA" based in Belgium. Total cost of this acquisition came up to 400.000 euros.

"Technovisie BVBA" is specialized in offering network solutions and support of new technology, combining the appropriate hardware and software together with consulting services. In 2007 the company's sales came up to 1,2 million euros and earnings before tax of about 180 thousands euros.

The effect of this incorporation is not significant. The incorporation by the method of net equity of "Technovisie BVBA" in the consolidated financial statements of the Group resulted to a gain of € 7.824 at the earnings after tax of 1/1 – 31/12/2008 and the net equity of the Group as at 31/12/2008 (effect below 1%).

The following table presents the assets, liabilities, sales, total losses of the two related companies and the part of these losses that refer to the Group:

31/12/2007

Related company	% Indirect participation (*)	Country	Assets	Liabilities	Income	Total Earnings / losses	Proportion of earnings / losses
Arrow up NV	29,97%	Belgium	546.766	259.568	1.234.445	-73.667	-22.100

31/12/2008

Related company	% Indirect participation (*)	Country	Assets	Liabilities	Income	Total Earnings / losses	Proportion of earnings / losses
Arrow up NV	29,97%	Belgium	856.835	750.195	1.567.278	-79.794	-23.938
Technovisie BVBA	29,97%	Belgium	851.102	344.175	1.524.408	161.901	48.570

(*) Through the subsidiary «Lykos Paperless Solutions S.A.»

10. Goodwill

The analysis of goodwill is given below:

	THE GROUP
Accounting value at January 1st 2007	**5.286.607**
Gross accounting value	5.286.607
Goodwill by the acquisition of Sagime GmbH	11.500

Accumulated loss by impairment	0,00
Accounting value at December 31st 2007	**5.298.107**
Gross accounting value	5.298.107
Accumulated loss by impairment	0
Accounting value at December 31st 2008	**5.298.107**

The accounting value as at 31/12/2008 of amount € 5.298.107 includes:

- An amount of € 5.286.607 goodwill derived by the acquisitions of participation of 44% of the company Inform Lykos (Romania) Ltd, through the Cypriot company Terrane Ltd, 100% subsidiary of Inform P.Lykos in previous years. The management considers that there is no indication of impairment regarding this amount of goodwill according to I.A.S. 36.
- An amount of € 11.500 goodwill derived by the acquisition by 100% of the company Sagime GmbH during the previous year 2007.

11. Long-term receivables from subsidiaries

The figure «Long-term receivables from subsidiaries» as at 31/12/2007 of amount € 26.000.000 regards a claim of the parent company from its subsidiary "Salnea GmbH". This claim was created by an equal deposit in a restricted bank deposit of the subsidiary "Salnea GmbH", as part of the cost of the acquisition of the company "Austria Card GmbH". The Group acquired Austria Card GmBh through this subsidiary at 1/1/2008 (see above note no. 9). This claim was counted in the acquisition cost of the participation in the current period.

12. Deferred tax assets - liabilities

Most of the amount of deferred tax assets are recoverable in more than 12 months, and most of the deferred tax liabilities are due in more than 12 months.

The company is subject to the following tax rates:

Year	Rate
2007	25%
2008	25%
2009	25%
2010	24%
2011	23%
2012	22%
2013	21%
2014	20%

It must be mentioned that the reduced tax rates of the years 2010 – 2014 were set by law in the year 2008.
The deferred tax receivables and liabilities of the Group have been valuated according to the tax rates that are expected to be effective in the period at which the receivable or liability will be settled, taking into account the tax rates set by law.

The offset of deferred tax receivables and liabilities takes place when an applicable legal right exists and when the deferred tax refer to the same authority.

The deferred tax receivable-liabilities were created as follows:

	THE GROUP				THE COMPANY			
	31/12/2008		31/12/2007		31/12/2008		31/12/2007	
	Receivable	Liability	Receivable	Liability	Receivable	Liability	Receivable	Liability
Non current assets								
Self owned tangible assets and investment property	403.089	4.798.161	299.901	4.644.626	75.745	4.208.749	75.745	4.050.515
Intangible assets	60.294	1.359.264	55.747	841.920	0	83.257	0	24.344
Participations in subsidiaries	957.292	392.731	211.101	113.404	211.101	392.731	211.101	113.404
Other non current assets	0	1.047.167	0	0	0	0	0	0
Current assets								
Inventory	70.703	0	70.703	0	70.703	0	70.703	0
Receivables	144.553	30.821	139.529	30.086	91.180	30.821	90.568	30.086
Short-term liabilities								
Provisions	189	42.054	30.863	612	(761)	42.054	30.057	612
Third parties remuneration	0	1.998	0	0	0	1.998	0	0
Employee benefits	834.455	(4.820)	706.305	4.234	554.379		554.379	0
Financial leasing	(10.948)	13.801	1.350	18.970	(10.948)	13.801	1.350	13.801
State subsidies received	955.421	639.835	949.256	649.915	879.770	583.868	879.770	591.144
Exchange rate differences	2.215	96	2.215	86	2.215	96	2.215	85
Other short-term liabilities	0	140.266	0	0	0	0	0	0
Accounting estimation differences	(1.422.504)	(1.841.235)	(1.486.984)	(1.905.715)	(1.233.916)	(1.616.016)	(1.233.916)	(1.616.016)

of deferred tax assets-liabilities								
Provision for non audited tax years	0	38.533	0	0	0	38.533	0	0
Adjustment of balances to the current income tax rates	0	(130.189)	0	0	0	(125.602)	0	0
Tax on share capital	363	0	8.005	0	363	0	363	0
Offset of deferred tax assets and liabilities	(968.756)	(968.756)	0	0	0	0	0	0
Total	**1.026.365**	**5.559.725**	**987.993**	**4.398.138**	**639.830**	**3.654.288**	**682.335**	**3.207.975**

13. Other long-term assets

This figure includes receivables that are expected to be liquidated after the end of the following year. Long-term receivables of the Group and the company are analyzed below:

	THE GROUP		THE COMPANY	
	31/12/2008	**31/12/2007**	**31/12/2008**	**31/12/2007**
Guarantees offered	82.312	73.648	74.787	66.123
Receivables from State	615.500	0	0	0
Total long-term receivables	**697.812**	**73.648**	**74.787**	**66.123**

The above values reflect at the same time their fair values.

14. Inventories

The inventories of the Group and the Company are analyzed below:

	THE GROUP		THE COMPANY	
	31/12/2008	**31/12/2007**	**31/12/2008**	**31/12/2007**
Raw materials	10.211.899	5.585.034	2.947.604	3.335.361
Finished-semi-finished products	6.221.590	1.620.813	854.562	1.080.203
Production in progress	519.918	391.412	343.002	227.851
Merchantise	1.248.120	1.315.426	595.457	808.059
Total	**18.201.527**	**8.912.685**	**4.740.625**	**5.451.474**
Prepayments for inventories purchase	118.778	23.559	117.494	16.497
	18.320.305	**8.936.246**	**4.858.119**	**5.467.972**

15. Customers and other receivables

Customers and other receivables of the Group and the Company, are analyzed as follows:

	THE GROUP		THE COMPANY	
	31/12/2008	**31/12/2007**	**31/12/2008**	**31/12/2007**
Customers	22.962.031	20.056.944	10.874.383	11.171.420
Cheques receivable	1.201.523	1.195.426	596.565	667.578
Minus: Impairment of uncollected receivables	(1.464.735)	(423.098)	(329.350)	(367.167)
Net trade receivables	**22.698.819**	**20.829.273**	**11.141.598**	**11.471.831**

The accounting value of the above receivables reflects their fair value.

All receivables of the Group have been tested for indications of impairment. Some of them have been impaired as shown in the analysis above. The receivables impaired regard mainly customers of the Group who face economic distress.

The aging of customer and other receivables is shown below :

	THE GROUP		THE COMPANY	
-	**31/12/2008**	**31/12/2007**	**31/12/2008**	**31/12/2007**

Less than 3 months	18.966.356	18.846.447	8.388.564	9.744.771
Between 3 and 6 months	624.788	950.585	39.849	532.432
Between 6 months and 1 year	1.250.232	239.505	933.812	0
Longer than 1 year (*)	1.857.442	792.737	1.570.558	643.672
Total	**22.698.819**	**20.829.273**	**10.932.783**	**10.920.875**

(*) The main part of receivables (longer than 1 year) regard receivables from Public Organizations.

16. Receivables from related companies

Receivables from related companies are analyzed as follows:

	THE GROUP		THE COMPANY	
	31/12/2008	31/12/2007	31/12/2008	31/12/2007
Dividends receivable	0	0	1.554.849	554.849
Loan interest from the subsidiary SALNEA GmbH	0	0	747.094	0
Machinery rents from the subsidiary in Romania	0	0	51.338	0
Total	**0**	**0**	**2.353.281**	**554.849**

17. Other receivables

Other receivables of the Group and the Company are analyzed in the following table:

	THE GROUP		THE COMPANY	
	31/12/2008	31/12/2007	31/12/2008	31/12/2007
Personnel prepayments and loans	13.966	15.181	13.966	15.031
Debtors-Prepayments to creditors	201.506	360.239	200.246	360.239
Receivables from Greek State	1.578.132	1.299.675	1.549.661	1.283.119
Receivables from Austrian State	457.709	0	0	0
Accruals *	1.886.044	1.132.063	803.350	1.068.433
Other receivables	1.432.634	543.144	179.876	80.421
Total	**5.569.991**	**3.350.303**	**2.747.099**	**2.807.244**

** It includes an amount of € 537.000 regarding purchases of raw materials of the parent from abroad which have been accounted in 2008 and received in 2009*

The accounting value of the above receivables reflects their fair value.

18. Cash and cash equivalents

Cash and cash equivalents of the Group and the Company are analyzed at the following table:

	THE GROUP		THE COMPANY	
	31/12/2008	31/12/2007	31/12/2008	31/12/2007
Cash at hand	876.644	46.097	20.784	36.978
Short-term deposits	19.412.097	36.659.314	1.534.949	4.071.503
Total	**20.288.740**	**36.705.410**	**1.555.732**	**4.108.480**

As a consequence of the acquisition of Austria Card GmbH (see note 9) and the terms that have been placed by the salesman (central bank of Austria), a certain amount of cash should be restricted in banking account. The amount of cash restricted as at 31/12/2007 and, consequently not available for the Group amounts in € 30.000.000 (it was included in the figure of the above table "Short-term banking deposits"). This engagements ceased to exist by 1/1/2008 (date of the acquisition of Austria Card GmbH).

The actual weighted interest rate of bank deposits is:

	1/1-31/12/2008	1/1-31/12/2007
Repos in EURO in Greece	4,00%	3,80%
Repos in EURO in Austria	4,00%	-
Repos in EURO in Romania	5,90%	-

The Group deposits in euro with interest rates overnight Libor-Euribor. Interest rates in Greece are subject to 10% tax.

19. Non current assets available for sale

The figure Non current assets available for sale of the Group as at 31/12/2008 of amount € 56.174 regards the value of a building of the subsidiary «Compaper Converting S.A.» which the Group has the will and ability to sell, according to a relevant selling plan. The Group estimates that this building will be sold in the following year 2009.

20. Share capital and share premium

The company's stock is traded in the Athens Stock Exchange and participates in the following indices: Index Computing και Index FTSE/ASE Small Cap 80.

Share premium of the Group and the Company was created by the issue of shares with a price higher than their nominal and also the recognition of payments to employees based on stock options.

	Number of shares (items)	Share capital (in €)	Share premium (in €)	Own shares (in €)	Total (in €)
Balance at 1/1/2007	**20.403.484**	**12.446.125**	**28.382.621**	**0**	**40.828.746**
Issue of new shares	102.950	62.800	29.856	-	92.656
Rights offered	-	-	36.260	-	36.260
Purchase of own shares	-	-	-	(112.866)	(112.866)
Balance at 31/12/2007	**20.506.434**	**12.508.925**	**28.448.736**	**(112.866)**	**40.844.795**
Purchase of own shares	-	-	-	(286.836)	(286.836)
Balance at 31/12/2008	**20.506.434**	**12.508.925**	**28.448.736**	**(399.702)**	**40.557.960**

21. Own shares

As at 31/12/2008, the parent company INFORM P. LYKOS S.A. possessed 97.553 own shares with average acquisition cost of € 4,10 per share, total value of € 399.701,74, that represent the 0,48% of its share capital. The value traded in the Stock Exchange (fair value) as at 31/12/2008 was € 178.521,99. Own shares were purchased in stages from the 17/12/2007 up to the 18/1/2008 according to the article 16 of Law 2190/1920 as effective, and the relative decisions of the General Assembly of Shareholders as at 26/06/2007 and the Board of Directors as at 11/12/2007.

The dividend that corresponds to own shares is added at the dividend of remaining shareholders at the date of cutting off.

22. Reserves

The Group's reserves include fair value reserves, legal reserve and tax free reserves.

Fair value reserves are analyzed as follows:

	THE GROUP			
	Legal reserve	Tax free reserves	Fair value reserves	Total
Balance at January 1st, 2007	**4.470.695**	**3.504.508**	**766.844**	**8.742.047**
Changes during the year	(1.361.896)	998.980	6.319.164	5.956.248
Balance at December 31st, 2007	**3.108.799**	**4.503.488**	**7.086.008**	**14.698.293**
Changes during the year	175.986	911.273	3.859.163	4.946.422
Balance at December 31st, 2008	**3.284.785**	**5.414.761**	**10.945.171**	**19.644.717**

THE COMPANY

	Legal reserve	Tax free reserves	Fair value reserves	Total
Balance at January 1st, 2007	**4.457.163**	**2.973.644**	**0**	**7.430.807**
Changes during the year	(1.367.782)	(137.249)	0	(1.505.031)
Balance at December 31st, 2007	**3.089.380**	**2.836.394**	**0**	**5.925.775**
Changes during the year	182.402	884.213	0	1.066.615
Balance at December 31st, 2008	**3.271.782**	**3.720.607**	**0**	**6.992.389**

Legal reserve is recorded according to the provisions of Greek Legislation (Law 2190/20 articles 44 and 45) by which an amount at least equal with the 5% annual net (after taxes) earnings is compulsory to be recorded in the Legal Reserve until it reaches the one third of paid share capital. The legal reserve can be used for cover of loss after decision of the General Assembly of shareholders, and consequently it cannot be used for any other reason.

The tax-free reserves are recorded according to the provisions of tax legislation from taxed, tax-free or specifically taxed earnings. The above reserves can be capitalized or distributed by decision of the General Assembly of shareholders, after the restrictions effective each time are taken into consideration.

Fair value reserves concern value readjustments of land and buildings owned by the Group (net of taxes). The above readjustments were realised during the application of methods of valuation of land and buildings as selected by the Group (see further the above note 3.1 and 6).

23. Borrowings

The borrowings of the Group and the Company are the following:

	THE GROUP		THE COMPANY	
	31/12/2008	**31/12/2007**	**31/12/2008**	**31/12/2007**
Long-term borrowings	40.128.478	6.069.611	35.000.000	0
Short-term borrowings	13.171.655	41.743.280	2.609.375	36.323.427
Total borrowings	**53.300.133**	**47.812.891**	**37.609.375**	**36.323.427**

The actual weighted average interest rates of the Company's borrowings, at the Balance Sheet date are the following:

	31/12/2008	**31/12/2007**
Borrowings (short-term)	Euribor + 1,2%	Euribor + 1,1%
Borrowings (long-term)	Euribor + 0,8%	

The actual weighted average interest rates of the Group's borrowings, at the Balance Sheet date are the following:

	31/12/2008	**31/12/2007**
Borrowings (short-term)	Euribor + 1,2%	Euribor + 1,1%
Borrowings (long-term)	Euribor + 0,8%	
Borrowings (short-term)	Rubor + 1,5%	Rubor + 1,5%
Borrowings (long-term)	Rubor + 1,3%	Rubor + 1,3%

It must be mentioned that in the need of financing the acquisition of the Austrian company "Austria Card GmbH " and applying the decision of the General Assembly of shareholders from 26/6/2007, the Company proceeded as at 29/2/2008 to the issue of common bond loan (not convertible) of amount € 35.000.000 by issuing 35.000.000 bonds of nominal value € 1,00 each. The duration of payment of capital of the bond loan was set in ten years and the first dose is payable in 24 months from the date of the issue of loan. The bond loan was used for the settlement of short-term banking loan of company that used for the needs of the above acquisition. The interest-rate comes up in six months euribor and a margin (spread) of 0,80%.

24. Provisions for employee benefits

Provisions for employee benefits are analyzed as follows:

	THE GROUP		THE COMPANY	
	31/12/2008	31/12/2007	31/12/2008	31/12/2007
Balance sheet liabilities for:				
Retirement benefits	5.057.234	1.991.545	1.712.118	1.785.938
Total	**5.057.234**	**1.991.545**	**1.712.118**	**1.785.938**
Retirement benefits	317.275	237.120	235.262	231.336
Analysis of expenses				
Cost of current employment	234.012	172.605	153.745	157.637
Financial cost	88.746	76.979	81.516	70.963
Depreciation of not recorded actuarial profits / (losses)	(5.483)	(6.882)	0	0
Effect of cutoff / offset / benefit of retirement	0	(5.582)	0	2.736
Total	**317.275**	**237.120**	**235.262**	**231.336**
Adjustment of liabilities through the income statement				
Amendment of accounting estimation due to changes (resigns etc.)	(352.314)	(143.803)	(309.082)	(126.865)

25. Other long-term liabilities

Other long-term liabilities are analyzed as follows:

	THE GROUP		THE COMPANY	
	31/12/2008	31/12/2007	31/12/2008	31/12/2007
Retirement benefits program	569.773	0	0	0
Greek state – Taxes payable	0	94.268	0	94.268
Total	**569.773**	**94.268**	**0**	**94.268**

26. Suppliers and other related liabilities

Suppliers and other related liabilities of the Group and the Company are analyzed as follows:

	THE GROUP		THE COMPANY	
	31/12/2008	31/12/2007	31/12/2008	31/12/2007
Suppliers	12.090.879	11.685.010	4.723.981	4.267.442
Customer prepayments	1.808	429.985	0	264.116
Total	**12.092.687**	**12.114.995**	**4.723.981**	**4.531.558**

The above accounting values reflect also their fair values.

27. Current tax liabilities

The current tax liabilities of the Group and the Company are the following:

	THE GROUP		THE COMPANY	
	31/12/2008	31/12/2007	31/12/2008	31/12/2007
Income tax	2.506.595	1.648.579	608.707	1.171.154
Other taxes	1.941.411	1.440.736	887.496	874.899
Total	**4.448.006**	**3.089.315**	**1.496.203**	**2.046.053**

The above accounting values reflect also their fair values.

28. Other short-term liabilities

The analysis of other short-term liabilities of the Group and the Company is shown below:

	THE GROUP		THE COMPANY	
	31/12/2008	31/12/2007	31/12/2008	31/12/2007
Accrued personnel expenses	2.064.795	0	0	0
Accrued other expenses	4.611.126	231.693	813.285	87.438
Social security organizations	1.119.324	700.735	552.077	556.563
Dividends payable	72.564	81.416	68.374	77.281
State subsidies for fixed assets	3.155.435	1.550.866	2.115.670	1.300.576
Other liabilities	98.676	171.567	9.496	0
Total	**11.121.921**	**2.736.275**	**3.558.901**	**2.021.857**

The above accounting values reflect also their fair values.

29. Short term provisions

The Group's short term provisions are the following:

	THE GROUP		
	Provision of transfer expenses	Other	Total
January 1st, 2007	**303.353**	**0**	**303.353**
Use of provisions	(303.353)	0	**(303.353)**
Additional provisions	0	13.500	**13.500**
December 31st, 2007	**0**	**13.500**	**13.500**
Use of provisions	0	(13.500)	**(13.500)**
December 31st, 2008	**0**	**0**	**0**

30. Cost of sales

Cost of sales of the Group and the Company is analyzed as follows:

	THE GROUP		THE COMPANY	
	1/1 - 31/12/2008	1/1 - 31/12/2007	1/1 - 31/12/2008	1/1 - 31/12/2007
Employee Compensation & Expenses	22.439.303	10.774.214	7.706.234	7.638.126
Provision for staff retirement indemnities	136.333	143.019	136.333	139.906
Cost of inventories recognized as expense	51.691.708	33.387.606	15.113.357	14.125.441
Third party remuneration	2.010.555	2.498.319	1.281.734	1.405.096
Utilities	3.532.695	1.616.644	686.788	669.333
Fixed assets repairs and maintenance expenses	854.204	1.545.332	808.883	1.123.122
Taxes - duties	296.437	201.150	32.574	32.877
Transportation expenses	953.977	662.875	62.257	60.127
Other material	564.034	898.846	564.034	675.422
Depreciation	5.060.295	2.340.815	1.210.578	1.229.869
Other miscellaneous expenses	1.496.623	447.499	207.988	210.493
Total	**89.036.163**	**54.516.320**	**27.810.759**	**27.309.812**

31. Other operating income

Other operating income of the Group and the Company is analyzed as follows:

	THE GROUP		THE COMPANY	
	1/1 - 31/12/2008	1/1 - 31/12/2007	1/1 - 31/12/2008	1/1 - 31/12/2007
Income from subsidies	1.247.822	164.390	22.487	164.390
Income from rental	12.806	12.266	148.406	109.366
Income from use of provisions	1.419.363	509.942	309.586	209.942
Income of previous years	304.599	166.511	304.599	7.671
Extraordinary income - profits	838.333	798.674	392.888	374.257
Income from investment / expropriation of property	1.185.883	2.129.496	108.048	0
Exchange rate differences	284.505	0	0	0
Other income	143.259	0	0	0
Total	**5.436.570**	**3.781.279**	**1.286.015**	**865.626**

32. Selling expenses

Selling expenses of the Group and the Company are analyzed as follows:

	THE GROUP		THE COMPANY	
	1/1 - 31/12/2008	1/1 - 31/12/2007	1/1 - 31/12/2008	1/1 - 31/12/2007
Employee Compensation & Expenses	7.224.776	4.340.807	3.333.845	3.455.112
Provision for staff retirement indemnities	58.569	63.876	58.569	62.108
Third party remuneration	414.061	409.030	104.403	120.473
Representation commissions	1.528.338	0	0	0
Utilities	774.581	557.105	302.137	316.499
Fixed assets repairs and maintenance expenses	32.841	150.313	32.841	35.165
Taxes - duties	248.721	272.938	116.792	225.120
Transportation expenses	3.039.222	680.871	483.367	520.255
Other material	18.469	77.281	18.469	16.347
Depreciation	630.875	439.249	221.201	231.333
Other miscellaneous expenses	974.283	238.056	128.728	165.571
Total	**14.944.733**	**7.229.526**	**4.800.352**	**5.147.981**

33. Administration expenses

Administration expenses of the Group and the company are analyzed as follows:

	THE GROUP		THE COMPANY	
	1/1 - 31/12/2008	1/1 - 31/12/2007	1/1 - 31/12/2008	1/1 - 31/12/2007
Employee Compensation & Expenses	6.807.140	2.528.062	2.333.259	1.634.998
Provision for staff retirement indemnities	40.360	30.785	40.360	29.323
Third party remuneration	1.781.402	598.143	435.561	352.428
Utilities	1.863.665	472.994	124.593	110.803
Fixed assets repairs and maintenance expenses	135.202	126.992	135.198	126.992
Taxes - duties	690.790	94.327	40.505	48.955
Transportation expenses	42.210	40.051	42.033	40.051

Other material	6.664	14.668	6.664	14.668
Depreciation	1.884.660	918.378	773.008	692.646
Other miscellaneous expenses	946.580	699.558	201.915	185.301
Total	**14.198.673**	**5.523.957**	**4.133.095**	**3.236.165**

34. Research and Development expenses

Research and Development expenses of the Group are analyzed as follows:

	THE GROUP		THE COMPANY	
	1/1 - 31/12/2008	1/1 - 31/12/2007	1/1 - 31/12/2008	1/1 - 31/12/2007
Other employee benefits	2.223.424	66.949	0	0
Third party remuneration	1.226.122	0	0	0
Utilities	216.208	0	0	0
Taxes - duties	11.961	0	0	0
Depreciation	71.851	56.426	0	0
Other miscellaneous expenses	479.059	215	0	0
Total	**4.228.625**	**123.589**	**0**	**0**

35. Other operating expenses

Other operating expenses of the Group and the Company are analyzed as follows:

	THE GROUP		THE COMPANY	
	1/1 - 31/12/2008	1/1 - 31/12/2007	1/1 - 31/12/2008	1/1 - 31/12/2007
Provision against doubtful claims	7.355	48.932	7.355	48.932
Disposal of obsolete inventories	0	78.495	0	78.495
Exchange rate differences	0	621.012	0	3.979
Extraordinary expenses	447.638	111.378	9.161	15.197
Extraordinary losses	127.382	52.564	0	33.859
Previous year expenses	35.751	108.939	35.693	24.240
Depreciation not included in the operational cost	307.197	306.302	182.196	181.302
Total	**925.323**	**1.327.622**	**234.404**	**386.004**

36. Financial income

Financial income of the Group are analyzed as follows:

	THE GROUP		THE COMPANY	
	1/1 - 31/12/2008	1/1 - 31/12/2007	1/1 - 31/12/2008	1/1 - 31/12/2007
Interest income	459.217	216.547	155.893	80.403
Interest income on loans	0	0	1.471.220	130.900
Total	**459.217**	**216.547**	**1.627.113**	**211.303**

37. Financial expenses

Financial expenses of the Group and the Company are analysed as follows:

	THE GROUP		THE COMPANY	
	1/1 - 31/12/2008	1/1 - 31/12/2007	1/1 - 31/12/2008	1/1 - 31/12/2007
Commissions of Letters of Guarantee	22.021	19.458	22.021	19.458
Interest & Other Bank Expenses	4.354.505	1.048.147	2.110.851	372.611
Total	**4.376.526**	**1.067.606**	**2.132.872**	**392.070**

38. Income from subsidiaries and related companies

Income from subsidiaries in analyzed below:

	THE GROUP		THE COMPANY	
	1/1 - 31/12/2008	1/1 - 31/12/2007	1/1 - 31/12/2008	1/1 - 31/12/2007
Dividends	0	0	1.432.688	1.436.508
Profit from sale of participation	1.840.759	0	0	0
Loss from related companies	(16.115)	(22.100)	0	0
Total	**1.824.644**	**(22.100)**	**1.432.688**	**1.436.508**

The figure "Profit from sale of participation " concerns the profit that resulted from the sale of participation rate of 10%, owned by Austria Card GmbH "in the company XponCard (company of which shares are traded in the Stock Exchange of Stockholm). This sale was realised by the acceptance of public offer by the company Oberthur Technologies S.A.

39. Profit from acquisition of subsidiary

The figure «Profit from acquisition of subsidiary» € 984.232 regards the amount of the total acquisition cost of "Austria Card GmbH" € 31.622.125, which at the time of the acquisition is allocated as a negative premium (further analysis of this acquisition is presented above at note 9).

Specifically this figure concerns the amount of the premium of the Group's participation over the net fair value of the recognizable assets, liabilities and contingent liabilities of "Austria Card GmbH", over the acquisition cost. The final amount of premium(negative goodwill) was calculated after the re-estimation of recognition and measurement of recognizable assets, liabilities and contingent liabilities and also the measurement of acquisition cost.

The details of net assets acquired by the Group as at 1/1/2008 by this merger and the amount of premium (negative goodwill) are the following:

Net assets and liabilities	Accounting value	Fair value
Tangible assets	28.687.540	28.687.540
Intangible assets	3.693.833	3.693.833
Other long-term receivables	7.271.193	7.271.193
Inventories	12.008.931	12.008.931
Customers and other receivables	10.013.845	10.013.845
Other receivables	1.297.660	1.297.660
Cash and cash equivalents	5.118.411	5.118.411
Employee benefits	-3.100.728	-3.100.728
Deferred tax liabilities	-355.619	-355.619
Other long-term liabilities	-2.256.755	-2.256.755
Suppliers and other related liabilities	-4.682.556	-4.682.556
Current tax liabilities	-1.291.667	-1.291.667
Short-term bank debt	-10.967.032	-10.967.032
Other short-term liabilities	-7.076.636	-7.076.636
Net assets	**38.360.420**	**38.360.420**
Participation rate acquired		85%
Net assets acquired		**32.606.357**
Acquisition cost		
– Part of acquisition cost covered by cash and cash equivalents		30.000.000
– Direct cost related to acquisition		1.622.125
Total acquisition cost		**31.622.125**
Fair value of net assets and liabilities acquired		32.606.357
Premium (negative goodwill)		**984.232**

Cash flows of the acquisition are the following:

Cash flows at acquisitions	
Cash and cash equivalents of the acquired	5.118.411
Cash payment of cost	31.622.125
Net cash outflow	**26.503.714**

40. Income tax

The amounts of taxes recorded in the income statement are analyzed below:

	THE GROUP	
	31/12/2008	**31/12/2007**
Income tax		
Current income tax	1.852.913	1.318.101
Other not included taxes	37.319	16.271
Tax audit differences	32.809	320.675
Deferred taxes of the year	520.330	838.613
Total	**2.443.371**	**2.493.659**

	THE COMPANY	
	31/12/2008	**31/12/2007**
Income tax		
Current income tax	608.708	1.151.174
Other not included taxes	32.088	16.271
Tax audit differences	0	320.675
Deferred taxes of the year	488.818	370.841
Total	**1.129.614**	**1.858.961**

Income tax over the company's earnings, is different than the theoretical amount computed by the weighted average tax rate, on its earnings.

Current tax is calculated above:

	THE GROUP	
	31/12/2008	**31/12/2007**
Current income tax		
Accounting earnings before taxes (IAS)	**8.917.302**	**7.622.568**
Temporary differences	(2.455.151)	(4.206.520)
Permanent differences	0	0
Accounting earnings before taxes (local GAAP)	**6.462.151**	**3.416.048**
Accounting differences	606.175	611.104
Income tax free	(845.898)	(242.212)
Total	**6.222.428**	**3.784.940**
Tax	(1.329.361)	(1.076.076)
Additional tax upon allocation of earnings by IAS	(600.317)	(377.844)
Additional tax on assets	(1.327)	0
Tax discount due to reduced tax rate of article 9/Law 2992	78.092	135.819
Total current income tax	**(1.852.913)**	**(1.318.101)**

	THE COMPANY	
	31/12/2008	**31/12/2007**
Current income tax		
Accounting earnings before taxes (IAS)	**2.803.140**	**5.200.974**
Temporary differences	(2.377.551)	(1.450.499)
Accounting earnings before taxes (local GAAP)	**425.589**	**3.750.475**
Accounting differences	175.522	128.331
Income tax free	(260.489)	(242.212)
Total	**340.622**	**3.636.594**
Tax	(85.156)	(909.149)
Additional tax upon allocation of earnings by IAS	(600.317)	(377.844)
Additional tax on assets	(1.327)	0
Tax discount due to reduced tax rate of article 9/Law 2992	78.092	135.819
Total current income tax	**(608.708)**	**(1.151.174)**

It must be mentioned that the amount of € 520.033 deferred tax recorded in the income statement, includes among others the following figures :

- Amount of € 130.190 concerning an adjustment of deferred tax liabilities / assets to the new adjusted income tax rates.
- Amount of € (38.533) concerning a provision against additional taxes that might be imposed at the finalization of the Group's tax liabilities for the not audited tax years.

41. Basic earnings per share

Earnings per share are calculated by dividing the earnings belonging to the shareholders of the Group and the Company to the weighted average of shares during the year.

	THE GROUP		THE COMPANY	
	1/1-31/12/2008	**1/1-31/12/2007**	**1/1-31/12/2008**	**1/1-31/12/2007**
Earnings of the shareholders of the parent	5.526.297	4.942.702	1.673.526	3.342.014
Weighted average of shares	20.429.199	20.401.285	20.429.199	20.401.285
Basic earnings per share (euro per share)	**0,27**	**0,24**	**0,08**	**0,16**

42. Economic information per segment

Every distinguished business operation, with special features according to the nature of activity and the business risks related, represents a segment or part of a Company's operation (business segment). Another relevant distinction of segment is subject to the business environment where operations take place (geographical segment).

The criteria used to define the segments of the Group's operations are the following:
A business segment is defined by the following criteria:

- Nature of products or services
- The form of production process
- The type of market in which products are sold or services supplied.
- The customer divisions that products or services are offered.
- The distribution channels of products and services.
- The general framework of the company, like banking, insurance, constructing etc.

A geographical segment is defined by the following criteria:

- Proximity of operations
- Similarity of economic and political conditions
- Relations between operations in several economic areas
- Special risks, connected to operations at certain regions
- Regulations of exchange rate control
- Exchange rate risks

The Group, according to the nature of activities of its companies, is organized into two business segments, the printing market and the market of secured data processing, information and applications including added value.

Taking into account the business risks and generally, the economic environment of every geographical area in which the Group operates, the geographical segmentation of the Group's activities is the following: a) Interior (Greece), b) Austria c) Romania d) Other countries

a. Primary segment of information – business segments

The Group's earnings per segment and the allocation of consolidated assets and liabilities at the business segments are analyzed as follows:

Earnings for each sector for the year 1/1 - 31/12/2008 and 1/1 – 31/12/2007

1/1 - 31/12/2008

	Products of data processing/ information & other services	Production and Processing of Cards	Total
Sales per segment	**68.099.082**	**59.823.598**	**127.922.680**
Operational profit	5.891.242	6.943.369	12.834.611
Financing cost	(3.734.861)	(182.448)	(3.917.309)
Earnings before taxes	**2.156.381**	**6.760.921**	**8.917.302**
Income tax	(1.002.391)	(1.440.980)	(2.443.371)
Net Income	**1.153.990**	**5.319.941**	**6.473.931**
Minority interest	(8.397)	956.031	947.634
Earnings of Group	**1.162.387**	**4.363.910**	**5.526.296**

1/1 - 31/12/2007

	Products of data processing/ information & other services	Production and Processing of Cards	Total
Sales per segment	**73.435.466**	**0**	**73.435.466**
Operational profit	8.690.175	0	8.690.175
Financing cost	(1.067.608)	0	(1.067.608)
Earnings before taxes	**7.622.567**	**0**	**7.622.567**
Income tax	(2.493.659)	0	(2.493.659)
Net Income	**5.128.908**	**0**	**5.128.908**
Minority interest	186.206	0	186.206
Earnings of Group	**4.942.702**	**0**	**4.942.702**

The allocation of consolidated assets and liabilities 31/12/2008 and 31/12/2007

1/1 - 31/12/2008

	Products of data processing/ information & other services	Production and Processing of Cards	Total
Total assets	121.020.609	62.271.556	**183.292.165**
Total liabilities	47.479.552	44.669.927	**92.149.479**
Depreciations	3.918.031	4.533.379	**8.451.410**
Investments in fixed assets	3.265.494	3.944.316	**7.209.810**

1/1 - 31/12/2007

	Products of data processing/ information & other services	Production and Processing of Cards	Total
Total assets	152.341.101	0	**152.341.101**
Total liabilities	72.250.928	0	**72.250.928**
Depreciations	4.061.169	0	**4.061.169**
Investments in fixed assets	6.899.357	0	**6.899.357**

b. Secondary segment of information – geographical segments

The Group's domicile is Greece. The Group is active in the interior and abroad (Romania, Austria etc.).

Sales, assets and investments of the Group per geographical segment are analyzed as follows:

1/1-31/12/2008

	Sales 1/1- 31/12/08	Total assets 31/12/08	Investments in fixed assets 31/12/08
Greece	40.097.938	75.663.609	1.798.041
Romania	28.001.144	45.357.000	1.459.461
Austria	29.926.481	60.900.027	3.944.316
Eastern Europe	29.897.117	1.371.529	0
Total	**127.922.680**	**183.292.165**	**7.201.818**

1/1-31/12/2007

	Sales 1/1- 31/12/07	Total assets 31/12/07	Investments in fixed assets 31/12/07
Greece	42.120.049	110.444.642	2.465.681
Romania	31.315.417	41.896.458	4.433.716
Total	**73.435.466**	**152.341.100**	**6.899.397**

43. Intercompany transactions

The operational and investment activity of Group, creates certain earnings, assets or liabilities that concern except others related companies or individuals persons. These transactions are realised in net commercial base and according to the laws of market. The Group did not participate in any transaction of uncommon nature or content which is essential for the Group, or the companies and the individuals connected closely with this, and does not aim to participate in such kind of transactions in the future.

The table below presents analytically all the intercompany transactions during the years 2008 and 2007 as well as the balances resulted from these transactions as at 31/12/08 and 31/12/07 respectively:

Sales of products or services

	THE GROUP		THE COMPANY	
	31/12/2008	**31/12/2007**	**31/12/2008**	**31/12/2007**
Subsidiaries	0	0	894.630	619.594
Total	**0**	**0**	**894.630**	**619.594**

Purchase of products or services

	THE GROUP		THE COMPANY	
	31/12/2008	**31/12/2007**	**31/12/2008**	**31/12/2007**
Subsidiaries	0	0	2.204.572	757.193

Related	180.931	29.460	76.439	0
Total	**180.931**	**29.460**	**2.281.011**	**757.193**

Loans issued

	THE GROUP		THE COMPANY	
	31/12/2008	**31/12/2007**	**31/12/2008**	**31/12/2007**
Subsidiaries	0	0	23.625.000	26.000.000
Total	**0**	**0**	**23.625.000**	**26.000.000**

Receivables from sale of products or services

	THE GROUP		THE COMPANY	
	31/12/2008	**31/12/2007**	**31/12/2008**	**31/12/2007**
Subsidiaries	0	0	208.815	550.955
Total	**0**	**0**	**208.815**	**550.955**

Liabilities from purchase of products or services

	THE GROUP		THE COMPANY	
	31/12/2008	**31/12/2007**	**31/12/2008**	**31/12/2007**
Subsidiaries	0	0	589.713	434.952
Related	0	34.716	20.650	0
Total	**0**	**34.716**	**610.363**	**434.952**

Remuneration of main executives

	THE GROUP		THE COMPANY	
	31/12/2008	**31/12/2007**	**31/12/2008**	**31/12/2007**
Main executives	851.358	823.774	851.358	823.774
Total	**851.358**	**823774**	**851.358**	**823.774**

Receivables from main executives

	THE GROUP		THE COMPANY	
	31/12/2008	**31/12/2007**	**31/12/2008**	**31/12/2007**
Main executives	0	0	0	0
Total	**0**	**0**	**0**	**0**

Liabilities to main executives

	THE GROUP		THE COMPANY	
	31/12/2008	**31/12/2007**	**31/12/2008**	**31/12/2007**
Main executives	0	0	0	0
Total	**0**	**0**	**0**	**0**

44. Financial assets of the Group

Financial assets included in the financial statements of the Group and the Company are analyzed as follows:

THE GROUP

Categories of financial assets and liabilities	Figures of Balance Sheet	31/12/2008	31/12/2007
Non current assets			
Loans and receivables	Other long-term receivables (*)	697.812	73.648
Total		**697.812**	**73.648**
Current assets			
Loans and receivables	Customers and other receivables (*)	22.698.819	20.829.272
	Other receivables	5.569.991	3.350.303
Financial assets at fair value through the income statement	Cash and cash equivalents	20.288.740	36.705.410
Total		**48.557.550**	**60.884.985**
Total financial assets		**49.255.362**	**60.958.633**
Long-term liabilities			
Financial liabilities at deemed cost	Long-term bank debt	40.128.478	6.069.611
	Other long-term liabilities	569.773	94.268
Total		**40.698.251**	**6.163.879**
Short-term liabilities			
Financial liabilities at deemed cost	Suppliers and other liabilities (*)	12.092.687	12.114.995
	Short-term bank debt	13.171.655	41.743.280
	Other short-term liabilities	11.121.919	2.736.275
Total		**36.386.261**	**56.594.550**
Total financial liabilities		**77.084.512**	**62.758.429**

THE COMPANY

Categories of financial assets and liabilities	Figures of Balance Sheet	31/12/2008	31/12/2007
Non current assets			
Loans and receivables	Other long-term receivables (*)	74.787	66.123
Total		**74.787**	**66.123**
Current assets			
Loans and receivables	Customers and other receivables (*)	10.932.783	10.920.875
	Receivables from subsidiaries	2.562.096	1.105.805
	Other receivables	2.747.099	2.807.244
Financial assets at fair value through the income statement	Cash and cash equivalents	1.555.732	4.108.480
Total		**17.797.710**	**18.942.403**
Total financial assets		**17.872.497**	**19.008.526**
Long-term liabilities			
Financial liabilities at deemed cost	Long-term bank debt	35.000.000	0
	Other long-term liabilities	0	94.268
Total		**35.000.000**	**94.268**
Short-term liabilities			
Financial liabilities at deemed cost	Suppliers and other liabilities (*)	4.723.981	4.531.558
	Short-term bank debt	2.609.375	36.323.427
	Liabilities to subsidiaries	589.713	372.503
	Other short-term liabilities	3.558.901	2.021.857
Total		**11.481.970**	**43.249.345**
Total financial liabilities		**46.481.970**	**43.343.613**

(*) this figure is different than presented in the Balance sheet by:

- Receivables or liabilities not related to money transfer or other financial assets.
- Prepaid expenses or accued income not connected to contractual liabilities for the receipt or payment of cash or other financial assets.
- Receivables not contractual, but imposed by law.

45. Interest rate risk

The following table summarizes the exposure of the Group and the Company to interest rate risk as at 31/12/08 and 31/12/07.

THE GROUP

31/12/2008

(a) Financial assets

	Interest bearing with flexible rate	Interest bearing with fixed rate	Interest free	Total
Loans and receivables			28.966.622	**28.966.622**
Financial assets at fair value through the income statement	20.288.740			**20.288.740**
Total (a)	**20.288.740**	**0**	**28.966.622**	**49.255.362**

(b) Financial liabilities

	Interest bearing with flexible rate	Interest bearing with fixed rate	Interest free	Total
Suppliers and other liabilities			23.784.379	**23.784.379**
Long-term bank debt	40.128.478			**40.128.478**
Short-term bank debt	13.171.655			**13.171.655**
Total (b)	**53.300.133**	**0**	**23.784.379**	**77.084.512**
Exposure balance (a) - (b)	**-33.011.393**			

31/12/2007

(a) Financial assets

	Interest bearing with flexible rate	Interest bearing with fixed rate	Interest free	Total
Loans and receivables			24.253.223	**24.253.223**
Financial assets at fair value through the income statement	36.705.410			**36.705.410**
Total (a)	**36.705.410**	**0**	**24.253.223**	**60.958.633**

(b) Financial liabilities

	Interest bearing with flexible rate	Interest bearing with fixed rate	Interest free	Total
Suppliers and other liabilities			14.945.538	**14.945.538**
Long-term bank debt	6.069.611			**6.069.611**
Short-term bank debt	41.743.280			**41.743.280**
Total (b)	**47.812.891**	**0**	**14.945.538**	**62.758.429**
Exposure balance (a) - (b)	**-11.107.482**			

THE COMPANY

31/12/2008

(a) Financial assets

	Interest bearing with flexible rate	Interest bearing with fixed rate	Interest free	Total
Loans and receivables			16.316.765	**16.316.765**
Financial assets at fair value through the income statement	0		1.555.732	**1.555.732**
Total (a)	**0**	**0**	**17.872.497**	**17.872.497**

(b) Financial liabilities

	Interest bearing with flexible rate	Interest bearing with fixed rate	Interest free	Total
Suppliers and other liabilities			8.872.595	**8.872.595**
Long-term bank debt	35.000.000			**35.000.000**
Short-term bank debt	2.609.375			**2.609.375**
Total (b)	**37.609.375**	**0**	**8.872.595**	**46.481.970**
Exposure balance (a) - (b)	**-37.609.375**			

31/12/2007

(a) Financial assets

	Interest bearing with flexible rate	Interest bearing with fixed rate	Interest free	Total
Loans and receivables			14.900.046	**14.900.046**
Financial assets at fair value through the income statement	4.108.480			**4.108.480**
Total (a)	**4.108.480**	**0**	**14.900.046**	**19.008.526**

(b) Financial liabilities

	Interest bearing with flexible rate	Interest bearing with fixed rate	Interest free	Total
Suppliers and other liabilities			7.020.186	**7.020.186**
Long-term bank debt	0			**0**
Short-term bank debt	36.323.427			**36.323.427**
Total (b)	**36.323.427**	**0**	**7.020.186**	**43.343.613**
Exposure balance (a) - (b)	**-32.214.947**			

As it appears above, the Group was exposed as at 31/12/2008 in the changes of market of interest-rates, mainly through its borrowing liabilities that are subject to flexible interest-rates (mainly on Euribor - Euro Interbank Offered Rate).

The following tables presents the sensitivity of results and equity in a reasonable change of interest-rates of a range of +/- 1,5% of (+/- 0,5% for the year 2007). These changes are considered reasonable, since they are based on current conditions (change of Interest-rate of Central Bank – ECB).

	31/12/2008	31/12/2007
Earnings before tax	-/+ 575.280	-/+ 23.420
Equity	-/+ 431.460	-/+ 17.565

The exposure of the Company in the interest-rate risk, differs at the duration of year depending on the volume of relative interest-bearing transactions and balances. Nevertheless, the above analysis, even if approximate, is considered representative of the exposure of the Company in the interest-rate risk.

46. Exchange rate risk

The following table summarises the Group's exposure in the exchange rate risk of 31 December 2008. The financial assets are presented in the following table, per currency, in accounting values expressed in Euros.

31/12/2008

Current financial assets

	Euro	Ron	Other currency	Total
(a) Financial assets				
Loans and receivables	22.073.682	5.707.311	487.817	**28.268.810**
Financial assets at fair value through the income statement	18.529.332	920.080	839.328	**20.288.740**
Total (a)	**40.603.014**	**6.627.391**	**1.327.145**	**48.557.550**
(b) Financial liabilities				
Financial liabilities at deemed cost	24.012.803	12.258.761	114.697	**36.386.261**
Total (b)	**24.012.803**	**12.258.761**	**114.697**	**36.386.261**
Short term exposure (a) - (b)	**16.590.211**	**-5.631.370**	**1.212.448**	**12.171.289**

Non current financial assets

	Euro	Ron	Other currency	Total
(a) Financial assets				
Loans and receivables	697.812	0	0	**697.812**
Total (a)	**697.812**	**0**	**0**	**697.812**
(b) Financial liabilities				
Financial liabilities at deemed cost	35.569.773	5.128.478	0	**40.698.251**
Total (b)	**35.569.773**	**5.128.478**	**0**	**40.698.251**
Long term exposure (a) - (b)	**-34.871.961**	**-5.128.478**	**0**	**-40.000.439**

31/12/2007

Current financial assets

	Euro	Ron	Other currency	Total
(a) Financial assets				
Loans and receivables	15.416.889	8.762.686	0	**24.179.575**
Financial assets at fair value through the income statement	34.515.541	2.189.869	0	**36.705.410**
Total (a)	**49.932.430**	**10.952.555**	**0**	**60.884.985**
(b) Financial liabilities				
Financial liabilities at deemed cost	43.463.561	13.130.989	0	**56.594.550**
Total (b)	**43.463.561**	**13.130.989**	**0**	**56.594.550**
Short term exposure (a) - (b)	**6.468.869**	**-2.178.434**	**0**	**4.290.435**

Non current financial assets

	Euro	Ron	Other currency	Total
(a) Financial assets				
Loans and receivables	73.648	0	0	**73.648**
Total (a)	**73.648**	**0**	**0**	**73.648**
(b) Financial liabilities				
Financial liabilities at deemed cost	94.268	6.069.611		**6.163.879**
Total (b)	**94.268**	**6.069.611**	**0**	**6.163.879**
Long term exposure (a) - (b)	**-20.620**	**-6.069.611**	**0**	**-6.090.231**

As it appears above the risk of exchange parity is derived mainly from the parity of Rumanian RON against the presenting currency of the financial statements that is the Euro.

In the framework of reference of sensitivity analysis of earnings and equity of the Group in potential changes of exchange parity of Euro/RON, it is supposed that the exchange parity of Euro/RON is changed by 10,39% (2007: 6,78%). This percentage was based on the medium volatility in the market of exchange rates for the interval of the last 12 months for 2008 (and in 2007 respectively). The sensitivity analysis is based on the financing assets in RON owned by the Group for each period of report.

In case the parity of Euro/RON changes by +/- 10,39% and +/- 6,78% for the years 2007 and 2008, respectively, this would have the following approximate effect:

	31/12/2008	31/12/2007
Earnings before tax	-/+ 1.118.309	-/+559.217
Equity	-/+ 939.379	-/+ 469.743

The Company's exposure in the exchange rate risk, differs during the year depending on the volume of relative transactions in foreign currency. Nevertheless, the above analysis even if approximate, is considered representative of the Company's exposure in the exchange rate risk.

47. Credit risk

The table below presents the maximum exposure of the Group to credit risk against its financial assets:

	THE GROUP		THE COMPANY	
	31/12/2008	31/12/2007	31/12/2008	31/12/2007
Cash and cash equivalents	20.288.740	36.705.410	1.555.732	4.108.480
Customers and other receivables	22.698.819	20.829.272	10.932.783	10.920.875
Total	**42.987.559**	**57.534.682**	**12.488.515**	**15.029.355**

Cash equivalent concern short-term, easily liquidated investments, that are easily convertible into cash and are so close to their expiry that present negligible risk for changes of their valuation at the time of liquidation and repos.

The balance of trade receivables, equals to the balance after impairment, without taking into consideration reassurance or other credit upgrades.

The management of the Group considers that all receivables not impaired are of high credit quality, including also past due receivables not impaired.

Below follows a segregation of the Group and Company receivables in (a) Not due, (b) Past Due and (c) Impaired.

THE GROUP

31/12/2008	Not due	Past due	Impaired	Total
Customers and other receivables	14.708.235	6.525.849	1.464.735	**22.698.819**
Total	**14.708.235**	**6.525.849**	**1.464.735**	**22.698.819**

31/12/2007	Not due	Past due	Impaired	Total
Customers and other receivables	14.655.787	5.806.318	367.167	**20.829.272**
Total	**14.655.787**	**5.806.318**	**367.167**	**20.829.272**

THE COMPANY

31/12/2008	Not due	Past due	Impaired	Total
Customers and other receivables	6.846.954	3.756.479	329.350	**10.932.783**
Total	**6.846.954**	**3.756.479**	**329.350**	**10.932.783**

31/12/2007	Not due	Past due	Impaired	Total
Customers and other receivables	6.468.632	4.085.076	367.167	**10.920.875**
Total	**6.468.632**	**4.085.076**	**367.167**	**10.920.875**

It must be mentioned that big part of past due receivables concerns receivables from State Organizations.
No one of the financial assets of Group has not been secured with mortgage or other form of credit insurance.
For other receivables as for the rest financial assets, the Group is not exposed to significant credit risk.

48. Liquidity risk

The table below presents the expiration of financial liabilities.

31/12/2008

	THE GROUP				
	Short term		Long term		Total
	Less than 6 months	6 to 12 months	1 year to 5 years	More than 5 years	
Long term bank debt	0	0	3.893.067	36.235.411	40.128.478
Long term financial leasing	0	0	0	0	0
Short term bank debt	9.242.160	3.929.495	0	0	13.171.655
Short term financial leasing	22.280	19.923	0	0	42.204
Trade liabilities (*)	11.440.283	309.813	342.593	0	12.092.689
	20.704.723	**4.259.232**	**4.235.660**	**36.235.411**	**65.435.026**

	THE COMPANY				
	Short term		Long term		Total
	Less than 6 months	6 to 12 months	1 year to 5 years	More than 5 years	
Long term bank debt	0	0	0	35.000.000	35.000.000
Long term financial leasing	0	0	0	0	0
Short term bank debt		2.609.375	0	0	2.609.375
Short term financial leasing	6.211	4.908	0	0	11.118
Trade liabilities (*)	4.460.940	263.041	0	0	4.723.981
	4.467.151	**2.877.324**	**0**	**35.000.000**	**42.344.474**

(*) Trade liabilities without prepayments by customers or any other

31/12/2007

	THE GROUP				
	Short term		Long term		Total
	Less than 6 months	6 to 12 months	1 year to 5 years	More than 5 years	
Long term bank debt	0	0	0	6.069.611	6.069.611
Long term financial leasing	0	0	11.163	0	11.163
Short term bank debt	36.323.427	5.419.853	0	0	41.743.280
Short term financial leasing	40.514	39.718	0	0	80.232
Trade liabilities (*)	9.912.552	2.163.593	38.850	0	12.114.995
	46.276.493	**7.623.165**	**50.013**	**6.069.611**	**60.019.281**

THE COMPANY

	Short term		Long term		Total
	Less than 6 months	6 to 12 months	1 year to 5 years	More than 5 years	
Long term bank debt	0	0	0	0	0
Long term financial leasing	0	0	11.163	0	11.163
Short term bank debt	36.323.427	0	0	0	36.323.427
Short term financial leasing	24.444	24.703	0	0	49.147
Trade liabilities (*)	4.296.400	225.819	9.339	0	4.531.558
	40.644.271	**250.522**	**20.502**	**0**	**40.915.295**

(*)Trade liabilities without prepayments by customers or any other

49. Extraordinary transactions

There is no case of assets, liabilities, equity, earnings or cash flows which are uncommon due to nature, size or their case.

50. Dividends

The proposal of the Board of Directors to the General Assembly of Shareholders will be the distribution of total dividend of € 1.632.710,48 from the profits of year 2008 which corresponds in € 0,0800 per share.

In the current year 2008 and the previous year 2007 the following dividends had been distributed:

- In the year 2008 a dividend of € 2.153.175,57 corresponding to € 0,1055 per share.
- In the year 2007 a dividend of € 4.494.005,00 corresponding to € 0,2100 per share.

51. Guarantees – encumbrances

The following guarantees and encumbrances have been offered:

Guarantee Letters	Value
Participation	1.942.266,50
Correct execution	2.473.044,82
Prepayment	1.000.000,00
Total	**5.415.311,32**

Encumbrances of € 5.128.478 refer to the Tangible assets or Real estates of the foreign companies of Group for the cover of borrowings. On the Tangible assets or Real estates of the parent Company no encumbrances exist.

52. Contingent liabilities

There are no judicial or legal claims that are expected to affect significantly the financial position of the company as at 31/12/2008.

The not audited tax years of the Group's companies are the following:

Company	Domicile	Not audited tax years
Inform P. Lykos S.A.	Greece	2006-2008
Ektypotiki Voreiou Ellados	Greece	2008
Terrane Ltd	Cyprus	2004-2008
Inform Lykos (Romania)L.T.D	Cyprus	2003-2008
Inform Lykos S.A	Romania	2005-2008
Compaper Converting S.A	Romania	2001-2008
Lykos Paperless Solutons A.E	Greece	2007-2008
Arrow Up S.A	Belgium	2007-2008
Technovisie BVBA	Belgium	2007-2008
Sagime GmbH	Austria	2007-2008
Salnea GmbH	Austria	2007-2008
Austria Card GmbH	Austria	2004-2008
Austria Card Polska Sp.z.o.o.	Poland	2008

Austria Card Akilii Kart STI	Turkey	2008

As from above, there is a possibility of additional taxes and surcharges been imposed at the year that obligations of Company and Group for the above unaudited years will be examined and finalized. The result of tax control it is not possible to be forecasted in the present stage. Supported in historical elements of previous audits the Group estimated a relative forecast of € 38.533 which was recorded at the income statement of the current year 2008 (see the above note. 41)

Except mentioned before no other case of contingent liabilities or contingent claim exist which could affect significantly the economic position or operation of Company or Group.

53. Other acknowledgements

The Board of Directors has decided as at 28/8/2008 the acquisition of the subsidiary "Ektypotiki Voreiou Ellados". Up to the issue of attached financial statements the acquisition was still in progress (contract, exchange rate with the shareholders of minority, approval by the authorities etc.).

54. Subséquent events

Except the aforementioned no other case of subsequent events existed concerning the Group or the Company which require disclosure according to I.F.R.S.

E) INFORMATION OF ARTICLE 10 OF LAW 3401/2005

During the year 1/1/2008 – 31/12/2008 the Company published according to article 10 of Law 3401/2005 the following information for the investors, which are announced at the company's web site (www.lykos.gr) and the web site of the Athens Stock Exchange (www.ase.gr). This information is included in the current annual financial statement in the table below.

Date	Announcement
Thursday, 18 December 2008	Announcement.
Friday, 28 November 2008	Announcement of comments on the financial statements
Wednesday, 19 November 2008	Participation in the share capital increase of subsidiary INFORM LYKOS S.A. in Romania.
Monday, 22 September 2008	Announcement of other significant events
Monday, 15 September 2008	Announcement of decision for merger of the subsidiary Ektypotiki Voreiou Ellados S.A.
Friday, 29 August 2008	Earnings of first Semester of 2008
Thursday, 17 July 2008	Acquisition of percentage 30% of the share capital of the company TECHNOVISIE BVBA.
Wednesday, 25 June 2008	Disclosure of dividend rights and payment Decisions of General Assembly
Friday, 20 June 2008	Confirmation – Clarifications over published information in press
Thursday, 12 June 2008	Announcement of distribution of Annual Notes of the year 2007
Friday, 30 May 2008	Earnings of first trimester 2008 Pre announcement of General Assembly
Monday, 12 May 2008	Announcement of distribution of information notes
Tuesday, 6 May 2008	Announcement.
Friday, 28 March 2008	Change of accounting policy - Reclassification of accounting figures (Correction of the announcement of 24/3/2008)
Monday, 24 March 2008	Change of accounting policy - Reclassification of accounting figures
Friday, 21 March 2008	Announcement of change of accounting policy – Reclassification of accounting figures Earnings of 2007
Thursday, 20 March 2008	Restructure of commercial department
Friday, 29 February 2008	Issue of common bond loan
Wednesday, 6 February 2008	Announcement of other Significant Events
Thursday, 31 January 2008	Announcement
Monday, 21 January 2008	Purchase of own shares
Thursday, 3 January 2008	Completion of acquisition of Austria Card
Wednesday, 2 January 2008	Introduction of shares from share capital increase after the exercise of STOCK OPTION PLAN

F) FIGURES AND INFORMATION FOR THE YEAR 1/1 - 31/12/2008 ACCORDING TO GREEK LEGISLATION

INFORM P.LYKOS S.A

S.A. REG.No 13754/06/B/86/29
5th klm Varis-Koropiou Ave,Koropi

INFORM P. LYKOS S.A.

FINANCIAL FIGURES AND INFORMATION OF THE YEAR FROM JANUARY 1 2008 TO DECEMBER 31, 2008

(Published according to the Law 2190/20 article 135 refering to companies which reduct annual financial statements consolidated and not according to IFRS)

The following figures and information which come along from the financial statements are intented to provide a general briefing about the financial position and results of INFORM P.LYKOS S.A. Therefore the reader is recommended before proceeding to any kind of investment choice or other transcaction with the company to refer at the company's internet address where the financial statements and the auditor's review report when ever required, are being presented.

COMPANY'S DATA

Competent Prefecture:	Ministry of Development, Department of incorporated companies
Internet address:	www.lykos.gr
Members of board of Directors:	Nikolaos Lykos, Pavlos Tryposkiadis, Spyridon Rouhitsas, Eleftherios Hiliadakis, Elias Karantzalis
Date of approval of the Annual Financial Statements	March 26, 2009
The Certified Auditor:	Demetrios Ntzanatos
Auditing Firm:	Grant Thornton A.E.
Type of audit report:	Unqualified acceptance

1.1 BALANCE SHEET (annual consolidated and not consolidated)

Amounts in Euro

	THE GROUP 31/12/2008	THE GROUP 31/12/2007	THE COMPANY 31/12/2008	THE COMPANY 31/12/2007
ASSETS				
Tangible fixed assets	96.658.493	69.715.486	39.759.223	40.333.110
Investment property	5.004.647	2.442.350	0	0
Intangible assets	7.093.003	3.806.463	2.265.934	2.518.068
Other non current assets	7.601.992	6.555.571	50.829.773	46.667.692
Inventories	18.320.305	8.936.246	4.858.119	5.467.972
Customer receivables	22.698.819	20.829.272	11.141.598	11.471.830
Other current assets	25.858.731	40.055.713	6.656.112	7.470.574
Other non current assets predestinate for sale	56.174	0	0	0
TOTAL ASSETS	**183.292.165**	**152.341.101**	**115.510.759**	**113.929.246**
EQUITY AND LIABILITIES				
Share capital	12.508.925	12.508.925	12.508.925	12.508.925
Reserves and retained earnings	70.736.630	65.875.980	49.657.255	51.036.742
Total shareholders equity (a)	83.245.555	78.384.905	62.166.180	63.545.667
Minority interests (b)	7.897.131	1.705.268	0	0
Total Net Equity (c)=(a)+(b)	**91.142.686**	**80.090.173**	**62.166.180**	**63.545.667**
Long term loan liabilities	40.128.478	6.069.611	35.000.000	0
Provisions / other long term liabilities	11.186.732	6.483.953	5.366.406	5.088.181
Short term loan liabilities	13.171.655	41.743.280	2.609.375	36.323.427
Other short term liabilities	27.662.614	17.954.084	10.368.797	8.971.971
TOTAL LIABILITIES (d)	**92.149.479**	**72.250.928**	**53.344.579**	**50.383.579**
TOTAL EQUITY AND LIABILITIES (c)+(d)	**183.292.165**	**152.341.101**	**115.510.759**	**113.929.246**

ADDITIONAL DATA AND INFORMATION

1. The name,the country of the constitutional headquarters of every company which is included to the consolidated financial statements,the tax unaudited years, also the participating percentage, direct or indirect of the parent company and the incorporation method that applied for every company, are as follows:

Company	Country	Participation Percentage %	Consolidation Method	Participation Relation	Anaudited Tax Years
INFORM P. LYKOS S.A.	Greece	Parent Company	-	Parent Company	2006-2008
EKTYPOTIKI VORIOU ELLADOS S.A.	Greece	85,90%	Fully	Direct	2008
TERRANE L.T.D.	Cyprus	100,00%	Fully	Direct	2004-2008
Inform Lykos (Romania) L.T.D.	Cyprus	97,34%	Fully	Indirect	2003-2008
Inform Lykos S.A.	Romania	97,34%	Fully	Indirect	2005-2008
Compaper Converting S.A.	Romania	94,85%	Fully	Indirect	2001-2008
LYKOS PAPERLESS SOLUTIONS S.A.	Greece	99,91%	Fully	Direct	2007-2008
Arrow Up S.A.	Belgiun	29,97%	Net Equity	Indirect	2007-2008
Technovisie BVBA	Belgiun	29,97%	Net Equity	Indirect	2007-2008
Sagime Gmbh	Austria	100,00%	Fully	Direct	2007-2008
Salnea GmbH	Austria	100,00%	Fully	Indirect	2007-2008
Austria Card GmbH	Austria	85,00%	Fully	Indirect	2004-2008
Austria Card Polska Sp.z.o.o.	Poland	85,00%	Fully	Indirect	2008
Austria Card Akilii Kart STI	Turkey	84,97%	Fully	Indirect	2008

2. In the consolidated financial statements of the Group for the current year 2008, in relation with the corresponding previous year 2007, are incorporated for the first time: a) with the full consolidation method the financial statements of Group «Austria Card GmbH». In the Group «Austria Card GmbH» are being included and the companies «Austria Card Polska Sp.z.o.o.» and «Austria Card Akilii Kart STI», b) with the method of net equity the financial statements of «Technovisie BVBA». With the aquisition of «Austria Card GmbH» a negative goodwill of the amount of € 984.232 has been arisen, which benefit the financial results of the Group. Overall, the incorporation of «Austria Card GmbH» caused the following significant effects to the turnover, the results after taxes, as well as the Group' s net equity:

Item	Year 1/1- 31/12/2008 Amount of effect	Year 1/1- 31/12/2008 Percentage of effect
Turnover	**60.327.956**	**47%**
Earnings after taxes distributed to company' s shareholders	4.363.909	79%
Earnings after taxes distributed to minority shareholders	956.031	101%
Earnings after taxes	**5.319.941**	**82%**
Group's net equity 31/12/2008	**5.319.941**	**6%**

A more detailed reference of the above issue is being presented in the paragraphs 9, 10, 39 and 40 of the selected explanatory notes to the annual financial statements for the year 2008 of the Group.

3. The financial statements of the company or the group are not included into the consolidated financial statements of any other company.
4. There are encumbrances on the Group's fixed assets with value of € 5.128.478 in order to cover loan obligations.There are no encumbrances on the parent company's fixed assets.
5. There are no pending judicial cases or other disputes under arbitration, which might affect materially the financial position or operation of the company or the whole group.
6. The accumulative provision for the tax unaudited years for the parent company is up to the amount of € 38.533. There was no any recorded significant provision, according to the meaning of paragraphs 10, 11 and 14 of IFRS 37
7. There was no occasion of change in the duration or end of the fiscal year or the incorporation method of the companies of the group. Also, there was no occasion of a company, which was not incorporated in the consolidated financial statements in the current year, whereas had been incorporated in directly previous year.
9. The personnel number of the group and the company is:

	The Group 31/12/08	The Group 31/12/07	The company 31/12/08	The company 31/12/07
Number of personnel	1.140	826	354	387

10. Investments in fixed assets during the current year 2008,were amounted for the company and the group in € 1.618 thous. and € 7.209 thous. respectively
11. Earnings per share have been calculated according to the allocation of earnings upon the weighted average number of shares.
12. In the current year 01/01-31/12/2008 the income of the amount of € 2.461.684 has been recorded directly in net equity, which concern conversion differences of the balance sheets of affiliated companies, from operation currency (Romanian Ron) to the presentation currency (Euro).
13. The accounting principles of the Group have been applied consistently from 1/1/2004 - 31/12/2008.
14. Group's and Parent's company financial statements as at 31/12/2008, were approved by the Board of Directors of the company at March 26, 2009. Board of Directors members are: Nikolaos Lykos, Pavlos Tryposkiadis, Spyridon Rouhitsas, Eleftherios Hiliadakis, Elias Karantzalis.
15. During the current year 1/1 - 31/12/2008, the company acquired 71.163 of own shares which amounted to € 286.836 and reduced the share holders equity of the company and the Group by the same amount. The Company at 31/12/2008 holds 97.553 of own shares, which represent the 0,005% of the share capital.
16. Intercompany transactions between the company, the group and their subsidiaries as defined at IAS 24, during the year 1/1/2008 - 31/12/2008, are as follows:

	THE GROUP	THE COMPANY
a) Income	0	894.630
b) Expenses	180.931	2.281.011
c) Claims	0	208.815
d) Liabilities	0	610.363
e) Management team and Board of Directors members transactions and fees	851.358	851.358
f) Claims from Management team and Board of Directors Members	0	0
g) Liabilities to Management team and Board of Directors members	0	0

17. At 28/08/2008 the Board of Directors of the Company decided the merger through absorption of the subsidiary 'Ektypotiki Voreiou Ellados S.A.'.The finalisation procedures of the merger (contract of the merger,approval from the Fiscal Authorities e.t.c), are expected to be finished during the first semester of the year 2009.

1.2. INCOME STATEMENT (annual consolidated and not consolidated)

Amounts in euro

	THE GROUP 1/1-31/12/2008	THE GROUP 1/1-31/12/2007	THE COMPANY 1/1-31/12/2008	THE COMPANY 1/1-31/12/2007
Turnover	127.922.680	73.435.466	37.568.807	39.159.573
Gross profit / (loss)	38.886.517	18.919.145	9.758.048	11.849.759
Earnings/(losses) before taxes,financing and investing results	10.025.734	8.495.728	1.876.211	3.945.234
Earnings / (losses) before taxes	8.917.302	7.622.568	2.803.140	5.200.975
Earnings / (losses) after taxes	6.473.931	5.128.908	1.673.526	3.342.014
Distributed to:				
Company' s Shareholders	5.526.297	4.942.702	1.673.526	3.342.014
Minority Shareholders	947.634	186.206	-	-
Basic earnings after taxes per share - (in euro)	0,2703	0,2423	0,0819	0,1638
Suggested dividend per share-(in euro)			0,0800	0,1055
Earnings / (losses) before taxes, financing, investing results and depreciation / amortization	**18.477.144**	**12.556.897**	**4.263.194**	**6.280.385**

1.3. STATEMENT OF CHANGES IN NET EQUITY (annual consolidated and not consolidated)

Amounts in euro

	THE GROUP 31/12/2008	THE GROUP 31/12/2007	THE COMPANY 31/12/2008	THE COMPANY 31/12/2007
Net equity at the beginning of the year (01.01.2008 and 01.01.2007 respectively)	80.090.173	74.556.370	63.545.667	65.475.420
Earnings / (losses) of the year after taxes	6.473.931	5.128.908	1.673.526	3.342.014
Increase/ (Decrease) of share capital	0	62.800	0	62.800
Dividends distributed	(2.907.091)	(5.279.672)	(2.766.177)	(5.146.182)
Change in Minority Interests due to acquisition of subsidiary	5.657.993	0	0	0
Net income recorded directly to net equity	(2.461.684)	(917.317)	0	(75.518)
Purchases of own shares	(286.836)	(112.866)	(286.836)	(112.866)
Revaluation of land	4.576.200	6.651.950	0	0
Net equity at the end of the year (31.12.2008 και 31.12.2007 respectively)	**91.142.686**	**80.090.173**	**62.166.180**	**63.545.667**

1.4 CASH FLOW STATEMENT (annual consolidated and not consolidated)

Amounts in euro

	THE GROUP 1/1-31/12/2008	THE GROUP 1/1-31/12/2007	THE COMPANY 1/1-31/12/2008	THE COMPANY 1/1-31/12/2007
Operating Activities				
Profit before taxes (continued activities)	8.917.302	7.622.568	2.803.140	5.200.975
Plus / minus adjustments for:				
Depreciation/Amortization	8.451.410	4.061.169	2.386.983	2.335.151
Provisions	(201.511)	(137.100)	(107.423)	159.217
Other, non cash transactions	(790.835)	(2.392.909)	(1.011.883)	(264.840)
Results (income, expenses, profit and loss) of investment activity	(3.853.365)	(419.861)	(2.315.251)	(1.521.712)
Debit interest and similar expences	4.262.668	1.192.662	2.135.226	392.670
Plus / minus adjustments for changes in accounts related to working capital or operating activities:				
Decrease / (increase) of inventories	2.650.593	(1.931.472)	609.853	(2.003.930)
Decrease / (increase) of customer receivables	7.589.856	(2.665.678)	(10.051)	1.358.439
(Decrease) / increase of liabilities (excluding bank debt)	(5.946.160)	2.483.861	386.353	(1.863.216)
Minus:				
Debit interest & related expenses paid	(3.359.951)	(675.047)	(1.343.328)	(103.451)
Taxes paid	(1.279.829)	(1.704.965)	(709.230)	(1.341.834)
Total inflows / (outflows) from operating activities (a)	**16.440.178**	**5.433.228**	**2.824.389**	**2.347.470**
Investing Activities				
Acquisition/sale of subsidiaries, related companies, joint-ventures and other investments	(23.422.620)	(4.014.000)	(6.570.923)	(30.046.500)
Purchase of tangible and intangible fixed assets	(6.707.261)	(6.505.357)	(1.617.801)	(2.355.232)
Proceeds from sales of tangible and intangible fixed assets	185.378	528.409	59.382	12.289
Interest income received	432.484	200.228	1.010.920	80.403
Dividends received	0	0	242.212	1.245.421
Financing of assets investment received	400.000	0	400.000	0
Total inflows / (outflows) from investing activities (b)	**(29.112.019)**	**(9.790.720)**	**(6.476.210)**	**(31.063.620)**
Financing Activities				
Proceeds from share capital increase	5.000.000	4.092.655	0	92.655
Purchases of own shares	(286.836)	(112.866)	(286.836)	(112.866)
Proceeds from issued / withdrawn loans	42.293.752	39.624.463	37.375.000	34.107.900
Loan settlements	(47.375.876)	(3.026.825)	(33.783.821)	0
Lease liabilities settlements	(1.171.476)	(88.852)	(52.932)	(55.204)
Dividends paid	(2.204.393)	(4.404.895)	(2.152.339)	(4.287.568)
Total inflows / (outflows) from financing activities (c)	**(3.744.829)**	**36.083.680**	**1.099.072**	**29.744.918**
Net increase (decrease) of cash and cash equivalents of the year (a)+(b)+(c)	**(16.416.670)**	**31.726.188**	**(2.552.749)**	**1.028.768**
Cash and cash equivalents at the beginning of the year	**36.705.410**	**4.979.223**	**4.108.480**	**3.079.713**
Cash and cash equivalents at the end of the year	**20.288.740**	**36.705.410**	**1.555.731**	**4.108.480**

KOROPI ATTIKIS, MARCH 26, 2009

PRESIDENT OF THE B.o.D & MANAGING DIRECTOR	VICE PRESIDENT OF THE B.o.D. & DEPUTY MANAGING DIRECTOR	GROUP FINANCIAL DIRECTOR	ACCOUNTING MANAGER
NIKOLAOS LYKOS I.D.no AB 241783	PAVLOS TRYPOSKIADIS I.D. no. AH 120974	ALEXANDRA ADAM I.D. no. AE 118025 REG. No. 27532- Ά CLASS	ANASTASIOS TATOS I.D. no. Σ 240679 REG. No. 9657- Ά CLASS

Koropi Attica March 26th 2009

PRESIDENT OF THE B.o.D.	VICE PRESIDENT of the B.o.D
& MANAGING DIRECTOR	& DEPUTY MANAGING DIRECTOR
NIKOLAOS LYKOS	PAULOS TRYPOSKIADIS
ID No AB 241783	ID No AH 120974
GROUP FINANCIAL DIRECTOR	ACCOUNTING MANAGER
ALEXANDRA ADAM	ANASTASIOS TATOS
ID No AE 118025	ID No Σ240679
Registr. No of E.C. Ά CLASS 27532	Registr. No of E.C. Ά CLASS 9657