KATHIMERINI

English Edition

KATHIMERINI S.A. PUBLICATIONS – MASS MEDIA

ANNUAL FINANCIAL REPORT
(1st January – 31st December 2014)
(In accordance with Article 4 of Law 3556/2007)

March 2015

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A. Statement of the members of the Board of Directors
(in compliance with Article 4, par. 2 of the Law 3556/2007)

The members of the Board of Directors of the company 'KATHIMERINI S.A.'
1. Aristides Alafouzos, Chairman of the Board of Directors
2. Themistocles Alafouzos, Managing Director and
3. Alexandros Papahelas, member of the Board of Directors,

under our above mentioned capacity declare that,to the best of our knowledge:

A) The annual individual and consolidated financial statements of the company 'KATHIMERINI S.A. PUBLICATIONS – MASS MEDIA' for period 01.01.2014 – 31.12.2014, which have been prepared according to the International Financial Reporting Standards, reflect in a true manner the assets and liabilities, equity and results of the Company, as well as of the entities included in the consolidation, taken as a whole,

B) The report of the Board of Directors reflects in a true manner the development, performance and financial position of both the company and the entities included in Group consolidation, taken as a whole, including the description of the principal risks and uncertainties they face.

N. Faliro, March 27, 2015

Confirmed by

Aristidis I. Alafouzos	Themistocles A. Alafouzos	Alexandros A. Papahelas
Chairman of the Board of Directors	**Managing Director**	**Member of the Board of Directors**

B. Independent Auditor's Report

To the Shareholders of KATHIMERINI S.A. PUBLICATIONS – MASS MEDIA

Report on the Individual and Consolidated Financial Statements

We have audited the accompanying individual and consolidated financial statements of the Company KATHIMERINI S.A. PUBLICATIONS – MASS MEDIA, which comprise individual and consolidated Statement of Financial Position as at December 31, 2014, individual and consolidated Statement of Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, as well as the summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Individual and Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these individual and consolidated financial statements in accordance with International Financial Reporting Standards as adopted by European Union, and for such internal control as management determines is necessary to enable the preparation of individual and consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these individual and consolidated financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the individual and consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the individual and consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the individual and consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the individual and consolidated 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 individual and consolidated financial statements present fairly, in all material respects, the financial position of the Company KATHIMERINI S.A. PUBLICATIONS – MASS MEDIA, and its subsidiaries as at December 31, 2014, and their financial performance and the cash flows for the year then ended in accordance with International Financial Reporting Standards that have been adopted by the European Union.

Report on Other Legal and Regulatory Requirements

a) The Board of Directors' Report includes the corporate governance statement that provides the information items defined in paragraph 3d, Article 43a of the Law 2190/1920.

b) We verified the agreement and correspondence of the content of the Board of Directors' Report with the abovementioned individual and consolidated financial statements, in the context of the requirements of Articles 43a, 108 and 37 of the Law 2190/1920.

Athens, March 27st, 2015
The Chartered Accountant

Athanasia Arabatzi
SOEL reg. no. 12821

Grant Thornton
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Registry Number SOEL 127

C. Annual Report of the Board of Directors

KATHIMERINI S.A. PUBLICATIONS - MASS MEDIA

The current annual Board of Directors report was prepared in accordance with the provisions of Article 43a, par. 3, 107 par. 3 and 136, par. 2 of Law 2190/1920, of article 4 of Law 3556/2007, as well as article 2 of decision No 7/448/11.10.2007 of the Board of Directors of the Hellenic Capital Market Commission.
Since consolidated financial statements are also prepared, the current report is unified, with the main reference to consolidated financial figures of the company and its associated companies. The financial figures of the company are mentioned only where it is required or needed for the better comprehension of its content.

The purpose of this report is to inform investors about:

- The financial position, results, overall performance of the Company and Group in the period under examination and the changes which occurred.
- The significant events which occurred during the current accounting period and their impact on the annual individual and consolidated financial statements.
- The risks which could arise for the Company and Group.
- The transactions conducted between the Company and its related parties.

UNIT A

The Group Companies

- KATHIMERINI S.A.: Parent company of the Group, listed on ASE since 2000. Following the secession of its publications segment that was absorbed by its 100% subsidiary company «KATHIMERINES EKDOSEIS S.A.», the company retains all its investments in its subsidiaries and associates. It retains exploitation of its real estate property, provision of consulting and administrative services to its subsidiaries and associates as well as commercial exploitation of third parties publications.
- KATHIMERINES EKDOSEIS S.A. (former ENTYPES & DIKTYAKES S.A.), subsidiary company of the Group, in which KATHIMERINI S.A. holds 100% participating interest. It operates in publications segment and is responsible for periodical publications attached to the newspaper «Kathimerini». It owns and exploits the modern printing unit where the newspaper and other publications of the Group and third parties are printed (Fason).
- EXEREVNITIS – EXPLORER S.A.: Subsidiary company of the Group, in which KATHIMERINI S.A. holds 100% participating interest. It issues travel guides and is responsible for distribution of periodical publications of the newspaper «Kathimerini» and undertakes the design and operation of the website www.kathimerini.gr.
- MAISON EKDOTIKI S.A.: Subsidiary company of the Group, in which KATHIMERINI S.A. holds 50% participating interest. Issues the magazine "Maison Decoration".
- INTERNATIONAL HERALD TRIBUNE - KATHIMERINI S.A.: Subsidiary company of the Group, in which KATHIMERINI S.A. holds 50% participating interest. The company issues the English edition of the newspaper "KATHIMERINI", which is included in the publication materials of the newspaper INTERNATIONAL HERALD TRIBUNE, whose publication and operation it has undertaken in Greece and Cyprus.
- ATE ERGON S.A.: Subsidiary company of the Group, in which KATHIMERINI S.A. holds 100% participating interest. The company owns the building in Neo Faliro, where the newspaper and all the Group companies are located. Moreover, in 2008 it acquired and since then has been the owner of a building in industrial area used by the Group for storing paper.
- ARGONAFTIS EEPN: Subsidiary company of the Group, in which KATHIMERINI S.A. holds 100% participating interest. It is shipping companies' shares or portfolio investment entity, operating under the provisions of the Laws

2843 and 2190/1920. The company is consolidated together with its subsidiaries, in which it holds 100% participating interest:

1.1. Sea Shell Enterprises LTD

1.2. Sea Pearl Enterprises LTD

1.3. Bigal Shipping Corporation

1.4. Zenith Maritime Corporation

UNIT B

Financial development and results for the year 1.1 – 1.12.2014

- ✓ **Review of Results for the Year 2014, Development – Changes in Company and Group Financials**

The effect of economic conditions and the impact of the economic crisis were evident in the domain of media. There was an overall decline in sales of newspapers and magazines that constitute the main scope of the Group companies operations.

The economic downturn had an adverse effect on the major categories advertised in the press (automakers, banks, etc.), so advertising revenue has drastically reduced and there is considerable pressure on sales of advertising space.

Alongside, the difficult macroeconomic environment, prevailing in recent years, has had a significant impact on the freight prices, thus, consequently affecting the Shipping Segment of the Group.

Notwithstanding the adverse economic conditions, in the current FY, the Group turnover stood at 66,21 million Euro, presenting an increase of 5,53% versus FY 2013. This increase is attributed to the turnover of the Shipping segment, which stood at 23,35 million Euro from 18,17 million Euro in 2013.

In the current year, EBITDA presented a substantial improvement in respect of the Group and recorded profit of 5,68 million Euro versus losses of 2,64 million Euro last year.

On the consolidated level, earnings before tax recorded profit. The year profit stood at € 6,40 million including profit from financing and investing results, amounting to 9,74 million Euro. Earnings before tax in 2013 recorded losses of 15,17 million Euro including losses of 3,30 million Euro from financing and investing results.

At Group level, the financials are presented as follows:

Turnover: The Group turnover in the current year stood at 66,21 million Euro presenting an increase of approximately 5,53% versus last year. In particular, income from printing editions and on-line advertising remained stable in 2014 and 2014 sales of newspapers, magazines and booth offers stood at 21,88 million Euro versus 24,88 million Euro in 2013, decreased by 12,08%. The decrease is mainly attributed to the reduction in sales of newspapers. The decrease is mainly attributed to the reduction in sales of newspapers. In the sector Publication – Printing, sales recorded a significant increase of approximately 19,69% and stood at 7,71 million Euro versus 6,44 million Euro in 2013. The turnover of the Shipping segment stood at 23,35 million Euro versus 18,17 million Euro in 2013 presenting an increase of 28,49%. The above increase is mainly related to the increasing trends presented by freight markets in 2014.

Finally, other Group sales within the current year produced income of 0,72 million Euro versus 0,68 million Euro last year.

Gross operating profit: An increase in gross profit margin (26,75% versus 16,28% in 2013) is mainly due to a substantial increase in sales of the Shipping segment as well as to a significant decrease in cost of sales in Publications segment.

EBITDA: EBITDA increased by 315,39% given the aforementioned factors and stood at profits of 5,68 million Euro versus losses of 2,64 million Euro last year. In particular, Publication – Printing sector presents loss amounting to 1,09 million Euro versus loss of 5,86 million Euro recorded in FY 2013. Regarding the Shipping segment, EBITDA ratio presented profit of 7,02 million Euro versus profit of 3,46 million Euro last year.

Net Consolidated Earnings after Tax: Earnings after tax for the Group improved and stand at profit of 5,87 million Euro versus losses of 15,49 million Euro recorded last year. In particular, Publication – Printing sector presents loss amounting to 6,80 million Euro versus loss of 14,81 last year. Shipping segment presents profit of 13,39 million Euro versus profit of 0,03 million Euro recorded in 2013. It shall be noted that 2014 financials include investing and financing results amounting to 9,74 million Euro while 2013 financials included investing and financing results amounting to 3,30 million Euro.

Net cash flows from the Operating Activities of the Group: Net cash flows from the operating activities of the Group stood at 0,91 million Euro versus -7,63 million Euro, cash flows from investing activities stood at -0,46 million Euro versus -1,85 million Euro and cash flows from financing activities stood at 4,83 million Euro

versus 6,26 million Euro. Cash available amounted to 13,27 million Euro versus 6,84 million Euro last year.

Earnings per share: Loss per share of the Parent stood at -0,0266 Euro, decreased by 84,43% as compared to the last year, when it stood at loss of -0,1708 Euro and profit per share of the Group stood at 0,2409 Euro versus loss of -0,6350 Euro last year, i.e. increased by 137,92%.

Net Fixed Assets of the Group: As at 31.12.2014, the unamortized value of the Group Fixed Assets amounted to 133,47 million Euro and represented 65,82% of the Group Total Assets. In the comparative period as at 31.12.2013, it amounted to 116,10 million Euro. The change in fixed assets beyond the depreciation of 5,71 million Euro and acquisitions amounting to 2,02 million Euro as well as to valuation of vessels, performed on 31.12.2014, which presented profit of 11,60 million Euro caused a corresponding increase to the item of Tangible Fixed Assets and net foreign currency translation differences, of 9,56 million Euro.

Inventory: Inventory does not represent a significant percentage of the Total Consolidated Assets and stands at 2,47%.

Consolidated Equity: Consolidated Equity amounts to 65,08 million Euro and represents 32,10% of the Total Group Liabilities of the Group as at December 31, 2014 versus 24,28% as at December 31, 2013.

Bank Loans: The Group Bank loans amount to 104,49 million Euro as at 31.12.2014 as compared to 102,13 million Euro as at 31.12.2013. These loans include 60,21 million Euro of the shipping companies for the purposes of their vessels' construction. An amount of 4,81 million Euro pertains to the subsidiary ATE ERGON S.A. for the purposes of purchasing an industrial building where the Group inventories are stored. The remaining amount of 39,47 million Euro burdens the operations of Publication – Printing sector versus 41,68 million Euro as at 31.12.2013.

The table below shows the ratios which are essential for understanding the Group position on 31.12.2014.

	THE GROUP	
	31/12/2014	31/12/2013
Liquidity Ratios		
Current ratio	0,87	0,81
Days sales in receivables	143	153
Inventories turnover	0,87	0,81
Leverage or Solvency Ratios		
Debt to equity	2,12	3,12
Long-term debt to equity	0,93	1,36
Fixed assets to equity	2,08	2,69
Profitability ratios		
Return on total assets	0,03	-0,09
Return on equity (ROE)	0,09	-0,35
Gross profit margin	27%	16%

UNIT C

Significant Events in the Current Year 2014

Within the year 2014, the Group continued to take and implement actions aimed at keeping the newspaper on top of circulation and validity.

Given the financial market crisis that started in 2008 and still continues in the current at the same rate, the Management continues to implement a number of measures in order to streamline production costs and general expenses for the purposes of achieving the best financial outcome.

In particular, the Group reduced the number of pages in magazines inserts and managed up to the standards production and distribution of the newspaper with significant results in reducing the cost of consumption of raw and auxiliary materials.

Furthermore, the Management reduced the cost of fees of associates and photographers in the newspaper inserts to a substantial extent versus the corresponding last year period.

Particular attention has been paid to the cost of the products offered through the Sunday newspaper edition. The options taken were based on quality criteria in view of the market cost as well as on stabilizing the newspaper sales.

The aforementioned actions, aimed at cutting costs, contributed to containment of the expected negative result. The efforts of the Management regarding limiting the expenses in 2014 generated positive financial results for the Group and its shareholders. In particular, regarding Publication – Printing sector, losses were limited from 14,81 million Euro recorded in 2013 to losses of 6,80 million Euro in 2014 and EBITDA stood at loss of 1,09 million Euro versus loss of 5,86 million Euro in 2013.

Furthermore, the Company proceeded with investments in printing unit for producing digital prints. This new operation opens the new road to attract new clientele to the printing unit and, in general, creates prospects for further development.

Finally, on 02.06.2014, the subsidiary company KATHIMERINES EKDOSEIS S.A. signed an agreement with the company “Walt Disney Company Greece SP LLC” on licensed printing and circulating Disney magazines in Greece and Cyprus for 2 + 1 years starting as at 01.04.2014 until 30.06.2017. The circulation of Disney magazines Disney will be conducted through inserts (offerings) in the Sunday edition of the newspaper and magazines via the stands.

As at the closing year end, the total of short-term Group liabilities exceeded the total of its current assets by an amount of €10,04 million versus €14,61 million as at 31.12.2013.

In order to collect funds to facilitate the capital base of "KATHIMERINI", following the decision of as at 9.1.2014 Extraordinary General Meeting of the Company's Shareholders, the Group Management proceeded with the parent company Share Capital increase by an amount of 8.976.000,00 Euro.

The procedures of the Share Capital increase were finalized on March 26th, 2014, achieving 100% success and on March 28, 2014, new 27.200.000 shares W were defined to start trading on ASE.

The raised funds were invested in the share capital increase of by 100% subsidiary company KATHIMERINES EKDOSEIS S.A. that decided on its share capital increase by an amount of 8.976.404 € based on the Extraordinary General Meeting decisions as of April 10, 2014. The amount of the share capital increase standing at 8.976.404 € was deposited on April 11, 2014 and will be used by the subsidy company to repay short-term liabilities.

At the same time, as at December 31, 2014, the Group Management was in the process of advanced negotiations with the crediting banks in respect of converting a substantial part its short-term borrowing into a syndicated bond loan.

On January 21, 2015, by 100% subsidiary company of KATHIMERINI S.A., KATHIMERINES EKDOSEIS S.A. issued a Common Mortgage Bond Loan, under coverage agreements, totaling € 36,00 million. The aforementioned bond loan is divided into 36,000,000 bonds with a nominal value of one euro each and discounted issue amount, and was concluded with the banks "NATIONAL BANK OF GREECE S.A.", "PIRAEUS BANK S.A.», «ALPHA BANK S.A.» and «EUROBANK ERGASIAS SA", with the guarantee of "KATHIMERINI S.A." and the company "ATE ERGON" (100 % subsidiary of "KATHIMERINI S.A.").

Regarding the aforementioned amount, the largest part of it is intended for refinancing the effective bank borrowing.

The 25th Regular General Meeting of the Company that was held on June 25th, 2014, made, among others, the following decisions:

a. approval of the Annual Financial Statements (parent company and consolidated) for the annual period 01.01.2013 - 31.12.2013

b. approval on the reasoning presented by the Board of Directors for non-distribution of dividends as arising from the results for the annual period 1.1.2013 - 31.12.2013.

Objectives and Prospects

Regarding the year 2015, the Group management will continue to take steps within the same context as that in the previous year, aiming at maintaining the quality and validity of the newspaper, the inserts and booth offers, hoping to limit the negative financial results within a particularly difficult economic environment. Constant control of expenses, absorption of the biggest part of income and their collection, maintaining the income from circulation at the same level as that of 2014, combined with capital adequacy and regular liquidity constitute the Management's first priorities. Another aspect is the use of the printing unit located in Koropi to a greater extent and in combination with the choice of solvent clients as well as developing new operations regarding digital printing, following the impressive results recorded last year. Based on the above, the Management estimates that Publications segment will present marginal losses for FY 2015.

In respect of the Shipping segment, the apparent rise in freight market activities and a significant increase in turnover by 28,49% in 2014 will promotes profit increases and contribute to improving the liquidity of the Group in 2015.

UNIT D

Main Risks and Uncertainties

The Group is exposed to various financial risks such as market risk (variation in foreign exchange rates, interest rates, market prices etc.), credit risk and liquidity risk. The group's risk management policy aims at limiting the negative impact on the group's financial results which arises from the inability to predict financial markets and the variation in cost and revenue variables.

The risk management policy is executed by the Treasury department, which evaluates and hedges the financial risks in association with companies departments, faced with these risks. The Group's management gives written instructions and plans for risks management generally, as well as specific instructions for particular risks management.

Suppliers - Inventories

The Group maintains relatively high level of raw material inventory in order to deal with potential extraordinary orders for sales or potential delays under delivery (ex. strikes at seaports).

This fact creates increased storage expenses and binding a significant part of working capital.

In addition, the group companies have no significant dependence on certain suppliers given that no supplier provides the goods representing a high percentage compared to total purchases.

Customers – Customer credit

The Group has no significant credit risk concentration. Due to the high dispersion presented by the client base of the companies in the group, there does not arise the risk of dependence on particular client groups, since no single customer accounts for a substantial proportion of the turnover. Wholesale sales are made mainly to clients with rated credit history. Retail sales are made in cash and cover approximately 40% of total turnover.

Income from shipment arose from collaboration with various shippers. The risk of bad shippers' rate is treated by the Group's Management through collaboration with notable shippers (majors), with an excellent background in shipping.

The Group Management considers that all the above financial assets that have not been impaired at previous financial statements preparation dates are of high credibility, including the receivables.

Borrowing – Loan interest rates

The Group is exposed to the risk of fluctuations in interest on loans issued at a floating interest rate. Within the current year, the Group increased its total bank loans by 2,36 million Euro, standing at 104,49 million Euro. A substantial part of bank borrowings pertains to long-term loans issued by the Group shipping subsidiaries for the purposes of financing two newly received vessels. Interest margin for the Group long-term loans is fixed. A part of the remaining borrowing is mainly due to financing the investments under the Development Law 3299/2004 totally amounting to 20 million Euro as well as to acquisition from the subsidiary company of an industrial building, of total value 4 million Euro. Finally, it is to be noted that the Balance Sheet of the shipping companies conversion as of December 31, 2014 presented a negative FX conversion difference regarding the loans from US $ to Euro, amounting to € 6.25 million, recognised directly in Equity.

Market sector risk

The Group operates in an intensely competitive market. In times of economic crisis, sales and Group results are directly affected since demand drops off, particularly in

relation to newspaper sales as well as income from advertising. More specifically, in 2014, average daily circulation figures for the main newspapers were clearly lower compared to the same period last year.

Exchange rate risk

The Group has transactions in foreign currency and, therefore, is exposed to foreign exchange risk, mainly arising from USD. The Management monitors the position of the Group in respect of the risk on a continuous basis and evaluates the need to use specific financial tools to restrain it.

The Group's sensitivity to an increase or a decrease in the exchange rate of Euro against the U.S. Dollar is as follows:

On 31 December 2014, if the Euro had increased by 1% against the U.S. Dollar, given that all the other determinant factors had remained constant, the profit would have been limited to an amount of € 211.090 (2013 : € 1.500), while equity would have appeared decreased by an amount of € 474.140 (2013 : € 375.123).

On December 31, 2014, if the Euro had decreased by 1% against the U.S. Dollar, given that all the other determinant factors had remained constant, the profit would have increase by an amount of € 211.090 (2013: € 1.500). The equity would have appeared decreased by an amount of € 474.140 (2013: € 375.123).

The Group's shipping companies keep their books in USD. Thus, under consolidation as at December 31st, 2014, there arise significant exchange translation differences in the Balance Sheet, which within the current year stood at a profit of 6,38 million € versus loss of 1,68 million € in the FY ended as at December 31st, 2013.

UNIT E

Projected Course of Development

The Group Management estimates that the prospects could be described as particularly unfavorable regarding achieving positive results, as a consequence of the prolonged recession in the domain of Press and, in general, in Mass Media. As far as the Shipping segment is concerned, the market is generally characterized by recurring tendencies in freight rates, which are due to changes in supply and demand of tankers' capacity at the global level. The factors affecting the supply and demand for tankers indicate vast fluctuations in supply and demand for oil and petroleum products, the number of new vessels delivered, the number of obsolete

vessels withdrawn, the changes in the legislative framework regarding navigation and environmental protection and the estimated growth rates of the world economic activities as well as political developments.

Regarding Publication – Printing sector, it is estimated that in 2015 losses will be substantially limited mainly as a result of the actions, aimed at cutting the costs incurred with the last three years as well as due to the significant contribution of the printing sector to the increase in sales.

In 2014, tanker freight market fluctuated at satisfactory levels, thus reversing the negative figures recorded in the previous years. This improvement is presented in the Group financial statements of the Group mainly through the positive revaluation of the vessels, reversing the losses of previous years of their devaluation. This trend of recording satisfactory rates is expected to continue well into 2015.

The Group turnover from polishing and printing operations in 2014 decreased by 3,83% versus the respective results recorded in 2013. As far as FY 2015 is concerned, the Publication-Printing sector turnover is expected to increase by approximately 5% versus 2014 mainly due to the increase in Printing turnover, projected to fluctuate at around 15%.

Regarding the Shipping sector turnover, recovery was presented despite the adverse macroeconomic environment dominating within the recent years that has had a significant impact on charter prices.

Turnover increased by 28,49% versus the previous year as a result of the recovery in the vessel market.

The Publications sector cost of sales decrease by 16,94% within the period 1.1-31.12.2014 also as a result of the decrease in the Group turnover as well as the actions taken by the Group for the purposes of streamlining the production costs. It is expected that in 2015, despite the projected significant increase in Publications sector sales, the cost of sales will continue to decrease by approximately 5%.

The shipping sector cost of sales increased by 12,69% versus 2013. It is projected that in 2015 it will stabilize round the same levels as those recorded in 2014.

The balance of the Group operating costs is marginally stable versus the previous year (distribution cost decrease 7,92%, administrative cost increase 5,74%).

The Group management, seriously taking into consideration the effects of the market crisis, which according to all indications, is going to continue in 2015, and the priorities regarding creation of positive cash flows, drastic reduction of exposure to borrowing, limiting the credit risk from sales on credit as well as decrease in operating costs, will continue to take steps to face the risks and to improve the results for both the company and its subsidiaries.

These measures are summarized as follows:

- Further streamlining of the companies' operations cost, attempting to decrease the total costs, while retaining the quality of the newspaper and other editions.
- Facilitating attempts aimed at attracting advertising revenue and revenue from printing of third parties, as well as promptly collecting the amounts due and minimizing losses from those activities.
- Developing new digital printing operations within the Printing unit.
- Developing new operations regarding circulation of «DISNEY» magazines via stalls.

The implementation of the aforementioned is expected to result in the following:

- Increased circulation of the newspaper and, therefore, higher revenue from newspaper sales.
- Increase in revenue from advertising.
- Drastic improvement of negative results, presented by the Group companies.
- Making better use of the Printing unit.

UNIT F

Transactions with Related Parties

The tables below show the intra-group sales and other intra-group transactions between the company and its subsidiaries and members of the management during the current year and the intra-group balances of receivables and liabilities of the company and its subsidiaries as at 31.12.2014.

Management fees at Group and Company level are analyzed as follows:

	THE GROUP		THE COMPANY	
	1/1 - 31/12/2014	1/1 - 31/12/2013	1/1 - 31/12/2014	1/1 - 31/12/2013
Salaries and other short-term employment benefits	497.926,41	520.126,46	180.318,14	186.700,00
Total	**497.926,41**	**520.126,46**	**180.318,14**	**186.700,00**

Transactions with related parties are presented in the tables below:

Transactions with subsidiaries and affiliated companies

		THE GROUP 31/12/2014	THE COMPANY 31/12/2014
Sales of goods to	KATHIMERINI,POLITIKI,OIKONOMIKI EFIMERIDA EKDOSH LTD	375.513,99	
	ARGOS - EUROPE LTD	44.396,66	
-"-	EXPLORER S.A.		-7,88
-"-	KATHIMERINES EKDOSEIS S.A.		254,09
Purchase of goods from	EXPLORER S.A.		1.710,41
-"-	MAISON PUBLISHING S.A.		
-"-	KATHIMERINES EKDOSEIS S.A.		746,43
Purchase of services from	EXPLORER S.A.		
-"-	ATE ERGON S.A.		371.157,99
-"-	KATHIMERINES EKDOSEIS S.A.		36.000,02
-"-	IHT -KATHIMERINI S.A.		
-"-	HOUSE OF WINE S.A.	6.298,40	
-"-	ARGOS - EUROPE LTD	21.390,84	
-"-	APOSTOLI S.A.		
-"-	EUROPE S.A. DAILY AND PERIODICAL PRESS DISTRIBUTION AGENCY	6.378.905,58	
-"-	KATHIMERINI,POLITIKI,OIKONOMIKI EFIMERIDA EKDOSH LTD		
-"-	ARGONAFTIS LTD	1.118.238,00	
Sales of services to	ATE ERGON S.A.		
-"-	KATHIMERINES EKDOSEIS S.A.		193.631,35
-"-	EXPLORER S.A.		20.400,00
-"-	IHT -KATHIMERINI S.A.		8.040,60
-"-	MAISON PUBLISHING S.A.		
-"-	ARGONAFTIS LTD		
-"-	KATHIMERINI,POLITIKI,OIKONOMIKI EFIMERIDA EKDOSH LTD		
	HOUSE OF WINE S.A.	4.074,73	
-"-	APOSTOLI S.A.		
-"-	KATASTIMATA TYPOU AT INTERNATIONAL AIRPORT S.A.	68.637,21	
-"-	EUROPE S.A. DAILY AND PERIODICAL PRESS DISTRIBUTION AGENCY	26.144,65	

Receivables / Liabilities from/to subsidiaries and affiliated companies

		THE GROUP 31/12/2014	THE COMPANY 31/12/2014
Receivables from	EXPLORER S.A.		123.369,40
-"-	MAISON PUBLISHING S.A.		
-"-	ATE ERGON S.A.		4.149.976,62 (*)
-"-	KATHIMERINES EKDOSEIS S.A.		986.900,86
-"-	IHT -KATHIMERINI S.A.		1.794,21
-"-	ARGONAFTIS LTD		
-"-	APOSTOLI S.A.		2.300,00
-"-	HOUSE OF WINE S.A.	3.090,17	
-"-	ARGOS - EUROPE LTD	5.002,13	
-"-	KATASTIMATA TYPOU AT INTERNATIONAL AIRPORT S.A.	9.151,10	
-"-	EUROPE S.A. DAILY AND PERIODICAL PRESS DISTRIBUTION AGENCY	1.319.055,92	
-"-	KATHIMERINI,POLITIKI,OIKONOMIKI EFIMERIDA EKDOSH LTD	830.403,28	0,02
Liabilities to	APOSTOLI S.A.		
-"-	KATHIMERINES EKDOSEIS S.A.		
-"-	ATE ERGON S.A.		50.229,08
-"-	HOUSE OF WINE S.A.	3.888,83	
-"-	IHT -KATHIMERINI S.A.		
-"-	ARGONAFTIS LTD	1.141.672,00	
-"-	MAISON PUBLISHING S.A.		
-"-	EUROPE S.A. DAILY AND PERIODICAL PRESS DISTRIBUTION AGENCY	379.709,85	
-"-	KATHIMERINI,POLITIKI,OIKONOMIKI EFIMERIDA EKDOSH LTD		

(*): Amount of 4.149.976,62 pertains to balance account against future rents that were paid by the parent to subsidiary ATE ERGON S.A., due to the completion by the parent company of the semi finished building installations owed by the latter.

UNIT G

Equity Shares

As at 31.12.2014, there were no parent company shares held by the parent company or by other entities included in consolidation.

UNIT H

Analytical information according to par. 7, Article 4 of the Law 3556/2007

(a) Structure of the Share Capital

The Company's Share Capital as at December 31st, 2013, amounted to ten million two hundred thousand euro (10.200.000), divided into seventeen million (17.000.000) shares, of nominal value of sixty cents (0,60) each.

On January 9th, 2014 the Extraordinary General Meeting of Shareholders decided on share capital increase that was performed from 10.03.2014 to 26.03.2014. The amount of the Share Capital increase was fully (100%) covered and stood at 8.976.000,00 Euro.

The Company's share capital as at December 31st, 2014, stands at nine million one hundred eighty thousand euro (9.180.000,00) divided into 30.600.000 ordinary nominal shares with voting right of nominal value 0,30 Euro each.

Note 9.13 presents analytical information in respect of the Company's Share Capital Increase.

The total (100%) of the company's shares are ordinary intangible registered shares and there is no special share category. All Company shares are listed for trading on the Athens Stock Exchange. Each share provides the right of one vote. Each share provides the right of one vote. The rights and obligations arising from the ownership of shares are those provided by Codified Law 2190/1920.

The main rights and obligations arising from the ownership of shares, according to the company's Articles of Association and to Codified Law 2190/1920, are as follows:

1. Each share provides a right to the liquidation proceeds of the company's assets, in case of dissolution and to the distribution of the profits, proportionate to the Capital's percentage, which corresponds to the paid value of the share.
2. The right to receive a dividend from the Company's annual or liquidated profits. After deducting the regular reserve, only 35% of net profits are distributed from each financial year's profit to the shareholders as an initial dividend, whereas the payment of an additional dividend is decided by the General Meeting. Every shareholder is entitled to the dividend according to the date determining dividend beneficiaries. The dividend for each share is paid to the shareholders within two (2) months from the date of the Ordinary General Meeting, which approved the Annual Financial Statements. The manner and place of payment will be announced through the Press. The right to dividends is written-off and the respective amount is paid to the State, after the lapse of 5 years from the end of the year, during which the General Meeting approved the distribution of dividends.
3. In any case of Capital Share increase exercised in cash and in case of issuing bonds that can be converted into shares or (c) in case of a Stock Option Plan, according to paragraph 9 of article 13 of law 2190/1920, the pre-emptive right is granted to the whole of the new capital or to the bond loan for the existing Shareholders, according to their participation in the Share Capital.
4. The right to receive a copy of the financial statements and independent auditor's reports and reports of the Company's Board of Directors.
5. The General Meeting of the Company's Shareholders reserves all rights during liquidation, according to its Articles of Association.

The liability of the Company's Shareholders is limited to the nominal value of the shares they own.

(b) Limitations to transferring Company Shares

b1. According to the company's Articles of Association:

The transfer of shares is free and under the Company's Article of Association, there is no limitation in their transfer. However a notary document is required, a copy of which has to be communicated by a catchpole, within five (5) days from signing, to the Ministry of Commerce, to the General Secretariat of Press and Information and to the Athens Daily Newspaper Publishers Association. Due to the fact that the Company's shares are listed in the Athens Stock Exchange, according to law 1746/1988, their transfer could take effect through the procedure of transferring nominal shares of societe anonyme, according to the Athens Exchange Rulebook, as applies.

The pre-emptive right, under the restrictions of par. 6 & 7 of article 13 of codified law 2190/1920, may be limited or even suspended by a decision of the General Meeting. According to the Articles of Association of the Company, after the deadline has passed for the exercise of the right, as defined, a deadline not less than a month, the shares not taken by the old shareholders can be given out freely by the Board of Directors. The invitation for the exercise of such right, where the deadline for the exercise should be stated, is published in the Official Government Gazette. By exemption of the above and since the company's shares are nominal, the invitation for the exercise of the pre-emptive right could be carried out through registered letters sent to the Shareholders.

(c) Significant direct or indirect participations pursuant to the provisions according to Law 3556/2007 art. 9-11.

Following the Company capital decrease

A) common nominal shares held by Mr Aristidis I. Alafouzos, the Chairman of the Board of Directors of KATHIMERINI S.A. decreased to 1,385,454 shares (without reducing the percentage of voting rights he had in the Company standing at 40.74%). After Mr. Aristides Alafouzos exercised preference option in the share capital increase of the aforementioned Company, the percentage of voting rights he directly holds in KATHIMERINI S.A. changed on March 28, 2014 from 40.74% to 45.54%.

B) 2,348,840 common nominal shares held by Mr Ioannis Ar. Alafouzos, the Deputy Chairman of the Company Board of Directors, decreased to 469.768

common nominal shares of KATHIMERINI S.A. with voting rights without reducing the percentage 13.82% of voting rights he had in the Company. After Mr. Ioannis Ar. Alafouzos exercised preference option in the share capital increase of the aforementioned Company, he holds 4,725,313 common nominal shares of the Company with voting rights totaling 30,600,000 common nominal shares of the Company (a percentage of 15.44%.) Following the above acquisition of shares, the percentage of voting rights held by Mr. Ioannis Ar. Alafouzos exceeded the limit of 15%.

C) 3,674,596 common nominal shares of KATHIMERINI S.A. held by Mr Themistocles A. Alafouzos, the Chief Executive Officer of KATHIMERINI S.A. decreased to 734,919 common nominal shares without reducing the percentage 21,61 % of voting rights he had in the Company. After Mr. Mr Themistocles A. Alafouzos exercised preference option in the share capital increase of the aforementioned Company, he holds 7,392,421 common nominal shares of KATHIMERINI S.A. with voting rights totaling 30,600,000 common nominal shares of the Company (new voting rights percentage 24,16 %.)

Following the finalization of increasing the nominal value of every ordinary nominal share of the Company with voting right, coupled with the consolidation and reducing the total number of ordinary shares (reverse split) and the decrease of the share capital of the Company by reducing the nominal value of every ordinary nominal share with voting right (reverse split) on 9-1-2014 and the share capital increase by an amount of 8.160.000 € through the issue of 27.200.000 new ordinary nominal shares with voting rights on 28-3-2014, the ownership structure of the Company (shareholders holding over 5%) was as follows:

	Prior to the Increase (shareholders registry as of 9.01.2014)		**After the Increase (shareholders registry as of 28-3-2014)**	
Shareholders	**Number of Shares**	**%**	**Number of Shares**	**%**
Aristidis I. Alafouzos	1.385.454	40,75%	13.936.038	45,54%
Themistoclis Ar. Alafouzos	734.919	21,61%	7.392.421	24,16%
Ioannis Ar. Alafouzos	469.768	13,82%	4.725.313	15,44%
Private & Institutional Investors	809.859	23,82%	4.546.228	14,86%
Total	**3.400.000**	**100,00 %**	**30.600.000**	100,00%

On April 3, 2014 the FINANCIAL STABILITY FUND ("FSF"), informed the Company that its indirect shareholding in the Company, which stood at 5,16% through controlling 175.337 common nominal registered shares with voting rights, with the

increase in par value of common nominal shares of the Company with voting rights from 0,60 € to 3,0 € with simultaneous decrease in the total number of common nominal shares of the Company from 17,000,000 to 3,400,000 new common nominal shares with voting rights (reverse split), decrease to 4,73% through controlling 1,447,601 common nominal shares with voting rights after the exercise of preference option by the old shareholders in the Company share capital increase through issue of 27,200,000 new common nominal shares with voting rights in favour of the old shareholders at a ratio of eight (8) new shares for every one (1) existing share.

Controlled entities title	Number of voting rights	% voting rights
E.T.E.	14.400	0.05%
Piraeus Bank	4	0.00%
Alpha Bank	1.900	0.00%
Eurobank Ergasias S.A.	1.431.297	4.68%
Total	**1.447.601**	**4,73%**

As at 31/12/2014, significant shareholders structure was as follows:

NAME/SURNAME	SHARES-VOTES	PERCENTAGE %
Aristidis Alafouzos	13.936.038	45,54
Themistoclis Alafouzos	7.392.421	24,15
Ioannis Alafouzos	4.725.313	15,44
Other Shareholders	4.546.228	14,87%
TOTAL	**30.600.000**	**100%**

There are no other natural persons or legal entities, known to the company, holding percentage over 5% of the Company Share Capital as at the end of December 2014.

SIGNIFICANT CHANGES IN THE COMPANY SHAREHOLDING STRUCTURE IN TO 2015

A. A shareholder, Mr Tryfonas Alefritis, stated that prior to 01.19.2015 he held a total of one million four hundred eighty five thousand and one hundred nine (1,485,109) nominal shares and voting rights percentage of 4.85% while on 19.1.2015, he holds a) directly five thousand six hundred eighteen shares (5.618) with voting rights percentage of 0.0170% and b)

b) indirectly one million five hundred thirty two thousand and seven hundred eighty nine (1,532,789) shares with voting rights percentage of 5.009% through his controlled companies «TILEFOS LTD» (which held one million five hundred seventeen thousand and seven hundred eighty-nine (1.517. 789) nominal shares with voting rights percentage of 4.96%) and "TRYFON ALEFRITIS AND CO LP" (which held fifteen thousand (15,000) shares with voting rights percentage of 0.0005%). Therefore, as at 19.1.2015 the voting rights percentage he held in KATHIMERINI exceeded 5% and as at 19/1/2015 stood at 5,027.

Thereafter, the above shareholder stated that as from 21.1.2015 he holds as a total only five hundred and twenty nine nominal shares (529) of KATHIMERINI, i.e.

a) directly two hundred and twenty nine (229) shares and

b) indirectly there hundred (300) shares through the controlled by him company «TILEFOS LTD» .

On 21.1.2015, the aforementioned company TILEFOS LTD sold one million five hundred thirty eight thousand and six hundred seventy eight (1.538.678) nominal shares (voting rights percentage of 5,028%) out of one million five hundred thirty eight thousand and nine hundred seventy eight (1.538.978) nominal shares it held (voting rights percentage of 5,029%).

Therefore, as at 21.1.2015 the voting rights percentage the shareholder TRYFON ALEFRITIS held in KATHIMERINI stood at 0,00001%.

B. The shareholding company «TILEFOS LTD», that held one million five hundred thirty eight thousand and nine hundred seventy eight (1.538.978) nominal shares of KATHIMERINI and voting rights percentage of 5,029%, stated that as at 21-1-2015, the voting rights percentage it held stood at 5% following the disposal of shares.

In particular, as from 21.1.2015, the above shareholders holds three hundred (300) nominal shares of KATHIMERINI and a voting rights percentage of 0,00001%.

(d) Holders of shares that provide special control rights

There are no shares of the company that provide special control rights.

(e) Restrictions on voting right – Deadlines for the exercise of such rights

No voting rights restrictions are stipulated by the Company's Articles of Association.

The right to participate in the General Meeting is provided to those who are recorded as shareholders in the Central Securities Depository, held by «Hellenic Stock Exchange S.A.» (E.X.A.E.), where the company shares are kept. The evidence of

shareholder's status is the provision of the relative written verification issued by the organization or, alternatively, via direct electronic connection of the Company with the records of the organization in question.

Shareholder's status shall be effective as at the record date, i.e. at the beginning of the fifth (5th) day prior to the General Meeting, and the relative verification or electronic certification regarding the shareholder's status shall be received by the Company at least three (3) days prior to the General Meeting.

The shareholders that fall within the aforementioned provisions are entitled to participate in the Resumed General Meeting. Shareholder's status shall be effective at the beginning of the fourth (4th) day prior to the Resumed General Meeting (RGM record date), and the relative verification or electronic certification regarding the shareholder's status shall be received by the Company at least three (3) days prior to the Resumed General Meeting.

Only those possessing the shareholder's status at the record date are regarded as those having the participating and voting right at the General Meeting. In case the provisions of Article 28 a of the CL 2190/1920 are not met, the shareholder in question can participate in the General Meeting only following the Meeting's agreement.

(f) Agreements between Company Shareholders on limitations on shares transfer or exercise of voting rights

To the best of Company's knowledge, there are no agreements between shareholders that impose limitations to the transfer of Company shares or the exercise of voting rights arising from its shares.

(g) Regulations regarding appointing and replacing members of the Board of Directors and amending the Articles of Association, which differ from those prescribed by codified law 2190/1920

The regulations regarding appointment and replacement of members of the Board of Directors and the amendment of the Articles of Association do not differ from those prescribed by codified 2190/1920.

(h) Duties of the Board of Directors with regard to the issuance of new shares/purchase of own shares according to article 16 of codified law 2190/1920

h1. According to the provisions of article 5 par.2 of the Company's Articles of Association, the Board of Directors of the Company, during the first five years of

the establishment of the Company, is entitled to increase the Share Capital of the Company by issuing new shares, by virtue of a decision adopted by a majority of at least two thirds (2/3) of the total numbers of its members. This power can be renewed by the General Meeting for no more than five (5) years each time.

This power has not been granted to the Company's Board of Directors.

h.2. By exemption of the provision of the previous paragraph, according to the provisions of article 5 par. 4 and 5 of the Company' Articles of Association, in case the Company's reserves exceed one tenth (1/10) of the paid-up Share Capital, then a decision of the General Meeting is at all times required with the exceptional quorum and majority of article 15 of the Company's Articles of Association (exceptional quorum and majority). Those capital increases decided according to the above paragraph 2 of article 5 of the Articles of Association do not constitute an amendment of the Articles of Association.

h.3 There is no special provision in the Company's Articles of Association for the jurisdiction of the Board of Directors or of some members of the Board of Directors regarding the purchase of own shares and the provisions of article 16 of codified law 2190/1920 apply, while the Board of Directors is not authorized by the General Meeting of the Shareholders to proceed with the purchase of equity shares.

(i) Significant Agreements that become effective / are amended / are terminated in the event of change of the company's control following a public offer

There are no such agreements.

(j) Agreements that the Company has contracted with the members of the Board of Directors or with its personnel, which provide for the payment of compensation in case or resignation / release without substantiated reason or in case of termination of their term / employment due to a public offer

There are no agreements of the Company with members of the Board of Directors or its personnel, which provide for the payment of compensation especially in case of termination of their term or employment due to a public offer.

UNIT I

Corporate Governance Statement

(The current Statement is prepared in compliance with Article 43a, par. 3 case d of the Law 2190/1920 and constitutes a part of the Annual Report of the Company Board of Directors).

The Company applies the principles of Corporate Governance, in accordance with the effective legislation, in order to improve its operations and increase its competitiveness, as well as to enhance transparency procedures and updating the investing public.

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UNITS

1.1. CORPORATE GOVERNANCE CODE

Report on the corporate governance code, which the Company is subject to or which it has voluntarily decided to apply, as well as the place where it is available to the public.

The Company has voluntarily decided to apply the Hellenic Corporate Governance Code, drafted by SEV (Hellenic Federation of Enterprises) and amended under the first revision performed by the Hellenic Corporate Governance Council (ESED) on June 28, 2013.

The Hellenic Corporate Governance Council was established in 2012 and is a joint initiative of HELEX and the Hellenic Federation of Enterprises (SEV). Their shared vision, for the sustained competitiveness of Greek corporations and enhanced credibility of the Greek market, led to the recognition of the significance of corporate governance and endorsement of the Hellenic Corporate Governance Code available on: http://www.esed.org.gr.

The Code is divided into two types of provisions: "general principles", which are addressed to all companies, whether listed or not; and "special practices", which concern only listed companies. The Code follows the "comply or explain" approach and requires listed companies that choose to implement it as a reference framework to disclose its use as a reference framework and either comply with the special practices of the Code or explain reasons for non-compliance with specific provisions.

In cases when the Company deviates from the general practice, explanations are provided, although implementation of some specific practices is within the Exemptions for smaller listed companies, presented in Annex I.

1.2. Policy of equal opportunities and diversity at the Company

"KATHIMERINI" Group of Companies is committed to providing equal opportunities to all its employees and applicants at all levels of hierarchy, regardless of race, color, religion, ancestry, gender, sexual orientation, age, disability, marital status or any other characteristic protected by legislation. The Group expressly prohibits any discrimination or harassment based on these factors and makes efforts in order to ensure that all the decisions regarding employment, including but not limited to those relating to recruitment, promotion, training, compensation and benefits, transportation, and disciplinary issues are free from any unlawful discrimination.

The Group encourages safe and healthy occupational environment, free of discrimination, harassment and retaliation. All the decisions related to employment are based on individual qualifications, performance and conduct.

In order to facilitate sustainable and balanced development, the Group regards the increasing diversity in the Board of Directors as a key element in achieving its strategic objectives and maintaining its growth.

The minimum qualifications that shall be depicted by the prospective members of the Board of Directors and Key Executive are strong values and discipline, high ethical standards and a commitment to fully participating in the Board and its committees. The prospective BoD members shall have individual skills, experience and specific qualities that will support the current needs of the Group.

The diversity in the Board of Directors and among the Key Executives is based on a number of factors, including but not limited to gender, age, cultural and educational background, professional experience, skills, knowledge and term of service, assessed under the strict criteria.

2. BOARD OF DIRECTORS – INFORMATION ON THE BOARD OF DIRECTORS AND ITS COMMITTEES

The role and the responsibilities of the Board of Directors are clearly identified and documented in the Company Articles of Association as well as in the Company Internal Operation Regulations.

The Board of Directors is responsible for representation, administration and unlimited management of corporate affairs. The board is competent to decide on every act concerning the management of the company, the administration of its assets and the pursuance of the company's object, within the limits of the law and except for matters decided by the general meeting of shareholders.

The Board of Directors may delegate, for as long as required and under all the relative conditions whenever it deems appropriate, the exercise of its representation and powers, in whole or in part, to one or more BoD members or directors or executive directors or other Company employees or third parties or committees, while establishing, every time, their jurisdiction and signatures that will be binding for the Company.

The <u>main responsibilities</u> of the Board of Directors (in the sense that the relevant decision should be taken or ratified by the board) should include:

- Representation, administration and unlimited management of the corporate affairs and decision making regarding the Company management in order to achieve its corporate objective and management of corporate assets including the issuance of common and exchangeable bonds. The only

exceptions to the regulations are the decisions, which according to the Legislation the Articles of Association or any other valid document, binding and valid agreement, expressly fall within the exclusive competence of the General Meeting of Shareholders.

- Approving the overall long-term strategy and operational goals of the company,
- Approving annual budgets and business plans and deciding on major capital expenditures, acquisitions and divestitures,
- Selecting and replacing, if necessary, the executive leadership of the company and overseeing succession planning,
- Monitoring the performance of senior management, and aligning executive remuneration with the longer term interests of the company and its shareholders,
- Ensuring the integrity of the company's accounts, financial reporting systems and public disclosures, as well as the effectiveness of the systems of internal control and risk management,
- Being alert to and adequately addressing actual and potential conflicts of interests between the company and its management, board members or major shareholders, as well as to this end, the board should put a set of procedures in place for supervising transactions in order to ensure transparency and protect the company's interests,
- Ensuring that there is a satisfactory process for monitoring the company's compliance with relevant laws and regulations,
- Deciding on and monitoring the effectiveness of the company's governance processes including its system of decision-making and delegation of authorities and duties to other key executives, and
- Formulating, disseminating and implementing key values and principles of conduct governing the company's relations with its stakeholders.

A. II. Size and composition of the board

As at June 25th, 2014. the Company's Board of Directors consists of eight (8) members – four (4) executive and four (4) non-executive members. Three (3) of non-executive members are independent therefore, one third (1/3) of the BoD is represented by independent members who are free of material conflict of interest with the company and do not have close ties with the management (in compliance

with the provisions of Law N.3012/2002). Managerial duties are performed only by the executive members.

This balance has ensured, for a number of years, efficient and productive operation of the Board, since the executive members have daily involvement and direct knowledge of the Company's operations as well as the arising problems. On daily basis, they communicate with employees and associates and, therefore, are in position to immediately identify any problems and propose the most appropriate solutions in accordance with the nature of the Company's operations.

Moreover, the Board is assisted by a competent, suitably qualified and experienced company Secretary, who attends board meetings. All board members have access to the services of the company secretary, whose role is to provide practical support to the chairman and other board members, both as a group and individually, and ensure that the board complies with internal rules and relevant laws and regulations.

Under recommending the General Meeting to elect a new independent member, the Board takes into account the fact that the proposed independent member does not own more than 0.5% of the company's share capital and fully complies with the provisions of Law 3016/2002 and the requirements of article 2.5 of the Hellenic Corporate Governance Code.

Remuneration of the BoD members

Members of the Board of Directors can receive remuneration for every personal attending the Board meetings, if approved by the special resolution of the Annual General Meeting.

Composition of the Board of Directors

I. Resignation of Director G. Timagenis

On 31-12-2013, Mr Grigorios Timagenis, Non-Executive BoD Member resigned and a vacant Board position was created.

At the meeting held on 09.01.2014, the Board of Directors approved the proposal of the CEO on non-replacement of the vacancy arising due to the resignation of Mr Grigorios Timagenis and on presenting the decisions on non-replacement of the resigned member to the attention of the following General Meeting of Shareholders.

Moreover, as at the aforementioned meeting, the Board of Directors was recomposed as follows:

Chairman of the Board of Directors:

Aristidis Ioannis Alafouzos, Executive Member

Deputy-Chairman of the Board of Directors:

Ioannis Aristidis Alafouzos, Non-executive Member,

Deputy-Chairman of the Board of Directors:

Georgios Theodoros Constantinidis, Non-executive Independent Member,

Chief Executive Officer:

Themistocles Aristidis Alafouzos, Executive Member,

Members:

Martha Theofanous Zoe-Dertili, Executive Member for International Partnerships,

Alexandros Aristomenis Papachelas, Executive Member,

Panagiotis Andreas Vourloumis, Non-executive Independent Member,

Panagiotis (Takis) Ioannis Athanasopoulos, Non-executive Independent Member

Ioannis Emmanouil Kontellis, Non-executive Independent Member

The tenure of all the BoD members and the Secretary, as defined at the 22nd Regular General Meeting of the Company Shareholders, will be terminated under the election of the new Board of Directors by the Regular General Meeting of the Company Shareholders that will be held within the first six months of 2014.

II. Death of Mr G. Constantinidis

The independent Deputy-Chairman, Mr Georgios Constantinidis died in the beginning of February 2014 after a severe illness. Therefore, another vacant position was created in the Board of Directors.

Consequently, at its meeting held on February 19, 2014, the Board of Directors decided not to replace the deceased Board member with another member given that the remaining eight (8) members had the experience of rendering services to the Company's Board of Directors and were in position to make decisions regarding the Company operations, and since they exceeded half of the total number of the board members before the occurrence of the vacancy (ie the remaining members exceed five (5); there were already three (3) independent members and the number of non-executive members was higher than 1/3 of the total number of members (Article 3, Law. 3016/2002).

The following Regular General Meeting to be held in the first half of 2014 will decide on the issue of electing the new Board of Directors given the end of service of the existing Board.

Following the decision on non-replacement of the deceased member, the Board of

Directors was recomposed as follows:

Chairman of the Board of Directors:

Aristidis Ioannis Alafouzos, Executive Member

Deputy-Chairman of the Board of Directors:

Ioannis Aristidis Alafouzos, Non-executive Member,

Chief Executive Officer:

Themistocles Aristidis Alafouzos, Executive Member,

Members:

Martha Theofanous Zoe-Dertili, Executive Member for International Partnerships,

Alexandros Aristomenis Papachelas, Executive Member,

Panagiotis Andreas Vourloumis, Non-executive Independent Member,

Panagiotis (Takis) Ioannis Athanasopoulos, Non-executive Independent Member

Ioannis Emmanouil Kontellis, Non-executive Independent Member

Composition of the existing Board of Directors

The Annual Regular General Meeting of the Company's Shareholders held on June 25th, 2014, elected the following members of the Board of Directors:

1. Chairman of the Board of Directors:

Aristidis Ioannis Alafouzos, Executive Member

2. Deputy-Chairman of the Board of Directors:

Ioannis Aristidis Alafouzos, Non-executive Member,

3. Deputy-Chairman of the Board of Directors:

Panagiotis Andreas Vourloumis, Non-executive Independent Member

4. Chief Executive Officer:

Themistocles Aristidis Alafouzos, Executive Member,

5. Members

Martha Theofanous Zoe-Dertili, Executive Member for International Partnerships,

6. Member

Alexandros Aristomenis Papachelas, Executive Member,

7. Member

Panagiotis (Takis) Ioannis Athanasopoulos, Non-executive Independent Member

8. Member

Ioannis Emmanouil Kontellis, Non-executive Independent Member

Following election of the new members by the Annual General Meeting of the company shareholders held on June 25th 2014, the Board of Directors was

recomposed and the responsibilities of its members and the company's representation were defined as follows:

Chairman of the Board of Directors:
Aristidis Ioannis Alafouzos, civil engineers, Greek citizen, Executive Member
Deputy-Chairman of the Board of Directors:
Ioannis Aristidis Alafouzos, businessman, Greek citizen, Non-executive Member
Deputy-Chairman of the Board of Directors:
Panagiotis Andreas Vourloumis, economist, Non-executive Independent Member,
Chief Executive Officer:
Themistocles Aristidis Alafouzos, Greek citizen, Executive Member
Members:
Martha Theofanous Zoe-Dertili, economist, Executive Member for International Partnerships, Alexandros Aristomenis Papachelas, journalist, Executive Member, Panagiotis (Takis) Ioannis Athanasopoulos, Emeritus Professor, Non-executive Independent Member, Ioannis Emmanouil Kontellis, businessman, Non-executive Independent Member.
Mr. Vasileios Diamantopoulos was appointed the secretary of the BoD.
The tenure of all the BoD members and the Secretary, as defined at the 26th Regular General Meeting of the Company Shareholders, will be terminated under the election of the new Board of Directors by the Regular General Meeting of the Company Shareholders that will be held within the first six months of 2017. However, the tenure can be further prolonged till the first General Regular Meeting after the termination of the tenure, though for a period not exceeding four years.

Brief CVs of BoD members and the Secretary

- **Aristidis Ioannis Alafouzos, Chairman, Executive Member**

Mr. Aristidis Alafouzos is a civil engineer and has been occupied with shipping in the recent years.

- **Ioannis Aristidis Alafouzos, Deputy-Chairman, Non-executive Member**

Mr. Ioannis Alafouzos studied History and Economics at Oxford University. He is occupied with the field of Shipping. He is the founder, President and CEO of SKAI group of companies. Alongside, in the recent years, the Group operates the TV station "SKAI" station, radio stations "SKAI", "Melodia", and "SPORT FM" as well as the news portal www.skai.gr.

- **Panagiotis Andreas Vourloumis, Non-executive Independent Member**

Mr. Panagiotis Vourloumis served as member of the International Finance Corporation from 1966 to 1973. He was the CEO of Emporiki Bank from 1979 to 1981, as well as the President of Alpha Finance, Alpha Mutual Funds Management and Banca Bucuresti from 1989 to 2000. He also served as a Consultant to the World Bank and other organizations. From 1993 to 1997 he was the President of the Association of Hellenic Institutional Investors. He was also the Chairman of the Board of Directors of Frigoglass and Aegean Baltic Bank, as well as a member of the Board of Directors of SEV and the President and CEO of OTE from 2004 to 2010.

- **Themistocles Aristidis Alafouzos, Chief Executive Officer, Executive Member**

Mr. Themistocles Alafouzos is Chief Executive Officer at the parent listed company "KATHIMERINI S.A." A subsidiary "KATHIMERINES EKDOSIES S.A.", which published the newspaper "KATHIMERINI" and a member of the Boards of Directors of the other companies of the Group, mainly operating in the domain of publishing magazines and other printed editions.

- **Martha Theofanous Zoe-Dertili, Executive Member**

Mrs. Martha Zoe-Dertili studied economic sciences at the University Studies at the School of Economics of the University of Geneva, and has Graduate Degree & Master's in International Macroeconomics. She has worked in the European Commission, Directorate-General (Credit & Investments), in Emporiki Bank at the department of Economic Research and in the Hellenic Banks Association, in the Directorate of Community Affairs.

- **Alexandros Aristomenis Papachelas, Executive Member**

Mr. Alexandros Papachelas is the director of the newspaper "KATHIMERINI". He studied History, International Relations and Journalism at universities "Bard" and "Columbia" in the USA. Mr. Papachelas is the author of two books.

- **Panagiotis (Takis) Ioannis Athanasopoulos, Non-executive Independent Member**

Mr. Panagiotis (Takis) Athanasopoulos taught at Loyola University in Chicago and Wright State University in Ohio, where he was Associate Dean for academic and research programs of the School of Business Administration. He returned to Greece in 1981 and was appointed a professor of Economics at the University of Piraeus, where he was the Chairman of the Departments of Management and Business Banking and Financial Management, as well as the Rector. Now he is an Emeritus

Professor of the University of Piraeus. In 1986, he joined TOYOTA group as an Executive Deputy-Chairman. From 1989 to 2000 he was the Chairman and the CEO of this company. In January 2001 he joined Toyota Motor Marketing Europe taking over as Executive Vice President and Chief Operating Officer. In June 2004 he was promoted to Managing Officer of Toyota Motor Corporation and Executive Vice President of Toyota Motor Europe. In July 2006 he retired and he served as Senior Executive Advisor of Toyota Motor Europe. In February 2007 he joined PPC S.A. assuming the duties of the President & CEO and left in October 2009. From September 2012 until March 2013 he served as a Chairman of the Board of Directors of HRADF.

- **Ioannis Emmanouil Kontellis, Non-executive Independent Member**

Mr. Ioannis Emmanouil Kontellis is a businessman. He received MSc in Maritime Studies and Economics from the City University of London and BEng in Mechanical Engineering from the Imperial College of Science and Technology. From 1996 till currently he has been Vice Chairman and Managing Director of the company "I.E.KONTELLIS S.A.". From 1997 till currently he has been Vice President of "P.I.KONTELLIS S.A." and since 2002 - the President and CEO of «Dromeas Development». Since 1999 till currently he has been the President of "MULTIPART S.A.», from 1997 to 2001 – the President of «Panda services SA». From 2000-2007 he was a member of the Board of Directors of «Emboriki Rent». From 2000 till currently he has been Vice Chairman of the Council of Car Importers Association and a board member of the Association of Investment and real estate development. From 1996-2002 he was a member of the Board of the British Hellenic Chamber of Commerce.

Mr. Vasileios Diamantopoulos, the Secretary, is a graduate of AUEB (Athens University of Economics Business Science). For one year he worked at the Ministry of Economy and for 1.5 years in the NATIONAL BANK OF GREECE. Recently, he has been employed in technical-nautical and publishing companies of Mr. Aristides Alafouzous.

The Company's BoD member and t members of the Audit Committee that are also members of the BoD, have declared that apart from their position and occupation in the Company they do not have other professional duties that are competitive in respect of the Company and do not participate in the Boards of Directors of more than 5 listed companies (Section A IV 4.3.).

However, they have declared that they have remained members of the administrative, management and supervisory bodies and are partners in the following entities:

Name/Surname	**Entity**	**BoD member/Partner**
IOANNIS ALAFOUZOS (DEPUTY-CHAIRMAN OF BoD)	1. «SELINAIA S.A.»	PARTNER WITH PARTICIPATING INTEREST 50%
	2. «ERGA DIONYSOU S.A.»	PARTNER WITH PARTICIPATING INTEREST 49,2%
	3. «AKINITA KALLITHEAS S.A.»	PARTNER WITH PARTICIPATING INTEREST 99.9%
	4. «KTIMA SIGALAS»	PARTNER WITH PARTICIPATING INTEREST 9,92%
	5. «PROVOLI S.A.A»	PARTNER WITH PARTICIPATING INTEREST 100%
	6. «ERMIS MARITIME CORPORATION» (UNDER LAW 89/67, DOMICILED IN GREECE)	PARTNER WITH PARTICIPATING INTEREST 100%
	7. «SEA DIAMOND ENTERPRISES CORPORATION»	PARTNER WITH PARTICIPATING INTEREST 100%
	8. SKAI S.A.	PARTNER WITH PARTICIPATING INTEREST 90% AND CHAIRMAN AND CEO
	9. FEELGOOD ENTERTAINMENT S.A.	PARTNER WITH PARTICIPATING INTEREST 30%
	10. THLEOPTIKH AND ETAIPEIA PLHPOFOPION KAI ENHMEPOSIS S.A. («SKAI S.A».) EIDISEIS DOT COM («SKAI S.A».)	CHAIRMAN AND CEO
	11. MELODIA S.A.	CHAIRMAN AND CEO
	12. TV PEDIA S.A.	CHAIRMAN AND CEO
	13. PANATHINAIKI SYMMAHIA non-profit organization	CHAIRMAN
	14. PANATHINAIKOS FC	CHAIRMAN of BoD
THEMISTOCLES ALAFOUZIS	EKPAIDEUTIKI, RADIOTIKEOPTIKI, EKDOTIKI, PARAGOGIKI, PRGANOTIKI S.A., under the discreet title «ORGANIZMOS MESON MAZIKIS EPIKOINONIAS S.A.», ownership of Radi Station NOVA SPOR FM	SHAREHOLDER 2,96%
PANAGIOTIS VOURLOUMIS (NON-EXECUTIVE INDEPENDENT MEMBER)	1. ELIAMEP (non-profit organization)	BoD MEMBER –TREASURER
	2. TRAPEZA TROFIMOM (non-profit organization)	CHAIRMAN
	3.IOBE (non-profit organization)	MEMBER OF EXECUTIVE COMMITTEE
	4. CEREBRAL PALSY GREECE (non-profit organization)	BoD MEMBER
PANAGIOTIS (TAKIS)	1.GAIA S.A.	BoD MEMBER

ATHANASOPOULOS (INDEPENDENT BoD MEMBER)	2. NEPTUNE LINES SHIPPING AND MANAGING ENTERPRISES SA	BoD MEMBER
IOANNIS KONTELLIS (INDEPENDENT BoD MEMBER)	1. DROMEAS AKINITON S.A.	BoD MEMBER / SHAREHOLDER 15,95%
	2. AGKRIPAN S.A.	SHAREHOLDER 19,16%
	3. PLEIADES MOTORS S.A.	SHAREHOLDER 5,41%
	4. DROMEAS SYGGROU S.A.	CHAIRMAN of BoD / SHAREHOLDER 12,5%
	5. DROMEAS S.A.	BoD MEMBER / SHAREHOLDER 3,29%
	6. DROMEAS ARGYROUPOLI S.A.	CHAIRMAN of BoD / SHAREHOLDER 16,67%
	7. DISTA S.A.	CHAIRMAN of BoD / SHAREHOLDER 50%
	8. THESEIS PARKING S.A.	CHAIRMAN of BoD / SHAREHOLDER 25%
	9. THAEL S.A.	CHAIRMAN of BoD / SHAREHOLDER 50%
	10.ELTHA S.A.	CHAIRMAN of BoD / SHAREHOLDER 40%
	11. P.I.KONTELLIS S.A	DEPUTY-CHAIRMAN of BoD / SHAREHOLDER 15,65%
	12. TERRA S.A.	DEPUTY-CHAIRMAN of BoD / SHAREHOLDER 2,39%
	13. GALAXIDI THALASSIES KALLIERGIES S.A.	SHAREHOLDER 5,81%
	14. ARTEMIS S.A.	SHAREHOLDER 8,00%

Fees and benefits in kind apart from shares (not shares-related) to executive BoD members:

Name/Surname	Title	Gross fees (including contributions)		BoD fees		Corporate Vehicle
		2014	2013	2014	2013	2014
Aristidis Ioannis Alafouzos	Chairman, Executive Member	-	-	2.400,00	1.800,00	396,00
Themistocles Aristidis Alafouzos	Chief Executive Officer, Executive Member	-	-	54.400,00	53.800,00	24.522,26
Martha Theofanous Zoe-Dertili	Executive Member for International Partnerships	-	-	34.900,00	34.300,00	-
Nikolaos Georgios Naoumis	Executive Member (Technical Consultant)	-	-	-	32.800,00	-
Alexandros Aristomenis Papachelas	Executive Member (Director of the Newspaper)	65.825,13	66.537,52	54.400,00	53.800,00	3.557,91

There are no benefits in shares or rights over shares (share-based payments) to executive members.

Fees of non-executive members including independent members:

Name/Surname	Title	Gross fees (including contributions)		BoD meetings participation fees	
		Corporate Year 2014	Corporate Year 2013	Corporate Year 2014	Corporate Year 2013
Aristidis Ioannis Alafouzos	Deputy Chairman, Non-Executive Member	-	-	2.100,00	1.800,00
Georgios Theodoros Constantinidis	Deputy Chairman, Non-Executive Member	-	-	-	1.200,00
Grigorios Ioannis Timagenis	Non-Executive Member	-	-	-	1.800,00
Panagiotis Andreas Vourloumis	Non-Executive Member	-	-	2.400,00	1.800,00
Panagiotis (Takis) Ioannis Athanasopoulos	Non-Executive Independent Member	-	-	2.400,00	1.800,00
Ioannis Emmanouil Kontellis	Non-Executive Independent Member	-	-	2.400,00	1.800,00

2.1 Composition and operation of the Board of Directors

According to Article 19 of the Articles of Association, the Company is managed by a Board of Directors, consisting of 5 (five) up to eleven (11) members, elected by the General Meeting by an absolute majority of votes represented at the Meeting.

The members of the Board of Directors may be shareholders of the Company or other natural persons or legal entities (non-shareholders). The BoD members are re-elected indefinitely and are freely revocable by the General Meeting regardless of their tenure expiry. The Board members are elected for a three year tenure, which is automatically extended until the first Annual General Meeting following the expiry of their term, which cannot, however, exceed four years. A legal entity can also be a member of the board of Directors.

Every BoD member is obliged to keep strictly confidential any issues referring to the Company that he/she is aware of in his/her capacity of the BoD member. The Board may elect one or two directors of its members, only defining their powers and may elect one or more deputies.

The Board exercises the administration (management and disposal) of assets and represents the company. The Board may delegate the exercise of all powers and operations (except those that require collective action), and the company representation to one or more persons, Board members or non-Board members, determining simultaneously the extent of this assignment. Also, the Board may assign the internal audit of the company to one or more persons, Board members or non-Board members, if the law does not prohibit such an act. Such persons may, if provided by the relevant decisions of the Board of Directors, further delegate the

exercise of the powers assigned to them or a part of those powers to other members or third parties.

In addition to other powers set by law, the Board is responsible for issuing bonds, except those referred to in Article 3b of Law 2190/1920. As for bonds convertible into shares, the Board may decide on the issue in accordance with Article 13 paragraph 1 of Law 2190/1920.

The Board may decide unanimously to provide guarantees or other security from the Company to other persons with whom the Company has financial transactions, and provided the guarantee or security serve the corporate interest, subject to the provisions of Article 23a of the Law 2190/1920.

The Chairman of the Board presides at the meetings. In case the Chairman is absent or not available, he/she is replaced throughout the full extent of his/her powers, by the first Deputy Chairman or next vice, following a decision of the Board, CEO.

The Board is in quorum and convenes validly when it is attended or represented by half plus one of the members, but the number of the members shall never be less than three.

The Board decisions are made through absolute majority of the members present and those represented. The Board of Directors may decide unanimously to provide guarantees or other security by the Company to other persons with whom the Company has financial transactions, and provided a guarantee or security serves the corporate interest, subject to the provisions of Article 23a of the Law 2190/1920.

For the issues discussed and decided upon at board meeting, the minutes are kept and signed by the members that were present at the meeting. The preparation and signing of the minutes by all the Board members or their representatives equals decision of the Board, even though no meeting has been held.

If, for any reason, there via a vacant position/vacant positions at the Board:

(a) If there is a deputy member or deputy members (as in compliance with Article 19, par. 1 of the Articles of Association) he/she or they undertake the vacant position.

(b) In case there are no such members, the Board of Directors can either continue to manage and represent the company without the replacement of the missing members, where the remaining members are more than half of the total number of members before the vacant position or positions, or elect alternate or alternates in respect of the remaining positions. Such election is subject to the provisions of Article 7b of the Law 2190/1920 and is disclosed by the Board at the next regular or extraordinary General Meeting, which can replace the elected members even though the issue is not recorded on the agenda. Choosing one of the two above mentioned solutions (replacement or not) is made by the Board at its absolute discretion.

Board of Directors members, participating in any way in the company management, are prohibited to act without authorization of the general meeting on their own behalf or on behalf of the others, performing the acts that fall into one of the company objectives and participate as equal partners in companies pursuing such purposes. These persons may exceptionally be board members or senior executives of the subsidiaries of the Company or companies in the capital of which the Company participates.

The powers of board members, and in particular the power to issue or buy back shares

According to paragraph 13 of Article 13 of Law 2190/1920, the Board increased the Company's share capital by issuing new shares in the context of implementing Stock Option Plans approved by the General Meeting), for acquisition of shares by the beneficiaries.

According to Article 16 of Law 2190/1920, as applicable, the Company may acquire its own shares, only after approval of the General Assembly until the tenth of the share capital, with the specific terms and procedures laid down in Article 16 of CL 2190/1920, as applicable.

2.2 Information on the operation of the Board of Directors

In the period from 1.1.2014 to 31.12.2014, the board of Directors made decisions (through BoD Minutes) at nine (9) meetings with the approval of all the BoD members.

Board Meeting dates 2014				
January 9	February 19	March 26	March 31	May 21
May 30	June 25	August 28	November 27	

Participations of the KATHIMERINI Board of Directors members in the Board meetings and the respective fees are presented in the following table:

"KATHIMERINI S.A." BOARD OF DIRECTORS MEMBERS	MEETINGS	FEES IN €
Aristidis Alafouzos	8	2.400
Ioannis Alafouzos	7	2.100
Themistocles Alafouzos	8	2.400
Martha Zoe-Dertili	8	2.400
Alexandros Papachelas	8	2.400
Panagiotis Vourloumis	8	2.400
Panagiotis (Takis) Athanasopoulos	8	2.400
Ioannis Kontellis	8	2.400
TOTAL		**18.900 €**

There are no independent non-executive members of the Board of Directors holding more than 0,5% of the Company share capital or having dependence relations with the Company or with the persons related to the Company.

2.3. Board of Directors Committees

I. Audit Committee

2.3.1 The Audit Committee under Article 37, Law N.3693/2008, was elected by the Annual Regular Meeting of Shareholders on 26/6/2013 and consists of the following members:

1) Panagiotis Andreas Vourloumis, economist, Non-executive Independent Member

2) Panagiotis (Takis) Ioannis Athanasopoulos, Emeritus Professor, Non-executive Independent Member

3) Ioannis Emmanouil Kontellis, businessman, Non-executive Independent Member.

The term of service of the Committee will expire with the election of the new Committee at the General Meeting.

2.3.2 Report on the corporate governance practices the Companies implements in addition to the legislation.

Following as of 23-6-2009 decision of the Regular General Meeting, as amended by as of 26.6.2013 decision of the Regular General Meeting, the Audit Committee, under the provisions of Article 37, Law 3693/2008 consists of three (3) non-executives independent BoD members.

With the assistance of the audit Committee, the Board of Directors establishes appropriate policies on internal audit and ensures the effectiveness of the system.

2.3.3 The Audit Committee provides support and assistance to the Board of Directors regarding the issues of validity of financial information, effectiveness of internal audit and supervision of the statutory audit. The Audit Committee has the following main responsibilities:

- ✓ Monitors the financial reporting process
- ✓ Ensures the effective operation of internal control
- ✓ Monitors the existence of the company risk management system
- ✓ Examines the existence of potential conflict of interest under the company transactions
- ✓ Ensures the operation of internal audit unit according to international standards and generally accepted auditing practices
- ✓ Supervises statutory audit to ensure independence, objectivity and effectiveness of the audit procedures

- ✓ It is also responsible for making recommendations to the Board of Directors to propose the appointment of the auditor to the General Meeting.

The audit committee holds meetings following the invitation of its chairman in order to assess the suitability of internal control, computer and security systems of the Company, as well as the reports of the external auditors concerning the preparation of the financial statements and can at any time require meetings with the statutory auditor without the presence of other members of the Management.

2.3.4 The audit committee meets before the meeting of the Board of Directors that approves the annual financial statements and all its members participate in the procedure aimed at reviewing the financial statements submitted within the year to ASE.

2.3.5 It is clarified that Statutory Auditors of the Company, conducting the audit of its annual and interim financial statements, do not provide other non-audit services to the Company or are engaged in any other relations with the Company to ensure thereby the auditors' objectivity, impartiality and independence.

II. Remuneration Committee

There is not established remuneration committee, consisting exclusively of non-executive members, mostly independent, which is occupied with identifying the remuneration of executive and non-executive members of the Board and, therefore, there are no provisions for the duties of the committee in question, the frequency of its meetings and other issues in respect of its operation. Establishment of such a committee has not been deemed necessary till currently, given the structure and the nature of the Company operations.

III. Other managerial or supervising bodies or committees of the Company

There are no other managerial or supervising bodies or committees in the Company.

3. RELATIONS WITH SHAREHOLDERS

D.I. Communication with shareholders

No deviation has been recorded since the Board of Directors has appointed the Head of Communications with Shareholders and the Shareholders Manager, whose main ditties are to facilitate reliable and immediate provision of information on the

Company's operations to all the interested parties as well as the information regarding their rights.

The Chairman of the Board and the Managing Director are always available to meet with shareholders who have significant participating interest in the company in order to discuss the issues relating to the governance of the Company. Moreover, the Chairman ensures that the views of the shareholders are disclosed to the Board of Directors.

The Company has an active website where, apart from the data prescribed by the effective legislation, there are posted other items of useful information for shareholders as well as investors.

D.II Information on the General Meeting of the Shareholders

Main powers

The General Meeting is the supreme body of the Company and is entitled to decide on any corporate matter and other issues referring to it. All the shareholders are entitled to participation in the General Meeting either in person or by means of legally appointed proxy, provided there is compliance with the requirements of the legal procedures under Article 28a of the Law 2190/1920.

3.1. The way of functioning of the General Meeting of Shareholders

In compliance with the requirements of the Law 3884/2010, the following provisions are made:

A. The Board of Directors of the Company ensures the sound preparation of the General Meeting in a way that facilitates the exercise of the rights of the shareholders who shall be informed on all the matters on the agenda and their rights at the General Meeting.

Obligations under the provisions of Law 3884/2010

The company should post on its website at least twenty (20) days before the General Meeting of Shareholders the information in respect of the following:

- The date, time and location of the general meeting of shareholders;
- The shareholders with participation rights and the key attendance rules and practice, as well as the deadlines by which those rights may be exercised;
- Voting procedures, proxy procedural terms and the forms to be used for proxy voting;
- The proposed agenda of the General Meeting including the decisions to be discussed and voted as well as any supporting documents required;

- The proposed list of candidates for board membership, if applicable, and their biographies; and
- The total number of outstanding shares and voting rights at the date of the convocation.
- A summary of the minutes of the general meeting of shareholders, including the results of voting on each resolution, should also be available on the company's website within 5 days after the general meeting of shareholders, and within 15 days should be available in English.

C. The company Secretary and the internal auditor attend the general meeting of shareholders and are available to answer questions by shareholders relevant to their responsibilities. The chairman of the general meeting of shareholders should allow sufficient time to deal with shareholders' questions.

D. The General Meeting is the supreme body of the Company and is entitled to decide on any corporate matter and other issues related to it.
The legal decisions of the General Meeting are mandatory for shareholders who are absent or disagree.
The General Meeting has exclusive authority to decide on:
a. Amendments to the Articles of Association, including increases or decreases of the company share capital, apart from the cases, specified in the current Articles of Associations.

b. Appointment of auditors and members of the Board of Directors.

c. Approval of the financial statements of the company.

d. Distribution of annual dividends or changes in the way of their distribution.

e. Issue of bond loans apart from the cases, identified in Article 20, paragraph 5 of the current Articles of Association.

f. Mergers, division, modification, revival, extension of its term of duration or liquidation of the Company.

g. Appointment of liquidators.

h. Discharge of the Board of Directors and the Auditors from any liability for damages.

i. Change in national capacity of the company.

ia. Change in the company objective.

ib. Increase of the shareholders' obligations.

ic. Issue of preference shares.

id. Provisions to directors and board members of permission to act under the requirements of Articles 23 and 23a of the Law 2190/1920 regarding specific activities and agreements.

ie. Approval of provision of non-defined in the articles of Association remuneration or fees to the Board of Directors members.

E. The General Meeting is always convened by the Board of Directors and is held regularly at the Company headquarters at least once every year, in the first half of the year after the end of the corporate year. Since the company shares are listed on ASE, the General Meeting may be held in the territory of the municipality where the headquarters of the Athens Stock Exchange are located.

F. 1. The General Meeting is in quorum and convenes validly on the items on the agenda when there are present or represented shareholders representing at least 20% of the paid-up capital.

2. If such a quorum fails to be formed, the General Meeting shall meet again within twenty (20) days from the date of the invitation for meeting cancellation at least the ten (10) days before.
No new invitation is required, if the initial invitation defines the location and time of the resumed meetings in case of failure to reach a quorum, provided there is at least ten (10) full day period between the canceled meeting and the resumed meeting.

At the resumed meeting, there must be a quorum whatever part of the paid-up share capital is represented at it. The decisions of the General Meeting are made by an absolute majority of votes represented therein.

3. In exceptional cases, the General Meeting is in quorum and convenes validly on the issues on the agenda when there are present or represented the shareholders representing two-thirds (2 / 3) of the paid up share capital regarding the decisions on the following issues:

a. Extension or reduction in the Company's term of operation, merger, division, conversion or the company liquidation.

b. Change of the national capacity of the Company.

c. Change in the Company's objective or scope of operations.

d. Share capital increase except those imposed by laws or provisions made by capitalization of reserves under par. 1 and 2 of Article 13 of the Law 2190/20, share capital decrease, except those in accordance with paragraph 6 of Article 16 of Law 2190/20.

e. Issue of bond loan.

f. Change in the way of distribution of profits.

g. Increase of the shareholders' obligations.

h. Provision or revival of powers to the Board of Directors regarding the share capital increase in compliance with par. 1, Article 13, or in other cases, defined by legislation.

All the above decisions are made under the majority of two thirds (2/3) of the votes, represented at the Meeting.

G. The discussions and decisions of the General Meeting are recorded in the minutes, which are signed by the Chairman and the Secretary of the Meeting.
The procedure of holding the General Meeting of the Shareholders is defined in CHAPTER IV of the Company Articles of Association and is in line with the provisions of the Law 2190/1920 as reviewed and effective as at the current statement preparation date.

3.2. Rights of shareholders and way of their exercise

I. Participation and voting rights

1. The shareholders exercise their rights in relation to the Company's management, only at the General Meeting and in accordance with the provisions of the law and the Articles of Association.
Each share entitles the holder to one vote at the General Meeting, except for those provided for in Article 16 of law 2190/1920, as amended.
2. The General Meeting shall be attended by those presented as shareholders, registered in the records of DSS kept by "Greek Exchanges SA" (HELEX), which holds securities (shares) of the Company. Proof of membership is conducted under

the presentation of the relevant written acknowledgment of that body or alternatively, under online Company connection with the relevant authority.

The shareholder capacity must exist on the record date, i.e. in the beginning of the fifth (5th) day before the day of the General Meeting and the relevant certificate or the electronic certification of the shareholder status should reach the Company not later than on the third (3rd) day before the date of the General Meeting.

3. Only those in the capacity of shareholders as at the relevant record date are regarded as those entitled to participating in the General Meeting and exercising voting right. Failure to comply with the provisions of Article 28 a of the Law 2190/1920, results in the shareholder participation in the General Meeting only following the Meeting's permission.

4. Every shareholder is entitled to participation and voting at the General Meeting of the Company. It is to be noted that the exercise of those rights (participating and voting) does not require the commitment of shares of the beneficiary or keeping a similar procedure, which limits the ability to sell and transfer them in the interval between the record date and the date of the General Meeting.

5. A shareholder participates in the General Meeting and votes either in person or through representative (proxy). The proxy, acting on behalf of more shareholders, may vote differently for every shareholder. Legal entities participate in the General Meeting as representatives of up to three (3) natural persons.

The representative of a shareholder must notify the Company prior to the General Meeting, of every specific event, which may be useful to shareholders for assessment of the risk of representative serving other interests than those of the principal shareholder. Within the meaning of this paragraph, there may arise conflict of interests, particularly when the representative:

a) is a shareholder who has control of the Company or other legal person or entity controlled by that shareholder,

b) is a member of the Board of Directors or the overall management of the company or shareholder that has control of the Company, or other legal person or entity controlled by a shareholder who has control of the Company

c) is an employee or statutory auditor of the company or shareholder that has control of the Company, or other legal person or entity controlled by a shareholder who has control of the Company

d) a spouse or first degree relative to one of the individuals mentioned in the above cases (a) to (c).

6. The appointment and dismissal of the shareholder representative is made in writing and is notified to the Company in the same way at least three (3) days before the date of the General Meeting.

II. Other shareholders' rights

1. Ten (10) days before the Regular General Meeting, every shareholder may take from the Company copies of annual financial statements and Board of Directors and Auditor's Reports. These documents must be timely submitted by the Board in Company office.

Minority Interest

2. At a request of shareholders representing one twentieth (1 / 20) of the issued share capital, the Board of Directors is obliged to convene an Extraordinary General Assembly of shareholders, announcing the date of the meeting, which should not be more than forty-five (45) days from the date of submission of the request to the Chairman of the Board of Directors. The request contains the subject on the agenda. If the General Meeting is not convened by the Board of Directors within twenty (20) days from the date of submission of the request, the meeting can be convened by the requesting shareholders, following a decision of the First Instance Court of the registered office of the Company area, issued in the process of injunctive measures. This decision specifies the place and time of the meeting and the agenda.

3. At a request of shareholders representing one twentieth (1 / 20) of the issued share capital, the Board of Directors is obliged to include in the agenda of the General Meeting, which has been convened, additional issues, if the request is received by the Board of Directors fifteen (15) days before the General Meeting. Additional issues shall be published or disclosed under the responsibility of the Board, within Article 26 of the Law 2190/1920, seven (7) days before the General Meeting. The request for including additional issues is accompanied by recorded reasoning or by decision draft for approval of the General Meeting and the revised agenda is published in the same way as that pertaining to the previous agenda thirteen (13) days before the General Meeting date in compliance with the provisions of Article 27, par. 3, Law 2190/1920.

4. At a request of shareholders representing one twentieth (1 / 20) of the issued share capital, the Board makes available to shareholders, as stipulated in Article 27 paragraph 3 of the Law 2190/1920, six (6) days before the date of the General Meeting, the draft resolutions on items included in the original or the revised agenda, if the request is received by the Board seven (7) days before the date of the General Meeting.

5. At a request of a shareholder or shareholders representing one twentieth (1 / 20) of the issued share capital, the Chairmen of the Assembly is obliged to postpone decision making by the General Meeting, Annual or Extraordinary, for all or some issues, defining the dates the meeting is to be continued, as specified in the request of shareholders, but not more than thirty (30) days from the date of postponement. The following after postponement General Meeting is a continuation of the previous one and does not require repetition of the formalities of publication of invitation to the shareholders, while new shareholders that meet the requirements of Article 27 paragraph 2 and 28 of the Law 2190/1920 can participate.

6. At a request of any shareholder submitted to the Company at least five (5) full days before the General Meeting, the Board of Directors shall provide to the General Meeting the requested specific information pertaining to the Company issues, provided it is useful for the assessment of the issues on the agenda. Information provision obligation is not effective if all the relevant information is provided in the Company website.

7. At a request of shareholders representing one twentieth (1 / 20) of the issued share capital the Board is obliged to announce at the General Meeting, given it is a Regular Meeting, the amounts paid over the last two years for any reason by the Company to every member of the Board Directors or Company executives and any payment made to such persons for any reason or the effective agreement between them and the Company.

8. At a request of shareholders representing one-fifth (1 / 5) of the paid up share capital, submitted to the Bank within the period mentioned in the previous paragraph, the Board of Directors shall provide to the General Assembly the information on the course of corporate affairs and property position of the Company. The Board of Directors may refuse to provide information, disclosing the significant reason behind the refusal, which is recorded in the minutes. Such reason may be circumstances under the representation of the requesting shareholders to the Board pursuant to paragraphs 3 or 6 of article 18 of Law 2190/1920, provided these Board members have received the relevant information in a sufficient manner.

9. At a request of shareholders representing one twentieth (1 / 20) of the issued share capital, decision on any matter on the agenda the General Meeting can be made by roll call.

10. Shareholders of the Company, representing one twentieth (1 / 20) of the issued share capital have the right to require conduct of audit of the Company from the First Instance Court of the area where the Company is established, under the procedure of voluntary jurisdiction. An audit is imposed on suspicion of actions

which violate provisions of the laws or the Articles of Association or the decisions of the General Meeting. In any case, the request for audit shall be submitted within three (3) years after the approval of financial statements for the year, within which the referred actions occurred.

11. Shareholders of the Company, representing one fifth (1 / 5) of the share capital may request from the First Instance Court of the area of the Company's registered office to conduct audit of the Company if in the cause of the Company development it is believed that the management of the corporate affairs was not exercised as required by sound and prudent management. This provision does not apply when the minority, requesting audit, is represented in the Board of Directors of the Company.

4. INTERNAL CONTROL AND RISK MANAGEMENT SYSTEMS

4.1 Main Characteristics of Internal Control and Risk Management System regarding the Preparation of Financial Statements

- There are no special and individual operation regulations regarding the main duties and responsibilities of internal auditors, since their duties are sufficiently described in the effective legislation.

- There are no provisions for particular amounts for external consultants' services, since the effective performance of the internal auditors is facilitated by their constantly being updated by the Accounts Department on the Company transactions as well as by their specific professional knowledge and experience.

The main features of the internal control and risk management systems implemented by the Company in relation to the preparation of the financial statements and Financial Report are as follows:

- Adequate knowledge, qualifications and availability of the executives with clearly defined roles and areas of responsibility.
- Regular review of the accounting principles and policies.
- Existence of safeguards relating to the security of information systems used.
- Regular communication of the Independent Auditors with the Management.
- Conducing regular meetings on issues of validation and recording the significant estimates affecting the financial statements. Conducting, on a quarterly basis, analysis of deviations in respect of the actual and budgeted and comparative results in order to identify unusual transactions to ensure accuracy and completeness of results taking corrective actions.

- Risk Identification, Evaluation and Management.
- The policy regarding conducting transactions between the Company subsidiaries and related parties aiming at timely provision of information about the forthcoming transactions and obtaining approval prior to their commencing. In case of existing transactions, approval is required for substantial modification of the agreed terms (new transaction, extension of duration extension, modifications in the terms of transaction, etc.).
- Acquisition and disposal of assets – Takeovers.
- Acquisition and disposal of fixed assets and acquisitions require decision of the Company Board of Directors, following the recommendation provided by the competent Revenue Service as to the feasibility of the business plan and an adequate plan for the implementation and monitoring of investment or takeover.
- Prevention and control of financial fraud procedures.

In its attempt to prevent financial fraud cases, the Company has established control environment, which includes, as already mentioned, among others, continuous monitoring of business transactions, particularly those identified as high risk but not limited to commission policies and procedures, payments, cash management and trade credits in the annual approval of budget and quarterly estimates that are sent to the Board, as well as through the existence of an annual budget, which is achievable and lies within the framework of the business objectives of the Company. Finally, the heads of departments discuss the issues with the Company's employees that may, in confidence, express their concerns about the issues relating to the operation of the Company.

A) Entity level controls

Role and Responsibilities of the Board of Directors:

The Board of Directors is competent to decide on every act concerning the management of the company, the administration of its assets and the pursuance of the company's object.

Moreover, the Board of Directors:

- Defines the responsibilities of every Department and assigns to every Director the responsibility for allocating duties to their subordinates.

- Is responsible for recruiting Executives of the Company and determining their

remuneration policy.

- Is responsible for appointing Internal Auditors of the Company and determining their remuneration policy.
- Is responsible for preparing analytical reports on the company's transactions with its affiliates, disclosing them to the supervising authorities.

Preparation of Budget and Monitoring its Implementation at the Board of Directors level:

The Annual Budget, which is the driver of the cause of the Group development, is prepared on an annual basis (consolidated and segment / subsidiary) and is presented for approval of the Board of Directors.
The reporting statements are issued on periodical basis, in line with the summary report. Deviations are discussed at the Board of Directors level.

Internal Regulations:

The Company's Internal Regulations also constitute the Internal Controls System Manual which includes, among others, the following items:

- Instructions on handling various operations
- Assigning authority
- Authorizations and approval of spending limits
- Instructions on Controls in the key areas of Internal Control System.

B) IT controls

The Department of Financial Services Operation of the Group is in charge of the maintenance of computer applications. The Department has established a strong framework of control systems, which ensures the support of not only direct but also long-term objectives of the Company and the Group.

The most significant protection procedures include as follows:

- **Backup Procedure (Hardware):** In accordance with the Interior Regulations, IT Services are to develop the necessary infrastructure and achieve an agreement with another party which has corresponding computerized system on cross-covering the needs in the event of failure of the central computer system of the Company.
- **Protection (Management) of the Company's Confidential Files:** IT Services implement adequate protection systems that ensure non-leakage of the Company's IT files.
- **Files – Central Computer Programs:** Particular attention has been to the issue of accessing the space where the Central Computer is located to ensure access to the facilities only to IT Service Department members, authorized by the Management. Access to the facilities is strictly controlled.
- **Files – Peripheral Computers Programs:** Access to files and PCs is provided to specific members of personnel through the use of passwords.
- **Procedures for Protection of the Central and Peripheral Computers**: In the context of protecting the Group IT systems, IT Service Department makes the best possible use of the state of the art technology techniques, such as antivirus security, e-mail security, firewall etc.

4.2 Policies ensuring that the Board of Directors has sufficient information on the transactions of the Group's subsidiaries with related parties (Section A. IV. 4.1.)

Financial reporting process controls

The Company has established and applies a procedure for issue of the financial statements (consolidated and corporate) and the Financial Report as follows:

- Consolidation and wrote off records are made and financial statements are issued, while informative tables are included in the Financial Report.

- The accounting records of the Company are carried out under a specific procedure that requires that all the documents should be presented in their original form and have the appropriately authorized approvals. Following the completion of the audit procedures, the Financial Report that includes financial statements is submitted to the Board of Directors for approval.

• The Company holds the Assets Registry in the subsystem "Fixed Assets" and calculates depreciation based on the International Accounting Standards and relative tax rates. Depreciation is controlled by the Director of Financial Services Operation Department.

• The accounts department conducts periodic reconciliation of payroll accounts balances, customers and suppliers balances, VAT etc.

Under provision of impairment recording, explicitly stated procedures and approval levels are implemented.

• The Director of Financial Services Operation Department is in charge of updating the Chart of Accounts (i.e. any modifications to the existing accounts and opening new accounts).

• The Group prepares, on annual basis, consolidated and the individual financial statements per segment / subsidiary of the Group's budgeted for the next financial year, which are submitted to approval of the Board of Directors. Analytical reports per segment/subsidiary as well as consolidated reports are prepared on monthly basis and disclosed to the Management of the Group.

• The Companies and the subsidiaries of the Group follow and apply common accounting principles and policies in accordance with the International Financial Reporting Standards (IFRS). At the end of every period, the accounts departments of the parent company and its subsidiaries prepare their financial statements in line with International Financial Reporting Standards (IFRS). The Financial Services of the Group collect all the necessary data from the subsidiaries, conduct consolidation entries and prepare the financial statements according to International Financial Reporting Standards (IFRS).

• There are specific procedures for closing financial statements, which have been disclosed by the Legal Services Department of the Company, including deadlines, responsibilities and required disclosures.

• Budget / Planning

The comparison is made with the corresponding real and historical figures, including a detailed explanation of all deviations. Ongoing evaluation of rolling

forecasts established periodically, contributes to decision-making on further steps to achieve the corporate objectives that have been established.

The budget is monitored by the Chairman of the Board, CEO, CFO and Heads of Departments.

It is approved annually and quarterly by the Board in order to be submitted to ASE.

Any deviations are reported to the CEO and the Board, while they are also discussed at regular meetings with the Heads of Departments and CFO.

- There is a particular accounting software access strategy depending on the operation and the authorities of every user.

5. TAKEOVER BIDS

The Company falls within the Directive 2004/25/EC of the European parliament and of the council of 21 April 2004 on takeover bids. Therefore, there is presented the information, as required by Article 10, par. 1, cases c), d), f), h) and i) of the aforementioned Directive.

Significant direct and indirect shareholdings (including indirect shareholdings through pyramid structures and cross-shareholdings) within the meaning of Article 85 of Directive 2001/34/EC:

As at 31/12/2014, significant shareholders structure was as follows:

NAME/SURNAME	CHARES-VOTES	PERCENTAGE %
Aristidis Alafouzos	13.936.038	45,54
Themistoclis Alafouzos	7.392.421	24,15
Ioannis Alafouzos	4.725.313	15,44

As at the end of December, 2014, there were no other shareholders, known to the company holding percentage larger 5% of the share capital.

The holders of any securities with special control rights and a description of those rights:

There are no Company shares providing special control rights.

Any restrictions on voting rights, such as limitations of the voting rights of holders of a given percentage or number of votes, deadlines for exercising voting rights, or

systems whereby, with the company's cooperation, the financial rights attaching to securities are separated from the holding of securities:

There are no restrictions on voting rights. Regarding decision-making at the General Meetings of the Shareholders, there are applied the provisions of the Articles of Association and of the Law 2190/1920.

The rules governing the appointment and replacement of board members and the amendment of the articles of association:

There are no deviations from the effective provisions of the Law 2190/1920.

The powers of board members and in particular the power to issue or buy back shares:

The Articles of Association and the Law 2190/1920 entitle the Board of Directors to increase the Share Capital through the issue of new shares and authorization of the Company General Meeting of the Shareholders. The acquisition by the Company of the own shares is permitted in compliance with the requirements of Article 16 of the Law 2190/1920 and the Commission Regulation 2273/2003 of the European Parliament and of the Council as regards exemptions for buy-back programs and stabilization of financial instruments.

6. DEVIATIONS FROM SPECIAL PRACTICES

A.I (1.2). Role and responsibilities of the Board of Directors

The Board of Directors has not proceeded to establishment of separate committees, since the Company's policy in relation to these issues is fixed and stable.

In particular, there is no need to establish a separate committee the process for board appointments since nominations for election of new Board members can be proposed by any member of the Board, who shall make a detailed presentation to the other members of the Board on experience and qualifications of the nominated person. Indicatively, till currently, under selection of new board members, there are taken into account experience in management and operation of commercial enterprising in international transactions (not only Mass Media companies), scientific expertise, multiannual professional/scientific career, the social position of the nominated person in respect of his/her contribution to the society or their professional recognition.

Also there is no need to establish the Committee for proposing to the board the remuneration of executive board members and key senior executives since the Company implements the fixed policy stating that there are no fees and / or

separate remuneration for attending the Board meetings, but fixed remuneration is established for participation of every BoD member in the board meetings, which, in the recent years, is a non-adjusted amount.

Regarding of the Key Executives, the Internal Regulations state that the issues pertaining to all types of the fees paid to the Company directors, its internal auditors and, in general, remuneration policy are collectively decided upon by the Board of Directors (that is, under participation of non-executive and independent non-executive members of the Board) and therefore, it was decided not to establish this Committee in the Company.

Role and required capacities of the Chairman of the Board of Directors (A. III)

Despite the fact that under Annex I, the Company is not obligated to provide explanations, it is specified that there is no explicit distinction between the responsibilities of the Chairman and CEO, since, in in view of the organizational structure and operation of the Company it is not rendered necessary to establish this distinction. The fixed policy, implemented by the Board in recent years states that the responsibilities of the Chairman and the Chief Executive Officer shall be assigned to the same member of the Board to ensure allocation of authorities. Moreover, the Company Articles of Association explicitly state the responsibilities of the Deputy Chairman who replaces the Chairman when he/she is absent or prevented from exercising his/her duties.

Duties and conduct of Board Members (A.IV)

A.IV (4.2)

There is no obligation regarding analytical disclosure of potential professional commitments of the BoD members (including significant non-executive engagements in companies and non-profit institutions) prior to their appointment to the BoD, since long term and successful prior engagement of the BoD members in sectors of economy is regarded as an asset to the Company, and the only disclosure required is their potential commitment to other companies, issuing newspapers or potential commitments that are in conflict with the Company interests or to listed companies.

A.IV (4.3)

The Company does not regard that an executive board member's appointment as a non-executive board member in a company that is neither subsidiary, not related, not operating in the Greek Mass Media sector or publications sector, conflicts the Company interests.

V. Nomination of the Board of Directors members A.V (5.4.)

There is no BoD candidates' nomination committee, since, due to the structure and the operations of the Company, the particular committee is not regarded as essential at the present moment.

As mentioned above, nominating candidates to be elected to the BoD and their election are carried out by the Company General Meeting, as provided for in the Company Articles of Association. The Company believes that given the aforementioned control procedures, the establishment of such Committee is not necessary.

VI. Operation of the Board of Directors - A.VI (6.1.)

There are no specific Board of Directors Operation Regulations, since the provisions of the Company Articles of Association are regarded as sufficient in respect of organization and operation of the BoD.

At the beginning of every calendar year, the Board of Directors does not establish a calendar of meetings and 12-month agenda, as it is easy to reconvene its meetings whenever dictated by the needs of the Company or required by the Legislation, without a predetermined plan of action.

Moreover, given the intense professional schedule of the BoD members, decisions may be taken through the members signing the Minutes of BoD (by way of circulation) after being informed about the issues to be presented to voting.

A.VI (6.2.-6.3.)

Moreover, the legal department, in collaboration with the shareholders services, ensure efficient organization of meetings of shareholders, their communication with the Board of Directors and provision of any required clarification, since the Company's legal consultants attend the meetings.

A.VI (6.5.)

There is no obligation regarding holding regular meetings between the chairman and the Deputy Chairman of the BoD and non-executive members without the presence of the executive members in order to discuss the performance and the remunerations of the latter, since all the relative issues are discussed by all the members of the BoD in order to provide the necessary assistance and avoid misunderstanding.

A.VI (6.6.)

There is no provision for existence of briefing programs regarding the new BoD members as well as on-going professional training programs regarding the remaining BoD member, given that the nominated candidates hold documented and extensive experience and professional managerial skills, while all the other arising issues are discussed at BoD meetings.

A.VI (6.7.)

Regular briefings on business developments, and changes in the risk profile of the company are held on request of the BoD members, since there the Company Financial Director makes quarterly presentations to the BoD members of all the Company departments operations (documented in the minutes).

A.VI (6.9-6.10.)

There is no requirement for provision of resources to the BoD committees to undertake their duties and engage external professional advice at the company's expense, when required, since the relative resources are approved ad hoc by the Company Board of Directors, based on every arising need and the Company financial position.

Board of Directors evaluation (A.VII)

A.VII 7.1.

There is no established procedure aimed at the BoD and its Committees efficiency evaluation at least every 2 years and neither is their evaluated the BoD Chairman's performance led by the independent deputy chairman, if appointed, or by another non-executive board member.

Such a procedure is not regarded necessary, given the organizational structure of the Company and regular discussions held regarding the Company course of development, under which the evaluation of the performance of the Board of Directors and the Committees does not follow the formal template but is based on examination and analysis of the financial sizes on line with the corporate objectives as well as the degree of meeting the established targets and corporate strategy. The Company has adopted conflict of interest management policy which is analytically described in its Interior Regulations.

Board of Directors members remuneration

Level and structure of remuneration

- The contracts of executive BoD members make no provisions for the fact that the Board can recover all or part of the bonus that has been awarded due to the revised financial statements from the previous years or otherwise under inaccurate financial data used to calculate the bonus that, since potential bonus rights mature only after the final approval and the audit of financial statements.
- Every executive BoD member remuneration is not approved by the BoD following the remuneration committee suggestion, without the presence of the executive members, since there is no such committee.

The current Corporate Governance Statement contains all the necessary issues, established by the Legislation and constitutes a part of the Annual Report of the Board of Directors of the Company and is incorporated into it.

Piraeus, March 27, 2015

THE COMPANY BOARD OF DIRECTORS

The Chairman of the Board of Directors

Aristidis Alafouzos

D. Annual Financial Statements

The attached Annual Financial Statements are those approved by the Board of Directors of « KATHIMERINI S.A. PUBLICATIONS – MASS MEDIA », on 27th March, 2015 which have been posted in internet, in the address www.kathimerini.gr as well as in the ATHEX website, where they will remain at the disposal of investors for a time period of at least 5 years, since the date of their preparation and publication.
It is to be noted that the publicized in internet, in the address www.kathimerini.gr as well as in the ATHEX website, Summary Financial Data and Information arising from the financial statements aim at providing the public with a general information regarding the financial position and the result of the Company, but they do not present a comprehensive view of the financial position and the results of operation and the Cash Flows of the Company and the Group, in accordance with the International Financial Reporting Standards.

Annual Financial Statements at 31st December, 2014

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1. Statement of Financial Position of the Parent Company and the Group

		THE GROUP		THE COMPANY	
ASSETS	**Note**	**31/12/2014**	**31/12/2013**	**31/12/2014**	**31/12/2013**
Non-current Assets					
Property, plant and equipment	9.1	131.341.364,84	113.690.284,10	4.238.528,98	4.266.289,14
Intangible Assets	9.2	2.128.116,56	2.413.944,16	0,00	0,00
Investment in subsidiaries	9.3	0,00	0,00	55.442.959,46	46.466.555,46
Investments in Associates	9.3	152.722,31	147.406,49	2.132.570,51	2.144.570,51
Deferred Tax Assets	9.4	1.072.619,68	1.139.718,32	825.787,62	975.149,36
Other Long-tern Receivables	9.5	818.409,73	899.826,69	686.909,79	761.990,01
Total Non-Current Assets		**135.513.233,12**	**118.291.179,76**	**63.326.756,36**	**54.614.554,48**
Current Assets					
Inventory	9.6	5.014.425,51	5.307.979,98	817.477,26	826.772,39
Trade and Other Receivables	9.7	24.232.636,98	27.594.473,87	1.580.891,43	1.083.394,72
Other Receivables	9.8	5.041.511,88	5.358.167,59	388.010,03	1.995.733,43
Other Current Assets	9.9	1.697.227,91	542.987,35	4.154.808,24	4.276.164,19
Financial Assets an Fair Value through Profit and Loss	9.10	1.098,02	1.297,66	1.098,02	1.297,66
Blocked Deposit Accounts	9.11	17.990.260,00	17.263.688,00	0,00	0,00
Cash and Cash Equivalents	9.12	13.273.960,22	6.841.855,59	9.430,49	26.162,56
Total Current Assets		**67.251.120,52**	**62.910.450,04**	**6.951.715,47**	**8.209.524,95**
Total Assets		**202.764.353,64**	**181.201.629,80**	**70.278.471,83**	**62.824.079,43**
EQUITY AND LIABILITIES					
Equity					
Share Capital	9.13	9.180.000,00	10.200.000,00	9.180.000,00	10.200.000,00
Share Premium	9.13	66.401.801,69	65.779.742,36	66.401.801,69	65.779.742,36
Other Reserves	9.13	10.997.156,58	10.898.245,58	3.322.344,09	3.322.344,09
Balance Sheet Transition Reserves	9.13	-13.527.345,00	-19.911.242,00	0,00	0,00
Retained Earnings		-7.131.471,26	-22.153.148,06	-9.531.195,45	-18.112.245,49
Equity Attributable to Shareholders of the Parent		**65.920.142,01**	**44.813.597,88**	**69.372.950,33**	**61.189.840,96**
Minority Interests		**-835.827,82**	**-813.466,55**	**0,00**	**0,00**
Total Equity		**65.084.314,19**	**44.000.131,33**	**69.372.950,33**	**61.189.840,96**
Long-term Liabilities					
Long-term loan liabilities	9.14	48.621.272,58	47.405.992,58	0,00	0,00
Deferred Tax Liabilities	9.4	3.249.611,70	2.836.403,44	0,00	0,00
Employees End of Services Benefits Liabilities	9.15	2.943.462,41	3.232.910,76	7.203,58	5.727,82
Other Long-term Liabilities	9.16	5.576.826,01	6.204.208,65	0,00	0,00
Total Long-term Liabilities		**60.391.172,70**	**59.679.515,43**	**7.203,58**	**5.727,82**
Short-term Liabilities					
Suppliers and Other Liabilities	9.17	15.300.721,82	16.429.664,28	394.789,18	983.665,78
Current Tax Liabilities	9.18	1.356.022,07	1.377.858,59	184.706,86	295.369,08
Short-term Loan Liabilities	9.14	55.869.264,49	54.724.766,03	0,00	0,00
Other short-term liabilities	9.19	4.472.863,34	4.712.036,68	41.164,42	71.818,33
Short-term Provisions	9.20	289.995,03	277.657,46	277.657,46	277.657,46
Total Short-term Liabilities		**77.288.866,75**	**77.521.983,04**	**898.317,92**	**1.628.510,65**
Total Liabilities		**137.680.039,45**	**137.201.498,47**	**905.521,50**	**1.634.238,47**
Total Equity and Liabilities		**202.764.353,64**	**181.201.629,80**	**70.278.471,83**	**62.824.079,43**

The attached Notes constitute an integral part of the Annual Financial Report.

2. Income Statement and Other Comprehensive Income of the Parent Company and the Group

		THE COMPANY	
	Note	**1/1 - 31/12/2014**	**1/1 - 31/12/2013**
Sales	8	9.719,23	76.566,24
Cost of Sales	9.21	-130.493,38	-3.514.101,45
Gross Profit		**-120.774,15**	**-3.437.535,21**
Other Operating Income	9.22	306.425,42	312.219,92
Sales and Marketing Expenses	9.23	-10.392,41	-33.865,05
Administration Expenses	9.23	-794.110,08	-864.083,45
Other Operating Expenses	9.22	-167.879,37	-86.298,51
EBIT		**-786.730,59**	**-4.109.562,30**
Financial Income	9.24	104.747,87	119.064,75
Financial Expenses	9.24	-1.024,13	-1.185,43
Other financial results	9.24	-199,64	-698,74
Other investing results	9.25	232.917,46	0,00
Profit/(loss) Before Tax		**-450.289,03**	**-3.992.381,72**
Income Tax	9.26	-199.604,20	-183.498,60
Profit/(loss) after tax (A)		**-649.893,23**	**-4.175.880,32**
Distributed to:			
Owners of the Parent		0,00	0,00
Minority interest		0,00	0,00
Other Comprehensive Income			
Amounts that will not be classified in the income statement in subsequent periods:			
Actuarial gains (losses) from defined benefit plans due to change in accounting policy	9.15	700,81	-64,60
Deferred taxes on revaluation of defined employee benefit obligation due to change in accounting policy	9.4	-182,21	16,80
Deferred taxes on revaluation of defined employee benefit obligation due to change in tax rate	9.4	0,00	-306,51
Income tax on other comprehensive income items (Settlement of deferred tax liability from reserves)	9.4	0,00	3.106.794,81
Amounts that can be classified in the income statement in subsequent periods:			
Financial assets available for sale		0,00	0,00
Change in deferred tax due to change in tax rate		0,00	0,00
Other comprehensive income after tax (B)		**518,60**	**3.106.440,50**
Total comprehensive income after tax (A)+(B)		**-649.374,63**	**-1.069.439,82**
Distributed to:			
Owners of the Parent		0,00	0,00
Minority interest		0,00	0,00
Basic earnings per share	9.27	-0,0266	-0,1708
EBITDA		**-758.886,43**	**-4.081.802,13**

		THE GROUP	
	Note	**1/1-31/12/2014**	**1/1-31/12/2013**
Sales	8	66.205.579,43	62.737.553,80
Cost of Sales	9.21	-48.495.354,35	-52.526.382,46
Gross Profit		**17.710.225,08**	**10.211.171,34**
Other Operating Income	9.22	2.178.181,74	1.605.387,99
Sales and Marketing Expenses	9.23	-12.113.491,90	-13.155.329,30
Administration Expenses	9.23	-4.968.606,36	-4.698.715,94
Other Operating Expenses	9.22	-2.173.582,34	-1.557.086,61
EBIT		**632.726,22**	**-7.594.572,52**
Financial Income	9.24	882.455,80	1.021.248,84
Financial Expenses	9.24	-4.865.685,64	-4.841.893,76
Other financial results	9.24	-2.121.406,64	-3.944.976,74
Other investing results	9.25	11.862.614,41	646.689,24
Profit/Loss from Associates	9.3	6.315,82	-456.354,44
Profit/(loss) Before Tax		**6.397.019,97**	**-15.169.859,38**
Income Tax	9.26	-530.338,07	-324.856,73
Profit/(loss) after tax (A)		**5.866.681,90**	**-15.494.716,11**
Distributed to:			
Owners of the Parent		5.889.667,06	-15.526.902,17
Minority interest		-22.985,16	32.186,06
Other Comprehensive Income			
Amounts that will not be classified in the income statement in subsequent periods:			
Actuarial gains (losses) from defined benefit plans due to change in accounting policy	9.15	100.253,90	4.600,20
Deferred taxes on revaluation of defined employee benefit obligation due to change in accounting policy	9.4	-26.066,01	-1.196,04
Deferred taxes on revaluation of defined employee benefit obligation due to change in tax rate	9.4	0,00	-30.442,30
Income tax on other comprehensive income items (Settlement of deferred tax liability from reserves)	9.4	0,00	3.112.712,65
Amounts that can be classified in the income statement in subsequent periods:			
Financial assets available for sale		0,00	0,00
Change in deferred tax due to change in tax rate		0,00	0,00
Foreign Currency Translation Differences		6.383.897,00	-1.684.327,00
Other comprehensive income after tax (B)		**6.458.084,89**	**1.401.347,51**
Total comprehensive income after tax (A)+(B)		**12.324.766,79**	**-14.093.368,60**
Distributed to:			
Owners of the Parent		12.347.128,06	-14.125.279,11
Minority interest		-22.361,27	31.910,51
Basic earnings per share	9.27	0,2409	-0,6350
EBITDA		**5.680.499,00**	**-2.637.327,16**

The attached Notes constitute an integral part of the Annual Financial Report.

3. Statement of Cash Flows of the Parent Company and the Group

	THE GROUP		THE COMPANY	
Indirect method	**1/1 - 31/12/2014**	**1/1 - 31/12/2013**	**1/1 - 31/12/2014**	**1/1 - 31/12/2013**
Cash Flows from Operating Activities				
Profit/(loss) before tax	6.397.019,97	(15.169.859,38)	(450.289,03)	(3.992.381,72)
Plus/less adjustments for:				
Depreciation for the year 1.1 - 31.12.2014	5.707.518,09	5.641.396,91	27.844,16	27.760,17
Provisions	1.333.867,26	4.865.437,75	156.609,29	3.306.494,10
Currency differences	2.320,31	249,95	0,00	0,00
Results (income, expenses, profit & losses) of investing activities				
- Profit/ Loss from disposal/valuation of assets/investments	(11.862.414,77)	(646.689,24)	(232.717,82)	0,00
-Profit (loss) from associates	(6.315,82)	456.354,44	0,00	0,00
-Amortizations on grants for assets	(659.745,31)	(684.151,55)	0,00	0,00
- Currency differences from investment of cash available	2.121.207,00	3.944.278,00	0,00	0,00
-Credit interest	(882.455,80)	(1.021.248,84)	(104.747,87)	(119.064,75)
Debit and similar expenses	4.865.685,64	4.841.893,76	1.024,13	1.185,43
Plus/less adjustments for working capital changes or related to operating activities				
Decrease /(increase) in inventory	273.939,76	(7.345,75)	9.295,13	157.291,92
Decrease/(increase) in receivables	1.003.453,31	(1.278.219,12)	121.866,91	300.509,62
(Decrease)/Increase in short-term liabilities (Except banks)	(2.596.353,02)	(4.225.645,64)	(619.530,51)	(640.844,22)
(Decrease)/Increase in Tax Obligations	86.956,44	306.699,63	(1.869,26)	75.430,15
Less:				
Interest Payable and Related charges paid	(4.766.641,13)	(4.493.772,15)	(823,66)	(1.185,43)
Income tax paid	(108.792,96)	(159.122,50)	(108.792,96)	(135.991,48)
Total inflows/(outflows) from operating activities (a)	**909.248,97**	**(7.629.743,73)**	**(1.202.131,49)**	**(1.020.796,21)**
Cash Flows from Investing Activities				
Acquisition/disposal of subsidiaries & related companies, joint ventures and other investments (less cash available)	0,00	0,00	(8.976.404,00)	0,00
Acquisition of tangible and intangible fixed assets	(1.684.640,29)	(687.210,38)	(84,00)	0,00
Proceeds from disposal of investments and tangible assets	1.221.050,01	1.061.067,67	1.200.000,00	880.942,85
Increase/Decrease in other long-term receivables	75.080,22	0,00	75.080,22	0,00
Increase / Decrease in Blocked Deposits	(726.572,00)	(3.244.308,00)	0,00	0,00
Interest received	882.455,80	1.021.248,84	104.747,87	119.064,75
Total inflows/(outflows) from investing activities (b)	**(232.626,26)**	**(1.849.201,87)**	**(7.596.659,91)**	**1.000.007,60**
Cash Flows from Financing Activities				
Proceeds from share capital increase	8.683.318,89	0,00	8.782.059,33	0,00
Proceeds from issued/undertaken loans	2.000.000,00	1.182.176,65	0,00	0,00
Increase / decrease in long-term loan liabilities	0,00	5.073.113,58		
Loan repayments	(6.054.359,83)	0,00	0,00	0,00
Repayment of liabilities from finance leases (interest)	(24.337,14)	0,00	0,00	0,00
Total inflows/(outflows) from financing activities (c)	**4.604.621,92**	**6.255.290,23**	**8.782.059,33**	**0,00**
Net increase / (decrease) in cash and cash equivalents for the period (a) + (b) + (c)	**5.281.244,63**	**(3.223.655,37)**	**(16.732,07)**	**(20.788,61)**
Cash and cash equivalents at start-of-period	**6.841.855,59**	**14.988.252,96**	**26.162,56**	**46.951,17**
Effects of currency difference on cash equivalents	1.150.860,00	(4.922.742,00)	0,00	0,00
Cash and cash equivalents at end-of-period	**13.273.960,22**	**6.841.855,59**	**9.430,49**	**26.162,56**

The attached Notes constitute an integral part of the Annual Financial Report.

4. Statement of Changes in Equity of the Parent Company and the Group

	THE GROUP								
	Paid-Up Share Capital	Share Premium Reserve	Legal Reserve	Other Reserves	Total Reserves	Profit Carried Forward	Currency differences	Non controlling interest	Total
Balance as at 01/01/2013	**10.200.000,00**	**65.779.742,36**	**5.453.184,37**	**5.441.735,21**	**10.894.919,58**	**-10.114.767,26**	**-18.226.915,00**	**-845.377,06**	**57.687.602,62**
Revaluation of employee benefit obligation						**405.897,31**			**405.897,31**
Revised Balance as at 01/01/2013	**10.200.000,00**	**65.779.742,36**	**5.453.184,37**	**5.441.735,21**	**10.894.919,58**	**-9.708.869,95**	**-18.226.915,00**	**-845.377,06**	**58.093.499,93**
Carried forward to legal reserve			3.326,00		**3.326,00**	-3.326,00			**0,00**
Formation of special reserve					**0,00**				**0,00**
Decrease in non-controlling interest from acquisition of participating interest in subsidiary					**0,00**				**0,00**
Transactions with owners of the parent	**0,00**	**0,00**	**3.326,00**	**0,00**	**3.326,00**	**-3.326,00**	**0,00**	**0,00**	**0,00**
Profit/Loss for the period					**0,00**	**-15.526.902,17**		**32.186,06**	**-15.494.716,11**
Other comprehensive income					**0,00**				**0,00**
Depreciation of revaluation reserve					**0,00**				**0,00**
Actuarial gains (losses) from defined benefit plans due to change in accounting policy					**0,00**	4.972,56		-372,36	**4.600,20**
Income tax on other comprehensive income items (Settlement of deferred tax liability from reserves)					**0,00**	3.112.712,65			**3.112.712,65**
Deferred taxes on revaluation of defined employee benefit obligation due to change in accounting policy					**0,00**	-1.292,85		96,81	**-1.196,04**
Deferred taxes on revaluation of defined employee benefit obligation due to change in tax rate					**0,00**	-30.442,30			**-30.442,30**
Profit from acquisition of participating interest in subsidiary					**0,00**				**0,00**
Consolidation currency differences	0,00				**0,00**		-1.684.327,00		**-1.684.327,00**
Other comprehensive income for the period	**0,00**	**0,00**	**0,00**	**0,00**	**0,00**	**3.085.950,06**	**-1.684.327,00**	**-275,55**	**1.401.347,51**
Balance as at 31/12/2013	**10.200.000,00**	**65.779.742,36**	**5.456.510,37**	**5.441.735,21**	**10.898.245,58**	**-22.153.148,06**	**-19.911.242,00**	**-813.466,55**	**44.000.131,33**
Offsetting share capital decrease with prior periods losses under Article 4, CL 2190/1920	-9.180.000,00				**0,00**	9.180.000,00			**0,00**
Share capital increase	8.160.000,00				**0,00**				**8.160.000,00**
Share permium		816.000,00			**0,00**				**816.000,00**
Share capital increase expenses		-193.940,67			**0,00**	-98.740,44			**-292.681,11**
Deferred tax on share capital increase expenses					**0,00**	76.097,18			**76.097,18**
Trabsfer to legal reserves			98.911,00		**98.911,00**	-98.911,00			**0,00**
Transactions with owners of the parent	**-1.020.000,00**	**622.059,33**	**98.911,00**	**0,00**	**98.911,00**	**9.058.445,74**	**0,00**	**0,00**	**8.759.416,07**
Profit/Loss for the period					**0,00**	5.889.667,06		-22.985,16	**5.866.681,90**
Other comprehensive income					**0,00**				**0,00**
Actuarial gains (losses) from defined benefit plans					**0,00**	99.410,81		843,09	**100.253,90**
Deferred taxes on revaluation of defined employee benefit obligation					**0,00**	-25.846,81		-219,20	**-26.066,01**
Consolidation currency differences	0,00				**0,00**		6.383.897,00		**6.383.897,00**
Other comprehensive income	**0,00**	**0,00**	**0,00**	**0,00**	**0,00**	**73.564,00**	**6.383.897,00**	**623,89**	**6.458.084,89**
Bakance as at 31/12/2014	**9.180.000,00**	**66.401.801,69**	**5.555.421,37**	**5.441.735,21**	**10.997.156,58**	**-7.131.471,26**	**-13.527.345,00**	**-835.827,82**	**65.084.314,19**

	THE COMPANY						
	Paid-Up Share Capital	Share Premium Reserve	Legal Reserve	Other Reserves	Total Reserves	Profit Carried Forward	Total
Balance as at 01/01/2013	**10.200.000,00**	**65.779.742,36**	**2.791.358,19**	**530.985,90**	**3.322.344,09**	**-17.046.892,37**	**62.255.194,08**
Revaluation of employee benefit obligation					**0,00**	4.086,70	**4.086,70**
Revised Balance as at 01/01/2013	**10.200.000,00**	**65.779.742,36**	**2.791.358,19**	**530.985,90**	**3.322.344,09**	**-17.042.805,67**	**62.259.280,78**
Formation of legal reserve					0,00		0,00
Formation of special reserve					0,00		0,00
Distribution of dividends					0,00		0,00
Transactions with owners of the parent	**0,00**	**0,00**	**0,00**	**0,00**	**0,00**	**0,00**	**0,00**
Profit/Loss for the period					0,00	**-4.175.880,32**	**-4.175.880,32**
Other comprehensive income							
Income tax on other comprehensive income items (Settlement of deferred tax liability from reserves)					0,00	3.106.794,81	3.106.794,81
Deferred taxes on revaluation of defined employee benefit obligation due to change in tax rate					0,00	-306,51	-306,51
Actuarial gains (losses) from defined benefit plans due to change in accounting policy					0,00	-64,60	-64,60
Deferred taxes on revaluation of defined employee benefit obligation due to change in accounting policy					0,00	16,80	16,80
Formation of special reserve	**0,00**	**0,00**	**0,00**	**0,00**	**0,00**	**3.106.440,50**	**3.106.440,50**
Balance as at 31/12/2013	**10.200.000,00**	**65.779.742,36**	**2.791.358,19**	**530.985,90**	**3.322.344,09**	**-18.112.245,49**	**61.189.840,96**
Offsetting share capital decrease with prior periods losses under Article 4, CL 2190/1920	-9.180.000,00				0,00	9.180.000,00	0,00
Share capital increase	8.160.000,00				0,00	0,00	8.160.000,00
Share permium		816.000,00			0,00	0,00	816.000,00
Share capital increase expenses		-193.940,67			0,00	0,00	-193.940,67
Deferred tax on share capital increase expenses					0,00	50.424,67	50.424,67
Formation of legal reserve					0,00	0,00	0,00
Formation of special reserve					0,00	0,00	0,00
Distribution of dividends					0,00	0,00	0,00
Transactions with owners of the parent	**-1.020.000,00**	**622.059,33**	**0,00**	**0,00**	**0,00**	**9.230.424,67**	**8.832.484,00**
Profit/Loss for the period					0,00	**-649.893,23**	**-649.893,23**
Other comprehensive income							
Actuarial gains (losses) from defined benefit plans					0,00	700,81	700,81
Deferred taxes on revaluation of defined employee benefit obligation					0,00	-182,21	-182,21
Formation of special reserve	**0,00**	**0,00**	**0,00**	**0,00**	**0,00**	**518,60**	**518,60**
Balance as at 31/12/2014	**9.180.000,00**	**66.401.801,69**	**2.791.358,19**	**530.985,90**	**3.322.344,09**	**-9.531.195,45**	**69.372.950,33**

The attached Notes constitute an integral part of the Annual Financial Report.

5. Notes to the Consolidated Financial Statements

General Information

5.1 Parent Company

KATHIMERINI S.A. PUBLICATIONS – MASS MEDIA» under the discrete title "KATHIMERINI S.A." was established in 1988 (GG 3645/12.12.1988 – SAs and Ltd Companies Volume) and is registered in the Joint Stock Companies Register under no 18435/06/B/88/26. Its registered office is in Piraeus (at no 2, Ethnarchou Markariou & Dimitriou Falireos, Neo Faliro, tel. 210.48.08.000) and, in accordance with its Articles of Association its duration will be fifty (50) years.

The Company's objective, in conformity with article 2 of its Articles of Association is as follows:

1. To publish daily newspapers (morning and evening), weekly newspapers, specialized newspapers, as well as any other publication of general or special interest.
2. To publish and market, import and export books and works of Greek and foreign authors, as well as to translate publications of any kind.
3. To represent, distribute and circulate the publications described in paragraphs 1 and 2, whether these are its own publications or those of others.
4. To create and operate printing houses, printing presses, lithography printing, bookbinding shops, as well as the execution of the above works together with all other operations related to graphic arts.
5. To establish and operate radio stations.
6. To produce and run audiovisual programs as well as any multimedia material and content.
7. To produce and run radio programs.
8. To install, manage and operate Internet and telecommunications infrastructure for the provision and distribution of services and products, which are included in the Company's objectives.
9. To install and maintain machinery, devices and systems related to the company's products and services.
10. To provide similar services to legal entities and natural persons in the field of publishing, mass media, technology and business administration, as well as consultancy services in the above domains.
11. To market and distribute in general all the above products, either directly or through distribution networks, resellers or associates, or through telemarketing.

12. The Company's participation in other companies having a similar or different objective.

In order to achieve, promote and expand its objective the Company may:

Participate in joint ventures with any natural or legal persons and cooperate with natural or legal persons, international or national, professional, journalistic, cultural and social organizations, undertakings, industries and agencies.

It should be noted that the Company's object was widened following a resolution of the Extraordinary General Meeting held on 21.3.2001 and since then there has been no further change.

According to the Greek National Statistic Services' classification, the Company belongs to the Publications category under code 221 and more specifically to the Newspapers Publication sub-category under code 221.2.

The above annual financial statements were approved by the Board of Directors on 27th March, 2015. It is noted that the current financial statements are subject to the final approval of the Regular General Meeting of Shareholders.

5.2 Subsidiaries

The Group's activities include, in addition to the parent company's activities, other sectors such as international sea transports on vessels owned by the subsidiaries of shipping company ARGONAFTIS EEPN.

Apart from the publications activities, absorbed by the subsidiary "KATHIMERINES EKDOSEIS S.A.", the Group also has significant publishing activities in the field of special editions (travel guides, special content magazines).

5.3 The Company's Management

KATHIMERINI S.A. is managed by a 8-member Board of Directors and the tenure of all its members will end following the election of the new Board of Directors by the Regular General Meeting to be held within the first six month of 2015. Its members are:

- **Aristidis Ioannis Alafouzos,** Executive Chairman, a resident of Neo Faliro, Ethnarchou Makariou & Dim. Falireos 2.
- **Ioannis Aristidis Alafouzos,** Non-Executive Vice-Chairman, a resident of Neo Faliro, Ethnarchou Makariou & Dim. Falireos 2.
- **Themistocles Aristidis Alafouzos,** Executive Managing Director, a resident of Neo Faliro, Ethnarchou Makariou & Dim. Falireos 2.

- **Martha Theofanous Zoe-Dertili,** Executive Director for International Partnerships, a resident of Kifisia, Rodou 35.
- **Alexandros Aristomenis Papachelas,** Executive Director, journalist and Manager of the newspaper, a resident of Palaio Psichiko, Ersis 10.
- **Panagiotis Andreas Vourloumis,** Independent non-executive member, a resident of Emmanouil Mpenaki 28, Kifisia
- **Panagiotis (Takis) Ioannnis Athanasopoulos,** Independent non-executive member, a resident of Tatoiou 91, Kifisia
- **Ioannis Emmanouil Kontellis,** Non-executive member, a resident of Glykonos 6-8, Athens

6. Accounting Principles Followed

6.1 Basis for preparation of the Financial Statements

The consolidated financial statement of the company **KATHIMERINI S.A.** of 31/12/2014, which cover the 2014 fiscal year, have been prepared in accordance with the International Financial Reporting Standards (IFRS) which have been issued by the International Accounting Standards Board (IASB) and the interpretations which have been issued by the International Financial Reporting Interpretations Committee (IFRIC) which have been adopted by the European Union. The consolidated financial statements have been prepared based on the historical cost principle as modified by adjusting certain assets and liabilities to current values, the going concern principle and are in accordance with the IFRS adopted by the IASB and the interpretations issued by IFRIC / IASB.

Preparation of financial statements in line with the IFRS requires the use of accounting assessments. Moreover, it requires Management judgment when applying the Group's accounting policies. Cases requiring a greater degree of judgment or complexity or cases where assumptions and assessments are important for the consolidated financial statements are outlined in Note 6.3.

When preparing the financial statements Company Management made all the adjustments necessary to accounting, valuation and consolidation methods so that they are in accordance with the IFRS and the main accounting policies in the annual financial statements of 31/12/2014.

For the purpose of consolidation, the financial statements of the subsidiaries of ARGONAFTIS S.A. were converted to Euro in line with IAS 21. Foreign exchange differences arising from this conversion are presented in a separate equity account in the annual consolidated accounts. Where the subsidiary is sold, the relevant accumulated foreign exchange differences are transferred to the income statement.

6.2 Changes to accounting policies

The Group has adopted all the new standards and interpretations whose application is mandatory for the financial years starting as from January 1st, 2014. Paragraph 6.2.1. presents the changes in the accounting principles effective as from January 1st, 2014. Paragraph 6.2.2. presents the standards, amendments to the standards and the interpretations to already existing standards that are either not effective yet, or have not been adopted by the European Union.

6.2.1 New Standards, Interpretations, Revisions and Amendments to existing Standards that are effective and have been adopted by the European Union

The following amendments and interpretations of the IFRS have been issued by the International Accounting Standards Board (IASB), adopted by the European Union, and their application is mandatory from or after 01/01/2014.

- **IFRS 10 "Consolidated Financial Statements", IFRS 11 "Joint Arrangements" and IFRS 12 "Disclosure of Interests in Other Entities", IAS 27 "Separate Financial Statements" and IAS 28 "Investments in Associates and Joint Ventures" (effective for annual periods starting on or after 01/01/2014)**

In May 2011, IASB issued three new Standards, namely IFRS 10, IFRS 11 and IFRS 12. IFRS 10 "Consolidated Financial Statements" sets out a new consolidation method, defining control as the basis under consolidation of all types of entities. IFRS 10 supersedes IAS 27 "Consolidated and Separate Financial Statements" and SIC 12 "Consolidation — Special Purpose Entities". IFRS 11 "Joint Arrangements" sets out the principles regarding financial reporting of joint arrangements participants. IFRS 11 supersedes IAS 31 "Interests in Joint Ventures" and SIC 13 "Jointly Controlled Entities – Non-Monetary Contributions by Venturers". IFRS 12 "Disclosure of Interests in Other Entities" unites, improves and supersedes disclosure requirements for all forms of interests in subsidiaries, under common audit, associates and non-consolidated entities. As a result of these new standards, IASB has also issued the revised IAS 27 entitled IAS 27 "Separate Financial Statements" and revised IAS 28 entitled IAS 28 "Investments in Associates and Joint Ventures". The standards do not affect the consolidated and separate Financial Statements.

- **Transition Guidance: Consolidated Financial Statements, Joint Arrangements and Disclosure of Interests in Other Entities (Amendments to IFRS 10, IFRS 11 and IFRS 12) (effective for annual periods starting on or after 01/01/2014)**

In June 2012, IASB issued this Guidance to clarify the transition provisions of IFRS 10. The amendments also provide additional accommodation during the transition to IFRS 10, IFRS 11 Joint Arrangements and IFRS 12 Disclosure of Interests in Other Entities, limiting the requirements to provide adjusted comparative information to only the preceding comparative period. Furthermore, in respect to the disclosures relating to the unconsolidated entities, the amendments take away the requirement to present comparative information. The amendments do not affect the consolidated and separate Financial Statements.

- **Investment Entities (Amendments to IFRS 10, IFRS 12 and IAS 27) (effective for annual periods starting on or after 01/01/2014)**

In October 2012, IASB issued amendments to IFRS 10, IFRS 12 and IAS 27. The amendments apply to a particular class of business that qualifies as investment entities. The IASB uses the term 'investment entity' to refer to an entity sole business purpose is to invest funds solely for returns from capital appreciation, investment income or both. An investment entity must evaluate the return of its investments on a fair value basis. Such entities could include private equity organizations, venture capital organizations, pension funds, sovereign wealth funds and other investment funds. The Investment Entities amendments provide an exception to the consolidation requirements under IFRS 10 and require investment entities to measure particular subsidiaries at fair value through profit or loss, rather than consolidate them while making the required disclosures. The amendments do not affect the consolidated and separate Financial Statements.

- **Amendments to IAS 32 "Financial Instruments: Presentation" – Offsetting financial assets and financial liabilities (effective for annual periods starting on or after 01/01/2014)**

In December 2011, IASB issued amendments to IAS 32 "Financial Instruments: Presentation", which provide clarification on some requirements for offsetting financial assets and liabilities in the Statement of Financial Position. The amendments do not affect the consolidated and separate Financial.

- **Amendment to IAS 36 "Impairment of Assets" - Recoverable Amount Disclosures for Non-Financial Assets (effective for annual periods starting on or after 01/01/2014)**

In May 2013, IASB issued amendments to IAS 36 "Impairment of Assets". These narrow-scope amendments address the disclosure of information about the recoverable amount of impaired assets if that amount is based on fair value less costs of disposal. The amendment does not affect the consolidated and separate Financial Statements.

- **Amendments to IAS 39 "Financial Instruments: Recognition and Measurement" - Novation of Derivatives and Continuation of Hedge Accounting (effective for annual periods starting on or after 01/01/2014)**

In June 2013, IASB issued narrow-scope amendments to IAS 39 "Financial Instruments: Recognition and Measurement". The purpose of the amendments is to introduce a limited scope exception in respect to the suspension of accounting setting off, as per IAS 39. In particular, it allows hedge accounting to continue in a situation where a derivative, which has been designated as a hedging instrument, is novated to effect clearing with a central counterparty as a result of laws or regulation, if specific conditions are met. Similar relief will be included in IFRS 9 "Financial Instruments". The amendments do not affect the consolidated and separate Financial Statements.

- **IFRIC 21 "Levies" (effective for annual periods starting on or after 01/01/2014)**

In May 2013, the IASB issued IFRIC 21. IFRIC 21 provides guidance on when a company recognises a liability for a levy imposed by the state in its Financial Statements. IFRIC 21 is an interpretation of IAS 37 "Provisions, Contingent Liabilities and Contingent Assets". IAS 37 sets out criteria for the recognition of a liability, one of which is the present obligation resulting from a past event, known as an obligating event. This interpretation indicates that the obligating event is the activity that triggers the payment of the levy in accordance with the relevant

legislation. The amendments do not affect the consolidated and separate Financial Statements.

6.2.2 New Standards, Interpretations and Revisions to the existing Standards that are not effective yet or have not been adopted by the European Union

The following new Standards, Interpretations and Revisions to the existing Standards have been issued but are not effective yet or have not been adopted by the European Union. In particular:

- **IFRS 9 "Financial Instruments" (effective for annual periods starting on or after 01/01/2018)**

In July 2014, the IASB issued the final version of IFRS 9. This version brings together the classification and measurement, impairment and hedge accounting models and presents a new expected loss impairment model and limited amendments to classification and measurement for financial assets. The Group will examine the impact of the above on its Financial Statements. The above have not been adopted by the European Union.

- **IFRS 14 "Regulatory Deferral Accounts" (effective for annual periods starting on or after 01/01/2016)**

In January 2014, the IASB issued a new standard, IFRS 14. The aim of this interim Standard is to enhance the comparability of financial reporting by entities that are engaged in rate-regulated activities. Many countries have industry sectors that are subject to rate regulation, whereby governments regulate the supply and pricing of particular types of activity by private entities. The Group will examine the impact of the above on its Financial Statements, though it is not expected to have any. The above have not been adopted by the European Union.

- **IFRS 15 "Revenue from Contracts with Customers" (effective for annual periods starting on or after 01/01/2017)**

In May 2014, the IASB issued a new standard, IFRS 15. The Standard fully converges with the requirements for the recognition of revenue in both IFRS and US GAAP. The new standard will supersede IAS 11 "Construction Contracts", IAS 18 "Revenue" and several revenue related interpretations. The Group will examine the impact of the above on its Financial Statements, though it is not expected to have any. The above have not been adopted by the European Union.

- **Annual Improvements cycle 2010-2012 (effective for annual periods starting on or after 01/07/2014)**

In December 2013, the IASB issued Annual Improvements to IFRSs 2010-2012 Cycle, a collection of amendments to IFRSs, in response to eight issues addressed during the 2010-2012 cycle. The amendments are effective for annual periods beginning on or after 1 July 2014, although entities are permitted to apply them earlier. The issues included in this cycle are the following: IFRS 2: Definition of 'vesting condition', IFRS 3: Accounting for contingent consideration in a business combination, IFRS 8: Aggregation of operating segments, IFRS 8: Reconciliation of the total of the reportable segments' assets to the entity's assets, IFRS 13: Short-term receivables and payables, IAS 7: Interest paid that is capitalised, IAS 16/IAS 38: Revaluation method—proportionate restatement of accumulated depreciation and IAS 24: Key management personnel. The Group will examine the impact of the above on its consolidated and separate Financial Statements. The above were adopted by the European Union in December 2014.

- **Annual Improvements cycle 2011-2013 (effective for annual periods starting on or after 01/07/2014)**

In December 2013, the IASB issued Annual Improvements to IFRSs 2011-2013 Cycle, a collection of amendments to IFRSs, in response to four issues addressed during the 2011-2013 cycle. The amendments are effective for annual periods beginning on or after 1 July 2014, although entities are permitted to apply them

earlier. The issues included in this cycle are the following: **IFRS 1:** Meaning of effective IFRSs, **IFRS 3:** Scope exceptions for joint ventures; **IFRS 13:** Scope of paragraph 52 (portfolio exception); and **IAS 40:** Clarifying the interrelationship of IFRS 3 Business Combinations and IAS 40 Investment Property when classifying property as investment property or owner-occupied property. The Group will examine the impact of the above on its consolidated and separate Financial Statements. The above were adopted by the European Union in December 2014.

- **Annual Improvements cycle 2012-2014 (effective for annual periods starting on or after 01/01/2016)**

In September 2014, the IASB issued Annual Improvements to IFRSs 2012-2012 Cycle, a collection of amendments to IFRSs, in response to four issues addressed during the 2012-2014 cycle. The amendments are effective for annual periods beginning on or after 1 January 2016, although entities are permitted to apply them earlier. The issues included in this cycle are the following: **IFRS 5**: Changes in methods of disposal, **IFRS 7**: Servicing Contracts and Applicability of the amendments to IFRS 7 to Condensed Interim Financial Statements, **IAS 19:** Discount rate: regional market, and **IAS 34**: Disclosure of information elsewhere in the interim financial report. The Group will examine the impact of the above on its consolidated and separate Financial Statements. The above have not been adopted by the European Union.

- **Defined Benefit Plans: Employee Contributions (Amendments to IAS 19) (effective for annual periods starting on or after 01/07/2014)**

In November 2013, the IASB published narrow scope amendments to IAS 19 “Employee Benefits” entitled Defined Benefit Plans: Employee Contributions (Amendments to IAS 19). The narrow scope amendments apply to contributions from employees or third parties to defined benefit plans. The objective of the amendments is to simplify the accounting for contributions that are independent of the number of years of employee service, for example, employee contributions that are calculated according to a fixed percentage of salary. The Group will examine the impact of the

above on its Financial Statements, though it is not expected to have an. The above were adopted by the European Union in December 2014.

- **Amendment to IAS 27: "Equity Method in Separate Financial Statements» (effective for annual periods starting on or after 01/01/2016)**

In August 2014, the IASB published narrow scope amendments to IAS 27 "Equity Method in Separate Financial Statements ". Under the amendments, entities are permitted to use the equity method to account for investments in subsidiaries, joint ventures and associates in their separate Financial Statements – an option that was not effective prior to the issuance of the current amendments. The Group will examine the impact of the above on its Financial Statements. The above have not been adopted by the European Union.

- **Amendments to IFRS 10 and IAS 28: "Sale or Contribution of Assets between an Investor and its Associate or Joint Venture" (effective for annual periods starting on or after 01/01/2016)**

In September 2014, the IASB published narrow scope amendments to IFRS 10 and IAS 28 "Sale or Contribution of Assets between an Investor and its Associate or Joint Venture". The amendments will be applied by entities prospectively in respect of sales or contribution of assets performed in the annual periods starting on or after 01/01/2016. Earlier application is permitted, given that this fact is relatively disclosed in the financial Statements. The Group will examine the impact of the above on its Financial Statements, though it is not expected to have any. The above have not been adopted by the European Union.

- **Amendments to IAS 16 and IAS 41: «Agriculture: Bearer Plants" (effective for annual periods starting on or after 01/01/2016)**

In June 2014, the IASB published amendments that change the financial reporting for bearer plants. The IASB decided that bearer plants should be accounted for in the same way as property, plant and equipment in IAS 16. Consequently, the amendments include bearer plants within the scope of IAS 16, instead of IAS 41.

The produce growing on bearer plants will remain within the scope of IAS 41. No impact is expected to arise regarding the Group and the Company financial statements. The above have not been adopted by the European Union.

- **Amendments to IAS 16 and IAS 38: Clarification of Acceptable Methods of Depreciation and Amortisation (effective for annual periods starting on or after 01/01/2016)**

In May 2014, the IASB published amendments to IAS 16 and IAS 38. IAS 16 and IAS 38 both establish the principle for the basis of depreciation and amortisation as being the expected pattern of consumption of the future economic benefits of an asset. The IASB has clarified that the use of revenue-based methods to calculate the depreciation of an asset is not appropriate because revenue generated by an activity that includes the use of an asset generally reflects factors other than the consumption of the economic benefits embodied in the asset. The Group will examine the impact of the above on its Financial Statements, though it is not expected to have any. The above have not been adopted by the European Union.

- **Amendments to IFRS 11: Accounting for Acquisitions of Interests in Joint Operations (effective for annual periods starting on or after 01/01/2016)**

In May 2014, the IASB issued amendments to IFRS 11. The amendments add new guidance on how to account for the acquisition of an interest in a joint operation that constitutes a business and specify the appropriate accounting treatment for such acquisitions. The Group will examine the impact of the above on its Financial Statements. The above have not been adopted by the European Union.

- **Amendments to IAS 1: "Disclosures Initiative" (effective for annual periods starting on or after 01/01/2016)**

In December 2014, the IASB issued amendments to IAS 1.The aforementioned amendments address settling the issues pertaining to the effective presentation and disclosure requirements as well as the potential of entities to exercise judgment under the preparation of financial statements. The Group will examine the impact of

the above on its consolidated and separate Financial Statements. The above have not been adopted by the European Union.

- **Amendments to IFRS 10, IFRS 12 and IAS 28: "Investment Entities: Applying the Consolidated Exception" (effective for annual periods starting on or after 01/01/2016)**

In December 2014, the IASB published narrow scope amendments to IFRS 10, IFRS 11 and IAS 28. The aforementioned amendments introduce explanation regarding accounting requirements for investment entities, while providing exemptions in particular cases, which decrease the costs related to the implementation of the Standards. The Group will examine the impact of the above on its Financial Statements. The above have not been adopted by the European Union.

6.3 Significant accounting judgments, estimates and assumptions

The preparation of financial statements in conformity with IFRS requires the use of accounting judgments, estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of preparation of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results may differ from those which have been estimated. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

6.3.1 Judgments

Management's judgments (apart from those concerning estimates presented below) that have the most significant effect on the amounts recognized in the financial statement are mainly related to:

- **Classification of investments**

Management decides on the acquisition of an investment whether this will be classified as long term investments, current investments at fair value through the income statement or held for sale. Classification of investments at fair value through the income statement depends on how the management monitors the return on investment. When they are not classed as current investments but fair values are available and reliably measured and movements at their fair value are included in the income statement, they are classed as valued at their fair value through the income statement. All other investments are classed as held for sale except for those held for hedging the entity's risks which are classed as items for the hedge accounting.

- **Inventory**

The judgment and the knowledge of management concerning the obsolescence (or not) in the value of inventories is subject to subjective judgment (concerning the use of inventories) as well as objective criteria (physical suitability of the inventories).

- **Recoverability of accounts receivable**

The judgment of the management concerning the estimation of recoverability of accounts receivable constitutes a significant item for the assessment of the relevant balances as bad debts and the measurement of their probable impairment.

- **Determining whether a lease can be classified as an operating or finance lease**

The assessment of such agreements is not only subject to the assessment of the type of the lease but mainly to the assessment of the substance of transaction. Factors examined to assess the substance of the transaction are the length of the lease, the fair value of the asset, the present value of the asset compared to the present value of the minimum lease payments, the specialized nature of the assets and various other factors.

6.3.2 Estimates and assumptions

Specific amounts which are included or affect the financial statements and the relevant disclosures are assessed demanding from the Company to formulate assumptions regarding values or conditions which is not possible to be certain during the period of preparation of financial statements. An accounting estimate is considered important when it is important for the image of the financial condition and results of the Company and it requires the most difficult, subjective or complex judgments by management and which is often the result of the need for the formulation of assumptions which are uncertain. The Group evaluates such estimates on a continuous basis based on the results of past experience, on experts' consultations, trends and tendencies and on other methods which are considered reasonable in the current circumstances, as well as the Company's provisions with regard to their possibility to change in the future. The summary of significant accounting policies mentions all the accounting policies which have been chosen by acceptable alternatives.

- **Impairment test**

Management tests annually whether goodwill has suffered any impairment, and seeks the reasons for it, for example an important change in the company status. When impairment is found, the unit is valuated using the method of prepayment of cash flow. When the information exists the method of multiples is used. The company is based on a series of factors, including actual results, future company plans, financial expansions, as well as market factors (statistically or not).

If the analysis shows that there is a need for impairment of the goodwill, the measurement of the impairment requires an estimation of fair values for each recognizable tangible or financial asset. In that case, cash flows are used, where it is deemed necessary.

In addition, other recognizable intangible assets are tested for impairment with definite useful lives and subject to depreciation by comparing accounting value with the total of unpaid cash flows expected to be created by the asset. Moreover, intangible assets with indefinite useful lives are tested under fair calue method such as discounted cash flows.

- **Income Tax**

The company is subject to the income tax as imposed by the tax authorities. The measurement of income taxes provisions is heavily based on estimates. There are a lot of transactions for which the accurate calculation of the tax is not possible in the normal course of business. The Company recognizes liabilities for anticipated tax matters, based on estimates for potential amounts due for additional taxes. When the expected final tax payable is different from the initial estimates in the financial statements the differences have an impact in the income tax and in the provisions for deferred taxation in the period when these amounts become final.

- **Fair value of derivatives and other financial instruments**

The Company uses derivatives to mitigate or eliminate a series of risks including interest rates, foreign currency exchange rates and prices of goods. Accounting for derivatives, in order to qualify for hedge accounting, requires that at the inception of the arrangement the details of the hedging relationship must be formally documented and the hedged item and the hedging instrument (derivative financial contract) must meet the requirements for hedge accounting. Accounting relating to derivatives is complex. In the case where the accounting principles are not applied correctly the movements in the derivative's fair value affect the income statement while the net movement of the fair values affects the income statement only when a profit or loss is realized, irrespectively if the hedging was successful.

For the evaluation whether a financial contract qualifies for hedge accounting, first of all is evaluated whether or not the financial contract meets the criteria for the exclusion from the continuous monitor of effectiveness. For a financial contract that does not meet the exclusion criteria, we monitor its effectiveness at the beginning and thereafter every following quarter, determining whether is effective in offsetting either changes in fair value or cash flows, as appropriate, for the risk being hedged. This test is performed on a cumulative basis in every period. If a hedge relationship becomes ineffective, it no longer qualifies as a hedge in the future. The fair values of the derivative financial contract and the hedged item are calculated using in house valuation methods that incorporate market data originating from independent sources.

- **Provisions**

Doubtful receivables are accounted in their estimated recoverable amount. Analysis for the calculation of the recoverable amounts is taking into consideration the Group's knowledge for the clients' specific credit risk. Once the Company is aware that an account has a higher than normal credit risk (i.e. client's low credit rating, dispute regarding the existence or the amount of the liability etc), the account is analyzed and a write off amount is estimated if it is indicated by the specific circumstances.

- **Contingent events**

The Group is involved in litigation and claims in the normal course of operations. Management estimates that any resulting settlements would not materially affect the financial position of the Group as at 31 December 2014. However, the determination of contingent liabilities relating to the litigation and claims is a complex process that involves judgments as to the outcomes and interpretation of laws and regulations. Possible future changes to the judgments or the interpretations may increase or decrease the Group's contingent liabilities in the future.

- **Business Combinations**

Under the initial recognition the assets and the liabilities of the acquired company are included in the consolidated financial statements in their fair value. The management uses assumptions regarding the future cash flows in order to measure the fair values, but true results may vary. Any change in measurement after the initial recognition will affect the measurement of goodwill.

- **Useful Life of Depreciable Assets**

The Company's management evaluates the useful life of depreciable assets in every period. On 31 December 2014 the Company's management believes that the useful lives of the assets are in line with their expected usefulness.

6.4 Consolidation, Subsidiaries

Subsidiaries: All companies managed and controlled, directly or indirectly, by another (parent) company, either through a majority stake in the company in which the investment was made, or through its dependence on the know-how provided by the Group. Subsidiaries therefore are undertakings over which the parent company exercises control. KATHIMERINI S.A. obtains and exercises control through voting rights. Any potential voting rights, which may exist and which may be exercised when financial statements are drawn up, shall be taken into consideration for the purpose of establishing whether the parent company has control over subsidiaries. Subsidiaries are fully consolidated (total consolidation) by means of the acquisition method from the date when control is obtained and are no longer consolidated from the date such control ceases to exist.

Regarding in particular, ARGONAFTIS EEPN, the following elements were taken into consideration for consolidation with its subsidiaries:

On the acquisition of subsidiaries their assets and liabilities are valued at fair value on the acquisition date. The profit and loss of subsidiaries acquired or sold during the financial year, is included in the year's consolidated income statement, from the date of acquisition or until the date of sale. The negative goodwill represents the surplus fair value of subsidiaries' assets and liabilities over the acquisition value. Negative goodwill is depreciated in the income statement for the duration of the ships' remaining useful life. In the event of disposal of subsidiary or one of its ships, the un-depreciated part of negative goodwill relating to it, shall be depreciated in profit and loss.

Intra-company transactions, profits remaining and not realized from transactions between the Group's companies, will be written off during consolidation. Losses not realized will also be written off, unless the transaction provides indications of the transferred asset's impairment. The accounting principles of subsidiaries have been modified to ensure their uniformity with those adopted by the Group.

Negative goodwill arising from acquisition of other companies is recorded directly in the P&L for the year.

Associates: These are entities in which the Group has influence, but which do not meet the requirements for qualifying as subsidiaries or interests in a joint venture. The assumptions used by the Group are that a percentage from 20% to

50% of voting rights in a company means significant influence over it. Investments in associates are recognized initially at cost and are then valued using the equity method. At the end of each accounting period, the cost will be increased by the investor's share in the changes.

Joint Ventures: A joint venture is an entity jointly controlled by the Group and one or more other ventures in terms of a contractual arrangement. The Group's interest in jointly controlled entities is accounted for by using the equity method of accounting.

6.5 The companies of the Group

Apart from the parent, the annual financial statements also include the following companies:

TITLE	COUNTRY	SHARES & CONSOLIDATION METHOD
SUBSIDIARIES		
KATHIMERINES EKDOSEIS S.A. (former ENTYPES & DIKTYAKES S.A.)	GREECE	100% Full Consolidation
ATE ERGON S.A.	GREECE	100% Full Consolidation
ARGONAFTIS LTD. (*)	GREECE	100% Full Consolidation
EXEREVNITIS – EXPLORER S.A.	GREECE	100% Full Consolidation
IHT – KATHIMERINI S.A.	GREECE	50 % Full Consolidation
MAISON PUBLISHING S.A.	GREECE	50 % Full Consolidation

ASSOCIATES		
KATHIMERINI,POLITIKI,OIKONOMIKI EFIMERIDA EKDOSH L.T.D. (**)	CYPRUS	50% Equity Method
KATASTIMATA TYPOU AT INTERNATIONAL AIRPORT S.A.	GREECE	31,58% (25% Direct, 6,58% Indirect) - Equity Method
EPSILON ONE S.A.	GREECE	25% Equity Method
EUROPE S.A. DAILY AND PERIODICAL PRESS DISTRIBUTION AGENCY	GREECE	26,30% Equity Method
APOSTOLI S.A.	GREECE	20% Equity Method
HOUSE OF WINE S.A.	GREECE	20% Equity Method (Indirect)

(*)In particular, subsidiary ARGONAFTIS Ltd., which is part of the Group, is consolidated with its following subsidiaries:

Company	Country of Establishment	Participating Interest	Vessel	D.W.T.	Year of construction
Sea Shell Enterprises Ltd	Liberia	100 %	-	-	-
Sea Pearl Enterprises Ltd	Liberia	100 %	-	-	-
Zenith Maritime Corporation	Liberia	100 %	MT/ Nissos Paros	115.723	2012
Bigal Shipping Corporation	Liberia	100 %	MT/ Nissos Delos	115.691	2012

(**)On 31.10.2013, the Parent Company «KATHIMERINI S.A.» participated in the share capital increase of the associate «KATHIMERINI, POLITIKI, OIKONOMIKI EFIMERIDA EKDOSH L.T.D. The company «KATHIMERINI S.A.» acquired 350.000 nominal (with voting rights) shares of one Euro each and total value of 350.000,00 Euro, crediting the account of the aforementioned associate. The participating interest in the above company stands at 50% of the share capital, defined at 1.400.000,00 Euro, divided into 1.400.000 ordinary nominal shares of nominal value 1,00 Euro each.

(***) The parent company KATHIMERINI S.A. invested funds in the share capital increase of by 100% subsidiary company KATHIMERINES EKDOSEIS S.A. that decided on its share capital increase by an amount of 8.976.404 €, following the decision of the Extraordinary General Meeting as at April 19th , 2014. The amount of the share capital increase standing at 8.976.404 € was deposited on April 11, 2014 and was used by the subsidiary company to repay short-term liabilities.

- On March 19, 2014, the subsidiary company "KATHIMERINES EKDOSEIS S.A." under the decision of the Board of Directors as at March 19, 2014 authorized its legal representatives to prepare and sign the disposal of 50,000 common nominal shares held by the company «SUI GENERIS PUBLICATION S.A.» in the company «LEAD BULLET ENTERTAINMENT». The company «SUI GENERIS PUBLICATION S.A.» was consolidated with the parent company «KATHIMERINI S.A.» under equity method. The disposal did not affect the Equity and the income statement by more than 25%.

It is also noted that:

a. There are no companies incorporated in the consolidated financial statements for the first time in the current period, while they were not incorporated in the immediately preceding period or the corresponding period of the previous year and
b. There are no companies apart from «SUI GENERIS PUBLICATION S.A.» not included in the consolidated financial statements in the current period, which were included in the immediately preceding period or the corresponding period of the previous year.

6.6 Foreign Currency Transactions

(a) Functional currency and presentation currency

The information contained in the financial statements of the Group's companies is calculated on the basis of the currency of the primary economic environment in which each company operates ("functional currency"). Consolidated financial statements are presented in Euro, the parent Company's functional and presentation currency.

(b) Transactions and balances

Foreign currency operations are convened into the functional currency using the exchange rate in force on the transaction date. Profits and losses from exchange differences, which may arise when such transactions are settled during the period and from the conversion of monetary items expressed in foreign currency using the exchange rates at calculation date, shall be reported in the results.
Foreign exchange differences resulting from non-monetary items carried at fair value are considered as part of fair value and are therefore recorded where fair value differences will be recorded.

(c) Consolidation currency differences

For purposes of consolidation, the financial statements of subsidiaries have been translated into Euros in accordance with IAS 21. Currency differences resulting from such conversion appear as a separate net worth item in the interim consolidated balance sheets. In the event of disposal of a subsidiary, related accumulated differences will be carried forward to profit and loss.

6.7 Fixed Assets

Fixed assets appear in financial statement at acquisition value, with the exception of ships, whose value is based on the valuation of independent valuers. These values appear decreased by (a) accumulated depreciation and (b) any impairment of fixed assets.

Later expenses relating to fixed assets will be capitalized only when the future economic benefits associated with the asset, which are expected to flow to the company, will be increased.

All other fixed assets maintenance, repair, docking, etc. costs will be appear in the results as expenses at the time when they were incurred. Depreciations are charged to profit and loss based on the standard depreciation method for the whole duration of their estimated useful life, per asset category, as follows:

Buildings	1 – 47 years
Machinery and mechanical equipment	1 – 20 years
Other installations and equipment	1 – 20 years
Vehicles	8 – 10 years
Ships	25 years since building

Land is not depreciated. The residual values and useful life of tangible fixed assets are subject to review on an annual basis at the balance sheet date.

When the book value of tangible assets exceeds their recoverable value, the difference (impairment) is immediately recorded as expense in profit and loss. In case of sale of tangible assets, the differences between the price received and their book value will be entered as profit or loss in the income statement.

Ships' values are presented on the basis of valuations made by independent valuers and refer to their fair value on the date of valuation less accumulated depreciation.

Valuations are carried out at regular intervals, to ensure that the value appearing in the books is not significantly different from their fair value at the balance sheet date.

Any increase resulting from the valuation of the ships' value is credited to the revaluation reserve, unless it offsets a loss from a previous valuation that was charged to profit and loss, in which case the increase will be credited to profit and loss, up to the amount previously charged. A decrease in the ships' current value, which results from a valuation, will be carried as cost in profit and loss, to the

extent that it exceeds the balance of the revaluation reserve, if any, which was created because of an increase in that ship's value since its last valuation.
Depreciation is calculated by the straight-line depreciation method, based on the ships' value less residual value, by the number of years of useful life. 25 years have been calculated as useful life since building date.
The revaluation reserve is depreciated using the same method and at the same time as ships' value. According to IAS 16, depreciation of the revaluation reserve, as well as its un-depreciated balance (in the event of disposal of the ship) is not credited to profit and loss but directly to the statement of Other Comprehensive Income.

6.8 Intangible Assets

Intangible assets include software licenses, internally generated intangible assets and trademarks.

(a) Software

Software licenses are carried at cost less depreciation. Depreciation is calculated by the straight-line method over these items' useful life, which is set from one to five years.
Expenses required for software development and maintenance are recognized as expenses when incurred.

(b) Internally generated intangible assets

Expenditure related to research activities is recognized as an expense during the period.
Expenditure made during development stage is recognized as intangible assets, as long as the following criteria are met:

- The technical life of the developed product can be proved for internal use or sale
- The intangible asset may create possible economic benefits arising from internal use or sale
- There are sufficient technical, economical and other funds to complete its development and
- The value of the intangible asset can be estimated reliably.

The cost directly attributed to development includes benefit cost to the employees for developing software along with an amount of directly attributed cost. The cost of

internally created software development is recognized as intangible asset. Until the conclusion of the project, the assets are subject to an impairment test of their value. Depreciation starts with the conclusion of the assets during the period of estimated future sales from the said project using the stable method. All other development expenditure is recognized as an expense during the period.

(c) Trademarks

Acquired trademarks and permits are initially recognized at historical cost. Permits have a definite useful life and are represented at cost minus any accumulated depreciation. The depreciation is calculated by using the method of fixed depreciation, aiming to distribute the cost of trademarks and permits during their estimated useful life.

6.9 Impairment of Assets

Assets that have indefinite useful life are not depreciated and are assessed for impairment annually and when certain facts indicate that their book value may be recoverable. Depreciated assets are subject to impairment assessment when there are indications that their book value is not recoverable. Recoverable value is the highest amount between net disposal value and value resulting from use. Loss resulting from a decrease in asset value is recognized by the entity, when the book value of these assets (or the Cash Flow Generating Unit) is higher that their recoverable amount.

6.10 Financial Assets

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. The Group's financial instruments are classified under the following categories, based on the contract's substance and the purpose for which they were acquired.

(a) Financial assets measured at fair value through profit and loss

This category has two subcategories: financial assets held for trading (including derivatives) and those included in this category at the time of acquisition. Derivatives are classified as held for trading unless intended as offsets. Assets under

this category are classified under current assets held for trading or as expected to be sold within 12 months from the balance sheet date.
Realized and non-realized gains or losses resulting from changes in the fair value of financial assets, carried at fair value with changes in profit and loss are recognized through profit and loss in the period when they arise.

(b) Held – to – maturity investments

These include non-derivative financial assets with fixed or determinable payments and specific maturity that an entity intends and is able to hold to maturity. The Group does not hold any investments of this category.

(c) Available for sale financial assets

These include non-derivative financial assets, which are either designated as belonging to this category or which cannot be classified under any of the above categories. They are included in non-current assets if Management does not intend to realize them within 12 months as from the balance sheet date.
Purchase and sale of investments are recognized at transaction date, which is also the date when the Company undertakes to buy or sell the asset. Investments are designated at fair value on initial recognition plus any direct transaction costs. Investments are derecognised when the right to cash flows from the asset expires or is transferred and the company substantially transfers all the risks and rewards of ownership.
Subsequently, all available for sale financial assets are measured at fair value and related gains or losses recorded in an equity reserve until such assets are disposed of or designated as impaired. When disposed of or designated as impaired, gains or losses are transferred to profit and loss. Impairment losses recognized through profit and loss may not be reversed through profit and loss.
The fair value of investments that can be traded in active markets is determined by current demand prices. For non-traded assets, fair value is determined using valuation techniques such as recent transactions, comparable negotiated instruments and discounted cash flow analysis.
At each balance sheet date, the company is required to assess whether there is any objective evidence of impairment. For company shares not classified as available for sale financial assets, significant or prolonged decrease in fair value compared to acquisition cost would be such evidence. If evidence of impairment exists, accumulated equity loss, i.e. the difference between acquisition cost and

fair value is transferred to profit and loss. Impairment of equity instruments recognized in profit and loss may not be reversed through profit and loss.
The Group holds no such category of investments.

(d) Loans and receivables

Loans and receivables are non-derivative financial assets with steady and defined payments, which have no exchange market price in an active market. They are created when the Group provides money, products or services to a debtor without the intention of commercial exploitation. Loans and receivables are evaluated in depreciation cost based on the method of true interest rate less any provision for impairment. Any alteration is recognized in results when loans or receivables are written off or devaluated during their depreciation.
Some receivables are tested for impairment individually (for example per client) in cases where the collection of the receivables is overdue during the financial statements date or in cases where objective elements show the need for impairment. Other receivables are classified and tested for impairment as a whole. The common characteristic of the groups is geographical distribution, activity sector and, if existing, common characteristics of credit risk.
On 31 December, 2014, accumulated provisions for doubtful receivables of the Group amounted to amounting to € 6.669.369,74.
Receivables from insurance agents are classified only when the said expenditure is made and include expenditures not yet paid or settled after clearing the deducting amounts.
Receivables and loans are included in current assets, except from those ending after 12 months from financial statement date. They are characterized as noncurrent assets. The balance sheet shows them as trade and other receivables and they constitute the largest part of the Group's financial assets.

6.11 Inventories

Inventories are presented at the lower of acquisition or production cost and net realisable value. Realisable value is the estimated selling price decreased by the cost of stock disposal. The cost of inventories is computed using the average weighted cost method. For ships it is calculated by the FIFO method. The cost of inventories does not include financial expenses.

6.12 Cash available and cash equivalents

Cash available includes liquid assets and cash equivalents, such as current and deposit accounts, open accounts and high realization and low risk investments immediately convertible into cash. Open bank accounts appear in the balance sheet as current bank liabilities.

6.13 Share Capital

The Company's share capital is included in equity and consists of registered shares. Direct expenses for the issuing of shares are deducted from the proceeds of issue. Direct expenses related to the issuing of shares for the acquisition of undertakings are included in the acquisition cost of the undertaking acquired. When own shares are purchased, the amount paid, including expenses, is deducted from equity.

6.14 Income Tax and Deferred Tax

The charge to the income period comprises current and deferred taxes, i.e. taxes or tax abatements related to economic benefits, which arise during the period but have already been or will be computed by tax authorities at different periods. Income tax is calculated on the period's taxable profits by the rate applicable each time (26% for the year 2014 and 26% as well for the year 2013). Taxable profits differ from the company's net profits as they appear in the financial statements, as they do not include revenue or expenses which are not taxed or recognized as tax assets or liabilities in other accounting periods and do not include also amounts that are never taxed or recognized as tax assets or liabilities. Deferred income tax is recognized using the liability method, which arises from temporary differences between the book value and the tax base of assets and liabilities. Deferred income tax is not computed if it arises from the initial recognition of an asset or liability, other than in a business combination which, at the time of the transaction does not affect the accounting or taxable profit or loss.

The parent company's profits from shipping activities are exempted from income tax. Subsidiaries are taxed on the basis of their ships' tonnage and no tax is payable on their profits.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantive enacted by the balance sheet date. If the year of reversal of temporary differences cannot be clearly determined, the tax rate in force for the period following the balance sheet date will be applied.

Deferred tax assets are recognized to the extent that future taxable profit will be available against which temporary differences can be utilized. Deferred income tax is recognized for temporary differences arising from investments in subsidiaries and associates, apart from cases where the Group controls the reversal of temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future. Most changes in deferred tax assets or liabilities are recognized as a component of tax costs in profit and loss. Only those changes in assets or liabilities that affect temporary differences are recognized directly in the Group's equity, such as the revaluation of movables, resulting in the corresponding deferred tax assets or liabilities being charged against net assets.

6.15 Employee Benefits

Short-term benefits: Employee short-term benefits (with the exception of employment termination benefits) in money and in kind are recognized as an expense when they become accrued. Any unpaid amount will be recorded as a liability while in the event that the amount already paid exceeds the benefits amount, the undertaking will recognize the excess amount as an asset item (prepaid expense) only to the extent that prepayment will lead to a reduction of future payments or to a refund.

Severance benefits: Severance benefits include pensions or other benefits (life insurance and medical care) provided by the company at the end of employment in exchange for employees' services. They therefore include both specified contributions schemes and specified benefits schemes. The accrued cost of specified contributions schemes will be recorded as an expense for the period to which it relates.

Defined contributions plan

Under the defined contribution plan, the undertaking's obligation (legal or presumptive) is limited to the amount it has agreed to contribute to the organization (e.g. fund) that manages contributions and provides benefits. Consequently, the amount of benefits that the employee will receive shall be determined by the amount

paid by the undertaking (and/or the employee) and by the paid investment return on these contributions. The contribution payable by the undertaking to a specified contributions scheme is recognized either as a liability after the deduction of the contribution paid, or as an expense.

Defined benefits plan

The liability entered in the balance sheet with respect to defined benefits plans represents the present value of the liability relating to the specified benefit less the fair value of the scheme's assets (if any) and the changes resulting from any actuarial profit or loss and the cost of past service. The commitment to provide the defined benefit is calculated annually by an independent actuary by the projected unit credit method. European Central Bank bond interest was used as the basis for the discount rate.

a) European bond index iBoxx AA Corporate Overall 10+ EUR was used as the basis for the discount rate,

b) Thereafter, Overall IBoxx + 15 was used regarding the period up to 25 years and, finally,

c) For flows over 25 years, due to lack of other bonds of such maturities, the yields of European central bank bonds were used.

Net pension costs for the period are included in payroll cost in the accompanying income statement and consist of the present value of benefits earned during the year, interest on the benefit obligation, prior service costs and any additional pension costs.

Actuarial gains or losses, presented in a fiscal year, are recognized fully and directly in other comprehensive income and there is no possibility of their gradual recognition in subsequent periods.

Termination benefits: Termination of employment benefits are paid when employees leave before their retirement date. The Group records these benefit when the commitment is made, either upon terminating the employment of existing employees, in accordance with a detailed schedule, which may not be withdrawn, or when providing these benefits as an incentive for voluntary departure. When such benefits become payable during periods of more than 12 months after the balance sheet date, these should be discounted based on the return of high quality company securities or government bonds. In the case of an offer aimed at encouraging voluntary departure, the valuation of termination of employment benefits should be based on the number of employees expected to accept the offer. In the event of termination of employment where it is not possible to determine the number of

employees who will make use of these benefits, the benefits will not be entered in the accounts but simply disclosed as a contingent liability.

6.16 Grants

The Group recognizes state grants, which cumulatively meet the following criteria: a) There is presumed certainty that the undertaking has complied or will comply with the terms of the grant and b) it is fairly probable that the grant's amount will be collected. Grants are recorded at fair value and systematically recognized as income, based on the principle of correlating grants with the corresponding costs, which they subsidize.

Grants relating to assets (fixed assets) are recorded under liabilities as deferred income and transferred to income over the useful life of these assets.

6.17 Provisions

Provisions are made when the entity has a legal or documented liability commitment resulting from a previous event and it is probable that an economic benefit outflow will be required in order to settle the liability. Provisions are re-examined at the end of each financial year and adjusted so as to reflect the best possible estimates. Contingent liabilities are not recorded in the financial statements, but are notified unless the probability of an outflow of resources, which incorporate economic benefits, is very small. Possible receivables are not recorded in financial statements but notified if an inflow of economic benefits is probable. The Group may have to pay additional insurance premiums to Mutual Insurance Organizations (P & I back calls). These expenses are calculated and recorded on an annual basis with corresponding provisions.

6.18 Recognition of Revenue and Expenses

Revenue includes the fair value of goods sold and services rendered, net of Value-Added Tax, discounts and refunds. Intra-company revenues within the Group are completely written off. Revenue is recognized as follows:

(a) Sales of goods and rendering of services

Sales of goods are recognized when the Group delivers goods to clients, when the clients accept the goods and payment is ensured. Revenue arising from the rendering of services is recorded in the period when the services are provided and payment ensured.

(b) Income from interest

Revenue from interest is recognized on a time proportion basis and using the effective interest rate. When receivables are impaired their book value is decreased to their recoverable amount, which is the present value of expected future cash flows discounted by the initial effective interest rate. Subsequently, interest is calculated at the same interest rate on the impaired (new book) value.

(c) Revenue from dividends

Revenue from dividends is recognized as revenue at the date when distribution is approved by each entity's General Meeting.

(d) Revenue from ship charters

Revenue from voyage or time charters, less direct voyage costs, shall be apportioned over accounting periods based on the voyage's duration and the time period corresponding to each financial year. Receipts against charter revenues relating to the next accounting period, appear as deferred income and are recorded as revenue at the end of the voyage.

(e) Expenses

Expenses are recognized in profit and loss as accrued expenses. Payments for operating leases are charged to profit and loss as expenses over the period of use of the rented premises. Interest charges are recognized as accrued expenses.

(f) Regular inspection and docking expenses

Docking and regular inspection expenses are capitalized when they occur and are depreciated based on the estimated period until the next docking or inspection, generally taking place every 2.5 or 5 years respectively.

(g) Borrowing costs

Borrowing cost is recognized in expenses for the period when incurred.

The Group has earlier adopted the revised IAS 23 and therefore, borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset form part of the cost of that asset. Borrowing costs are capitalized under the asset construction period and capitalization is suspended when qualifying asset is in its intended use or sale condition. When the asset is completed gradually, borrowing costs attributable to the integrated part of the asset cease to be transferred to the cost of the asset and are transferred to the income statement.

6.19 Leases

(a) Operating Leases

Leases under which, all the risks and rewards incident to ownership are substantially retained by the Lessor are classified as operating leases. Payments made for operating leases (net of any incentives offered by Lessor) are recognized in profit and loss proportionately over the lease term.

(b) Finance Leases

Lease of fixed assets is classified as a finance lease if the company substantially retains all risks and rewards incident to ownership. Finance leases are capitalised at commencement of the lease term at the lower of the fair value of the asset and the present value of the minimum lease payments. Finance lease payments are apportioned between the liability and finance charges so as to produce a constant rate of interest on the remaining balance of the liability. Corresponding lease payment liabilities, net of finance charges, appear in the liabilities.

The part of the finance charge relating to finance leases is recognized in profit and loss over the lease term.

6.20 Ships management

Ships management is done by the Kyklades Maritime Corporation (Managing Company) for a monthly management fee of $ 30,000 per ship. In addition, the managing company receives a 2.50% commission on ships' charter rates.

The account with the managing company represents collected revenue less payments by the managing company on behalf of the Group.

6.21 Distribution of Dividends

Distribution of dividends to the shareholders of the parent company is recognized as a liability in the consolidated financial statements on the date when distribution is approved by the shareholder's General Meeting.

6.22 Commitments and Contingent Liabilities

There are no major pending suits or claims by third parties against the Groups' companies.

As indicated in the subsidiaries purchase agreements, the Group does not undertake, apart from the ship and part of the loans, the assets and liabilities of subsidiaries on the day of purchase. Any liability, which concerns previous ownership, will be borne by the vendor under these private agreements.

7. Financial Risk Management

7.1 Financial Risks

(a) Foreign exchange risk

The Group carries out transactions in foreign currencies and is therefore, exposed to foreign exchange risk in relation mainly to the US dollar and to the Swiss franc (CHF). The Group does not use financial instruments for the purpose of reducing this risk. Management follows the Group's situation with respect to this risk on a steady basis and evaluates the need to use specific financial instruments in order to limit it.

The table below shows the sensitivity of the period's result, as well as of the equity in relation to financial assets and exchange rate of Euro/ Dollar.

Considering that all other factors remain unchanged, in case Euro enforces itself against the above mentioned currencies by 1%, the effect on results and Equity is shown below:

	€ Enforcement	
	THE GROUP	
Amounts in €	**2014**	**2013**
	US$	US$
Profit/(loss) of period	-211.090,00	-1.500,00
Equity	-474.140,00	-375.123,00

In case Euro devitalizes itself against the above mentioned currencies by 1%, the effect on results and Equity is shown below:

	€ Devaluation	
	THE GROUP	
Amounts in €	**2014**	**2013**
	US$	US$
Profit/(loss) of period	211.090,00	1.500,00
Equity	474.140,00	375.123,00

The Group's foreign exchange rates exposure varies within the year depending on the volume of the transactions in foreign exchange. However, the above analysis is considered representative of the Group's exposure to foreign exchange risk.

(b) Credit risk

Financial assets of the Group as at the Balance Sheet date are analyzed as follows:

Cash available 2014: € 13.273.960,22 (2013: € 6.841.855,59), Trade and other receivables 2014: 24.232.636,98 (2013: € 27.594.473,87).

The Group has no significant accumulated credit risk. Gross sales are mainly affected to clients with evaluated credit history. The risk of the shippers doubtful receivables is handled by the Group management through collaboration with notable shippers, who have an excellent background in shipping and conclusion of long-term charters agreements with the shippers.

The management of the Group believes all the above financial assets that have not been impaired in previous financial statements are of high credit quality including amounts due.

(c) Liquidity risk

At the end of the fiscal year, the total current liabilities of the Group exceeded its total current assets by an amount of € 10,04 million.

On January 21, 2015, by 100% subsidiary company of KATHIMERINI S.A., KATHIMERINES EKDOSEIS S.A. issued a Common Mortgage Bond Loan, under coverage agreements, totaling € 36,00 million. The aforementioned bond loan is divided into 36,000,000 bonds with a nominal value of one euro each and discounted issue amount, and was concluded with the banks "NATIONAL BANK OF GREECE S.A.", "PIRAEUS BANK S.A.», «ALPHA BANK S.A.» and «EUROBANK ERGASIAS SA", with the guarantee of "KATHIMERINI S.A." and the company "ATE ERGON" (100 % subsidiary of "KATHIMERINI S.A.").

Regarding the aforementioned amount, the largest part of it is intended for refinancing the effective bank borrowing.

Following the issue of the aforementioned loan in 2015, the Group working capital is positive.

In addition, the Company's Management continues to implement the strategy to reduce operating costs and has already proceeded with extensive cutting of production costs and distribution through a significant reduction in booth offers and publications and their accompanying advertising promotion, the level of third parties fees and payroll in order to adjust the levels of operating costs to the prevailing conditions of demand and sales.

In order to collect funds to facilitate the capital base of "KATHIMERINI", following the decision of as at 9.1.2014 Extraordinary General Meeting of the Company's Shareholders, the Group Management proceeded with the parent company Share Capital increase by an amount of 8.976.000,00 Euro.

The procedures of the Share Capital increase were finalized on March 26th, 2014, achieving 100% success and on March 28, 2014, new 27.200.000 shares were defined to start trading on ASE. The raised funds were invested in the share

capital increase of by 100% subsidiary company KATHIMERINES EKDOSEIS S.A. that decided on its share capital increase by an amount of 8.976.404 € based on the Extraordinary General Meeting decisions as of April 10, 2014. The amount of the share capital increase standing at 8.976.404 € was deposited on April 11, 2014 and will be used by the subsidy company to repay short-term liabilities.

The maturities as at 31 December 2014 for the Group and the Company are analyzed as follows:

	THE GROUP			
	31/12/2014			
	Short-term		Long-term	
	within 6 months	6 to 12 months	1 to 5 years	over 5 years
Long-term borrowings	0,00	0,00	15.901.789,58	32.719.483,00
Short-term borrowings	36.680.566,59	19.188.697,90	0,00	0,00
Trade receivables	13.390.269,33	241.588,55	1.668.863,94	0,00
Other short-term receivables	5.554.665,18	175.206,10	389.009,16	0,00
Total	**55.625.501,10**	**19.605.492,55**	**17.959.662,68**	**32.719.483,00**

	THE COMPANY			
	31/12/2014			
	Short-term		Long-term	
	within 6 months	6 to 12 months	1 to 5 years	over 5 years
Trade receivables	87.910,49	29.819,20	277.059,49	0,00
Other short-term receivables	117.078,20	54.396,48	332.054,06	0,00
Total	**204.988,69**	**84.215,68**	**609.113,55**	**0,00**

The respective maturities as at December 31st 2013 were as follows:

	THE GROUP			
	31/12/2013			
	Short-term		Long-term	
	within 6 months	6 to 12 months	1 to 5 years	over 5 years
Long-term borrowings	0,00	0,00	21.594.631,58	25.811.361,00
Short-term borrowings	30.903.512,43	23.821.253,60	0,00	0,00
Trade receivables	12.886.817,98	1.001.255,09	2.541.591,21	0,00
Other short-term receivables	5.398.026,18	450.513,35	241.355,74	0,00
Total	**49.188.356,59**	**25.273.022,04**	**24.377.578,53**	**25.811.361,00**

	THE COMPANY			
	31/12/2013			
	Short-term		Long-term	
	within 6 months	6 to 12 months	1 to 5 years	over 5 years
Trade receivables	221.271,88	62.275,64	700.118,26	0,00
Other short-term receivables	149.601,37	54.396,48	163.189,56	0,00
Total	**370.873,25**	**116.672,12**	**863.307,82**	**0,00**

(d) Cash flow risk due to rate variation

The policy followed by the Group is to minimize its exposure to cash flow rate risk regarding bank loans.

As at December 31st 2014, the Group is exposed to market variations regarding its bank loans, which is subject to variable interest rate.

The following table shows a variation of interest rate by +1% / –1% at Group level, in terms of the income statement and the equity.

	THE GROUP			
Amounts in €	2014		2013	
	+1%	-1%	+1%	-1%
Income Statement	-1.028.620,84	1.028.620,84	-735.715,73	735.715,73
Equity	-1.028.620,84	1.028.620,84	-745.629,73	745.629,73

As at the Company level, no sensitivity is effective in respect of the income statement and the equity arising from a variation of interest rate by +1% / –1%.

(e) Freight Variation Risk

In order to offset the risk from variations of the freight prices, the Group, signs long-term marine contracts with its charterers.

(f) Fair Value Hierarchy

Financial instruments in the Statement of Financial Position measured at fair value shall, for disclosures purposes, be classified into three levels, according to the data quality used under their fair value measurement.

Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities,

Level 2 – Inputs, other than quoted prices, are included in level 1 that are observable for the asset or liability directly or indirectly.

Level 3 – Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Financial instruments classification according to the data quality used under their fair value measurement is as follows:

Assets as at 31.12.2014	Level 1	Level 2	Level 3	Total
Group financial instruments at fiar value through profit and loss	1.098,02	82.777.830,00	0,00	**82.778.928,02**
Total	**1.098,02**	**82.777.830,00**	**0,00**	**82.778.928,02**
Assets as at 31.12.2013	**Level 1**	**Level 2**	**Level 3**	**Total**
Group financial instruments at fiar value through profit and loss	1.297,66	64.172.235,00	0,00	**64.173.532,66**
Total	**1.297,66**	**64.172.235,00**	**0,00**	**64.173.532,66**
Liabilities as at 31.12.2014	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial derivatives	0,00	0,00	0,00	**0,00**
Total	**0,00**	**0,00**	**0,00**	**0,00**
Liabilities as at 31.12.2013	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial derivatives	0,00	0,00	0,00	**0,00**
Total	**0,00**	**0,00**	**0,00**	**0,00**

g) Objectives and policies for managing capital

The Group's primary objectives when managing capital are as follows:

- Maintain high credit ratings (going-concern) and
- Maximize shareholders' value

By invoicing products and services according to risks levels

The Group calculates adjusted capital employed on the basis of total equity plus subordinated debt less cash and cash equivalents as they appear on the balance sheet. For the periods 2014 and 2013 the capital is analyzed as follows:

	31/12/2014	31/12/2013
Equity	65.084.314,19	44.000.131,33
Cash & cash equivalent	-13.273.960,22	-6.841.855,59
Capital	**51.810.353,97**	**37.158.275,74**
Equity	65.084.314,19	44.000.131,33
Loans	104.490.537,07	102.130.758,61
Total operating capital	**169.574.851,26**	**146.130.889,94**
Equity to Total Operating Capital	31%	25%

The Group manages its capital structure and proceeds to adjustments when the financial status and risks of existing assets change. Aiming to maintain its capital structure, the Group may adjust its dividends, return capital to its shareholders, issue share capital or sell some assets to decrease borrowing.

8. Segment Reporting

"KATHIMERINI S.A." as the Parent company of the Group, following the secession of its publications segment that was absorbed by its 100% subsidiary company «KATHIMERINES EKDOSEIS S.A.», retains all its investments in its subsidiaries and associates. It retains exploitation of its real estate property, provision of consulting and administrative services to its subsidiaries and associates as well as commercial exploitation of third parties publications. In particular, the Group's activities cover the following sectors:

a) Publishing and printing sector: This sector includes the Group's parent company and other undertakings dealing with the publication of newspapers and magazines. The Group publishes one of the leading Greek newspapers, "KATHIMERINI", as well as magazines that cover a wide range of readers' interests.

b) Shipping sector: The shipping sector includes investments in the shares of ship-owner companies or in the shares of portfolio holding companies of ship-owner companies or in the shares of managing companies.

c) Other sectors: these mostly include property development.

The companies, included in the Publishing and Printing Sectors, are as follows:

- KATHIMERINES EKDOSEIS S.A. (former ENTYPES & DIKTYAKES S.A.), subsidiary company of the Group, in which KATHIMERINI S.A. holds 100% participating interest (full consolidation). It operates in publications segment and is responsible for periodical publications attached to the newspaper «Kathimerini». It also owns and operates the site www.kathimerini.gr. It owns and exploits the real estate item, located in Koropi, where the newspaper and other publications of the Group and third parties are printed (Fason).
- EXEREVNITIS – EXPLORER S.A.: Subsidiary company of the Group, in which KATHIMERINI S.A. holds 100% participating interest (full consolidation). It issues travel guides and is responsible for distribution of periodical publications of the newspaper «Kathimerini» and undertakes the design and operation of the website www.kathimerini.gr.
- MAISON EKDOTIKI S.A.: Subsidiary company of the Group, in which KATHIMERINI S.A. holds 50% participating interest (full consolidation). It issues the magazine "Maison & Decoration".
- The newspaper «INTERNATIONAL NEW YORK TIMES» (former «INTERNATIONAL HERALD TRIBUNE») is issued by the company

INTERNATIONAL HERALD TRIBUNE - KATHIMERINI S.A, in which KATHIMERINI S.A. holds 50% participating interest. It is one of the most renowned and brands in the world's press, published and circulated as a daily newspaper, holding an important position in the foreign-language publications both in Greece and abroad.

In respect of property development, the Company operates through its 100% subsidiary ATE ERGON S.A. The company owns the building in Neo Faliro, where the newspaper and all the Group companies are located. Moreover, in 2008 it acquired and since then has been the owner of a building in industrial area used by the Group for storing paper.

In respect of the shipping sector, the Group operates through its 100% subsidiary ARGONAFTIS EEPN, in particular in maritime shipping.

The company ARGONAFTIS EEPN operates through its subsidiaries ZENITH MARITIME CORP., BIGAL SHIPPING CORPORATION, SEA SHELL ENTERPRISES LIMITED and SEA PEARL ENTERPRISES LIMITED in marine transportation of crude oil and petroleum products.

Publishing Sector

The largest part of consolidated sales for the year 1.1 - 31.12.2014 arises from revenues of newspapers and magazines. The Group portfolio of newspapers and magazines titles consists of the titles (brands) that have been created by the Group companies and international titles for which the use of brand name has been contracted.

In particular, regarding newspapers, the Group portfolio includes «KATHIMERINI», «KATHIMERINI TIS KYRIAKIS» and «INTERNATIONAL NEW YORK TIMES» (former «INTERNATIONAL HERALD TRIBUNE»).

- The newspapers «KATHIMERINI» and «KATHIMERINI TIS KYRIAKIS» are issued by «KATHIMERINES EKDOSEIS S.A., a 100% subsidiary of the Company, publishing one of the best known newspapers. The newspaper «KATHIMERINI» is accompanied by the inserts «Oi Ereunites pane pantou» and «Zoi & Tehni», while the newspaper «KATHIMERINI TIS KYRIAKIS» is accompanied by the inserts: «Taxidia», «Taxidia Extra», «TV Guide», «Home

Mikres Aggelies», «Tehnes kai Grammata», «K», «Gastronomos», «Gynaika», «Ktima kai Kypos», «Maison & Decoration».

- The newspaper «INTERNATIONAL NEW YORK TIMES» (former «INTERNATIONAL HERALD TRIBUNE») is published by the company «INTERNATIONAL HERALD TRIBUNE - KATHIMERINI S.A..», a 50% subsidiary of the Company. It is one of the most renowned and brands in the world's press, published and circulated as a daily newspaper, holding an important position in the foreign-language publications both in Greece and abroad.

Regarding the magazines, the Group portfolio includes the magazines «GLYKES ISTORIES», «ERASITEHNIS KIPOUROS», «ZAHARI KAI ALEURI», «OINOHOOS». The magazines are issued by the company «EXEREVNITIS – EXPLORER S.A.», which is a 100% subsidiary of the parent company.

Finally, on 02.06.2014, the subsidiary company KATHIMERINES EKDOSEIS S.A. signed an agreement with the company "Walt Disney Company Greece SP LLC" on licensed printing and circulating Disney magazines in Greece and Cyprus for 2 + 1 years starting as at 01.04.2014 until 30.06.2017. The circulation of Disney magazines Disney will be conducted through inserts (offerings) in the Sunday edition of the newspaper and magazines via the stands.

Printing

The printing unit, located in Koropi, operated by the company «KATHIMERINES EKDOSEIS S.A.» performs the printing of a large part of the Group's publications as well as those of the customers, with whom the Group collaborates. The production is fully integrated and offers solutions to our clients at all stages and in every kind of printed products.

The printing unit has three (3) lines of advanced printing technology capable of producing up to 128 pages of «tabloid» scheme newspapers, sixty-four (64) of which are full colored and sixty-four (64) - black and white with the additional potential for additional pin stapling. The presses have hot air dryers and make it possible to print sixteen (16) four colored pages of magazines inserts (HeatSet).

It also has the option of printing three lines of modern technology for magazines, books and brochures and three (3) lines for stapling newspapers, brochures and magazines, with the production potential of up to six different printing forms.

Inserting services can be manually extended and include books, packaged products (CD, DVD etc) covers (wrap etc), trimmings and other special services.
Packaging of inserts, newspapers, magazines, products such as gifts, DVD, CD, large objects and inserts is performed by two (2) lines of insert machinery.
Significant investments were made within the current year to facilitate expansion of operations of the printing unit in Koropi regarding the rapidly growing domain of digital publishing.

Shipping Sector

ARGONAFTIS EEPN deals with investments in shares of marine companies owning various types of vessel or in shares of marine companies' portfolio and shipping managing companies. ARGONAFTIS EEPN makes use of the opportunities for investment in vessels and maintains a high degree of flexibility, which allows it to operate efficiently despite the cyclicality in the global shipping market.
As investment managing company, ARGONAFTIS EEPN has no operations and its revenues solely arise from dividends of subsidiaries and assets management. Through the subsidiaries of ARGONAFTIS EEPN, the Group operates in transportation of crude oil and petroleum products. In particular, ARGONAFTIS EEPN operatesin maritime shipping through the following subsidiaries:

- ZENITH MARITIME CORPORATION, domiciled in Liberia, owner of the Greek flag tanker "Nissos Paros" (DWT 115.723) as of 29/6/2012, Piraeus registration number 12123. ARGONAFTIS EEPN holds 100% of the shares of this company.
- BIGAL SHIPPING CORPORATION, domiciled in Liberia, owner of the Greek flag tanker "Nissos Delos" (DWT 115.691) as of 31/8/2012, Piraeus registration number 12129. ARGONAFTIS EEPN holds 100% of the shares of this company.
- SEA SHELL ENTERPRISES LIMITED, domiciled in Liberia. ARGONAFTIS EEPN holds 100% of the shares of this company.
- SEA PEARL ENTERPRISES LIMITED domiciled in Liberia. ARGONAFTIS EEPN holds 100% of the shares of this company.

The revenue of the subsidiaries arises from collaboration with various charterers. The risk of bad receivables in respect of the charterers is addressed by the Group management through collaboration with reputable charterers with an excellent history in shipping.
The vessels "Nissos Paros" and "Nissos Delos" are chartered on the open market.

The Tables below present in detail the revenue and income, the assets and liabilities of individual operating sectors for fiscal years ended at 31/12/2014 and 31/12/2013.

01/01-31/12/2014	Publications - Printing	Shipping	Other	Total
Total gross sales per sector	45.502.070,35	23.346.092,00	1.311.366,00	**70.159.528,35**
Internal sales	-3.190.446,21	0,00	-763.502,71	**-3.953.948,92**
Net Sales	**42.311.624,14**	**23.346.092,00**	**547.863,29**	**66.205.579,43**
Operating profit/loss	-3.334.532,02	4.469.221,36	-501.963,12	**632.726,22**
Financial income	-2.845.941,49	8.918.075,67	-307.840,43	**5.764.293,75**
Profit before tax	**-6.180.473,51**	**13.387.297,03**	**-809.803,55**	**6.397.019,97**
Income tax	-617.297,93	0,00	86.959,86	**-530.338,07**
Net profit/loss	**-6.797.771,44**	**13.387.297,03**	**-722.843,69**	**5.866.681,90**
Sector depreciation	2.240.966,99	2.552.536,00	254.269,79	**5.047.772,78**
EBITDA	**-1.093.565,03**	**7.021.757,36**	**-247.693,33**	**5.680.499,00**

01/01-31/12/2013	Publications - Printing	Shipping	Other	Total
Total gross sales per sector	47.986.313,39	18.169.522,00	1.331.854,36	**67.487.689,75**
Internal sales	-3.975.371,25	0,00	-774.764,70	**-4.750.135,95**
Net Sales	**44.010.942,14**	**18.169.522,00**	**557.089,66**	**62.737.553,80**
Operating profit/loss	-8.164.180,49	1.051.891,66	-482.283,69	**-7.594.572,52**
Financial income	-6.123.121,86	-1.021.745,33	-430.419,67	**-7.575.286,86**
Profit before tax	**-14.287.302,35**	**30.146,33**	**-912.703,36**	**-15.169.859,38**
Income tax	-522.557,37	0,00	197.700,64	**-324.856,73**
Net profit/loss	**-14.809.859,72**	**30.146,33**	**-715.002,72**	**-15.494.716,11**
Sector depreciation	2.299.435,54	2.403.919,00	253.890,82	**4.957.245,36**
EBITDA	**-5.864.744,95**	**3.455.810,66**	**-228.392,87**	**-2.637.327,16**

31/12/2014	Publications - Printing	Shipping	Other	Total
Assets of the sector	75.793.933,54	115.668.366,13	11.302.053,97	**202.764.353,64**
Non-distributed assets				**0,00**
Consolidated assets	**75.793.933,54**	**115.668.366,13**	**11.302.053,97**	**202.764.353,64**
Consolidated liabilities	69.335.008,65	63.301.087,32	5.043.943,48	**137.680.039,45**
Non-distributed liabilities				**0,00**
Consolidated liabilities	**69.335.008,65**	**63.301.087,32**	**5.043.943,48**	**137.680.039,45**

31/12/2013	Publications - Printing	Shipping	Other	Total
Assets of the sector	78.081.104,28	91.585.605,46	11.534.920,06	**181.201.629,80**
Non-distributed assets				**0,00**
Consolidated assets	**78.081.104,28**	**91.585.605,46**	**11.534.920,06**	**181.201.629,80**
Consolidated liabilities	72.974.513,81	58.985.748,96	5.241.235,70	**137.201.498,47**
Non-distributed liabilities				**0,00**
Consolidated liabilities	**72.974.513,81**	**58.985.748,96**	**5.241.235,70**	**137.201.498,47**

9. Notes to the Financial Statements

9.1 Tangible Assets and Other Equipment

The tangible assets (apart from the ships) are included in the financial statements at cost less the accumulated depreciations, plus any future expenses, only when those expenses increase future financial benefits expected to flow under the use of the fixed asset and their cost can be measured reliably.

«ZENITH MARITIME CORPORATION», a subsidiary of "ARGONAYTIS SHIPPING INVESTMENT" owns the crude oil tanker under the title "Nissos Paros" of 115.723 tons capacity (DWT) registered in Greece on 29.6.2012 and the subsidiary «BIGAL SHIPPING CORPORATION» owns the similar crude oil tanker under the title "Nissos Dilos" of 115.691 tons capacity (DWT) registered in Greece on 31.8.2012. Both vessels were registered in the company books at acquisition cost, which includes the contractual purchase price of the vessel, capitalized interest costs, direct costs, receipt and acquisition costs.

The vessels were valued on 31 December 2014 by two independent rating agencies based on timely delivery taking into account the charters already booked for the vessel. As the value of each vessel there has been used the average of two valuations, which amounted to of U.S. $ 50.250.000. Annually recurring measurements of the fair value of non-financial assets (vessels) fall within Level 2 of the fair value hierarchy under IFRS 13.

The profit, arising from the aforementioned valuation stood at 11,60 million Euro and is included in the investment results of the Group, while the respective last year investment results included valuation profit of 3,54 million Euro. The Group's vessels are insured for the amount of $ 60,000,000 each.

The Group's vessels are burdened with the first preference mortgage to secure the issued loans.

The following tables present the consolidated value per item, as well as changes in assets per period for the Group and the Company:

CONSOLIDATED TABLE OF FIXED ASSETS
THE GROUP

	Land & Buildings	Vehicles & Equipment	Vessels	Furniture & Fixtures	Assets under Construction	Total
Gross book value	34.480.915,64	47.297.758,60	65.939.040,00	4.626.895,14	59.002,00	152.403.611,38
Revaluation of fixed assets	0,00	0,00	0,00	0,00	0,00	0,00
Vessels under construction	0,00	0,00	0,00	0,00	0,00	0,00
Accumulated depreciation & value impairment	-5.938.729,89	-20.947.903,00	0,00	-4.200.966,92	0,00	-31.087.599,81
Book value as at January 1, 2013	**28.542.185,75**	**26.349.855,60**	**65.939.040,00**	**425.928,22**	**59.002,00**	**121.316.011,57**
Gross book value	34.450.159,23	40.966.799,60	60.637.226,00	3.952.873,71	120.290,83	140.127.349,37
Vessels under construction	0,00	0,00	0,00	0,00	0,00	0,00
Revaluation of fixed assets	0,00	0,00	3.535.009,00	0,00	0,00	3.535.009,00
Accumulated depreciation & value impairment	-6.512.642,87	-19.799.808,21	0,00	-3.625.052,04	-34.571,15	-29.972.074,27
Book value as at December 31, 2013	**27.937.516,36**	**21.166.991,39**	**64.172.235,00**	**327.821,67**	**85.719,68**	**113.690.284,10**
Gross book value	34.600.374,79	41.831.997,73	71.180.183,00	4.007.260,21	186.247,23	151.806.062,96
Vessels under construction	0,00	0,00	0,00	0,00	0,00	0,00
Revaluation of fixed assets	0,00	0,00	11.597.647,00	0,00	0,00	11.597.647,00
Accumulated depreciation & value impairment	-7.125.598,68	-21.084.619,09	0,00	-3.749.882,12	-102.245,23	-32.062.345,12
Book value as at December 31, 2014	**27.474.776,11**	**20.747.378,64**	**82.777.830,00**	**257.378,09**	**84.002,00**	**131.341.364,84**

TABLE OF CHANGES IN FIXED ASSETS

THE GROUP

	Land & Buildings	Vehicles & Equipment	Vessels	Furniture & Fixtures	Assets under Construction	Total
Book value as at January 1, 2013	**28.542.185,75**	**26.349.855,60**	**65.939.040,00**	**425.928,22**	**59.002,00**	**121.316.011,57**
Additions	39.626,15	263.793,65	0,00	49.010,44	61.288,83	413.719,07
Vessels under construction	0,00	0,00	0,00	0,00	0,00	0,00
Sales - Decreases	-70.382,56	-6.594.752,65	0,00	-723.031,87	-34.571,15	-7.422.738,23
Depreciations	-605.906,63	-1.905.775,21	-2.403.919,00	-147.111,27	0,00	-5.062.712,11
Transfers	0,00	0,00	0,00	0,00	0,00	0,00
Net currency differences	0,00	0,00	-2.897.895,00	0,00	0,00	-2.897.895,00
Depreciation decreases	31.993,65	3.053.870,00	0,00	723.026,15	0,00	3.808.889,80
Value of vessels readjustment	0,00	0,00	3.535.009,00	0,00	0,00	3.535.009,00
Book value as at December 31, 2013	**27.937.516,36**	**21.166.991,39**	**64.172.235,00**	**327.821,67**	**85.719,68**	**113.690.284,10**
Additions	150.215,56	1.471.830,86	0,00	54.505,35	100.527,55	1.777.079,32
Vessels under construction	0,00	0,00	0,00	0,00	0,00	0,00
Sales - Decreases	0,00	-606.632,73	0,00	-118,85	0,00	-606.751,58
Depreciations	-612.955,81	-1.891.443,55	-2.552.536,00	-124.948,93	0,00	-5.181.884,29
Transfers	0,00	0,00	0,00	0,00	-102.245,23	-102.245,23
Value of vessels readjustment	0,00	0,00	11.597.647,00	0,00	0,00	11.597.647,00
Net currency differences	0,00	0,00	9.560.484,00	0,00	0,00	9.560.484,00
Depreciation decreases	0,00	606.632,67	0,00	118,85	0,00	606.751,52
Book value as at December 31, 2014	**27.474.776,11**	**20.747.378,64**	**82.777.830,00**	**257.378,09**	**84.002,00**	**131.341.364,84**

FINANCE LEASE ASSETS
THE GROUP

	Mechanical Equipment	Total
Gross accounting value	230.000,00	230.000,00
Accumulated depreciation and impairment	-13.416,67	-13.416,67
Accounting value as at December 31, 2014	**216.583,33**	**216.583,33**

FINANCE LEASE ASSETS
THE GROUP

	Mechanical Equipment	Total
Additions	230.000,00	230.000,00
Depreciation	-13.416,67	-13.416,67
Accounting value as at December 31, 2014	**216.583,33**	**216.583,33**

CONSOLIDATED TABLE OF FIXED ASSETS
THE COMPANY

	Land & Buildings	Vehicle & Equipment	Furniture & Fixtures	Assets under Construction	Total
Gross book value	4.085.803,99	800.410,35	6.908,94	59.002,00	4.952.125,28
Accumulated depreciation & value impairment	-221,00	-656.064,79	-1.790,18	0,00	-658.075,97
Book value as at January 1, 2013	**4.085.582,99**	**144.345,56**	**5.118,76**	**59.002,00**	**4.294.049,31**
Gross book value	4.085.803,99	800.410,35	6.908,94	59.002,00	4.952.125,28
Accumulated depreciation & value impairment	-425,00	-682.675,96	-2.735,18	0,00	-685.836,14
Book value as at December 31, 2013	**4.085.378,99**	**117.734,39**	**4.173,76**	**59.002,00**	**4.266.289,14**
Gross book value	4.085.803,99	800.410,35	6.992,94	59.002,00	4.952.209,28
Accumulated depreciation & value impairment	-629,00	-709.287,13	-3.764,17	0,00	-713.680,30
Book value as at December 31, 2014	**4.085.174,99**	**91.123,22**	**3.228,77**	**59.002,00**	**4.238.528,98**

TABLE OF CHANGES IN FIXED ASSETS
THE COMPANY

	Land & Buildings	Vehicle & Equipment	Furniture & Fixtures	Assets under Construction	Total
Book value as at January 1, 2013	**4.085.582,99**	**144.345,56**	**5.118,76**	**59.002,00**	**4.294.049,31**
Additions	0,00	0,00	0,00	0,00	0,00
Sales - Decreases	0,00	0,00	0,00	0,00	0,00
Depreciations	-204,00	-26.611,17	-945,00	0,00	-27.760,17
Depreciation decreases	0,00	0,00	0,00	0,00	0,00
Transfers	0,00	0,00	0,00	0,00	0,00
Book value as at December 31, 2013	**4.085.378,99**	**117.734,39**	**4.173,76**	**59.002,00**	**4.266.289,14**
Additions	0,00	0,00	84,00	0,00	84,00
Sales - Decreases	0,00	0,00	0,00	0,00	0,00
Depreciations	-204,00	-26.611,17	-1.028,99	0,00	-27.844,16
Depreciation decreases	0,00	0,00	0,00	0,00	0,00
Transfers	0,00	0,00	0,00	0,00	0,00
Book value as at December 31, 2014	**4.085.174,99**	**91.123,22**	**3.228,77**	**59.002,00**	**4.238.528,98**

The tangible assets of the Group are burdened with liens that are analytically presented in Note 9.30 to the Annual Financial Report.

9.2 Intangible Assets

Intangible assets include software licenses, internally generated software, as well as trademark rights. Accounting values are analyzed as follows:

COMPREHENSIVE TABLE OF FIXED ASSETS			
	THE GROUP		
	Software	Rights	Total
Gross book value	6.093.042,37	2.553.801,42	8.646.843,79
Accumulative depreciation and value impairment	-4.864.133,45	-1.098.143,20	-5.962.276,65
Book value as at January 1, 2013	**1.228.908,92**	**1.455.658,22**	**2.684.567,14**
Gross book value	4.908.054,56	2.553.801,42	7.461.855,98
Accumulative depreciation and value impairment	-3.898.150,58	-1.149.761,24	-5.047.911,82
Book value as at December 31, 2013	**1.009.903,98**	**1.404.040,18**	**2.413.944,16**
Gross book value	5.147.860,76	2.553.801,42	7.701.662,18
Accumulative depreciation and value impairment	-4.376.613,65	-1.196.931,97	-5.573.545,62
Book value as at December 31, 2014	**771.247,11**	**1.356.869,45**	**2.128.116,56**

TABLE OF CHANGES IN FIXED ASSETS			
	THE GROUP		
	Software	Rights	Total
Book value as at January 1, 2013	**1.228.908,92**	**1.455.658,22**	**2.684.567,14**
Additions	308.062,46	0,00	308.062,46
Sales - Decreases	-1.493.050,27	0,00	-1.493.050,27
Amortization	-527.066,76	-51.618,04	-578.684,80
Amortization decreases	0,00	0,00	0,00
Transfers	0,00	0,00	0,00
Net currency differences	0,00	0,00	0,00
Amortization decreases	1.493.049,63	0,00	1.493.049,63
Book value as at December 31, 2013	**1.009.903,98**	**1.404.040,18**	**2.413.944,16**
Additions	239.806,20	0,00	239.806,20
Sales - Decreases	0,00	0,00	0,00
Amortization	-478.463,07	-47.170,73	-525.633,80
Transfers	0,00	0,00	0,00
Net currency differences	0,00	0,00	0,00
Amortization decreases	0,00	0,00	0,00
Book value as at December 31, 2014	**771.247,11**	**1.356.869,45**	**2.128.116,56**

The Parent Company holds no intangible assets. As at 31.12.2014, there are no intangible assets of the Group with any commitments.

9.3 Investments in Affiliates and Associates

Investments in affiliated and other companies are analytically presented below:

INVESTMENTS IN AFFILIATED COMPANIES 31/12/2014

INVESTMENTS	Percentage of Participation in Capital	Total Value 31/12/2014	Registered Office	Type of Consolidation
ARGONAFTIS Ε.Ε.Π.Ν.	100%	30.585.140,00	N.FALIRO	% PARTICIPATION
ATE ERGON	100%	5.711.643,43	N.FALIRO	% PARTICIPATION
EXPLORER S.A.	100%	587.000,00	ATHENS	% PARTICIPATION
KATHIMERINES EKDOSEIS S.A.	100%	18.559.176,03	N.FALIRO	% PARTICIPATION
MAISON PUBLISHING SA	50%	0,00	MAROUSI	% PARTICIPATION
IINTERNATIONAL HERALD TRIBUNE - KATHIMERINI SA	50%	0,00	N.FALIRO	% PARTICIPATION
	TOTAL	**55.442.959,46**		

INVESTMENTS IN ASSOCIATES 31/12/2014

INVESTMENTS	Percentage of Participation in Capital	Total Value 31/12/2014	Registered Office
KATHIMERINI,POLITIKI,OIKONOMIKI EFIMERIDA EKDOSH LTD	50%	700.000,00	CYPRUS
EUROPE S.A. DAILY AND PERIODICAL PRESS DISTRIBUTION AGENCY	26,30%	1.212.467,80	ATHENS
KATASTIMATA TYPOU AT INTERNATIONAL AIRPORT S.A.	31,58%	220.102,71	SPATA
APOSTOLI SA	20%	0,00	ATHENS
E-ONE SA	25%	0,00	N.FALIRO
HOUSE OF WINE S.A.	20%	16.667,00	ATHENS
	TOTAL	**2.149.237,51**	

AFFILIATED COMPANIES AND JOINT VENTURES STATED IN THE CONSOLIDATED BALANCE SHEET	
Participation value in affiliated companies and joint ventures as at 31/12/2013	**2.162.237,51**
Investment disposal	-1.000,00
Investment impairment	-12.000,00
Participation value in affiliated companies and joint ventures as at 31/12/2014	**2.149.237,51**
Effect of depreciation under equity method:	
a) on income statement for the period	6.315,82
b) on income statement for prior periods	-1.276.075,49
c) Income from dividends	-726.755,53
Total Value as at 31/12/2014	**152.722,31**

In 2014, the Parent Company conducted impairment test of its participating interest in:

- KATHIMERINES EKDOSEIS S.A.
- EXEREVNITIS – EXPLORER S.A.
- KATHIMERINI, POLITIKI, OIKONOMIKI EFIMERIDA EKDOSH L.T.D.
- EUROPE S.A. DAILY AND PERIODICAL PRESS DISTRIBUTION AGENCY
- APOSTOLI S.A.

and need for impairment arose regarding the company «APOSTOLI S.A.» by an amount of € 12 k, fully impairing the participating interest given that the company is inactive. No need for impairment arose in the previous year.

Other valuations were carried out by using discounted future free cash flows expected to result from these operations («value in use»). The estimated future cash flows were based on financial forecasts approved by the management of the companies for a five year period.

Weighted Average Cost of Capital (WACC) of each company was used as a discount rate. In particular, regarding «KATHIMERINES EKDOSEIS» the discount rate was used at 12,24% (in perpetuity, 9,71%), regarding «EXEREVNITIS – EXPLORER S.A.», it stood at 12,24% (in perpetuity, 9,71%), regarding «KATHIMERINI, POLITIKI, OIKONOMIKI EFIMERIDA EKDOSH L.T.D.», at 10,97% (in perpetuity, 9,71%) and regarding « EUROPE S.A. DAILY AND PERIODICAL PRESS DISTRIBUTION AGENCY», at 11,87% (in perpetuity, 9,33%). The growth percentage in perpetuity taken into account is 1,50%.

Moreover, the parent company conducted an impairment test of its participating interest in ATE ERGON S.A. The company's valuation was carried out based on estimates of fair value of its properties by certified appraisers. From the estimates of the property, there arose goodwill which is not recorded in the financial statements of the subsidiary, but was taken into account under impairment test of the participating interest and no need for impairment has arisen.

9.4 Deferred Tax

Deferred income taxes arise from temporary differences between the carrying amounts and the tax bases of assets and liabilities and are calculated using the tax rate expected to apply in the periods in which the temporary taxable and deductible differences are expected to reverse.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred taxes relate to the same tax authority.

Offset amounts as well as changes in the Group and the Company deferred tax are analyzed as follows:

	THE GROUP				THE COMPANY			
	31/12/2014		31/12/2013		31/12/2014		31/12/2013	
	Asset	Liability	Asset	Liability	Asset	Liability	Asset	Liability
Non-Current Assets								
Intangible Assets	49.295,07	223.646,51	8.630,72	247.698,60	46.664,10	0,00	0,00	0,00
Tangible Assets	1.339.163,63	5.567.111,39	1.370.061,28	5.296.688,44	0,00	436.118,16	0,00	403.489,20
Investments in Affiliated Companies	19.245,36	19.245,34	19.245,36	19.245,34	19.245,36	0,00	19.245,36	0,00
Other Investments	133.547,84	0,00	141.087,84	0,00	133.547,84	0,00	133.547,84	0,00
Current Assets								
Receivables	1.042.028,69	10.089,26	1.227.717,09	10.549,53	769.263,66	0,00	954.089,62	0,00
Financial assets at fair value through profit and loss	155,73	0,00	103,83	0,00	155,73	0,00	103,83	0,00
Long-term liabilities								
Employee benefits	765.300,24	0,00	840.494,73	0,00	1.872,94	0,00	1.489,23	0,00
Other long-term liabilities	0,00	0,00	51.453,55	0,00	0,00	0,00	51.453,55	0,00
Short-term liabilities								
Other short-term liabilities	218.965,22	0,00	218.709,13	6,74	218.965,22	0,00	218.709,13	0,00
Other short-term provisions	75.398,70	0,00	0,00	0,00	72.190,93	0,00	0,00	0,00
Offsetting	*-2.570.480,80*	*-2.570.480,80*	*-2.737.785,21*	*-2.737.785,21*	*-436.118,16*	*-436.118,16*	*-403.489,20*	*-403.489,20*
Total	**1.072.619,68**	**3.249.611,70**	**1.139.718,32**	**2.836.403,44**	**825.787,62**	**0,00**	**975.149,36**	**0,00**

THE GROUP

Deferred Tax Assets (Liabilities)	1/1/2014	Deferred Tax Adjustment due to the Change in Tax Rate	Recognised in the Income Statement for the Year	Recognised in the Statement of Changes in Equity	31/12/2014
Intangible assets	-239.067,88	0,00	-11.380,74	76.097,18	-174.351,44
Property, plant and equipment	-3.926.627,16	0,00	-301.320,60	0,00	-4.227.947,76
Investment in associates	0,02	0,00	0,00	0,00	0,02
Other investments	141.087,84	0,00	-7.540,00	0,00	133.547,84
Receivables	1.217.167,56	0,00	-185.308,06	0,00	1.031.859,50
Financial assets at fair value through profit and loss	103,83	0,00	51,90	0,00	155,73
Employee benefits	840.494,73	0,00	-49.128,48	-26.066,01	765.300,24
Other long-term liabilities	0,00	0,00	0,00	0,00	0,00
Other short-term provisions	51.453,55	0,00	24.025,08	0,00	75.478,63
Other short-term liabilities	218.702,39	0,00	262,83	0,00	218.965,22
Total	**-1.696.685,12**	**0,00**	**-530.338,07**	**50.031,17**	**-2.176.992,02**

THE GROUP

Deferred Tax Assets (Liabilities)	1/1/2013	Deferred Tax Adjustment due to the Change in Tax Rate	Recognised in the Income Statement for the Year	Recognised in the Statement of Changes in Equity	31/12/2013
Intangible assets	-185.505,03	-55.651,53	2.088,68	0,00	-239.067,88
Property, plant and equipment	-3.404.879,74	-915.247,23	393.499,81	0,00	-3.926.627,16
Investment in associates	0,00	0,02	0,00	0,00	0,02
Other investments	102.729,11	30.818,73	7.540,00	0,00	141.087,84
Receivables	990.600,40	297.242,17	-70.675,01	0,00	1.217.167,56
Reserves	-8.463,74	-2.539,12	11.002,86	0,00	0,00
Financial assets at fair value through profit and loss	-8.284,04	-2.485,21	10.873,08	0,00	103,83
Reserves readjustment	-3.106.794,80	0,00	0,00	3.106.794,80	0,00
Employee benefits	607.345,83	218.066,90	40.802,50	-25.720,50	840.494,73
Other long-term liabilities	55.531,49	17.094,38	-21.172,32	0,00	51.453,55
Other short-term liabilities	168.139,29	50.441,79	121,31	0,00	218.702,39
Total	**-4.789.581,23**	**-362.259,10**	**374.080,91**	**3.081.074,30**	**-1.696.685,12**

THE COMPANY

Deferred Tax Assets (Obligations)	1/1/2014	Readjusted Deferred Tax due to Change in Tax Rate	Recognised in the Income Statement	Recognised in the statement of Changes in Equity	31/12/2014
Intangible Assets	0,00	0,00	-3.760,57	50.424,67	46.664,10
Tangible Assets	-403.489,20	0,00	-32.628,96	0,00	-436.118,16
Investments in Affiliated Companies	19.245,36	0,00	0,00	0,00	19.245,36
Other Investments	133.547,84	0,00	0,00	0,00	133.547,84
Receivables	954.089,62	0,00	-184.905,89	0,00	769.183,73
Financial assets at fair value through profit and loss	103,83	0,00	51,90	0,00	155,73
Employee benefits	1.489,23	0,00	565,92	-182,21	1.872,94
Other long-term liabilities	0,00	0,00	0,00	0,00	0,00
Other short-term provisions	51.453,55	0,00	20.817,31	0,00	72.270,86
Other short-term liabilities	218.709,13	0,00	256,09	0,00	218.965,22
Total	**975.149,36**	**0,00**	**-199.604,20**	**50.242,46**	**825.787,62**

THE COMPANY

Deferred Tax Assets (Obligations)	1/1/2013	Readjusted Deferred Tax due to Change in Tax Rate	Recognised in the Income Statement	Recognised in the statement of Changes in Equity	31/12/2013
Intangible Assets	0,00	0,00	0,00	0,00	0,00
Tangible Assets	-288.180,15	-86.454,03	-28.855,02	0,00	-403.489,20
Investments in Affiliated Companies	14.804,12	4.441,24	0,00	0,00	19.245,36
Other Investments	102.729,11	30.818,73	0,00	0,00	133.547,84
Receivables	776.427,09	232.928,11	-55.265,58	0,00	954.089,62
Financial assets at fair value through profit and loss	179,70	53,91	-129,78	0,00	103,83
Adjustment to reserves	-3.106.794,80	0,00	0,00	3.106.794,80	0,00
Employee benefits	1.092,22	199,21	487,51	-289,71	1.489,23
Other long-term liabilities	55.531,49	17.094,38	-21.172,32	0,00	51.453,55
Other short-term liabilities	168.139,29	50.441,79	128,05	0,00	218.709,13
Total	**-2.276.071,94**	**249.523,34**	**-104.807,14**	**3.106.505,09**	**975.149,36**

The tax rate for the year of 2014 is 26% (as well as in the previous year under Law 4110/2013), in compliance with which deferred tax assets and liabilities were calculated.

In the previous years, the company had deferred tax liability amounting to € 3.106.794,80 for future taxation of tax exempted reserves from the sale of shares listed on the Athens Stock Exchange. According to Article 72 of Law 4172/2013, as of January 1, 2015 it is not permitted to keep special tax exempted reserves. The company does not intend to distribute or capitalize the above reserve in 2014, but if it is offset with the tax losses of the last five years, the deferred tax liability is written off through the "Other Comprehensive Income" for the year 2014.

9.5 Other Long-Term Liabilities

The other long-term liabilities of the Group and the Company concern guarantees provided and are as follows:

	THE GROUP		THE COMPANY	
	31/12/2014	31/12/2013	31/12/2014	31/12/2013
Guarantees given	131.499,94	131.042,94	0,00	0,00
Other long-term receivables	686.909,79	768.783,75	686.909,79	761.990,01
Total	**818.409,73**	**899.826,69**	**686.909,79**	**761.990,01**

The item Other Long-Term receivables includes the long-term part of the receivables from the disposal of the subsidiary «MELODIA» within 2010.

On 31.8.2010 the parent company sold its participating interest (100%) in its subsidiary MELODIA S.A., against the consideration of 5,3 million, further to as at 30.08.2010 decision of the Board of Directors.

Based on the contractual agreement between the parties, the consideration repayment will be completed in 2017.

9.6 Inventory

The Group and the Company inventory is analyzed as follows:

	THE GROUP		THE COMPANY	
	31/12/2014	31/12/2013	31/12/2014	31/12/2013
Raw materials	1.481.273,20	1.528.676,37	0,00	0,00
Semi-finished products	84.287,42	105.309,86	0,00	0,00
Finished Products	2.068.452,04	2.092.457,16	808.404,47	815.572,45
Goods	291.847,74	319.097,27	9.072,79	11.199,94
Other stock	1.241.368,68	1.262.439,32	0,00	0,00
Total	**5.167.229,08**	**5.307.979,98**	**817.477,26**	**826.772,39**
Less: Provisions for useless, slow moving or destroyed stock				
Final products	152.803,57	0,00	0,00	0,00
Total	**152.803,57**	**0,00**	**0,00**	**0,00**
Total Net Realizable Value	**5.014.425,51**	**5.307.979,98**	**817.477,26**	**826.772,39**

The amount of inventory, recognized as expenses within the year includes cost of sales amounting to € € 10.318.323,72 (2013: € 14.314.978,98) and for the company € 10.881,12 (2013: € 3.392.533,59). The Group has no pledged inventories.

9.7 Trade debtors and other trade receivables

The Group and Company's trade debtors and other trade receivables are broken down as follows:

	THE GROUP		THE COMPANY	
	31/12/2014	**31/12/2013**	**31/12/2014**	**31/12/2013**
Clients	19.243.235,59	22.504.933,53	3.163.139,91	2.523.825,32
Portfolio drafts receivable	774.785,44	776.399,44	759.366,12	759.516,12
Drafts with banks for collection	56.757,06	4.000,00	0,00	0,00
Portfolio cheques receivable	3.770.710,18	3.044.541,95	1.331.633,59	1.337.633,59
Cheques with banks for collection	6.031.110,41	6.589.609,20	0,00	0,00
Provisions for impairment	-5.714.105,60	-5.451.932,41	-3.673.248,19	-3.537.580,31
Net Trade Receivables	**24.162.493,08**	**27.467.551,71**	**1.580.891,43**	**1.083.394,72**
Advances for stock purchases	70.143,91	126.922,16	0,00	0,00
Total	**24.232.636,99**	**27.594.473,87**	**1.580.891,43**	**1.083.394,72**
Current assets	24.232.636,99	27.594.473,87	1.580.891,43	1.083.394,72
	24.232.636,99	**27.594.473,87**	**1.580.891,43**	**1.083.394,72**
Fair value of receivables are analyzed as follows:				
Clients	16.751.679,16	20.244.098,52	1.566.891,43	984.658,66
Portfolio drafts receivable	0,00	1.464,00	0,00	0,00
Drafts with banks for collection	52.757,06	0,00	0,00	0,00
Portfolio cheques receivable	1.326.946,44	632.379,99	14.000,00	98.736,06
Cheques with banks for collection	6.031.110,41	6.589.609,20	0,00	0,00
Advances for acquisiton of inventory	70.143,91	126.922,16	0,00	0,00
Total	**24.232.636,98**	**27.594.473,87**	**1.580.891,43**	**1.083.394,72**

It is regarded that all the above receivables are short-term. The fair value of those short-term financial assets cannot be determined independently, since their book value is considered to approach their fair value.

The Group has assessed all its receivables regarding their potential impairment. Receivables that have already suffered impairment concern clients of the Group that face financial difficulties. Some of the receivables have been impaired and a provision is made for the amount of € 397.457,55 for 2014 (2013: € 72.174,81) regarding the Group and the amount of € 68.066,82 for 2014 (2013: € 492,50) regarding the Company.

In addition, some of the receivables have not been impaired and are on delay. The table below shows the maturity process of all receivables that have not been impaired:

	THE GROUP		THE COMPANY	
	31/12/2014	31/12/2013	31/12/2014	31/12/2013
Under 3 months	1.384.022,19	3.364.360,82	0,02	20.937,30
Between 3 and 6 months	486.748,05	1.336.917,90	9,00	27.006,79
Between 6 months and one year	791.491,23	2.060.889,73	6.527,10	33.738,81
Over one year	5.622.476,36	3.376.165,77	387.671,41	808.736,18
Total	**8.284.737,83**	**10.138.334,22**	**394.207,53**	**890.419,08**

9.8 Other Receivables

The Group and the Company other receivables are analyzed as follows:

	THE GROUP		THE COMPANY	
	31/12/2014	31/12/2013	31/12/2014	31/12/2013
Sundry debtors	2.230.902,76	2.810.099,01	1.291.813,90	3.185.290,13
Receivables from Greek State	3.722.272,20	3.659.954,98	51.460,27	50.971,37
Other receivables	43.601,06	128.706,92	0,00	65,25
Provisions for bad debts	-955.264,14	-1.240.593,32	-955.264,14	-1.240.593,32
Net debtors receivables	**5.041.511,88**	**5.358.167,59**	**388.010,03**	**1.995.733,43**
Other receivables current assets	5.041.511,88	5.358.167,59	388.010,03	1.995.733,43
Total	**5.041.511,88**	**5.358.167,59**	**388.010,03**	**1.995.733,43**
Fair values of receivables are analyzed as follows:				
Sundry debtors	1.275.638,62	1.569.505,69	336.549,76	1.944.696,81
Receivables from Greek State	3.722.272,20	3.659.954,98	51.460,27	50.971,37
Other receivables	43.601,06	128.706,92	0,00	65,25
Total	**5.041.511,88**	**5.358.167,59**	**388.010,03**	**1.995.733,43**

The change in the item of Current Assets "Other Receivables" is due to the decrease in down payments to suppliers for the acquisition of goods and services and mainly to vessel managing company.

It is noted that the account «Other Receivables» includes down payments to suppliers for the acquisition of goods and services amounting to 0,14 million Euro, withholding taxes of 3,72 million Euro (mainly under the Development Law 3299/2004, an amount of 3,23 million Euro). An amount of 0,32 million Euro is a short-term part of the receivables arising from as at 31.8.2010 disposal of the

subsidiary «MELODIA S.A.» and an amount of 0,87 million Euro concerns other receivables.

9.9 Other Current Assets

The Group and the Company other current assets are analyzed as follows:

	THE GROUP		THE COMPANY	
	31/12/2014	31/12/2013	31/12/2014	31/12/2013
Prepaid expenses	251.452,13	523.339,35	4.154.808,24	4.276.164,19
Income receivable	1.445.775,78	19.648,00	0,00	0,00
Total	**1.697.227,91**	**542.987,35**	**4.154.808,24**	**4.276.164,19**

The Company presents as prepaid expenses, offices configuration expenses, on behalf of Group's Company, to which the building belongs, and they are going to be transferred partially and equivalent to P&L results, during the building's use.

9.10 Financial assets at fair value through profit or loss

The Company's financial assets at fair value through profit or (ASE listed shares) and the Group's as at 31 December, 2014 and 2013, are analyzed as follows:

	THE GROUP		THE COMPANY	
	31/12/2014	31/12/2013	31/12/2014	31/12/2013
Opening balance	1.297,66	1.996,40	1.297,66	1.996,40
Fair value adjustments	-199,64	-698,74	-199,64	-698,74
Closing balance	**1.098,02**	**1.297,66**	**1.098,02**	**1.297,66**
Analysis :				
Financial assets at fair value through profit and loss	1.098,02	1.297,66	1.098,02	1.297,66
Total	**1.098,02**	**1.297,66**	**1.098,02**	**1.297,66**

9.11 Blocked accounts

The Group (no blocked accounts regarding the Company) blocked accounts are analyzed as follows:

	THE GROUP	
	31/12/2014	31/12/2013
Blocked Deposit Accounts	17.990.260,00	17.263.688,00
Total	**17.990.260,00**	**17.263.688,00**

The Group blocked accounts pertain to commitments in respect of overdraft of the shipping companies of the Group, as analytically presented in Note 9.14.

9.12 Cash and cash equivalents

The Group and Company's cash and cash equivalents are broken down as follows:

	THE GROUP		THE COMPANY	
	31/12/2014	31/12/2013	31/12/2014	31/12/2013
Cash on Hand	65.055,69	259.010,10	1.966,14	3.227,22
Short-term bank deposits	13.208.904,53	6.582.845,49	7.464,35	22.935,34
Total	**13.273.960,22**	**6.841.855,59**	**9.430,49**	**26.162,56**

9.13 Equity

The share of KATHIMERINI S.A. is traded freely on the Athens Stock Exchange. The share premium account of € 66.401.801,69 has resulted from the issuing of shares against cash for a value higher than nominal value.

As at 31.12.2014, the company's share capital is divided into 30.600.000 common registered shares with a par value of € 0,30 each, as follows:

	Number of Shares	Share Capital	Share Premium	Total
Balance as at1/1/2013	**17.000.000**	**10.200.000,00**	**65.779.742,36**	**75.979.742,36**
Acquisition of shares (Treasury Shares)	0	0,00	0,00	**0,00**
Disposal of Parent Shares (Treasury Shares)	0	0,00	0,00	**0,00**
Balance as at 31/12/2013	**17.000.000**	**10.200.000,00**	**65.779.742,36**	**75.979.742,36**
Reverse split	-13.600.000	0,00	0,00	**0,00**
Offsetting share capital decrease and prior periods losses under Article 4, CL 2190/1920	0	-9.180.000,00	0,00	**-9.180.000,00**
Share Capital Increase	27.200.000	8.160.000,00	0,00	**8.160.000,00**
Share Premium	0	0,00	816.000,00	**816.000,00**
Share Capital Increase expenses	0	0,00	-193.940,67	**-193.940,67**
Acquisition of shares (Treasury Shares)	0	0,00	0,00	**0,00**
Disposal of Parent Shares (Treasury Shares)	0	0,00	0,00	**0,00**
Balance as at 31/12/2014	**30.600.000**	**9.180.000,00**	**66.401.801,69**	**75.581.801,69**

On January 9th, 2014, the Extraordinary General Meeting of Shareholders in order to collect funds, net of issuance costs, decided to improve the capital base of the KATHIMERINI Group, and through it, the working capital of the Group as follows:

a. increasing the nominal value of every ordinary nominal share with voting rights from 0,60 Euro to 3,0 Euro with simultaneous consolidation and reduction of the total number of ordinary shares of the Company from 17,000,000 to 3,400,000 new ordinary nominal shares with voting rights (reverse split, at a ratio of five (5) existing ordinary shares of the Company to one (1) new ordinary share of the Company. The total share capital will remain unchanged i.e. amounting to 10,200,000 divided into 3,400. 000 ordinary nominal shares with voting rights of a nominal value of € 0.30 each.

b. reduction of share capital by the amount of Euro 9.180.000 through decreasing the nominal value of the ordinary nominal shares with voting rights from 3.0 (calculated as the nominal value of every ordinary nominal share of the Company after the reverse split / consolidation) to 0.30 per share, in order to offset the previous years losses, in particular a) losses amounting to Euro 4.436.680,39 for 2009 (financial year 2010) and b) losses amounting to Euro 4.743.319,61 for 2010 (financial year 2011), i.e. cumulative losses amounting to Euro 9.180.000, in accordance with Article 4 of Law 2190/1920.

As a result, the above reduction of the share capital, the share capital will amount to 1,020,000, divided into 3,400,000 ordinary nominal shares with voting rights of a nominal value of € 0.30 each. The above reduction did not affect the total equity of the Company, nor does it involve any adjustment of the price of the common shares on Athens Stock Exchange.

c. raising funds up to the amount of 9.000.000 Euro by increasing the share capital through cash payment and issue 27,200,000 new common nominal shares with voting rights with preference option in favor of the existing shareholders at a ratio of eight (8) new shares for every one (1) existing share (hereinafter, the "New Shares"). The nominal value of the New Shares is Euro 0,30.
On 19.2.2014, under the relevant authorization provided by as of 09.01.2014 Extraordinary General Meeting of Shareholders, the Board of Directors decided, to define the Disposal Price of the shares to be issued following the increase of the share capital of the Company by 8.160.000 Euro, through cash payment and issuance and disposal of 27,200,000 new ordinary shares of nominal value 0,30 Euro each (hereinafter "New Shares"), and preference option in favor of the existing shareholders of the Company, at a ratio of eight (8) new shares for one (1) existing share (hereinafter, the "Increase"). The following decisions were also made:

(i) The Disposal Price of the New Shares shall be thirty-three cents (0,33) per New Share.

(ii) In case the Increase is fully covered, the share capital will amount to 9.180.000 Euro, divided into 30,600,000 shares of a nominal value 0,30 Euro per share. The total share premium value of the New Shares, should the Increase be fully covered, i.e. an amount of 816,000 will be credited to the account "Share Premium from Issues of Shares".

(iii) Based on the Disposal Price, in case the Increase is fully covered, total funds for disposal will amount to 8.976.000 Euro.

The above share capital increase through cash payment and preference option in favor of the existing shareholders that was approved by the Extraordinary General Meeting of the Shareholders of the Company on 09.01.2014 and the Board of Directors on 19/02/2014, was performed from 10.03.2014 to 24.03.2014 and was covered by 89.5% through the payment of the total amount of 8.029.657,02 Euro, corresponding to 24,332,294 new ordinary shares, while 2,867,706 shares, ie 10.50%, remained undisposed.
Following as of 26/03/2014 decision of the board of Directors, the aforementioned undisposed 2,867,706 shares were distributed based on the subscriptions of shares to the existing shareholders of the Company. As a result, the final coverage rate of the Share Capital Increase reached 100.00% and the total amount of the share capital stood at 8.976.000 Euro.
Following the above, the Company's share capital will be increased by 8.160.000 Euro, through the issue of 27.200.000 new ordinary nominal shares of nominal value 0,30 Euro each. Therefore, the Company's share capital now stands at nine million one hundred eighty thousand euro (9.180.000,00) divided into 30.600.000 ordinary nominal shares with voting right of nominal value 0,30 Euro each.
As at 26/03/2014, the Board of Directors of ASE approved listing of 27.200.000 new shares and on 28/03/2014, trading of 27.200.000 new ordinary nominal shares of the Company, of nominal value 0,30 Euro each, arising from share capital increase through cash payment, starting on ASE.

The following table presents the share Capital as well as the total Equity of the parent company as at December 31st 2014:

	THE COMPANY						
	Paid-Up Share Capital	Share Premium Reserve	Legal Reserve	Other Reserves	Total Reserves	Profit Carried Forward	Total
Balance as at 01/01/2014	**10.200.000,00**	**65.779.742,36**	**2.791.358,19**	**530.985,90**	**3.322.344,09**	**-18.112.245,49**	**61.189.840,96**
Offsetting Share Capital Decrease with Prior Periods Losses under Article 4, Law 2190/1920	-9.180.000,00				0,00	9.180.000,00	**0,00**
Share Capital Increase	8.160.000,00				0,00		**8.160.000,00**
Share Premium		816.000,00			0,00		**816.000,00**
Share Capital Increase Expenses		-193.940,67			0,00		**-193.940,67**
Deferred Tax on Share Capital Increase Expenses					0,00	50.424,67	**50.424,67**
Profit/Loss for the period					0,00	-649.893,23	**-649.893,23**
Other comprehensive income	**0,00**	**0,00**	**0,00**	**0,00**	**0,00**	**0,00**	**0,00**
Actuarial gains (losses) from defined benefit plans					0,00	700,81	**700,81**
Deferred taxes on revaluation of defined employee benefit obligation					0,00	-182,21	**-182,21**
Other comprehensive income					**0,00**	**518,60**	**518,60**
Balance as at 31/12/2014	**9.180.000,00**	**66.401.801,69**	**2.791.358,19**	**530.985,90**	**3.322.344,09**	**-9.531.195,45**	**69.372.950,33**

The Group's and the Company's reserves are presented as follows:

	THE GROUP			
	Legal Reserves	Currency differences reserves	Other Reserves	Total
Balance as at January 1, 2013	**5.453.184,37**	**-18.226.915,00**	**5.441.735,21**	**-7.331.995,42**
Consolidation currency differences		-1.684.327,00		**-1.684.327,00**
Changes within the year	3.326,00			**3.326,00**
Balance as at December 31, 2013	**5.456.510,37**	**-19.911.242,00**	**5.441.735,21**	**-9.012.996,42**
Consolidation currency differences		6.383.897,00		**6.383.897,00**
Changes within the year	98.911,00			**98.911,00**
Balance as at December 31, 2014	**5.555.421,37**	**-13.527.345,00**	**5.441.735,21**	**-2.530.188,42**

	THE COMPANY		
	Legal Reserves	Other reserves	Total
Balance as at January 1, 2013	**2.791.358,19**	**530.985,90**	**3.322.344,09**
Changes within the year			**0,00**
Other			**0,00**
Balance as at December 31, 2013	**2.791.358,19**	**530.985,90**	**3.322.344,09**
Changes within the year			**0,00**
Other			**0,00**
Balance as at December 31, 2014	**2.791.358,19**	**530.985,90**	**3.322.344,09**

In accordance with the provisions of Greek corporate legislation, generating "statutory reserves" – through annual transfer of an amount equal to 5% of annual profits after tax - is mandatory, until one third of the share capital - Article 44, Law 2190/1920. The "statutory reserves" are distributed only upon the company's liquidation. However, they can be offset against the accumulated losses.

Reserves under the tax legislation were generated based on tax legislation and provisions of the development laws which allow either to transfer taxation on certain incomes at the time of distribution to shareholders or provide tax relief as an

incentive for investments. Changes in the company's reserves are presented in Statement of Changes in Equity.

The Company Management will not distribute or capitalize the reserves formed on the basis of the special tax provisions till the end of 2014.

Regarding tax exempted reserves under Article 72, Law 4172/2013, the Company will not distribute or to capitalize them, but will offset them with the tax losses of the last five years.

9.14 Loans

The Group and Company's long-term and short-term loan commitments are broken down as follows:

	THE GROUP		THE COMPANY	
	31/12/2014	31/12/2013	31/12/2014	31/12/2013
Long-term Loans				
Bank loans	48.457.298,65	47.405.992,58	0,00	0,00
Finance Lease Obligations	163.973,93	0,00	0,00	0,00
Total long-term loans	**48.621.272,58**	**47.405.992,58**	**0,00**	**0,00**
Short-term loans				
Bank loans	55.869.264,49	54.724.766,03	0,00	0,00
Total short-term loans	**55.869.264,49**	**54.724.766,03**	**0,00**	**0,00**
Total loans	**104.490.537,07**	**102.130.758,61**	**0,00**	**0,00**

Loans (short-term and long-term) of the shipping companies of the Croup are analyzed in the following table:

in €	SHIPPING GROUP COMPANIES	
	31/12/2014	31/12/2013
Long-term Loans		
Bank Loans	39.519.619,00	37.784.394,00
Total Long-term Loans	**39.519.619,00**	**37.784.394,00**
Short-term Loans		
Bank Loans	20.691.407,00	17.667.022,00
Total short-term Loans	**20.691.407,00**	**17.667.022,00**
Total Loans	**60.211.026,00**	**55.451.416,00**

The Group subsidiaries ZENITH MARITIME COPRORATION and BIGAL SHIPPING COPRORATION have issued loan agreement amounting to $ USA 30.956.250 each to finance the construction of the vessels m/t Nissos Paros and m/t Nissos Delos

respectively. Both loans will be repaid in 40 equal quarterly installments with a final payment of $ USA 10.316.250 in 2022. The interest rate applicable to loans for each interest-bearing period will be the rate determined by the bank as the sum of a) the applicable margin of 2.5%, b) LIBOR and c) any mandatory costs for this period. The loans are secured by first preferred mortgage on the vessels, general assignment of freight and insurance of vessels as well as the commitment of the Managing Company.

The future loan repayments are analyzed as follows:

Loan liabilities for financing the vessel construction in US $	Zenith Shipping Corporation	Bigal Shipping Corporation
2015	2.064.000	2.064.000
2016	2.064.000	2.064.000
2017	2.064.000	2.064.000
2018	2.064.000	2.064.000
2019	2.064.000	2.064.000
Balance	15.476.250	15.992.250
Total	25.796.250	26.312.250
Less: Short-term loan liability	-2.064.000	-2.064.000
Long-term loan liability	23.732.250	24.248.250

The Group subsidiary BIGAL SHIPPING CORPORATION has received the amount of 4.945.000 dollars U.S. as interim financing for the construction of its vessel.
Short-term loan liabilities are analyzed in the following table:

in €		31/12/2014	31/12/2013
Sea Pearl Enterprises Company	a	7.100.000	7.100.000
Bigal Shipping Corporation	b	4.073.039	3.948.224
Zenith Maritime Corporation	c	1.700.034	1.496.627
Bigal Shipping Corporation	d	1.700.034	1.496.627
Sea Pearl Enterprises Company	e	4.118.300	3.625.544
Argonautis Ltd	f	2.000.000	-
Total		**20.691.407**	**17.667.022**

a. The amount represents interest-bearing overdraft which bears interest of 0.9% plus LIBOR and is secured by the corresponding deposits in the lending bank.
b. The amount represents interest-bearing overdraft which bears interest of 0.9% plus LIBOR and is secured by the corresponding deposits in the lending bank.
c,d. The amount represents the installments of long-term loan repayment within the following year.

e. The amount represents interest-bearing overdraft which bears interest of 0.9% plus LIBOR and is secured by the corresponding deposits in the lending bank.

Interest-bearing overdrafts in cases a, b and e are secured through blocked accounts totally amounting to € 17.990.260, as analyzed in Note 9.11.

The Financial Statements of the shipping companies conversion presented a positive FX conversion difference regarding the loans from US $ to Euro, amounting to € 6.25 million, recognised directly in Equity.

The other Group companies have entered into loan agreements to finance their working capital totaling 39,46 million Euro for the acquisition of industrial buildings in the location Karella Koropiou totaling 4,81 million Euro.

The short-term loan of the subsidiary company of the Group «ATE ERGON» amounting to € 5 million, under Num. 139 034 / 2_24.03.2014 additional debt adjustment act signed was changed into long-term maturity and its settlement will be completed in 2019.

Loans (short-term and long-term) of the other companies of the Croup are analyzed in the following table:

in €	**COMPANIES OF THE GROUP (apart from shipping)**	
	31/12/2014	**31/12/2013**
Long-term Loans		
Bank Loans	9.101.653,58	9.621.598,58
Total Long-term Loans	**9.101.653,58**	**9.621.598,58**
Short-term Loans		
Bank Loans	35.177.857,49	37.057.744,03
Total short-term Loans	**35.177.857,49**	**37.057.744,03**
Total Loans	**44.279.511,07**	**46.679.342,61**

The future loan repayments are analyzed as follows:

Loan liabilities for financing	**Amount**
2015	386.063,39
2016	583.548,67
2017	881.463,65
2018	7.258.762,25
2019	377.879,01
Total	**9.487.716,97**
Less: Short-term loan liability	386.063,39
Long-term loan liability	**9.101.653,58**

The Group bank liabilities as a total are settled timely and systematically.

On January 21, 2015, by 100% subsidiary company of KATHIMERINI S.A., KATHIMERINES EKDOSEIS S.A. issued a Common Mortgage Bond Loan totaling € 36,00 million of five (5) years maturity under Law 3156/2003. (Note 9.33).

9.15 Employee End of Service Benefit Obligations

The Company's obligations for future benefits in respect of the employees, occupied in Greece, depending on the period of service, are quantified and reported based on the expected vested right of every employee at the balance sheet date, discounted to present value, in relation to the expected date of payment.

Starting from 01/01/2013, changes have been made to the policy of recognising employee benefit obligations in the financial statements, given the implementation of revised IAS 19 «Employee Benefits», adopted by the European Union in the fourth quarter of 2012. The revised standard has introduced a number of changes to representation of employee benefits, in particular:

- It removes the "corridor method" and requires that the effect resulting from remeasurement in the current period is recognized in other comprehensive income

- It changes the measurement and the presentation of defined benefits specific cost elements. The net amounts in the income statement are affected by the removal of expected revenue on plan assets and interest costs and their replacement with a net interest costs based on the net asset or net liability of the defined benefit plan

- It enhances disclosures, including more information regarding the characteristics of defined benefit plans and the risks involved.

The Group and Company's employee benefit obligations are broken down as follows:

	THE GROUP		THE COMPANY	
	31/12/2014	31/12/2013	31/12/2014	31/12/2013
Balance sheet liabilities for:				
Pension benefits	2.943.462,41	3.232.910,76	7.203,58	5.727,82
Total	**2.943.462,41**	**3.232.910,76**	**7.203,58**	**5.727,82**
Charges to profit and loss				
Amounts paid to employees within the year	-1.185.482,01	-1.001.226,57	0,00	0,00
Total expenses recognized in the income statement for the year	996.287,56	1.202.008,12	2.176,57	202,06
Actuarial gains / (losses) recognized in the Statement of Other Comprehensive Income	-100.253,90	-4.600,20	-700,81	64,60
Total	**-289.448,35**	**196.181,35**	**1.475,76**	**266,66**

The amount recognized in the income statement is analyzed as follows:

	THE GROUP		THE COMPANY	
	31/12/2014	31/12/2013	31/12/2014	31/12/2013
Current service cost	222.335,20	497.021,09	1.976,10	0,00
Interest Cost	113.151,87	112.358,98	200,47	202,06
Effect from Cuts/ Settlement/ End of service benefits	660.800,49	592.628,05	0,00	0,00
Actuarial (gains)/ losses	0,00	0,00	0,00	0,00
(less) Benefits paid	-1.185.482,01	-1.001.226,57	0,00	0,00
Non-recorded cost of previous service	0,00	0,00	0,00	0,00
Absorption/ (Transfer) of Personnel	0,00	0,00	0,00	0,00
Expenses for the year for Pension Benefits	**-189.194,45**	**200.781,55**	**2.176,57**	**202,06**

In order to determine the obligation for pension remuneration, the following actuarial principles were used:

	2014	2013
Discount rate	1,9%	3,5%
Expected rate of salary increases	2,0%	4,8%
Average annual long term inflation rate	2%	2%

Total payroll costs at Group and Company level are analyzed as follows:

	THE GROUP	
	1/1 - 31/12/2014	1/1 - 31/12/2013
Salaries and wages	11.065.669,18	10.657.683,54
Employer's contributions	659.070,54	658.159,12
Provision for staff compensation	883.135,69	1.202.806,14
Other staff costs	140.340,62	93.992,89
Total Payroll	**12.748.216,03**	**12.612.641,69**

	THE COMPANY	
	1/1 - 31/12/2014	1/1 - 31/12/2013
Salaries and wages	44.929,65	44.929,65
Employer's contributions	1.632,60	1.632,60
Provision for staff compensation	1.976,10	202,06
Total Payroll	**48.538,35**	**46.764,31**

The number of persons employed by the Group and the company for 2014 and 2013 is shown below:

	THE GROUP	
	31/12/2014	31/12/2013
Salaried personnel	364	368
Wages	100	0
Total	**464**	**368**

	THE COMPANY	
	31/12/2014	31/12/2013
Salaried personnel	1	1
Σύνολο	**1**	**1**

9.16 Other Long-Term Liabilities

The Group and Company's long-term liabilities are broken down as follows:

	THE GROUP		THE COMPANY	
	31/12/2014	31/12/2013	31/12/2014	31/12/2013
Grants				
Start-of-period balance	6.858.086,88	8.053.071,77	0,00	0,00
Undepreciated Balances of Granted/Disposed Asset - Transfers to profit and loss	0,00	-510.833,34	0,00	0,00
Grants Transfers to profit and loss	-659.745,31	-684.151,55	0,00	0,00
End-of-period balance	**6.198.341,57**	**6.858.086,88**	**0,00**	**0,00**
Start-of-period guarantees balance	4.402,05	4.402,05	0,00	0,00
End-of-period balance	**4.402,05**	**4.402,05**	**0,00**	**0,00**
Total	**6.202.743,62**	**6.862.488,93**	**0,00**	**0,00**
Long-term liabilities	5.576.826,01	6.204.208,65	0,00	0,00
Short-term liabilities	625.917,61	658.280,28	0,00	0,00
	6.202.743,62	**6.862.488,93**	**0,00**	**0,00**
Grants Collected	**0,00**	**0,00**	**0,00**	**0,00**

9.17 Suppliers and Other Liabilities

The Group and Company's suppliers and other related liabilities are broken down as follows:

	THE GROUP		THE COMPANY	
	31/12/2014	31/12/2013	31/12/2014	31/12/2013
Suppliers	8.719.862,11	9.855.230,01	362.038,56	798.240,88
Advances from customers	464.813,25	799.582,49	2.931,42	81.727,69
Post-dated cheques	4.367.786,11	4.464.624,27	29.819,20	103.697,21
Notes payable	1.748.260,35	1.310.227,51	0,00	0,00
Total	**15.300.721,82**	**16.429.664,28**	**394.789,18**	**983.665,78**

All other liabilities are characterized as short-term liabilities. Fair values of trade and other liabilities are not presented separately, because, due to their short-term

duration, the management of the company concerns that the book value that is presented in the balance sheet is a sensible approach of their fair value.

9.18 Current Tax Liabilities

The Group and Company's current tax liabilities are broken down as follows:

	THE GROUP		THE COMPANY	
	31/12/2014	31/12/2013	31/12/2014	31/12/2013
Tax charges for the period	0,00	0,00	0,00	0,00
Tax liabilities	1.356.022,07	1.377.858,59	184.706,86	295.369,08
Total	**1.356.022,07**	**1.377.858,59**	**184.706,86**	**295.369,08**

9.19 Other Short-Term Liabilities

The Group and Company's other short-term liabilities are broken down as follows:

	THE GROUP		THE COMPANY	
	31/12/2014	31/12/2013	31/12/2014	31/12/2013
Accrued expenses	838.206,15	664.276,13	0,00	13.388,03
Social Security	708.727,17	524.926,12	136,05	136,05
Dividends payable	18.247,20	18.247,20	18.247,20	18.247,20
Deferred income	625.917,61	1.662.907,28	0,00	0,00
Other liabiliites	2.281.765,21	1.841.679,95	22.781,17	40.047,05
Total	**4.472.863,34**	**4.712.036,68**	**41.164,42**	**71.818,33**

The item «Other Short Term Liabilities» includes accrued expenses of 0.84 million Euro, liabilities to pension funds amounting to 0.71 million Euro, retained earnings of 0.63 million euro relating to depreciation ratio of assets, remaining installments in respect of personnel compensation amounting to 0.64 million Euro, liabilities to the vessels managing company of 1,14 million Euro and other liabilities amounting to 0.50 million Euro.

As at 31.12.2014, the Group subsidiaries presented past due amounts to the insurance funds. In 2015, prior to the date of approval of financial statements, the companies restructured the total of their payments under the provisions of Law 4152/2013.

9.20 Short-Term Provisions

The Group and Company's short-term provisions are broken down as follows:

	THE GROUP		THE COMPANY	
	31/12/2014	31/12/2013	31/12/2014	31/12/2013
Other provisions	289.995,03	277.657,46	277.657,46	277.657,46
Total	**289.995,03**	**277.657,46**	**277.657,46**	**277.657,46**

9.21 Cost of sales

The cost of sales for the fiscal years 2014 and 2013 is presented below as follows:

	THE GROUP	
	1/1 - 31/12/2014	1/ 1 - 31/12/2013
Employee benefits	7.755.593,72	7.662.303,29
Cost of stocks recognized as expense	10.318.323,72	14.314.978,98
Third party fees and expenses	6.155.419,72	8.202.921,56
Third party benefits	2.107.512,46	2.086.309,63
Cost of ship's traffic	12.087.648,00	10.349.619,00
Operating costs of voyage	3.869.501,00	3.672.264,00
Taxes and duties	120.375,20	120.624,06
Advertising	14.544,03	3.558,28
Other sundry expenses	821.305,70	966.130,62
Interest and related charges	13.501,95	14.757,37
Fixed assets depreciation	5.231.628,85	5.132.915,67
Total	**48.495.354,35**	**52.526.382,46**

	THE COMPANY	
	1/1 - 31/12/2014	1/1 - 31/12/2013
Cost of stocks recognized as expense	10.881,12	3.392.533,59
Third party fees and expenses	0,00	1.955,60
Third party benefits	119.612,26	119.612,26
Total	**130.493,38**	**3.514.101,45**

9.22 Other Operating Income/ Expenses

Other operating income and expenses for the fiscal years 2014 and 2013 are as follows:

	THE GROUP	
	1/1 - 31/12/2014	1/1 - 31/12/2013
Other operating income		
Amortization of grants received	659.745,31	684.151,55
Income from grants	40.365,00	0,00
Profits from currency differences	884.303,06	375.437,52
Income from rentals	2.328,33	2.194,56
Other income	513.110,90	441.178,53
Income from unutilized provision	78.329,14	102.425,83
Total	**2.178.181,74**	**1.605.387,99**
Other operating expenses		
Loss from currency differences	666.536,96	497.975,88
Other provisions	12.337,57	0,00
Other expenses	1.494.707,81	1.059.110,73
Total	**2.173.582,34**	**1.557.086,61**

	THE COMPANY	
	1/1 - 31/12/2014	1/1 - 31/12/2013
Other operating income		
Income from grants	40.365,00	0,00
Profits from currency differences	447,84	213,72
Income from rentals	183.840,60	185.435,16
Other income	60.930,21	76.242,71
Income from unutilized provision	20.841,77	50.328,33
Total	**306.425,42**	**312.219,92**
Other operating expenses		
Loss from currency differences	12,25	576,93
Other expenses	167.867,12	85.721,58
Total	**167.879,37**	**86.298,51**

9.23 Administrative/Distribution Expenses

The breakdown of distribution and administrative expenses at Group and Company level for fiscal years 2014 and 2013 is presented below:

	THE GROUP	
Sale & Marketing Expenses	1/1 - 31/12/2014	1/1 - 31/12/2013
Employee benefits	1.012.259,16	1.211.060,49
Third party fees and expenses	7.668.584,86	8.231.940,77
Third party benefits	243.820,15	272.088,73
Taxes and duties	37.883,76	28.336,69
Advertising	2.460.204,30	2.514.337,16
Other sundry expenses	569.474,71	774.363,83
Interest and related charges	94,12	407,04
Fixed assets depreciation	121.170,84	122.794,59
Total	**12.113.491,90**	**13.155.329,30**

	THE COMPANY	
Sale & Marketing Expenses	**1/1 - 31/12/2014**	**1/1 - 31/12/2013**
Third party fees and expenses	1.004,69	4.205,15
Third party benefits	8.209,06	13.729,43
Taxes and duties	277,74	1.461,25
Advertising	870,85	1.330,39
Other sundry expenses	30,07	13.138,83
Total	**10.392,41**	**33.865,05**

	THE GROUP	
Administrative Expenses	**1/1 - 31/12/2014**	**1/1 - 31/12/2013**
Employee Benefits	1.643.133,15	1.427.694,89
Third party fees and expenses	1.233.973,98	1.193.777,35
Third party benefits	393.432,55	482.871,83
Taxes and duties	322.420,50	262.079,08
Advertising	123.558,27	215.664,87
Other sundry expenses	487.903,51	651.166,88
Interest and related charges	12.008,45	7.599,58
Fixed assets depreciation	354.718,40	385.686,65
Provisions	397.457,55	72.174,81
Total	**4.968.606,36**	**4.698.715,94**

	THE COMPANY	
Administrative Expenses	**1/1 - 31/12/2014**	**1/1 - 31/12/2013**
Employee Benefits	48.538,35	46.764,31
Third party fees and expenses	275.773,18	322.939,22
Third party benefits	265.379,49	326.574,97
Taxes and duties	42.113,47	41.128,06
Advertising	1.925,92	5.759,15
Other sundry expenses	64.257,93	92.665,07
Interest and related charges	210,76	0,00
Fixed assets depreciation	27.844,16	27.760,17
Provisions	68.066,82	492,50
Total	**794.110,08**	**864.083,45**

9.24 Financial Income / Expenses

Financial expenses include all income and expenses related to interest, apart from interest arising from financial assets at fair value through profit and loss. The following amounts, included in the profit and loss, are analyzed as follows:

	THE GROUP	
	1/1 - 31/12/2014	1/1 - 31/12/2013
Financial income		
Prepaiment of liability	99.501,04	119.057,15
Banks	726.509,32	756.053,53
Interest from time deposits	30.511,40	9.619,43
Clients	25.934,04	136.518,73
Total	**882.455,80**	**1.021.248,84**
Financial expenses		
Bank loans	4.583.306,32	4.600.138,19
Defined Benefit Obligations Interest Cost	113.151,87	0,00
Other bank charges	45.552,94	48.781,48
Factoring	123.674,51	192.974,09
Total	**4.865.685,64**	**4.841.893,76**

	THE COMPANY	
	1/1 - 31/12/2014	1/1 - 31/12/2013
Financial Income		
Prepaiment of liability	99.501,04	119.057,15
Banks	10,15	7,60
Time Deposits Interest	5.236,68	0,00
Total	**104.747,87**	**119.064,75**
Financial expenses		
Other bank charges	823,66	1.185,43
Defined Benefit Obligations Interest Cost	200,47	0,00
Total	**1.024,13**	**1.185,43**

Other financial profit and loss

	THE GROUP	
	1/1 - 31/12/2014	1/1 - 31/12/2013
Financial expenses from:		
Financial assets at fair value through profit and loss	-199,64	-698,74
Cash available currency translation differences	-2.121.207,00	-3.944.278,00
Total	**-2.121.406,64**	**-3.944.976,74**

	THE COMPANY	
	1/1 - 31/12/2014	1/1 - 31/12/2013
Financial expenses from:		
Financial assets at fair value through profit and loss	-199,64	-698,74
Total	**-199,64**	**-698,74**

9.25 Other investing results

	THE GROUP	
	1/1 - 31/12/2014	1/1 - 31/12/2013
Disposal loss/profit of tangible and intangible assets	20.049,95	-2.888.319,76
Reversal of provision for impairment of receivables from disposal of associates	244.917,46	0,00
Tangible assets valuation (Vessels)	11.597.647,00	3.535.009,00
Total	**11.862.614,41**	**646.689,24**

	THE COMPANY	
	1/1 - 31/12/2014	1/1 - 31/12/2013
Reversal of provision for impairment of receivables from disposal of associates	244.917,46	0,00
Provision for valuation of associates & other investments	-12.000,00	0,00
Total	**232.917,46**	**0,00**

Valuation of Vessels

The vessels were valued on 31 December 2014 by two independent rating agencies based on timely delivery taking into account the charters already booked for the vessel. As the value of the vessels there has been used the average of two valuations, which amounted to of U.S. $ 50.250.000. The profit, arising from the aforementioned valuation stood at 11,60 million Euro. The respective last year investing results included valuation profit of losses of 3,54 million Euro.

Losses from disposal of assets

In the first six month period of 2013, the subsidiary company of the Group, «KATHIMERINES EKDOSEIS S.A.» disposed two (2) magazine printing machines of total acquisition cost 6.6 million Euro. These machines were acquired on 31.03.2001 and 6.8.2003 respectively. Losses arising from disposal of the aforementioned priming machines amounted to 2.85 million Euro.

9.26 Income Tax

Under the Greek tax legislation, in 2014, the tax rate was 26%, as in 2013. The effective tax rate differs from the nominal. Formation of the effective tax rate is influenced by various factors, the most significant being non-tax deductibility of certain expenses, variations in depreciation rates between the useful life of the asset and the rates established under Law N.4110/2013, the ability of the companies to

form tax-free discounts and tax exempted reserves, as well as the abovementioned increase in the tax rate through calculation of deferred income tax.

The amounts of income tax presented in the Income statement for the current and comparative year for the company and the group refer to deferred tax.

No tax expenses arise for the company due to transfer of prior periods tax losses.

The Group and Company's income tax amount, burdening the current and the previous year are analyzed below as follows:

	THE GROUP	
	1/1 - 31/12/2014	**1/1 - 31/12/2013**
Previous Year Tax Inspection Differences	0,00	-328.214,80
Deferred tax	-530.338,07	3.358,07
Total	**-530.338,07**	**-324.856,73**

	THE COMPANY	
	1/1 - 31/12/2014	**1/1 - 31/12/2013**
Previous Year Tax Inspection Differences	0,00	-328.214,80
Deferred tax	-199.604,20	144.716,20
Total	**-199.604,20**	**-183.498,60**

On 27.06.2013, the tax inspection of the parent company for 2006 – 2010 was finalized. Additional taxes and surcharges amounting to € 407.974,00 arose from the tax inspection. In the previous years, the Company made a provision of € 79.759,20 and therefore, tax expenses and earnings after tax for the period from 1.1.2013 to 31.12.2013 are burdened with an amount of € 328.214,80.

9.27 Earnings per share

Basic earnings per share are calculated dividing profits or loss of the common registered shareholders of the parent company with weighted average number of shares outstanding during the accounting period. Earnings per share for the fiscal years 2014 and 2013 are analyzed as follows:

	THE GROUP	
	1/1-31/12/2014	**1/1-31/12/2013**
Earnings attributable to shareholders of the parent	5.889.667,06	-15.526.902,17
Weighted average number of shares	24.452.055	24.452.055
Basic earnings per share (Euro per share)	0,2409	-0,6350

	THE COMPANY	
	1/1-31/12/2014	1/1-31/12/2013
Earnings attributable to shareholders of the parent	-649.893,23	-4.175.880,32
Weighted average number of shares	24.452.055	24.452.055
Basic earnings per share (Euro per share)	-0,0266	-0,1708

9.28 Adjustments in Profit and Loss for Statement of Cash Flows

	THE GROUP	
	1.1 - 31.12.2014	1.1 - 31.12.2013
Adjustments for:		
Depreciation/Amortization	5.707.518,09	5.641.396,91
Currency differences	2.320,31	249,95
Profit/ Loss from disposal/valuation of fixed assets/investments	-11.862.414,77	-646.689,24
Impairment of tangible fixed assets	-659.745,31	-684.151,55
Provisions	1.333.867,26	4.865.437,75
Share of net profit (loss) from affiliated companies consolidated under equity method	-6.315,82	456.354,44
Currency difference from investment of available	2.121.207,00	3.944.278,00
Interest received	-882.455,80	-1.021.248,84
Interest paid	4.865.685,64	4.841.893,76
Total	**619.666,60**	**17.397.521,18**

	THE COMPANY	
	1.1 - 31.12.2014	1.1 - 31.12.2013
Adjustments for:		
Depreciation/Amortization	27.844,16	27.760,17
Provisions	156.609,29	3.306.494,10
Profit/ Loss from disposal/valuation of fixed assets/investments	-232.717,82	0,00
Interest received	-104.747,87	-119.064,75
Interest paid	1.024,13	1.185,43
Total	**-151.988,11**	**3.216.374,95**

9.29 Commitments

a) There are no major lawsuits or third party claims pending against the Group's companies.

b) As indicated in the subsidiaries purchase agreements, the Group does not take on, apart from the ship and part of the loans, the assets and liabilities of subsidiaries on the day of purchase. Any liability, which concerns previous ownership, will be borne by the vendor under these private agreements.

c) Based on as of 10.09.2012 and 25.10.2012 guarantee provision contracts, the parent company "KATHIMERINI S.A." guaranteed to Eurobank Ergasias SA timely and lawful payment of every debit balance of the loans granted to the subsidiary company "KATHIMERINES EKDOSEIS S.A." ("The Borrower"), pursuant to No. 1373/30.4.2012 private credit agreement, effective as amended, plus interest, other charges and expenses, in full guarantee for the Borrower's loans.

d) The parent company "KATHIMERINI S.A." and the Group's subsidiary ATE ERGON S.A. provided guarantees to «ALPHA BANK S,A," in favor of the subsidiary "KATHIMERINES EKDOSEIS S.A." to ensure the receivables of the above Bank, arisinf from Num. 25901101/8-4-2013 credit agreement with overdraft account as amended following as of 08.04.2013 and 01.08.2014 Additional Acts, under which the Bank granted to "KATHIMERINES EKDOSEIS S.A." a working capital loan amounting to five million Euro (5.000.000,00), given that the agreement is subject to any future changes arising from other additional acts. The guarantor ATE ERGON S.A. also made a commitment not to transfer / charge its assets and owned by it building in Piraeus (Neo Faliro), which is free from liens.

e) The parent company "KATHIMERINI S.A." is the guarantor of the total borrowings of the subsidiary ATE ERGON S.A.

f) Based on as of 27.8.2009 decision of the Board of Directors, "KATHIMERINI S.A." provided guarantees for an amount not exceeding Euro 200.000 (Euro two hundred thousand) plus interest, to the Cypriot bank "EUROBANK EFG CYPRUS LIMITED" in favor of its subsidiary company "KATHIMERINI,POLITIKI,OIKONOMIKI EFIMERIDA EKDOSH CYPRUS L.T.D. (Reg. HE235538) domiciled in Cyprus, repayment until full and final repayment of any amount arising from loans to any accounts and / or based on notes or bonds and generally on any banking facilities granted to the subsidiary by the aforementioned bank in Cyprus.

9.30 Encumbrances

1) *The Group's vessels*

The loans are secured by first preferred mortgage on the vessels, general assignment of freight and insurance of vessels as well as the commitment of the Managing Company.

2) *Short-term loans*

The loans of the Group shipping companies are secured by blocked deposits of € 17.990.260.

3) *The Group's real estate property*

a. On July 30, 2012, there were recorded liens amounting to three million six hundred thousand (3,600,000.00) Euro over real estate property item of the subsidiary «KATHIMERINES EKDOSEIS S.A.» located at "KARELA - LISSA", the agrarian region of Kropia Municipality, in respect of the land, any kind of buildings erected and infixed machinery in favor of "National Bank of Greece SA", under No. 7044/S/2012 decision of the district court of Athens, for securing loans.

b. On November 1, 2012, there were recorded liens amounting to eight million one hundred fifty thousand (8.150.000,00) Euro plus interest and expenses over real estate property item of the subsidiary «KATHIMERINES EKDOSEIS S.A.» located at "KARELA - LISSA", the agrarian region of Kropia Municipality, in respect of the land, any kind of buildings erected and infixed machinery in favor of the banking company under the title "Eurobank Ergasias Bank SA", under Nun. 10722/S/2012 decision of the district court of Athens to secure interest-bearing receivables of the above bank under Num. 1373/30.4.2012 private credit agreement through open (overdraft) account as increased through additional acts and agreements.

c. On 19 September 2012 there were recorded liens amounting to one million six hundred seventy thousand (1.670.000,00) Euro plus interest and expenses, over real estate property of the parent company under the title "KATHIMERINI S.A.", ie over a buildable land plot, including all its components, parts, annexes, appurtenances and increments, legal possession of the company in Neo Faliro, within the approved plan of the city Neo Faliro of the Municipality of Neo Faliro, under Num. 1420/2012 Decision of Piraeus district court in favor of the banking company under the title "Eurobank Ergasias Bank SA" to secure the interest-bearing receivables of the above bank under Num. 1373/30.4.2012 private credit agreement through open (overdraft) account of the subsidiary «KATHIMERINES EKDOSEIS S.A.»

d. On December 23rd, 2013, following the decision of the district court of Piraeus , there were imposed liens amounting to five million Euro (5.000.000,00) Euro plus interest and expenses, on the rea estate item of the subsidiary company "ATE

ERGON» in "KARELA-NISIZA" in the agrarian region of the Municipality of Kropia by the company «HELLENIC POSTCREDIT S.A.».

e. The mortgage amounting to 293,47 € (100.000 drachmas) in favor of the company «LYRMA COMRANIA-NAVIERA SA», domiciled in Panama, on the land plot owned by "KATHIMERINI S.A." (the previous owner of the property Mrs Despina Lithrioti-Vourliochou former spouse of Mr Georgios Voumvlinopoulou), which has a total area of 850.77 square meters on the road Falireos number four in Neo Faliro, Piraeus.

9.31 Contingent Assets – Liabilities

At the level of the Group and the Company there are no disputes in front of judicial or arbitration bodies that may have a major impact on the Group's financial position or operation. The tax non-inspected years of the Group's companies are as follows:

TITLE	PERCENTAGE	CONSOLIDATION METHOD	TAX NON-INSPECTED YEARS
KATHIMERINI S.A.	PARENT	FULL	2
KATHIMERINES EKDOSEIS S.A.	100%	FULL	3
EXPLORER S.A.	100%	FULL	3
ARGONAFTIS Ltd.	100%	FULL	8
INTERNATIONAL HERALD TRIBUNE - KATHIMERINI S.A.	50%	FULL	3
ATE ERGON S.A.	100%	FULL	3
MAISON PUBLISHING S.A.	50%	FULL	3

Regarding the years 2011, 2012 and 2013, the parent company and its subsidiaries were tax audited by Chartered Accountants under the provisions of Article 82, par. 5, Law 2238/1994 and received Tax Compliance Certificates with unqualified opinion. No additional tax obligations have arisen from the aforementioned tax audit that could have significant effect on the Financial Statements of the companies and the Group. For the FY to be regarded as tax terminated, there are effective the relative provisions, defined in Par. 1a, Article 6, POL 1159 / 2011.

For the year ended as at 31.12.2014, the companies, whose annual financial statements are mandatorily audited by Statutory Auditor, in accordance with the provisions of Law 2190/1920, are under obligation to receive the "Annual Certificate" issued under the provisions of paragraph 5, Article 82, Law 2238/1994,

following a tax audit conducted by the same Statutory Auditor who audits the annual financial statements.
Under the completion of the tax audit, the Statutory Auditor shall issue to the Company "Tax Compliance Report" and submit it electronically to the Ministry of Finance within ten days from the date of approval of the financial statements by the General Meeting of Shareholders.
Following the completion of the audit by the Statutory Auditor, the Ministry of Finance will select a sample for inspection. The inspections are carried out by the competent control services and are completed within a period not later than eighteen (18) months from the deadline for submission of the Tax Compliance Report by Statutory Auditors and auditing firms.

For the year 2014, the tax audit is in progress, performed by the Statutory Auditors of the companies. The Group Management does not expect that significant tax liabilities apart from those recognized and reported in the financial statements will arise upon the completion of the tax audit.
The amount of cumulative provision made as at 31.12.2014 on case basis is as follows:

	THE GROUP	THE COMPANY
Court and arbitration differences	289.995,03	277.657,46
Tax non-inspected years	0,00	0,00
Other provisions	0,00	0,00

9.32 Related Parties Transactions

In the context of the operating activity, the inventory and the services are being supplied by several of the Company's partners. These transactions involve Companies in which there is participation and also Companies in which the members of the BoD of KATHIMERINI SA are participating. The transactions with these Companies are being held on a strictly trade basis. KATHIMERINI Group as not participated in any transaction of unusual nature or content which may be material for the Group, or any of the companies or the persons that are closely related with the Group, and has no intention to participate in any such transactions in the future either.

Transactions with the Group's subsidiaries and associates according to IAS 24 are shown below:

a) Transactions with subsidiaries:

INTERCOMPANY RECEIVABLES / LIABILITIES 31/12/2014

LIABILITY

31/12/2014	KATHIMERINI S.A.	ATE ERGON S.A.	KATHIMERINES EKDOSEIS S.A.	INTERNATIONAL HERALD TRIBUNE - KATHIMERINI S.A.	ARGONAFTIS EEPN	EXPLORER S.A.	MAISON PUBLISHING SA	TOTAL
RECEIVABLE								
KATHIMERINI S.A.		4.149.976,62	986.900,86	1.794,21		123.369,40		**5.262.041,09**
ATE ERGON S.A.	50.229,08				277,68	4.573,05		**55.079,81**
KATHIMERINES EKDOSEIS S.A.		243.537,13		1.275.999,24		463.550,31	901.365,68	**2.884.452,36**
INTERNATIONAL HERALD TRIBUNE - KATHIMERINI S.A.								**0,00**
ARGONAFTIS EEPN			7.274.166,87					**7.274.166,87**
EXPLORER S.A.								**0,00**
MAISON PUBLISHING SA								**0,00**
TOTAL	**50.229,08**	**4.393.513,75**	**8.261.067,73**	**1.277.793,45**	**277,68**	**591.492,76**	**901.365,68**	**15.475.740,13**

INTERCOMPANY RECEIVABLES / LIABILITIES 31/12/2013

LIABILITY

31/12/2013	KATHIMERINI S.A.	ATE ERGON S.A.	KATHIMERINES EKDOSEIS S.A.	INTERNATIONAL HERALD TRIBUNE - KATHIMERINI S.A.	ARGONAFTIS EEPN	EXPLORER S.A.	MAISON PUBLISHING SA	TOTAL
RECEIVABLE								
KATHIMERINI S.A.		4.269.588,88	801.357,84			297.351,40		**5.368.298,12**
ATE ERGON S.A.	339.923,59				833,04	5.048,92		**345.805,55**
KATHIMERINES EKDOSEIS S.A.		478.883,50		1.307.972,83		573.327,98	901.365,68	**3.261.549,99**
INTERNATIONAL HERALD TRIBUNE - KATHIMERINI S.A.	3.875,43							**3.875,43**
ARGONAFTIS EEPN			7.245.808,54					**7.245.808,54**
EXPLORER S.A.								**0,00**
MAISON PUBLISHING SA								**0,00**
TOTAL	**343.799,02**	**4.748.472,38**	**8.047.166,38**	**1.307.972,83**	**833,04**	**875.728,30**	**901.365,68**	**16.225.337,63**

INTERCOMPANY VENDING / PURCHASE 1/1 - 31/12/2014

BUYER

1/1 - 31/12/2014	KATHIMERINI S.A.	ATE ERGON S.A.	KATHIMERINES EKDOSEIS S.A.	INTERNATIONAL HERALD TRIBUNE - KATHIMERINI S.A.	ARGONAFTIS EEPN	EXPLORER S.A.	MAISON PUBLISHING SA	TOTAL
VENDOR								
KATHIMERINI S.A.			193.885,44	8.040,60		20.392,12		**222.318,16**
ATE ERGON S.A.	371.157,99		371.916,50		3.216,36	17.211,86		**763.502,71**
KATHIMERINES EKDOSEIS S.A.	36.746,45	12.000,00		306.018,59		1.455.626,52		**1.810.391,56**
INTERNATIONAL HERALD TRIBUNE - KATHIMERINI S.A.			75.000,00					**75.000,00**
ARGONAFTIS EEPN			28.358,33					**28.358,33**
EXPLORER S.A.	1.710,41		1.760.763,68					**1.762.474,09**
MAISON PUBLISHING SA								**0,00**
TOTAL	**409.614,85**	**12.000,00**	**2.429.923,95**	**314.059,19**	**3.216,36**	**1.493.230,50**	**0,00**	**4.662.044,85**

INTERCOMPANY VENDING / PURCHASE 1/1 - 31/12/2013

BUYER

1/1 - 31/12/2013	KATHIMERINI S.A.	ATE ERGON S.A.	KATHIMERINES EKDOSEIS S.A.	INTERNATIONAL HERALD TRIBUNE - KATHIMERINI S.A.	ARGONAFTIS EEPN	EXPLORER S.A.	MAISON PUBLISHING SA	TOTAL
VENDOR								
KATHIMERINI S.A.			215.370,90	8.040,60		-26.922,02		**196.489,48**
ATE ERGON S.A.	372.891,94		380.581,11		3.216,36	18.075,29		**774.764,70**
KATHIMERINES EKDOSEIS S.A.	36.609,03	12.000,00		298.867,79	14,30	1.613.147,45		**1.960.638,57**
INTERNATIONAL HERALD TRIBUNE - KATHIMERINI S.A.			890,00					**890,00**
ARGONAFTIS EEPN			99.433,33					**99.433,33**
EXPLORER S.A.	-100.006,24		2.531.993,78					**2.431.987,54**
MAISON PUBLISHING SA								**0,00**
TOTAL	**309.494,73**	**12.000,00**	**3.228.269,12**	**306.908,39**	**3.230,66**	**1.604.300,72**	**0,00**	**5.464.203,62**

b) Transactions with associates:

RECEIVABLES /LIABILITIES WITH ASSOCIATES

LIABILITY 31/12/2014

31/12/2014		APOSTOLI S.A.	PRESS SHOP AT INTER. AIRPORT S.A.	E-ONE S.A.	EUROPE S.A.	KATHIMERINI, POLITIKI, OIKONOMIKI EFIMERIDA EKDOSH LTD	SUI GENERIS PUBLICATIONS S.A.	HOUSE OF WINE S.A.	ARGOS-EUROPE LTD	TOTAL
RECEIVABLE	KATHIMERINES EKDOSEIS S.A.				1.091.449,77	820.944,18			3.514,86	**1.915.908,81**
	KATHIMERINI S.A.	2.300,00				0,02				**2.300,02**
	EXPLORER S.A.		7.942,16		227.606,15	9.459,10		3.090,17		**248.097,58**
	INTERNATIONAL HERALD TRIBUNE - KATHIMERINI S.A.		1.208,94						1.487,27	**2.696,21**
	TOTAL	**2.300,00**	**9.151,10**	**0,00**	**1.319.055,92**	**830.403,30**	**0,00**	**3.090,17**	**5.002,13**	**2.169.002,62**

RECEIVABLE 31/12/2014

31/12/2014		APOSTOLI S.A.	PRESS SHOP AT INTER. AIRPORT S.A.	E-ONE S.A.	EUROPE S.A.	KATHIMERINI, POLITIKI, OIKONOMIKI EFIMERIDA EKDOSH LTD	SUI GENERIS PUBLICATIONS S.A.	HOUSE OF WINE S.A.	ARGOS-EUROPE LTD	TOTAL
LIABILITY	KATHIMERINES EKDOSEIS S.A.				302.398,79			3.888,83		**306.287,62**
	KATHIMERINI S.A.									**0,00**
	EXPLORER S.A.				12.275,86					**12.275,86**
	INTERNATIONAL HERALD TRIBUNE - KATHIMERINI S.A.				65.035,20					**65.035,20**
	TOTAL	**0,00**	**0,00**	**0,00**	**379.709,85**	**0,00**	**0,00**	**3.888,83**	**0,00**	**383.598,68**

RECEIVABLES /LIABILITIES WITH ASSOCIATES

LIABILITY 31/12/2013

31/12/2013		ΑΠΟΣΤΟΛΗ Α.Ε.	PRESS SHOP AT INTER. AIRPORT S.A.	E-ONE S.A.	EUROPE S.A.	KATHIMERINI, POLITIKI, OIKONOMIKI EFIMERIDA EKDOSH LTD	SUI GENERIS PUBLICATIONS S.A.	HOUSE OF WINE S.A.	ARGOS-EUROPE LTD	TOTAL
RECEIVABLE	KATHIMERINES EKDOSEIS S.A.				1.857.618,80	817.164,80				**2.674.783,60**
	KATHIMERINI S.A.									**0,00**
	EXPLORER S.A.		39.022,83		758.793,47	14.345,02				**812.161,32**
	INTERNATIONAL HERALD TRIBUNE - KATHIMERINI S.A.									**0,00**
	TOTAL	**0,00**	**39.022,83**	**0,00**	**2.616.412,27**	**831.509,82**	**0,00**		**0,00**	**3.486.944,92**

RECEIVABLE 31/12/2013

31/12/2013		APOSTOLI S.A.	PRESS SHOP AT INTER. AIRPORT S.A.	E-ONE S.A.	EUROPE S.A.	KATHIMERINI, POLITIKI, OIKONOMIKI EFIMERIDA EKDOSH LTD	SUI GENERIS PUBLICATIONS S.A.	HOUSE OF WINE S.A.	ARGOS-EUROPE LTD	TOTAL
LIABILITY	KATHIMERINES EKDOSEIS S.A.	26.000,00			344.704,75	161.150,00				**531.854,75**
	KATHIMERINI S.A.									**0,00**
	EXPLORER S.A.									**0,00**
	INTERNATIONAL HERALD TRIBUNE - KATHIMERINI S.A.				13.660,19					**13.660,19**
	TOTAL	**26.000,00**	**0,00**	**0,00**	**358.364,94**	**161.150,00**	**0,00**	**0,00**	**0,00**	**545.514,94**

KATHIMERINI S.A. PUBLICATIONS – MASS MEDIA

VENDING / PURCHASES WITH ASSOCIATES

BUYER 1/1 - 31/12/2014

VENDOR 1/1 - 31/12/2014	APOSTOLI S.A.	PRESS SHOP AT INTER. AIRPORT S.A.	E-ONE S.A.	EUROPE S.A.	KATHIMERINI, POLITIKI, OIKONOMIKI EFIMERIDA EKDOSH LTD	SUI GENERIS PUBLICATIONS S.A.	HOUSE OF WINE S.A.	ARGOS-EUROPE LTD	TOTAL
KATHIMERINES EKDOSEIS S.A.				22.533,46	358.404,91		2.852,50	43.000,16	**426.791,03**
KATHIMERINI S.A.									**0,00**
EXPLORER S.A.		55.059,24		3.611,19	17.109,08		1.222,23		**77.001,74**
INTERNATIONAL HERALD TRIBUNE - KATHIMERINI S.A.		13.577,97						1.396,50	**14.974,47**
TOTAL	**0,00**	**68.637,21**	**0,00**	**26.144,65**	**375.513,99**	**0,00**	**4.074,73**	**44.396,66**	**518.767,24**

VENDOR 1/1 - 31/12/2014

BUYER 1/1 - 31/12/2014	APOSTOLI S.A.	PRESS SHOP AT INTER. AIRPORT S.A.	E-ONE S.A.	EUROPE S.A.	KATHIMERINI, POLITIKI, OIKONOMIKI EFIMERIDA EKDOSH LTD	SUI GENERIS PUBLICATIONS S.A.	HOUSE OF WINE S.A.	ARGOS-EUROPE LTD	TOTAL
KATHIMERINES EKDOSEIS S.A.				6.012.652,08			6.298,40	21.390,84	**6.040.341,32**
KATHIMERINI S.A.									**0,00**
EXPLORER S.A.				313.379,35					**313.379,35**
INTERNATIONAL HERALD TRIBUNE - KATHIMERINI S.A.				52.874,15					**52.874,15**
TOTAL	**0,00**	**0,00**	**0,00**	**6.378.905,58**	**0,00**	**0,00**	**6.298,40**	**21.390,84**	**6.406.594,82**

VENDING / PURCHASES WITH ASSOCIATES

BUYER 1/1 - 31/12/2013

VENDOR 1/1 - 31/12/2013	APOSTOLI S.A.	PRESS SHOP AT INTER. AIRPORT S.A.	E-ONE S.A.	EUROPE S.A.	KATHIMERINI, POLITIKI, OIKONOMIKI EFIMERIDA EKDOSH LTD	SUI GENERIS PUBLICATIONS S.A.	HOUSE OF WINE S.A.	ARGOS-EUROPE LTD	TOTAL
KATHIMERINES EKDOSEIS S.A.	166,95			110.040,72	130.676,42				**240.884,09**
KATHIMERINI S.A.						1.200,00			**1.200,00**
EXPLORER S.A.		65.733,72		27.031,34	20.645,02				**113.410,08**
INTERNATIONAL HERALD TRIBUNE - KATHIMERINI S.A.									**0,00**
TOTAL	**166,95**	**65.733,72**	**0,00**	**137.072,06**	**151.321,44**	**1.200,00**	**0,00**	**0,00**	**355.494,17**

VENDOR 1/1 - 31/12/2013

BUYER 1/1 - 31/12/2013	APOSTOLI S.A.	PRESS SHOP AT INTER. AIRPORT S.A.	E-ONE S.A.	EUROPE S.A.	KATHIMERINI, POLITIKI, OIKONOMIKI EFIMERIDA EKDOSH LTD	SUI GENERIS PUBLICATIONS S.A.	HOUSE OF WINE S.A.	ARGOS-EUROPE LTD	TOTAL
KATHIMERINES EKDOSEIS S.A.	329.781,04			5.993.451,96					**6.323.233,00**
KATHIMERINI S.A.				765,24		-133,56			**631,68**
EXPLORER S.A.	8.484,74			1.013.470,63					**1.021.955,37**
INTERNATIONAL HERALD TRIBUNE - KATHIMERINI S.A.	61.319,69			11.105,85					**72.425,54**
TOTAL	**399.585,47**	**0,00**	**0,00**	**7.018.793,68**	**0,00**	**-133,56**	**0,00**	**0,00**	**7.418.245,59**

c) Transactions with other related parties:

During the period ended on December 31, 2014 the Group was charged by the company Kyklades Maritime Corporation with the amount of € € 542.707 (2013: € 542.923), representing administration fees for the vessel and with the amount of € 575.531 (2013:€ 486.063) representing a commission of 2.5% on the vessel freight. On December 31, 2014, the amount of € 1.141.672 (2013:€ 690.044) due by the Administrating company represents revenue less payments by the administrative company, made on behalf of the Group.

Directors' fees at the Group and the company level for the current and previous years are analyzed as follows:

	THE GROUP		THE COMPANY	
	1/1 - 31/12/2014	**1/1 - 31/12/2013**	**1/1 - 31/12/2014**	**1/1 - 31/12/2013**
Salaries and other short-term employment benefits	497.926,41	520.126,46	180.318,14	186.700,00
Total	**497.926,41**	**520.126,46**	**180.318,14**	**186.700,00**

9.33 Post-balance sheet events

On 01.21.2015, "**KATHIMERINI S.A. PUBLICATIONS – MASS MEDIA"** acted as a guarantor **("Guarantor A")** in the common bond loan amounting to € 36.000.000 of five (5) years maturity in accordance with Law 3156/2003 (**the "Loan")** issued by its 100% subsidiary company under the title "**KATHIMERINES EKDOSEIS S.A." (the "Issuer")**. Moreover, the loan included as the guarantor 100% subsidiary of KATHIMERINI S.A., the company under the title "**ATE ERGON S.A." ("Guarantor B").**

The loan is divided into Thirty Six Million (36,000,000) registered bonds, of nominal value € One (€ 1) each, at an issue price at par, served in €, and includes one Tranche Bonds issued by the Issuer in two (2) issues included in a unified tranche **(the "Issues").** Under the first Issue **(the "First Issue")** Thirty One Million Nine Hundred Thousand (31,900,000) Bonds were issued, while under the second issue Four Million One Hundred Thousand (4,100,000) Bonds were issued.

In particular, as decided by the Extraordinary General Meeting of the Issuer as of January 21, 2015, in line with as of January 21, 2015 decision of the Board of Directors:

a) the loan was covered by the Banks "NATIONAL BANK OF GREECE S.A.", "ALPHA BANK S.A.", "PIRAEUS BANK S.A." and "EUROBANK ERGASIAS BANK S.A." as primary contractors and Representative of Bondholders and the "NATIONAL BANK OF GREECE S.A." was appointed as payment Plenipotentiary.

(b) the objective of the loan is to refinance the Issuer's existing liabilities, to cover expenses related to this refinancing and to finance the Issuer's general business needs.

c) the bonds of the Loan will be repaid per appropriations in eight (8) consecutive installments according to the following table:

Bonds Serial Numbers		Percentage (%) over total nominal value of issued bonds	Total bonds for repayment	Months from the first bonds issue date	Maturity - Stated repayment day	Total nominal value of repaid bonds
from	to					
1	1.750.000	4,861%	1.750.000	18	First Repayment Date	€ 1.750.000
1.750.001	3.500.000	4,861%	1.750.000	24	Second Repayment Date	€ 1.750.000
3.500.001	5.500.000	5,555%	2.000.000	30	Third Repayment Date	€ 2.000.000
5.500.001	7.500.000	5,555%	2.000.000	36	Fourth Repayment Date	€ 2.000.000
7.500.001	10.000.000	6,944%	2.500.000	42	Fifth Repayment Date	€ 2.500.000
10.000.001	12.500.000	6,944%	2.500.000	48	Sixth Repayment Date	€ 2.500.000
12.500.001	15.500.000	8,333%	3.000.000	54	Seventh Repayment Date	€ 3.000.000
15.500.001	36.000.000	56,944%	20.500.000	60	Final Repayment Date	€ 20.500.000

(d) the Loan is secured inter alia:

(i) under the first mortgage (A ') class lien as at 10.02.2015, in compliance with the provision of Num. 556S / 2015 decision of the district court of Athens, for the secured amount of € Thirty Six Million (€ 36.000.000), plus interest and general expenses, to secure any kind of the Banks assets. That mortgage lien was registered on the following property:

A. The Issuer's real estate property items

I. On a land plot, buildable, with the components, parts, branches, appurtenances and surcharges as well as buildings, including the particular equipment, located outside the city plan in the area "KARELA" or "LISSA" of the agrarian region of the Municipal Community Kropia, the Municipality of Kropia, the Eastern Attica

Prefecture within GIS (GG 899 D / 2004), of an area of 15,347.75 sq.m. on which the industrial building has originally been constricted of an area of 10491.81 square meters, following: a) Num. 769/1998 construction permit, as revised following 132/99 and 739/1999 revisions, b) Num. 843 / 2003 construction permit and c) Num. 1049/2010 construction permit of the Urban Planning Area of Markopoulo. Currently the above industrial building has an area of 11555.10 square meters after successive extensions which have been subject to completion process.

II. On five (5) horizontal real estate items located in Neo Faliro, Piraeus at 25 Ethnarchou Makariou and 1 Kifisou, under the full ownership of the Issuer, acquired by the Guarantor A due to secession of the Publications segment of the latter and its contribution of the Issuer Act Num. 26 041 / 29.12.2011 of Athens notary. Mrs Marianthi Asimakopulou - Zervou.

B. Guarantor A real estate property items

On a land plot of buildable area of 850.77 sqm, Neo Faliro, Piraeus, within the city plan boundaries in Municipality of Neo Faliroo, Municipality of Athens, and as at the date of the current document issue - Municipality of Piraeus, Construction Area 1, at 4 Falireos Street.

C. Guarantor B real estate property items

I. On twenty-four (24) horizontal real estate items located on a land plot of 1908.16 sq.m, with a total construction area of 6384.70 sq.m., in Neo Faliro, Piraeus within the city plan boundaries in Municipality of Neo Faliroo, Municipality of Athens, and as at the date of the current document issue - Municipality of Piraeus, Construction Area 1, at 23 Ethnarchou Makariou and Falireos Street.

II. On one (1) horizontal property item - underground parking space located in Neo Faliro, Piraeus, at 25 Ethnarchou Makariou and 1 Kifisou, established following Num. 16086/11/9/2000 act of Athens notary. Mrs Marianthi Asimakopulou – Zervou, of a surface of 180.92 sq.m.

(ii) under assigning liens of all kinds on assets of the Issuer, the Guarantor A and the Guarantor B versus the insurer arising or potentially arising form the property insurance premiums.

(iii) under assigning liens of all kinds on assets of the Issuer versus NBG Factors following as of June 23rd 2010 Num. 182 assets factoring agreement

(iv) under as at January 21st 2015 agreement relating to the first (A) class lien on the Issuer's trademarks

(v) under as at January 21st 2015 agreement relating to assignment due to pledge of all kinds of assets of the Issuer versus Europe S.A. under as at March 29th 2013 agreement between the Issuer and Europe S.A. on brokering, circulation and distribution of the Issuer's printing editions

(vi) under as at January 21st 2015 agreement according to which the first (A) class lien was assigned on Loan Accounts and the relevant cash assets of the Issuer

(vii) under as at January 21st 2015 agreement according to which the first (A) class lien was assigned on the Issuer's royalties arising from the Domain Name ending .GR.

At the same time, liens securing loans as of December 31st 2014, were removed. In particular:

A. under Num. 598 S / 2015 Decision of the of the District Court of Athens, the mortgage lien amounting to eight million one hundred thousand (8.150.000,00) € plus interest and expenses, regarding the aforementioned property item, owned by the subsidiary "KATHIMERINES EKDOSEIS S.A." located in the area "KARELA - LISSA" of the agrarian region of the Municipal Community Kropia, in favor of the banking Societe Anonyme under the title "Eurobank Ergasias Bank S.A. ", which was recorded under Num. 10722 / S / 2012 decision of the Athens Magistrate Court.

B. under Num. 31 / 2015 Decision of the Piraeus Magistrate Court on lien of one million six hundred and seventy thousand (1.670.000,00) € plus interest and expenses, on a real estate property item of the parent company under the title

“KATHIMERINI S.A. PUBLICATIONS – MASS MEDIA” , i.e. on a land, buildable, with the components, parts, branches, appurtenances and surcharges in general, located as under the property ownership titles in Neo Faliro, within the approved city boundaries, recorded under Num. 1420/2012 decisions of the Piraeus Magistrate Court in favor of the banking company under the title "Eurobank Ergasias Bank S.A.".

The Chairman of BoD	**The Managing Director**	**The Chief Financial Officer**
Aristidis I. Alafouzos	Themistocles A. Alafouzos	Christos. N. Agrafiotis
ID Num. : AE 601829	ID Num.: AZ 638697	ID Num.: Σ 579455
		A’ Class Licence No 18062

E. Financial data and information for the year 1.1.2014 – 31.12.2014

KATHIMERINI S.A.
PUBLICATIONS - MASS MEDIA

GEN.COM.REG.NU. 44356507000 FORMER REG. NO. 18435/06/B/88/26

Ethnarchou Makariou & Dimitriou Falireos 2, 185 47, Neo Faliro

FINANCIAL DATA AND INFORMATION FOR THE PERIOD FROM JANUARY 1, 2014 TO DECEMBER 31, 2014

(Based on CL 2190/1920, Article 135, in respect of entities preparing annual consolidated and non-consolidated financial statements under IAS)

The figures and information presented below, that arise from the financial statements, aim at providing a general overview of the financial position and results of the company KATHIMERINI S.A. Thus, we recommend to readers, before making any investment choice or other transactions with the issuer, to refer to the website address of the issuer where the financial statements and the certified auditor-accountant's report are posted.

COMPANY'S INFORMATION

Regulatory Authority:	Ministry of Development, Directorate of Societes Anonymes and Credit
Company's website:	www.kathimerini.gr
Date of approval of Financial Statement by the Board of Directors:	27 March, 2015
Statutory Auditor:	Athanasia Arabatzi (SOEL Reg.No.: 12 821)
Auditing Company:	GRANT THORNTON S.A. (SOEL Reg.No.:127)
Type of Auditor's Report:	Unqualified opinion

Composition of the Board of Directors

Chairman	Aristidis Alafouzos
Managing Director	Themistocles Alafouzos
Deputy Chairman:	Ioannis Alafouzos
Members:	Alexandros Papachelas
	Martha - Zoe Dertili
	Panagiotis Vourloumis
	Panagiotis (Takis) Athanasopoulos
	Ioannis Kontellis

STATEMENT OF FINANCIAL POSITION (consolidated and non-consolidated) amounts in euro

	THE GROUP		THE COMPANY	
ASSETS	**31.12.2014**	**31.12.2013**	**31.12.2014**	**31.12.2013**
Self-used tangible assets	131.341.364,84	113.690.284,10	4.238.528,98	4.266.289,14
Intangible Assets	2.128.116,56	2.413.944,16	0,00	0,00
Other Non-Current Assets	2.043.751,72	2.186.951,50	59.088.227,38	50.348.265,34
Inventory	5.014.425,51	5.307.979,98	817.477,26	826.772,39
Trade Debtors and Other Receivables	24.232.636,98	27.594.473,87	1.580.891,43	1.083.394,72
Other Current Assets	38.004.058,03	30.007.996,19	4.553.346,78	6.299.357,84
TOTAL ASSETS	**202.764.353,64**	**181.201.629,80**	**70.278.471,83**	**62.824.079,43**
EQUITY & LIABILITIES				
Share Capital	9.180.000,00	10.200.000,00	9.180.000,00	10.200.000,00
Other equity items	56.740.142,01	34.613.597,88	60.192.950,33	50.989.840,96
Total equity of parent owners (a)	65.920.142,01	44.813.597,88	69.372.950,33	61.189.840,96
Minority interest (b)	935.827,82	813.466,55	0,00	0,00
Total equity (c) = (a) + (b)	66.084.314,19	44.000.131,33	69.372.950,33	61.189.840,96
Long-term loan liabilities	48.621.272,58	47.405.992,58	0,00	0,00
Provisions/ Sundry long term liabilities	11.769.900,12	12.273.522,85	7.203,58	5.727,82
Short-term Loan Liabilities	55.869.264,49	54.724.766,03	0,00	0,00
Other short-term liabilities	21.419.802,26	22.797.217,01	898.317,92	1.628.510,65
Total Liabilities (d)	137.680.039,45	137.201.498,47	905.521,50	1.634.238,47
TOTAL EQUITY AND LIABILITIES (c) + (d)	**202.764.353,64**	**181.201.629,80**	**70.278.471,83**	**62.824.079,43**

STATEMENT OF COMPREHENSIVE INCOME (consolidated and non-consolidated) amounts in euro

	THE GROUP		THE COMPANY	
	1.1 - 31.12.2014	**1.1 - 31.12.2013**	**1.1 - 31.12.2014**	**1.1 - 31.12.2013**
Turnover	66.205.579,43	62.737.553,80	9.719,23	76.566,24
Gross profit/ (loss)	17.710.225,08	10.211.171,34	-120.774,15	-3.437.535,21
EBIT	632.726,22	-7.594.572,52	-786.730,59	-4.109.562,30
Profit/(loss) Before Tax	6.397.019,97	-15.169.859,38	-450.289,03	-3.992.381,72
Profit/(loss) after tax (A)	**5.866.681,90**	**-15.494.716,11**	**-649.893,23**	**-4.175.880,32**
- Owners of the parent	5.889.667,06	-15.526.902,17	-	-
-Non controlling interest	-22.985,16	32.186,06	-	-
Other comprehensive income after tax (B)	**6.458.084,89**	**1.401.347,51**	**518,60**	**3.106.440,50**
Total comprehensive income after tax (A)+(B)	**12.324.766,79**	**-14.093.368,60**	**-649.374,63**	**-1.069.439,82**
- Owners of the parent	12.347.126,08	-14.125.279,11	-	-
-Non controlling interest	-22.361,27	31.910,51	-	-
Earnings after taxes per share - basic (in €)	0,2409	-0,6350	-0,0266	-0,1708
EBITDA	**5.680.499,00**	**-2.637.327,16**	**-758.886,43**	**-4.081.802,13**

STATEMENT OF CASH FLOWS (consolidated and non-consolidated) amounts in euro

Indirect method

	THE GROUP		THE COMPANY	
	1.1 - 31.12.2014	**1.1 - 31.12.2013**	**1.1 - 31.12.2014**	**1.1 - 31.12.2013**
Cash Flows from Operating Activities				
Profit/(loss) before tax	6.397.019,97	-15.169.859,38	-450.289,03	-3.992.381,72
Plus/less adjustments for:				
Depreciation	5.047.772,78	4.957.245,36	27.844,16	27.760,17
Provisions	1.333.867,26	4.865.437,75	156.609,29	3.306.494,10
Currency differences	2.320,31	249,95	0,00	0,00
Results (income, expenses, profit & losses) of investing activities	-10.629.979,39	2.732.694,36	-337.465,69	-119.064,75
Debit interest and similar expenses	4.865.685,64	4.841.893,76	1.024,13	1.185,43
Plus/less adjustments for working capital changes or				
related to operating activities				
Decrease /(increase) in inventory	273.939,76	-7.345,75	9.295,13	157.291,92
Decrease/(increase) in receivables	1.003.453,31	-1.278.219,12	121.866,91	300.509,62
(Decrease)/Increase in short-term liabilities (Except banks)	-2.509.396,58	-3.918.946,01	-621.399,77	-565.414,07
Less:				
Interest Payable and Related charges paid	-4.766.641,13	-4.493.772,15	-823,66	-1.185,43
Income tax paid	-108.792,96	-159.122,50	-108.792,96	-135.991,48
Total inflows/(outflows) from operating activities (a)	**909.248,97**	**-7.629.743,73**	**-1.202.131,49**	**-1.020.796,21**
Cash Flows from Investing Activities				
Acquisition of subsidiaries & related companies, joint ventures and other investments	0,00	0,00	-8.976.404,00	0,00
Acquisition of tangible and intangible fixed assets	-1.684.640,29	-687.210,38	-84,00	0,00
Proceeds from disposal of investments and tangible assets	1.221.050,01	1.061.067,67	1.200.000,00	880.942,85
Increase / Decrease in Blocked Deposits	-726.572,00	-3.244.308,00	0,00	0,00
Acquisition/Disposal of financial assets at fair value through profit and loss	75.080,22	0,00	75.080,22	0,00
Interest received	882.455,80	1.021.248,84	104.747,87	119.064,75
Total inflows/(outflows) from investing activities (b)	**-232.626,26**	**-1.849.201,87**	**-7.596.659,91**	**1.000.007,60**
Cash Flows from Financing Activities				
Proceeds from Share Capital Increase	8.683.318,89	0,00	8.782.059,33	0,00
Proceeds from issued/undertaken loans	2.000.000,00	1.182.176,65	0,00	0,00
Increase / decrease in long-term liabilities	0,00	5.073.113,58	0,00	0,00
Repayment of loans	-6.054.359,83	0,00	0,00	0,00
Repayment of liabilities from finance leases Past due)	-24.337,14	0,00	0,00	0,00
Total inflows/(outflows) from financing activities (c)	**4.604.621,92**	**6.255.290,23**	**8.782.059,33**	**0,00**
Net increase / (decrease) in cash and cash equivalents for the period (a) + (b) + (c)	**5.281.244,63**	**-3.223.655,37**	**-16.732,07**	**-20.788,61**
Cash and cash equivalents at start-of-period	**6.841.855,59**	**14.988.252,96**	**26.162,56**	**46.951,17**
Effects of currency difference on cash equivalents	1.150.860,00	-4.922.742,00	0,00	0,00
Cash and cash equivalents at end-of-period	**13.273.960,22**	**6.841.855,59**	**9.430,49**	**26.162,56**

STATEMENT OF CHANGES IN EQUITY (consolidated and non-consolidated) amounts in euro

	THE GROUP		THE COMPANY	
	31.12.2014	**31.12.2013**	**31.12.2014**	**31.12.2013**
Opening total equity (01.01.2014 and 01.01.2013 respectively)	44.000.131,33	58.093.499,93	61.189.840,96	62.259.280,78
Offsetting Share Capital Decrease with Prior Periods Losses under Article 4, CL 2190/1920	0,00	0,00	0,00	0,00
Share Capital Increase	8.160.000,00	0,00	8.160.000,00	0,00
Share Premium	816.000,00	0,00	816.000,00	0,00
Share Capital Increase Expenses	-292.681,11	0,00	-193.940,67	0,00
Deferred Tax on Share Capital Increase Expenses	76.097,18	0,00	50.424,67	0,00
Total comprehensive income after taxes	12.324.766,79	-14.093.368,60	-649.374,63	-1.069.439,82
Closing total equity (31.12.2014 and 31.12.2013 respectively)	**66.084.314,19**	**44.000.131,33**	**69.372.950,33**	**61.189.840,96**

ADDITIONAL ITEMS AND INFORMATION

1. The companies of the Group, included in the consolidated financial statements, with their respective locations, the Group participating interest, and method of consolidation in the Consolidated Financial Statements for the year 1.1-31.12.2014, are analytically presented in note 6.5 to the Annual Financial Report.

2. As at 31.12.2014, there are no Parent Company Shares owned either by the parent itself or by its subsidiaries or associates.

3. The tax non-inspected years regarding the parent company and the companies of the Group are analytically presented in Note 9.31 to the Annual Financial Report.

4. The amounts and the nature of total comprehensive income /(expenses) after tax are analysed as follows:

	The Group 31/12/2014	The Group 31/12/2013	The Company 31/12/2014	The Company 31/12/2013
Actuarial gains (losses) from defined benefit plans	100.253,90	4.600,20	700,81	-64,60
Deferred taxes on revaluation of defined employee benefit obligation	-26.066,01	-1.196,04	-182,21	16,80
Deferred taxes on revaluation of defined employee benefit obligation due to change in tax rate	0,00	-30.442,30	0,00	-306,51
Income tax on other comprehensive income items (Settlement of deferred tax liability from reserves)	0,00	3.112.712,65	0,00	3.106.794,81
Foreign Currency Translation Differences in the Financial Statements of the companies operating abroad	6.383.897,00	-1.684.327,00	0,00	0,00
Total comprehensive income after tax	**6.458.084,89**	**1.401.347,51**	**518,60**	**3.106.440,50**

5. There are no litigations or arbitrations or legal and regulatory authorities' decisions that may have a significant impact on the financial position of the Company and the Group.

6. The amount of cumulative provisions formed for the following occasions is presented as follows:

	The Group	The Company
Litigations provisions	289.995,03	277.657,46
Tax non-inspected years	0,00	0,00
Other provisions	0,00	0,00

7. The Accounting Principles adopted under the preparation of these financial statements do not differ from those used under the preparation of financial statements for 2013, adjusted in compliance with the requirements of IFRSs revisions effective from January 1st, 2014 that are analysed in Note 6.2.1 to the Annual report.

8. On March 19, 2014, the subsidiary company "KATHIMERINES EKDOSEIS S.A." proceeded with disposal of shares it held in the company "SUI GENERIS PUBLICATION AE". The effect of the disposal on Equity and Income Statement did not exceed 25%. (Note 6.5 to the Annual Financial Report).

9. Within the current year, the Company impaired its investment in the associate "APOSTOLI S.A." by an amount of € 12.000,00. (Note 9.3 to the Annual Financial Report)

10. As at 31.12.2014, the number of headcount was: the Company 1 (31.12.2013: 1),the Group 464 (31.12.2013: 368).

11. The transactions for the year 1/1-31/12/2014 as well as the balances as at 31.12.2014 with related parties within the meaning of IAS 24 are analysed as follows:

	The Group	The Company
a) Income	518.767,24	222.318,16
b) Expenses	7.524.832,82	409.614,85
c) Receivables	2.169.002,62	5.264.341,11
d) Liabilities	1.525.270,68	50.229,08
e)Transactions & fees of directors and key executives	497.926,41	180.318,14
f) Receivables from directors and key executives	-	-
g) Liabilities to directors and key executives	-	-

12. The loans of the Group shipping companies are secured by first preferred mortgage on the vessels, general assignment of freight and insurance the Managing Company. On the Group's real estate property, there were recorded liens amounting to € 18,42 million (Note 9.30 to the Annual Financial Report)

13. Profit/(loss) per share was calculated based on allocation of gains/(losses) after tax and minority interest over the total weighted number of shares of the parent company.

14. Non-distribution of dividends for the year 2014 is subject to the approval of the General meeting of Shareholders.

15. On 24.03.2014, the subsidiary company ATE ERGON signed additional act in respect of settling open balances of overdraft borrowings and therefore, the company's loans have become long-term with maturity date of 28.2.2019. (Further details are provided in Note 9.14 to the Annual Financial Report).

16. Following as of 9.1.2014 decision of the Extraordinary General meeting of the company's shareholders, it was decided to perform share capital increase by an amount of 8.976.000,00 Euro. The procedures of the Share Capital increase were completed on March 26, 2014 at 100% coverage and the new shares started trading on ASE on March 28, 2014.

17. There are no events constituting discontinued operations under IFRS.

18. On April 10, 2014, the Extraordinary General Meeting of the company "KATHIMERINES EKDOSEIS S.A." decided on the Share Capital increase by an amount of € 8.976.404 Performed by the sole shareholder, the parent Company "KATHIMERINI S.A." through issue of 305.840 new common nominal shares of nominal value 29,35 Euro. A period of 30 days as starting from the decision date was defined as deadline for the payment of the Share Capital increase. The Share Capital amounting to € 8.976.404 was deposited on April 11, 2014. (Note 6.5 to the annual Financial Report).

19. On January 21, 2015, the subsidiary of " KATHIMERINI S.A." under the title "KATHIMERINES EKDOSEIS S.A." issued a Common Mortgage Bond Loan, under Law 3156/2003, under coverage agreements, totaling € 36 million. €. The main part of the funds is intended for refinancing the effective bank borrowings. (Note 9.33 to the annual Financial Report).

20. Apart from the aforementioned, there are no other significant events subsequent to December 31th, 2014 that shall be disclosed or result in changes to the amounts of publicized financial statements for the year 1.1 - 31.12.2014.

Neo Faliro, 27 March 2015

THE CHAIRMAN OF THE BOARD OF DIRECTORS	THE MANAGING DIRECTOR	CHIEF FINANCIAL OFFICER
ARISTIDIS I. ALAFOUZOS	**THEMISTOCLES AR. ALAFOUZOS**	**CHRISTOS N. AGRAFIOTIS**
ID no: AE 601829	ID no: AZ 638697	ID no: Σ 579455 A' Class License No 18062

F. Information under Article 10 of Law No 3401/2005

The company published and made available to the public during the fiscal year 2014 the following information under Article 10 of Law No. 3401/2005, as stated in the following table, which is also included in the official websites of both the Athens Stock Exchange www.ase.gr and the Company.

FY 2014

09.01.2014	Announcement on composition of the BoD of «KATHIMERINI S.A.» following the withdrawal of the BoD member, Mr Grigorios Timagenis.
19.02.2014	Announcement on composition of the BoD of «KATHIMERINI S.A.» following the death of the BoD member, Mr Georgios Constantinidis.
19.02.2014	Announcement on distribution price of newly issued shares following the share capital increase of «KATHIMERINI S.A.» under the decision of as at 09.01.2014 Extraordinary General Meeting of the Company Shareholders.
26.03.2014	Announcement on introduction of shares of «KATHIMERINI S.A.» following the share capital increase through cash payment.
26.03.2014	Announcement on full coverage of the share capital increase of «KATHIMERINI S.A.» amounting to 8.976.000 €.
28.03.2014	Announcement on as at March 28, 2014 starting trading of 27.200.000 new common nominal shares of «KATHIMERINI S.A.» arising from the share capital increase.
28.03.2014	Announcement on the following issues: 1) decrease to 1.385.454 of common nominal shares held by Mr Aristidis I. Alafouzos, Chairman of the BoD of «KATHIMERINI S.A.» without decreasing the percentage of voting rights held in the company, standing at 40,74%, 2) After Mr. Aristides Alafouzos exercised preference option in the share capital increase of the aforementioned Company, the percentage of voting rights he directly holds in KATHIMERINI S.A. changed on March 28, 2014 from 40.74% to 45.54%.
28.03.2014	Announcement on the following issues 1) 2,348,840 common nominal shares held by Mr Ioannis Ar. Alafouzos, the Deputy Chairman of the Company Board of Directors, decreased to 469 768 common nominal shares of KATHIMERINI S.A. with voting rights without reducing the percentage 13.82% of voting rights he had in the Company, 2) After Mr. Ioannis Ar. Alafouzos exercised preference option in the share capital increase of the aforementioned Company, he holds 4,725,313 common nominal shares of the Company with voting rights totaling 30,600,000 common nominal shares of the Company (a percentage of 15.44%), 3) Following the above acquisition of shares, the percentage of voting rights held by Mr. Ioannis Ar. Alafouzos exceeded the limit of 15%.
28.03.2014	Announcement on Economic Calendar 2014.
31.03.2014	Announcement on the following issues 1) 3,674,596 common nominal shares of KATHIMERINI S.A. held by Mr Themistocles A. Alafouzos, the Chief Executive Officer of KATHIMERINI S.A. decreased to 734,919 common nominal shares without reducing the percentage 21,61 % of voting rights he had in the Company, 2) After Mr. Mr Themistocles A. Alafouzos exercised preference option in the share capital increase of the aforementioned Company, he holds 7,392,421 common nominal shares of KATHIMERINI S.A. with voting rights totaling 30,600,000 common nominal shares of the Company (new voting rights percentage 24,16 %.)
03.04.2014	Announcement on the fact that the indirect shareholding in

	KATHIMERINI S.A. held by the FINANCIAL STABILITY FUND ("FSF") , which stood at 5.16% decreased to 4,73% through controlling 1,447,601 common nominal shares with voting rights.
29.05.2014	Announcement on the date of Publication of Financial Statements for the first quarter 2014.
03.06.2014	Amendment to Economic Calendar 2014.
27.06.2014	Announcement on the fact that the 25th Annual Regular General Meeting of the company KATHIMERINI S.A. held on 25.06.2014 at 10.00, elected the new Board of Directors consisting of eight members.
28.08.2014	Announcement on the publication of the financial statements of KATHIMERINI S.A., six-month Financial Report and Items and Information for the period 01.01.2014 – 30.06.2014, of the parent company and the Group as at August 29th 2014.
26.11.2014	Announcement on the publication of the financial statements of KATHIMERINI S.A. for the period 01.01.2014 - 30.09.2014 and Items and Information for the period 01.01.2014 -30.09.2014 on Thursday, November 27th 2014.

G. Website. Posting the Financial Reporting Information

The Company website www.kathimerini.gr hosts the annual financial statements, independent auditor's reports and the companies' Board of Directors reports attached to the Company consolidated financial statements.