



**INTERIM FINANCIAL STATEMENTS**  
FOR THE PERIOD 1 JANUARY TILL 30 SEPTEMBER 2008

INVESTMENT TRUST

HCMC License No: 5/192/6.6.2000 Company's No in the register of Societes Anonymes.:

46671/06/B/00/75

HEADQUARTERS: 5-7, Xenias Str., 145 62 Kifissia, Tel. +30 210 62 89 100 Fax: +30 210 80 89 595

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**I. BALANCE SHEET for the period 01/01-30/09/2008 (amounts in euro)**

<b><u>ASSETS</u></b>	<b>Appendix Note</b>	<b>30/09/2008</b>	<b>31/12/2007</b>
Tangible Assets	(1)	0.18	0.18
Investments and other long-term receivables	(2)	940.10	940.10
<b>Total fixed assets (a)</b>		<b>940.28</b>	<b>940.28</b>
Debtors receivables	(3)	202,966.80	430,265.07
Other receivables	(4)	242,439.65	123,877.51
Short-term investments	(5)	48,324,765.39	87,987,241.87
Committed Guaranteed Short-term investments	(6)	5,468,164.65	9,928,579.93
Cash in hand	(7)	16,580,237.56	16,153,511.34
<b>Total current assets (b)</b>		<b>70,818,574.05</b>	<b>114,623,475.72</b>
<b>TOTAL ASSETS (a) + (b)</b>		<b>70,819,514.33</b>	<b>114,624,416.00</b>
<b><u>LIABILITIES &amp; SHAREHOLDERS EQUITY</u></b>			
Creditors	(8)	989,000.00	480,504.69
Liabilities for Taxes and Contributions		100,341.00	282,446.93
Dividends payable		111,498.09	82,573.78
Short-term Bank Loans	(9)	0.00	5,000,000.00
Other current liabilities	(10)	48,719.21	1,340,597.31
<b>Total short-term liabilities (a)</b>		<b>1,249,558.30</b>	<b>7,186,122.71</b>
Long-term Bank Loans		0.00	0.00
Other long-term liabilities	(11)	15,365.00	12,292.00
<b>Total long-term liabilities (b)</b>		<b>15,365.00</b>	<b>12,292.00</b>
Share capital (28,204,690 shares € 2.44)		68,819,443.60	68,819,443.60
Share premium		568,598.68	568,598.68
Merger premium		1,146.56	1,146.56
Reserves	(12)	5,299,814.58	4,591,070.06
Results carried forward	(13)	26,819,034.99	22,560,239.43
Net results of the period		-31,067,386.19	11,372,636.80
Profit from the sale of own shares		383,911.09	383,911.09
Own share (items 457,622)		-1,269,972.28	-871,044.93
<b>Owner's Equity (c)</b>		<b>69,554,591.03</b>	<b>107,426,001.29</b>
<b>TOTAL LIABILITIES &amp; SHAREHOLDERS EQUITY (a) + (b) + (c)</b>		<b>70,819,514.33</b>	<b>114,624,416.00</b>

**II. INCOME STATEMENT for the period 01/01-30/09/2008 (amounts in euro)**

	Appendix Note	01.01.2008- 30.09.2008	01.01.2007- 30.09.2007
Fund management gross income	(14)	-28.776,370.29	20,064,742.05
Less: Fund management cost		1,072,796.62	4,205,855.42
<b>Gross profit (loss)</b>		<b>-29,849,166.91</b>	<b>15,858,886.63</b>
Other income - expenses	(15)	-204,882.01	-56,383.67
Less: Administrative expenses		682,328.05	420,476.67
<b>Profit / (loss) before tax</b>		<b>-30,736,376.97</b>	<b>15,382,026.29</b>
Income tax (L.3522/06)		-331,009.22	-412,388.04
<b>Profit / (loss) after tax</b>		<b>-31,067,386.19</b>	<b>14,969,641.25</b>
<b>Weighted Average number of shares</b>		<b>27,840.391</b>	<b>28,101,463</b>
<b>Earnings after tax per share – basic (σ€ €)</b>		<b>-1.116</b>	<b>0.533</b>
		<b>1.07.2008- 30.09.2008</b>	<b>1.07.2007- 30.09.2007</b>
Fund management gross income		-8,094,924.95	-187,983.97
Less: Fund management cost		294,742.29	248,154.83
<b>Gross profit</b>		<b>-8,389,667.24</b>	<b>-436,138.80</b>
Other income - expenses		-1,545.71	-6,921.61
Less: Administrative expenses		124,726.55	127,026.17
<b>Profit before tax</b>		<b>-8,515,939.50</b>	<b>-570,086.58</b>
Income tax (L.3522/06)		-100,341.00	-139,154.50
<b>Profit after tax</b>		<b>-8,616,280.50</b>	<b>-709,241.08</b>
<b>Weighted Average number of shares</b>		<b>27,779,090</b>	<b>28,021,564</b>
<b>Earnings after tax per share – basic (σ€ €)</b>		<b>-0.310</b>	<b>-0.025</b>

**III.STATEMENT OF CHANGES IN EQUITY for the period 01/01-30/09/2008 (amounts in euro)**

	Share Capital	Share premium reserve	Law Reserve	Other Reserves	Own Shares	Own Shares Results	Results carried forward	Total
Balance on 01/01/2007	68,819,443.60	568,598.68	798,043.64	2,864,155.08	-44,022.27	383,911.09	28,279,508.38	101,669,638.20
Purchase of own shares					-574,574.85			-574,574.85
Results for the period from 1/1-30/09/2007							14,969,638.25	14,969,638.25
Dividend payable for the year 2006							-7,833,504.75	-7,833,504.75
Law Reserve (Earnings Distribution 2006)			930,017.90				-930,017.90	0.00
Results from the sale of own shares								0.00
Balance on 30/09/2007	68,819,443.60	568,598.68	1,728,061.54	2,864,155.08	-618,597.12	383,911.09	34,485,623.98	108,231,196.85
Balance on 01/01/2008	68,819,443.60	568,598.68	1,728,061.54	2,864,155.08	-871,044.93	383,911.09	33,932,876.23	107,426,001.29
Purchase of own shares					-398,927.35			-398,927.35
Results for the period from 01/01 - 30/09/2008							-31,067,386.19	-31,067,386.19
Dividend payable for the year 2007							-4,182,565.20	-4,182,565.20
Dividend payable for previous years							-2,222,531.52	-2,222,531.52
Law Reserve (Earnings Distribution 2007)			708,744.52				-708,744.52	0.00
Results from the sale of own shares								0.00
Balance on 30/09/2008	68,819,443.60	568,598.68	2,436,806.06	2,864,155.08	-1,269,972.28	383,911.09	-4,248,351.20	69,554,591.03

**IV. CASH FLOW STATEMENT for the period 01/01-30/09/2008 (amounts in euro)**

	01/01-30/09/2008	01/01-30/09/2007
<b><u>Operating activities</u></b>		
Proceeds from debtors	-28,872,516.17	19,368,558.76
Payments to suppliers, employees, etc.	41,820,348.36	-4,463,407.72
Payments (proceeds from returns of) taxes	-503,168.55	-428,818.42
Taxation paid	-42,837.66	0.00
<b>Total inflows/ outflows from operating activities (a)</b>	<b>12,401,825.98</b>	<b>14,476,332.62</b>
<b><u>Investing activities</u></b>		
Payments for the purchase of tangible and intangible assets	0.00	0.00
Proceeds from the sale of tangible and intangible assets	0.00	0.00
Proceeds (payments) from the sale (purchase) of subsidiaries, affiliated companies, joint-ventures, etc.	0.00	0.00
Proceeds (payments) from sale (purchase) of investment papers (shares, securities)	0.00	0.00
Interest received	0.00	0.00
Dividends received	0.00	0.00
<b>Total inflows /(outflows) from investing activities (b)</b>	<b>0.00</b>	<b>0.00</b>
<b><u>Financing activities</u></b>		
Proceeds from share capital increase	0.00	0.00
Purchases/Sales of Own shares	-398,927.35	-574,574.85
Results from the purchases/sales of Own shares	0.00	0
Proceeds from issued loans	-5,000,000.00	0
Payments of loans	0.00	0
Payments from liabilities from financial leases (capital installments)		0
BoD payments from earnings of the year	-200,000.00	-242,000.00
Dividends paid	-6,376,172.41	-7,813,508.31
<b>Total inflows/ (outflows) from financing activities (c)</b>		<b>-8,388,083.16</b>
<b>Net increase (decrease) in cash and cash equivalents for the year</b>	<b>426,726.22</b>	<b>6,088,249.46</b>
<b>Cash &amp; cash equivalents in the beginning of the year</b>	<b>16,153,511.34</b>	<b>6,914,027.85</b>
<b>Cash &amp; cash equivalents at the end of the year</b>	<b>16,580,237.56</b>	<b>13,002,277.31</b>

## V. APPENDIX to the Financial Statements for the period 01/01-30/09/2008

### 1. General Information

#### Company Data

**Corporate name:** «ALPHA TRUST – ANDROMEDA S.A. CLOSED-END INVESTMENT FUND» with the distinctive title «ALPHA TRUST – ANDROMEDA S.A. », as defined by article 1 of the company's statutes.

**Establishment:** The company's statutes were compiled by the notary Mr. Evangelos Drakopoulos, under the act No 3353/21.6.2000 and the corrective act No 3396/24.7.2000 and was approved by the decision No K2-8479/25-7-2000 of the Ministry of Development (National Gazette issue No 7173/31-7-20000). The operation license was granted with the decision No 5/192/6-6-2000 of the Hellenic Capital Market Commission.

The company is governed by the stipulations of the article 27-40 of L.3371/2005 «Law on Closed-End Investment Funds » and by L. 2190/1920 « Law on Societes Anonymes ».

As a closed-end fund, the Company is also governed by the Code of Ethics for Mutual Funds and Closed-end Funds (decision No.132/2/19.5.1998 of the HCMC).

**Headquarters:** Municipality of Kifissia, and in particular, 5-7, Xenias & Charilaou Trikoupi Str. in offices subletted by «ALPHA TRUST Investment Services S.A.»

**Duration:** The duration of the company is set at 50 years since its establishment, as provided for in article 4 of its statutes. The duration of the company can be prolonged by decisions of the Shareholders Meeting, which are made according to the provisions of articles 27 par. 3 & 4 and 28 par. 2 of its statutes.

**Scope of the company:** The scope of the company, as defined in article 3 of its statutes, is the exclusive management of financial assets The Company may cooperate with and/ or participate in any related company with any form of participation according to the above-mentioned scope.

**Share Capital:** The company's share capital amounts to € 68.819.443.60, divided to 28.204.690 shares of a nominal value of 2.44 euro each and is deposited in full.

**Shares:** The Company's shares are nominal and are negotiated in the Athens Stock Exchange as of 19/12/2001.

**Currency:** The presentation currency of the company is the euro and therefore the financial statements are presented in euro.

**Company management:** According to its statutes, the Company is managed by the Board of Directors, which consists of 5 to 11 members. The current composition of its Board of Directors according to the decision of the Extraordinary General Meeting as of 24/08/2005, numbers seven members and is as follows:

- a) Nikolaos Kyriazis, President-Executive Member
- b) Michael Hatzidakis, Vice-President-Executive Member
- c) Konstantinos Tzinieris, Managing Director-Executive Member

- d) Anastassia Dimitrakopoulou, Non-Executive Member
- e) Nikolaos Karageorgiou, Independent, Non-Executive Member
- f) Sotirios Chryssafis, Independent, Non-Executive Member
- g) Alexander Zagoreos, Independent, Non-Executive Member

### **Approval and availability of the Financial Statements**

The management of the company that is responsible for the preparation of financial statements has adopted the following accounting principles:

1. The annual financial statements and the interim financial statements of the have been prepared in accordance with the International Financial Reporting Standards adopted by the European Union.
2. Assessment of assets and events which are recorded in the financial statements when required in order for the financial statements to fully and precisely reflect the financial standing of the company.
3. Preparation of the Financial Statements according to the going concern basis.

The financial statements regard the period from January 1, 2007 to 30 September 2008, have been prepared according to the I.A.S. and I.F.R.S. The financial statements were approved by the Company's Board of Directors as of October 20, 2008 and have been published by posting them on the internet in the address [www.alphatrust.gr/andromeda.htm](http://www.alphatrust.gr/andromeda.htm).

The management of the company is responsible for the preparation of the financial statements.

### **2. Accounting methods used for important transactions and events**

The management of the company that is responsible for the preparation of financial statements has adopted the following accounting principles:

1. The final and the interim financial statements of the Company have been prepared in accordance with the International Financial Reporting Standards adopted by the European Union.
2. Assessment of assets and events which are recorded in the financial statements when required in order for the financial statements to fully and precisely reflect the financial standing of the company.
3. Preparation of the Financial Statements according to the going concern basis.

### **Financial instruments**

The main financial instruments of the Company are Cash, short-term investments and short-term receivables and liabilities. All financial instruments are valued at their fair value with recognition of changes in the Income Statement.

More specifically, for the Short-term investments (portfolio) the management of the Company characterizes them as “held for commercial purposes”. In this case, the initial recognition is made at the fair value, without the transaction expenses and then it is again valued at fair value through the Income Statement, as provided for in IAS 39.

As for the other Financial Instruments concerning liabilities or receivables the management of the Company, taking into account their short-term nature considers that their fair value is equal to the value in which they are reflected in the Company’s accounting books.

All terms and conditions regarding the short term investments are shown at a dedicated part of the financial statements and are also analyzed in the Notes.

### **Foreign currency translation**

Foreign currency transactions are translated into Euros using the fixing exchange rates of the official list of the European Central Bank prevailing at the dates of the transactions. On the date of presentation of the financial statements, the financial assets presented in foreign currencies are translated into euros at the rates of exchange prevailing on that date. Exchange differences arising from the conversion are recorded in the Income Statement.

### **Financial risks**

#### **a) Market risk**

Market risk regards the possibility of loss due to the change of the shares’ market prices.

In order to limit the risks, the Company chooses the companies in which it invests according to qualitative and quantitative criteria. The Company does not invest over 10% of its Shareholders Equity in securities of the same issuer.

#### **b) Foreign exchange risk**

The impacts of the change in the rates of several currencies, in which the Company has invested in securities, do not influence substantially the Company’s results.

#### **c) Interest rate risk**

The interest rate risk results from changes in the interest rate markets.

This risk is almost null for our Company, since the financial assets do not depend to a great extent on the interest rates.

#### **d) Liquidity risk**

Liquidity risk is the risk of not being able to fulfill the financial liabilities when they are due, because of lack of the necessitated liquidity.

This risk does not exist for our Company, due to the non-existence of liabilities and to the high cash reserves.

**e) Credit risk**

Credit risk regards cases of infringement of the obligation of contracting parties to fulfill their liabilities. The main contractors of the Company are the brokers, with which the credit risk becomes nil, because their liabilities are automatically settled through the settlement system.

All risks mentioned above are precisely calculated by the Company, using the appropriate systems, covering the total range of obligations which derives from the implementation of the decision No. 3/378/14-4-2006 of the Board of Directors of the Capital Market Commission.

**Market risks – sensitivity analysis**

The Company uses portfolio risk monitoring systems, which correspond to the risk profile of its portfolio, so that to ensure that all the primary risks are measured accurately, such as, indicatively, market risk, credit risk, counter-party risk, and liquidity risk.

**1) Market Risk:** in order to calculate the market risk of the portfolio assets, the Value-at-Risk approach is followed, using the Monte Carlo Simulation calculation methodology on the portfolio and on the benchmark index on a daily level. The programme used is *FundManager* by Rizklab Company. For this purpose the following parameters are selected:

- ✓ confidence interval of ninety-nine percent (99%),
- ✓ volatilities of portfolio assets for a twelve (12) month period from the calculation date, if these are available,
- ✓ correlations between portfolio assets for a twelve (12) month period from the calculation date, if these are available,
- ✓ investment horizon of one (1) day
- ✓ number of iterations (simulation) scenarios equal to 10,000 (from a range of 1,000 to 1,000,000, 10,000 iterations is considered adequate).

The portfolio's tracking error is also measured, i.e. the fluctuation of the portfolio's active returns from the benchmark (difference between the portfolio returns and the benchmark returns).

The market risk of the portfolio and the benchmark index for the **third quarter of 2008** is at the following table:

	<b>Average Price</b>	<b>High Price</b>	<b>Lowest Price</b>
Daily change % of Portfolio	-0.168%	2.609%	-2.096%
Value-at-Risk Portfolio	-1.370%	-1.477%	-1.280%
Fluctuation of Portfolio	11.406%	12.179%	10.615%
Value-at-Risk Benchmark	-1.650%	-1.837%	-1.454%
Fluctuation of Benchmark	13.821%	15.223%	12.207%
Tracking Error	7.942%	8.742%	6.705%

It is noted that the above mentioned market risk measurement methodology not only includes the sensitivity of the portfolio's returns to the primary market risks (shares, interest rate, exchange) to

which the portfolio is exposed, but also the correlations between them. Therefore, it is considered to offer a better and more realistic evaluation of the overall market risk of the portfolio.

Alternatively, the portfolio sensitivity coefficient is assessed in terms of the major market risk factors. Due to the extensive diversification of the portfolio (investment class – geographic allocation), apart from the benchmark, portfolio beta coefficients are also calculated with the ATHEX general index, the MSCI Europe Index and the MSCI World Index, as well as the major exchange rates – based on the portfolio composition throughout the nine month period. To calculate the beta coefficient, the simple linear regression method was used on daily change observations for the nine month period of 2008.

Share Risk	Beta Coefficient	Currency Risk	Beta Coefficient
<b>Benchmark</b>	0.6592	EURUSD Exchange	0.0405
<b>ASE General Index</b>	0.3139	EURGBP Exchange	-0.0230
MSCI Europe	0.3072	EURCHF Exchange	0.7725
MSCI World	0.2695	EURTRY Exchange	-0.3026

In analyzing the above quantities, the portfolio's sensitivity to changes in the ASE General Index is **0.3139**, meaning that when the ASE General Index increases by 10%, the value of the portfolio increases by **3.139%**. The negative "beta" coefficient, as in the Euro – British Pound Exchange (-**0.0230**), underscores the reverse nature of the relation between the portfolio's returns and the changes in currency exchange.

In regards to the fixed income securities, the sensitivity of bond prices during a marginal change in the interest rate level is estimated via the size of the duration. The snapshot of the portfolio as of **30.09.2008** is the following:

ID_ISIN	Name of Security	Type of Security	Value €	Participation %	Duration	Value of Duration €
CY0140740115	BANK OF CYPRUS LTD	Bond	490,000.00	0.692%	6.972	3,416,280.00
DE000A0D1KX0	UBS PREFERRED FUNDING	Bond	311,049.50	0.439%	4.651	1,446,691.22
GR0000070707	HELLENIC T-BILL	Bond	989,000.00	1.397%	0.199	196,811.00
XS0160850227	BNP PARIBAS CAP TRST VI	Bond	435,609.00	0.615%	0.209	91,042.28
XS0179207583	SG CAPITAL TRUST III	Bond	389,198.00	0.550%	0.200	77,839.60
XS0230577941	GPB EUROBOND (GAZPROMBK)	Bond	196,242.75	0.277%	3.280	643,676.22
XS0099509316	LLOYDS TSB BANK PLC	Floating Rate Note	466,200.00	0.659%	0.177	82,517.40
XS0159153823	ALPHA GROUP JERSEY LTD	Floating Rate Note	3,548,617.42	5.014%	3.658	12,980,842.52
XS0172122904	NBOG FUNDING LIMITED	Floating Rate Note	2,034,250.00	2.874%	0.200	406,850.00
XS0197924557	EMPORIKI GROUP FINANCE	Floating Rate Note	1,485,070.50	2.098%	0.012	17,820.85
XS0204397425	PIRAEUS GROUP CAP LTD	Floating Rate Note	1,065,600.00	1.506%	4.863	5,182,012.80
			<b>11,410,837.17</b>	<b>16.122%</b>		<b>24,542,383.89</b>

**2) Credit Risk:** in order to evaluate credit risk the distribution of the portfolio per credit rating level is used, which is received via Bloomberg and arises from the combination of three credit rating levels, as they are evaluated by the three largest Credit Rating Establishments (S&P, Moody's, Fitch), accepting the most conservative of the three. The snapshot of the portfolio as of **30.09.2008** is the following:

Credit Rating Level	Participation in Portfolio %	Value
A	3.088%	2,185,318.00
AA-	1.274%	901,809.00
BBB	1.783%	1,261,842.75
BBB+	7.888%	5,582,867.42
N/A	2.090%	1,479,000.00
	<b>16.122%</b>	<b>11,410,837.17</b>

a. **Counter-party Risk:** For the measurement of this specific risk the portfolio's net position is calculated daily (debit/credit) regarding each of its counter-parties, documenting the daily claims/liabilities towards them.

b. **Liquidity Risk:** Liquidity risk refers to the liquidity level of an investment position or of part of the portfolio. According to this, for any given composition of the portfolio, the amount that could be possibly liquidated per day is calculated, as well as the required time period for the portfolio's complete liquidity, based on the marketability of its positions (source Bloomberg). For conservative approach purposes, it is considered that it is not possible to liquidate volume of shares exceeding one third of the average daily transactions of the last quarter. Considering the portfolio's composition on **30.09.2008**, the above evaluations were as follows:

Ability to Totally Liquidate Positions (days)	Participation in Portfolio %	Value
1 day	5.536%	3,918,279.92
2 days	2.032%	1,438,400.00
3 days	0.716%	506,439.21
4 days	4.366%	3,089,807.32
30 days	10.095%	7,145,048.83
Over 30 days	28.916%	20,465,473.89
Not available	24.259%	16,244,706.57
	<b>75.920%</b>	<b>52,808,156.04</b>

The remaining **24.08%** of the portfolio is in cash and cash – time deposits and money market mutual funds, which are considered immediately liquefiable.

c. **Stress Tests:** these are applied on the first business day of each month using the portfolio's composition, as it was on the last business day of the previous month, with the use of specific historical scenarios or specific assumptions from dates in which extreme financial developments and price changes were noticed in the markets in which the Company's portfolio is investing. The stress tests offer the Company, as a minimum, the ability to distinguish:

- a) conditions in strategies relating to the investment policy followed, which may show large fluctuations in the Company's portfolio value, and
- b) conditions under which credit risk or counterparty risk is increased.

**Fixed assets**

- Property, plant and equipment

Fixed assets are valued at cost, plus any additions and improvements, less accumulated depreciation and impairment.

All repairs and maintenance are charged to the income statement during the financial period in which they incurred.

Depreciation is charged in the Income Statement using the straight-line depreciation method over the estimated useful life of the fixed assets. The estimated useful life of the assets per category is as follows:

Furniture	5	years
PCs & Electronic systems	3-4	years
Telecommunications equipment	5	years
Other equipment	5	years

There was no need for adjustments on the useful lives of property, plant and equipment mainly due to the non-significance of the accounts.

The Company does not have privately-owned property or plant.

- Intangible Assets

Intangible assets are valued at cost plus any additions or improvements, less accumulated depreciation and impairment.

The Company records to the intangible assets the value of acquisition of software, which it depreciates with rates of 30% (useful life 3.3 years).

### **Short-term Investments in securities**

The main scope of the Closed-end Funds, according to the L. 3371/2005, is the management of transferable securities portfolio.

The Company's cash in hand is invested:

- In shares listed in the main and parallel market of the Stock Exchange of a Member State of the EU.
- In shares listed in another supervised market of a Member State of the EU, given that it operates normally, it is recognized by the proper authorities and it is open to the public.
- In shares listed in the main or parallel market of the Stock Exchange of a Non-Member State of the EU, given that this market operates normally, it is recognized by the proper authorities and it is open to the public.
- In domestic open-end fund shares, in EU open-end fund shares and in other non-EU European open-end fund shares.

- In newly issued shares under the following conditions:
  - a) Their issuance includes the obligation to be listed within one year the latest in stock exchanges and markets as mentioned above
  - b) In case that the newly issued shares regard the increase in the share capital for an initial public offering of a firm, according to the provisions of article 8 of C.L. 2190/1920, the company may sign an agreement with the listing broker of the abovementioned issuance for the participation in the public offering, as long as the above mentioned subparagraph (a) is fulfilled.
- In other shares, up to the amount that does not exceed on the placement day the 1/10 of the company's owner's equity, after receiving a special permit from the Hellenic Capital Market Commission.
- In tangible and intangible assets servicing the direct operating needs of the company, up to the amount of 1/10 of the owner's equity.
- In cash and bank deposits. During the placement of the abovementioned cash in hand the company complies with the conditions and limitations provided for by law for closed-end funds.

The management of the Company characterizes the portfolio, as defined above, as "held for commercial purposes". Securities are presented at fair value without the transaction expenses and are then valued again at fair value through the Income Statement, as provided for in IAS 39.

For the shares listed in stock exchanges the fair value is the current price of the date in which they are presented, while for non-listed shares the fair value is the one defined according to data on the date in which they are presented. For bonds and open-end funds held by the company, the fair value is the published price on the presentation date of the Financial Statement.

#### **Committed Guaranteed Short-term investments**

The Committed Guaranteed Short-term investments are shares of listed companies. As fair value it is considered the current market price as of the date as appears.

#### **Trade and other receivables**

Receivables are presented after the deduction of any amounts considered to be doubtful (non-collectible). Any receivables in foreign currency are recorded based on the value of the foreign currency at the date of the transaction and are presented in the financial statement based on the value of the foreign currency at the presentation date.

#### **Cash**

Cash comprise cash on hand as well as cash equivalents, such as deposits in repos, sight and time short-term deposits in euro and in foreign currency and are presented at their true value. Any cash in foreign currency is valued based on the value of the foreign currency on the presentation date.

### **Own shares**

The acquisition of own shares appears in the net equity at acquisition cost. The result from the sale or purchase of own shares also appears in the net equity.

### **Dividends**

Dividends payable are presented as a liability after their approval from the Shareholders Meeting.

### **Short- term Bank Loans**

They are short term credit lines which are used for working capital requirements. They are accounted for at book value, which is the same as the current market, due to their short term nature.

### **Provisions**

Provisions are recognized when the company has a legal or a presumptive evident obligation as a result of past events and it is more likely that an outflow of resources will be required to settle the obligation.

### **Tax liabilities (current and deferred)**

The Company is taxed according to the provisions of paragraph 4 of article 15 of Law 3522/2006, as in force, and is obliged to pay an annual tax of 10% of the European Central Bank's prime rate (benchmark rate) plus 1% and is applied on the average six month value of the investments plus cash available at spot prices. With the above payment, all tax liabilities for the company and the shareholders are settled and therefore there is no deferred taxation.

### **Income**

The Company's income is broken down to:

(a) Income from purchase or sale of securities: It includes the result arising from the sale of securities, as well as the surplus value or the undervalue resulting from the valuation of the management funds in current values at the date of preparation of the financial statements.

(b) Income from interests: It includes the interests received, as well as the interests which should have been received based on chronological analogy using the real interest rate.

(c) Dividends: Dividends are considered as income when the right for their collection is established at the ex dividend date.

### **Expenses**

Expenses are recorded when they are made. Expenses also include operational leases which are recorded as expenses based on the payments made according to the time of use of the leased item.

### **Related parties**

Based on IAS 24, according to which related party is considered the party that has the ability to control or exercise significant influence on the financial or operating decisions that the company acquire, we mention the following:

- The management of the Company's portfolio according to the decision of the Board of Directors as of 22.01.2007 is assigned, according to the "Portfolio Management Contract", to ALPHA TRUST Securities which performed all transactions during the period 1/01-30/09/2008 based on the investment policy defined under the decision as of 31.12.2002 of the Extraordinary Shareholders Meeting. The duration of this Contract, that approved by the Ordinary Shareholders Meeting as of 06/03/08 according to L. 3371/2005, if not denounced it is automatically renewed for one year at a time with the approve of the Ordinary Shareholders Meeting. The Board of Directors has also appointed an Investment Committee, whose role is exclusively consulting on the investment issues of the Company. For these services fees of ALPHA TRUST is set to 1% annually on the daily current value of the portfolio of "ANDROMEDA", as resulted from the daily investments table, increased by any existing receivables of any kind and decreased by any existing liabilities from securities' purchase. Total annual fee of "ALPHA TRUST" cannot be less than 750,000.00 euro. In case were the succeeded annual return of "ANDROMEDA" is greater than 12-month EURIBOR plus 2%, "ALPHA TRUST" will be eligible to a fee equal to 20% on the succeeded return above the basic one.
- The Company has signed an agreement with ALPHA TRUST Securities in order to borrow an employee, who serves as an internal auditor.
- Lessor of the company's headquarters is ALPHA TRUST Securities.
- The Accounting and Financial Services, as well as the Shareholders Services, with the as of 19.12.05 decision of the Board of Directors, have been assigned, with the as of 20.12.05 "Portfolio Management Contract", to ALPHA TRUST Securities, and are provided according to the relevant contract signed between the two parties, in accordance with the decision as of 20.08.2000 of the Company's Extraordinary Shareholders Meeting. The duration of the contract, that approved by the as of 06/03/07 Ordinary Shareholders Meeting according to the L.3371/2005 is annual and if not denounced, it is automatically renewed for one year at a time. ALPHA TRUST Securities offers the Company additional supportive services for its day-to-day works with no extra charge.
- The Ordinary General Assembly pre-approves the remunerations of the board of Directors.
- Remunerations of Chief Executive Officers are from stipendiary services.
- The members of the Board of Directors declare that they do not participate in the management or the share capital of other companies with percentage over 10%, neither do they exert managerial control. Furthermore, no entrepreneurial relation, deal, accord or transaction exists between the Company and the companies in the share capital and

management of which participate the members of BoD or the main shareholders of the Company, which do not emerge from the frame of their usual activities.

#### **4. New accounting standards and interpretations**

In regards to the effect of the application of the new standards, amendments of standards, and the interpretations that have been issued and are mandatory for the accounting periods that begin during the current financial year or following, the Company's evaluation is stated below.

##### Mandatory standards

##### **IFRS 8 – Operating Segments**

The standard is applicable from 1 January 2009 and it replaces IAS 14, under which sectors were acknowledged and presented based on an analysis of return and risk. According to IFRS 8 the segments constitute the parts of a financial entity that are regularly reviewed by the Managing Director / Board of Directors of the financial entity and are presented in financial statements based on the internal categorization. The Company will apply IFRS 8 as of 1 January 2009.

##### **IAS 1 – Presentation of Financial Statements**

The standard is effective as of 1 January 2009 and pertains to the modification of information required in financial statements. The company will implement the amended IAS 1 in 2009.

##### **Amended IAS 23 – Borrowing costs**

The standard is effective as of 1 January 2009 and pertains to borrowing costs recognition for assets in expenses. The IAS will not affect the company's financial statements.

##### **Amended IAS 27 – Consolidated and Separate Financial Statements and amended IFRS 3 – Business combinations.**

These standards are effective as of 1 July 2009 and pertain to changes to the accounting treatment of the result arising from the merger or consolidation of entities. These standards will not affect the company's financial statements.

##### **Amended IAS 32 – Financial instruments available by the holder**

This standard is effective as of 1 January 2009 and pertains to financial instruments which can be classified as equity when certain criteria are met. This standard does not affect the company's financial statements.

##### Interpretations

**IFRIC 11 – IFRS 2: Group and Treasury Share Transactions**

The interpretation is applicable from 1 March 2007 and clarifies the handling of the situation in which employees of a subsidiary company receiving shares of the parent company. Furthermore it clarifies if certain types of transactions should be accounted as equity settled transactions or cash-settled transactions. The interpretation does not affect the Company's financial statements.

**IFRIC 12 – Service Concession Agreements**

The interpretation will be applicable from 1 January 2008 and it concerns companies that participate in service concession agreements. The interpretation does not affect the Company's financial statements.

**IFRIC 13 – Customer loyalty programmes**

The interpretation is effective as of 1 July 2008 and provides guidance for award programmes from companies to customers. This interpretation does not apply to the company.

**IFRIC 14 - The limit on a defined benefit asset, minimum funding requirements and their interaction**

This interpretation is effective as of 1 January 2008 and pertains to long-term defined benefit programmes to employees. The interpretation does not affect the Company's financial statements.

**5. Disclosures provided for by several I.F.R.S.**

(1) Fixed Assets

Break down of the fixed assets:

TABLE OF CHANGES OF FIXED ASSETS (IN EURO)								
	ACQUISITION COST	ADDITIONS	DISPOSAL	ACQUISITION COST	DEPRECIATION	DEPRECIATION	DECREASE IN DEPRECIATION	NET BOOK VALUE
	31/12/2007	1/1/08-30/09/08	1/1/08-30/09/08	30/09/2008	31/12/2007	1/1/08-30/09/08	1/1/08-30/09/08	30/09/2008
TANGIBLE ASSETS								
FURNITURE AND OTHER EQUIPMENT	100,965.65	0.00	0.00	100,965.65	100,965.47	0.00	0.00	018

(2) Investments and other long-term receivables

It involves a guarantee for the lease of a vehicle.

(3) Receivables from brokers

It regards the sale of securities of the three last days of the period. For the accounts of brokers presenting debit or credit balances, the Company sets off the receivables and the liabilities and depending on the debit or credit balance resulting, it appears respectively in the receivables or debts of the balance sheet.

(4) Other receivables

The "Other receivables" account as of 30.09.2008 is broken down as follows:

	<b>30/09/2008</b>	<b>31/12/2007</b>
Accrued interests of bonds	149,474.90	60,257.97
Accrued interests of time deposits	12,777.94	4,527.79
Dividends to be received	0.00	360.00
Greek State Receivables	46,853.08	46,853.08
Long-term prepaid expenses	0.00	11,188.23
Other debtors	33,333.73	690.44
	<b>242,439.65</b>	<b>123,877.51</b>

All receivables are short-term and there is no doubt that they will be collected.

(5) Short-term investments in securities

The securities account is broken down as follows:

	<b>30/09/2008</b>	<b>31/12/2007</b>
Shares listed in the Athens Stock Exchange	23,474,612.72	61,151,981.95
Shares listed in foreign stock markets	4,614,332.45	15,811,240.36
Shares non-listed in the Athens Stock Exchange	0.01	0.01
Domestic Bonds	989,000.00	0.00
Foreign bonds	10,432,552.83	7,157,504.37
Domestic Open-end funds	974,058.36	650,453.34
Foreign Open-end funds	0.00	1,178,156.81
Securities with repos contract on securities through ADECH	762,308.71	0.00
Other - Foreign funds	7,077,900.31	2,037,905.03
	<b>48,324,765.39</b>	<b>87,987,241.87</b>

(6) Committed short term investments under guarantee

It concerns pledged shares of listed companies in the Athens Exchange which are committed as guarantee against an overdraft facility at General Bank of Greece.

The above amount is analyzed as follows:

	<b>30/09/2008</b>		<b>31/12/2007</b>	
	Shares	Value	Shares	Value
COCA COLA HBC (CB)	65,000	991,001.32	65,000	1,924,000.00
FRIGOGLASS S.A. (CR)	200,000	2,462,843.33	200,000	4,959,999.90
TITAN (PR)	115,500	2,014,320.00	115,500	3,044,580.03
		<b>5,468,164.65</b>		<b>9,928,579.93</b>

A full analysis of the Company's portfolio is included in the investment table as 30/09/2008.

Basic allocation of portfolio:

	<b>30/09/2008</b>
Shares	64%
Bonds	21%
Collective investments	15%
	<b>100%</b>

(7) Cash in hand

Cash in hand as of 30.09.2008 is broken down as follows:

	<b>30/09/2008</b>	<b>31/12/2007</b>
Cash	178.60	290.00
Sight deposits in euro	332,006.77	175,651.21
Sight deposits in foreign currency	515.54	209,965.98
Time deposits in euro	16,247,536.65	15,767,604.15
	<b>16,580,237.56</b>	<b>16,153,511.34</b>

Cash in hand is 22.68% of the total investments.

(8) Liabilities to brokers

It involves liabilities for the purchase of securities in the last three days of the period.

(9) Short-Term Bank Loans

	<b>30/09/2008</b>	<b>31/12/2007</b>
Credit Agreement 114-1132-000 with General Bank	00.00	5,000,000.00

It concerns an open account type of credit facility of euro 30,000,000.00 that the Company has signed with General Bank on 20/12/2007 following the Board of Directors' decision number 174/19-12-2007. In order to secure the balance at 30.09.2008 the Company has pledged at General Bank shares of total value of euro 5,468,164.65. (For a detailed analysis go to aforementioned Note (6) ).

(10) *Other current liabilities*

The other current liabilities as of 30.09.2008 are broken down as follows:

	<b>30/09/2008</b>	<b>31/12/2007</b>
Sundry creditors	25,961.63	1,318,340.68
Liabilities to Social Securities	1,050.61	2,039.98
Other Taxes	6,060.11	0.00
Accrued expenses	13,362.21	17,932.00
Checks payable	2,284.65	2,284.65
	<b>48,719.21</b>	<b>1,340,597.31</b>

(11) *Other long-term liabilities.*

This account involves the provision for retirement benefit obligations.

The retirement benefit obligations amount to euro 15.365,00 for the compensations paid by the company, in accordance with L. 2190/1920, to employees retired. The compensation amounts to 40% of the relevant amount of compensation that would be paid in case of dismissal. There was no need for further adjustment of the accumulated provision based on some actuarial study due to the small number of people employed. The above mentioned provision is included in the long-term liabilities because on 30/09/2009 no right for retirement will be established.

There are no other defined benefit plans.

(12) *Reserves*

Reserves as of 30.09.2008 are broken down as follows:

	<b>30/09/2008</b>	<b>31/12/2007</b>
Legal Reserves	2,436,806.06	1,728,061.54
Special Reserve under L. 1969/91	2,842,632.51	2,842,632.51
Difference from the conversion of share capital into euros	20,376.01	20,376.01
	<b>5,299,814.58</b>	<b>4,591,070.06</b>

(13) *Results carried forward*

Reserves as of 30.09.2008 are broken down as follows:

	<b>30/09/2008</b>	<b>31/12/2007</b>
Results carried forward	26,819,034.99	22,560,239.43
	<b>26,819,034.99</b>	<b>22,560,239.43</b>

Balance transactions during the period were as follows:

Balance as of 31.12.2007	22,560,239.43
<u>Plus: From 2007 results</u>	6,481,327.08
<u>Less: From dividend distribution from previous years earnings</u>	2,222,531.52
Total as of 30.09.2008	<b>26,819,034.99</b>

(14) Gross revenues from portfolio management

Broken down as follows:

	<b>30/09/2008</b>	<b>30/09/2007</b>
Portfolio revenues	2,401,038.12	2,131,400.61
Profit from securities transactions	<u>-31,177,408.41</u>	<u>17,933,341.44</u>
	<b>-28,776,370.29</b>	<b>20,064,742.05</b>

Portfolio revenues include the dividend and interest that are already received as well as the interests that should have been received based on chronological analogy using the real interest rate and are analyzed as follows:

	<b>30/09/2008</b>	<b>30/09/2007</b>
Dividends from securities	1,349,241.34	1,560,656.92
Deposit interests	464,294.88	355,313.64
Bond interests	560,661.90	215,430.05
Interest from stock lending to ADECH	<u>26,840.00</u>	<u>0.00</u>
	<b>2,401,038.12</b>	<b>2,131,400.61</b>

The income from securities transactions are recognized and recorded in the Income Statement and include profits from securities (shares, bonds, mutual funds, results from derivative financial products, etc.) transactions, as well as the results from the valuation of securities at the end of each period (-7,827,707.82 euro) reported in the financial statements of the company.

More specifically, the "Profit from securities transactions" account as of September 30, 2008 is as follows:

	<b>30/09/2008</b>	<b>30/09/2007</b>
Profit from transaction of shares	-3,726,635.25	3,419,623.62
Profit from stock taking due to IFRS	-26,733,805.00	15,545,807.26
Profit from derivatives valuation	-280,943.25	0.00
Profit from mutual fund transactions	-242,074.91	-32,089.44
Loss from bond transactions	<u>-193,950.00</u>	<u>0.00</u>
	<b>-31,177,408.41</b>	<b>17,933,341.44</b>

(15) Other income-expenses

Other income-expenses" as of 30.09.2008 are broken down as follows:

	30/09/2008	30/09/2007
Debit exchange differences	-243,206.61	-70,507.26
Credit exchange differences	38,324.60	14,123.59
	<b>-204,882.01</b>	<b>-56,383.67</b>

### **Transactions with related parties**

Transactions with related parties, for the financial period 01/01/2008-30/09/2008 are as follows:

#### **Presented in the Income Statement**

	30 /09/2008		30/09/2007	
	Portfolio Management Cost	Administrative Expenses	Portfolio Management Cost	Administrative Expenses
ALPHA TRUST Securities				
Fee for portfolio management	777,315.18	0.00	3,779,813.62	0.00
ALPHA TRUST Securities				
Fee for employee borrowing	0.00	43,305.39	0.00	39,817.17
ALPHA TRUST Securities				
Fee for accounts department support	0.00	78,611.40	0.00	39,817.17
ALPHA TRUST Securities				
Fee for risk management	0.00	9,103.50	0.00	9,103.50
ALPHA TRUST Securities				
Fee for leases	0.00	2,700.00	0.00	2,700.00
Board of Directors Remunerations	0.00	285,950.00	0.00	85,950.00
Chief Executive Officer Remunerations	0.00	76,793.69	0.00	72,483.06

#### **Presented in Balance Sheet's accounts**

	30 /09/2008		31/12/2007	
	Liabilities	Provisions	Liabilities	Provisions
ALPHA TRUST Securities	6,916.30	0.00	1,280,618.01	0.00
Board of Directors Remunerations	0.00	0.00	2,737.50	0.00
Managing Director Remunerations	0.00	4,115.61	0.00	0.00

The rewards of the Board of Directors for 2007 amounted to 116,000.00 euro and had been pre-approved by the shareholders ordinary general meeting as of 06/03/2007.

In the rewards of the Chief Executive Officer, employment benefits for the period 01/01/2008-30/09/2008 are included.

### **6. Other information**

The members of the Board of Directors declare that they do not participate in the management or the share capital of other companies with percentage over 10%, neither do they exert managerial control.

The Company has been tax audited through the financial year 2004, the tax audit of the companies that were merged with absorption by the Company is pending. More specifically, Alpha Trust-Orion Close end fund for the financial year 2002 and ALPHA TRUST-ASSET MANAGER FUND Close End Fund for the financial years 2000-2004.

Net Asset Value of Company's share on 30/09/2008 stood at euro 2.51.

During the financial period 2008, the Company distributes to its shareholders dividend from the 2007 profits amount of 4,182,565.20 euro in accordance with its General Assembly decision as of 06/03/2008 and dividend from the past years profits amount of 2,222,531.52 euro in accordance with its General Assembly decision as of 06/03/2008.

The Company, pursuant to the decisions of the Extraordinary Shareholders Meeting dated 11/10/2007 and 12/10/2007, proceeded with the purchase of 457,622 own shares for a total value of euro 1,269,972.28 while pursuant to the decision of the Extraordinary Shareholders Meeting dated 12/10/2007, during the period from October 17 to October 11, 2009, the Company intends to purchase its own shares so as to not exceed, including those already acquired, 10% of the total outstanding shares, at a price range from euro 4.50 maximum to euro 0.01 minimum, in order to reduce the Company's share capital.

Kifissia, October 20, 2008

CHAIRMAN OF THE BOD

MANAGING DIRECTOR

ACCOUNTING MANAGER

NIKOLAOS KYRIAZIS  
ID No Π 641452

KONSTANTINOS TZINIERIS  
ID No Ξ 363899

NIKOLAOS TZANETOS  
LICENSE NUMBER A/20006