Effectiveness

of

the Investor Relations

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President HIRI

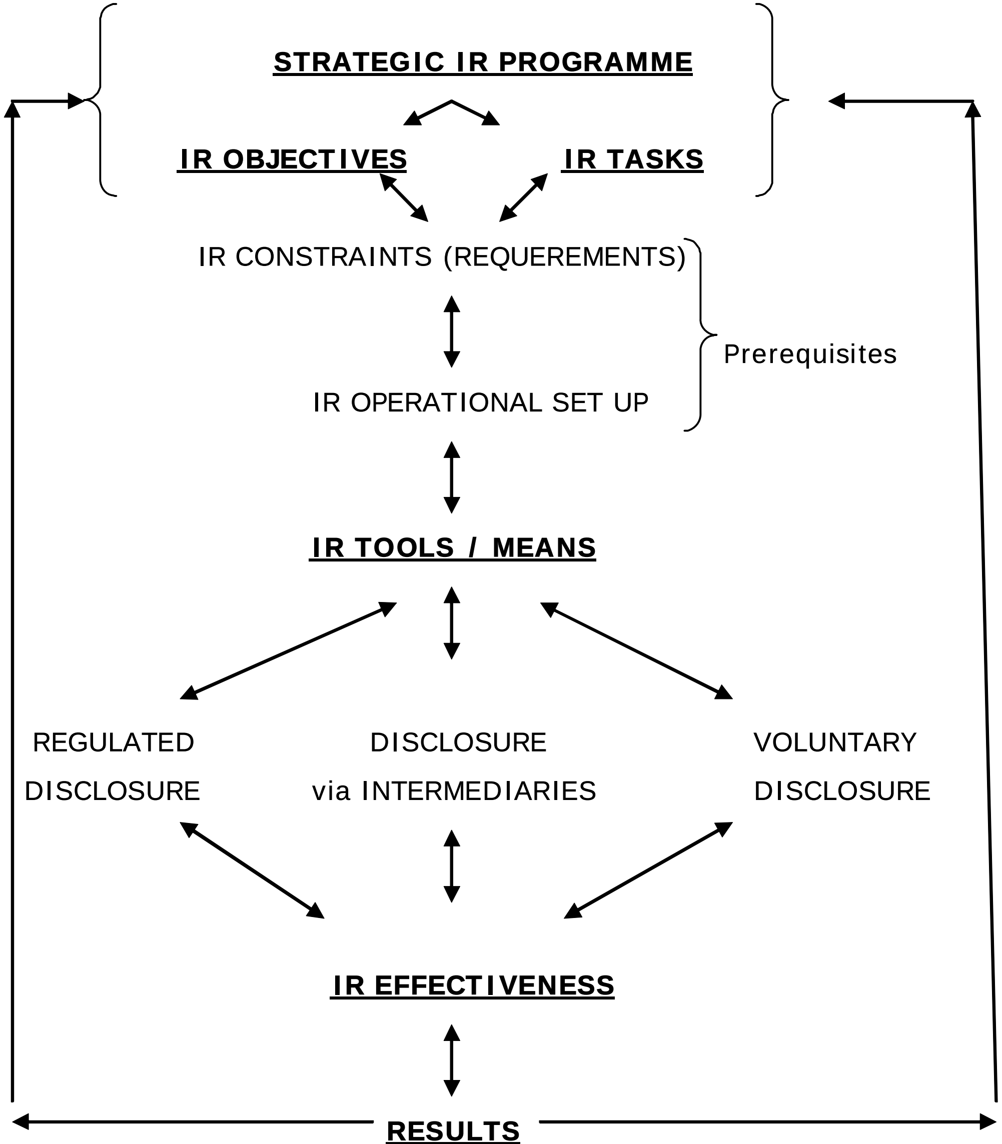

Figure 1: The IR Framework

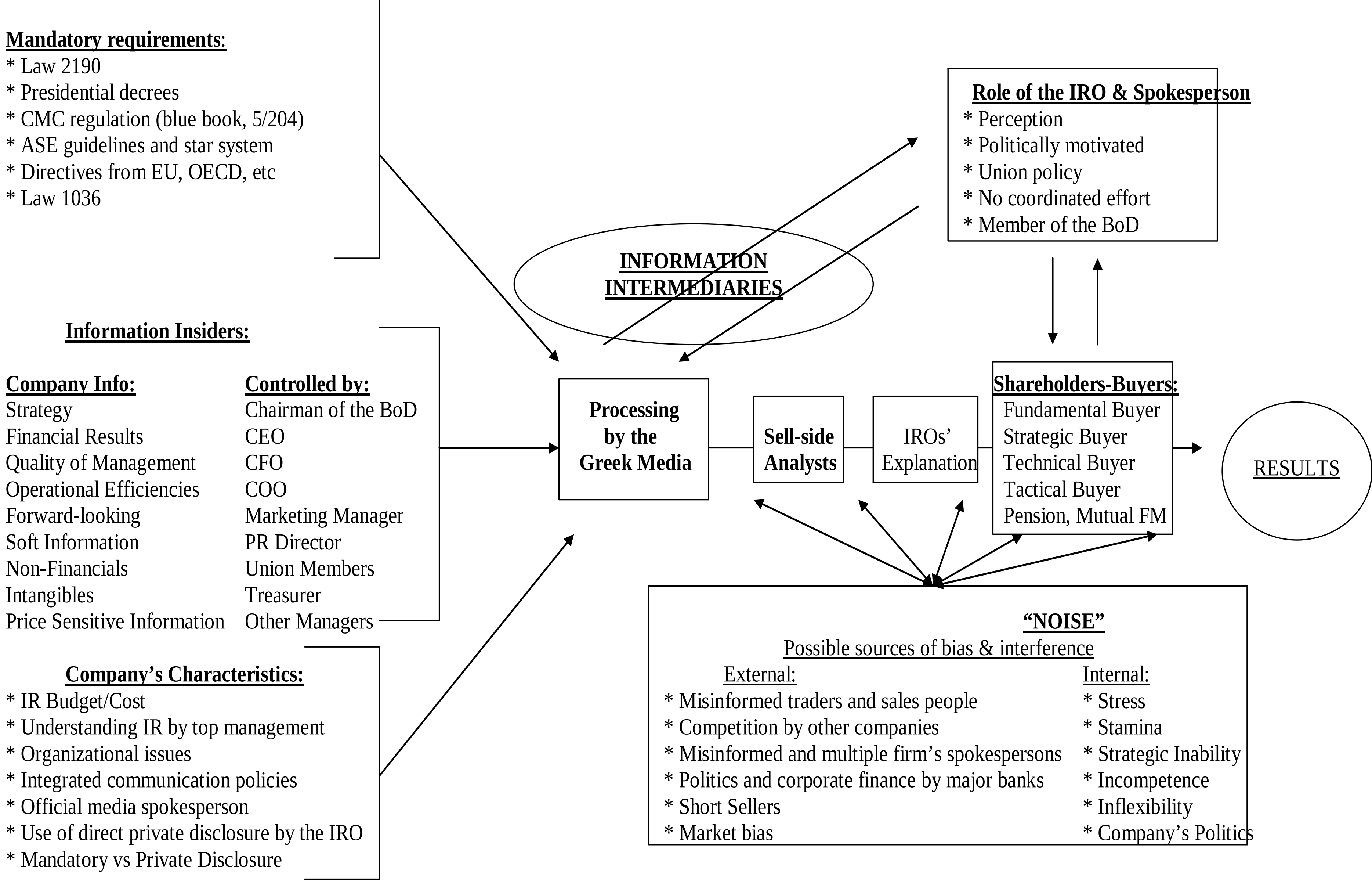

Figure 2: Disclosure via Intermediaries (as processors of info)

Measuring IR Effectiveness

1) **IR Objectives & Goals**
   a. **Shareholders**
      i. Institutional Investors/Shareholders
         1. Increase # new Institutional Investors
         2. Increase # of larger Institutional Investors (>300,000 shares)
         3. No current (existing) Institutional Investor selling (of Dec 31)
         4. No existing Institutional Investor selling (>10%) (of Dec 31)
         5. Geographic location of Institutional shareholders
         6. Mix of investment style
            a. Growth
            b. Income
            c. Dividend
            d. Hedge
            e. Pension
            f. Momentum
      ii. Individual (Retail) Investors
         1. Increase from 25% to 35% of shares outstanding
         2. Promote geographic spread
         3. Good mix of Institutional Investors & Retail Investors
      iii. Employee Shareholders
         1. Increase from 2% to 5% of shares outstanding
      iv. Strategic Shareholders
         1. Increase cross shareholding with complimentary firms
   b. **Share price**
      i. Effect on share price
      ii. Effect on cost of equity capital (coec)
      iii. Optimise share price
      iv. Increase share price

4) IR via Intermediaries

   a. Analysts

      i. Analysts reports / coverage

         1. Increase Analyst coverage
         2. Increase Analysts geographic origination (local & global)
         3. Expand reports during year
         4. Earnings forecasts
         5. Earnings consensus
         6. Analyst guidance (for company or industry model)
         7. Analyst feedback
         8. Minimise retaliation on analyst with a negative opinion/target
         9. Minimise retaliation on analyst with sell recommendation

      ii. Analysts recommendations

         1. Upgrade recommendation (from Hold to Buy)
         2. No recommendation downgrades

   b. Media

      i. Control media abuse
      ii. Minimise company's retaliation on media/journalist

HIRI helps IROs'

H.I.R.I.

Hellenic Investor Relations Institute

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