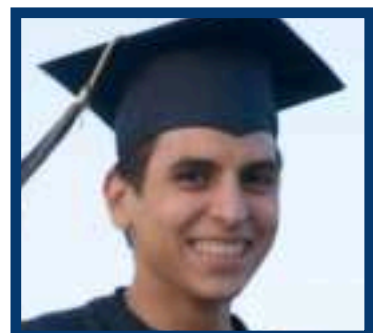


President's Report 2006/07



Anatolia



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The Anatolia College Gate

President's Message



Year in and year out, the underlying strength of Anatolia lies in the stunning variety and commitment of its alumni. I am unfailingly impressed by the graduates who revisit their alma mater, from scientists at the cutting edge of cancer research at MIT, Rockefeller University or the Mayo Clinic to a Parliamentarian and Deputy Minister in the Greek Government to so many leaders in the arts, business, and the

professions. Anatolia has somehow inspired in these men and women the drive to excel, the curiosity to go on learning and the will to give back to the school and to society at large. Alumni throughout Greece and the world form part of a network which, in good times and bad, is a priceless social capital for the school and for society at large.

I regard the ties between Anatolia and its alumni as a win-win relationship. The school, for its part, must provide its graduates with the best available education, at once geared to the rapidly changing needs of the 21st century and inspired by the values and traditions which generations of Anatolians have absorbed and exemplified in their lives.

The school has the obligation not to rest on its reputation and history, but to make sure that the education offered today is truly first- rate

At the same time, the school depends on what its alumni and loyal supporters can give back. Alumni have the largest stake in the school's continuing reputation for

excellence. In today's world, that means regular investment in technology, library, and human resources, as well as maintaining and upgrading the classic buildings and athletic facilities which make up the Anatolia campus. We rely on the loyalty and generosity of Anatolia alumni, trustees and friends to provide the resources that will ensure that future generations of Anatolians receive an education that prepares them for the certain challenges that lie ahead. Their support also ensures that Anatolia College and the educational model that it represents will continue to stand out as a beacon of educational excellence as Greece moves into a period of educational reform at all levels.

To win support, we must fully deserve it. The school has the obligation not to rest on its reputation and history, but to make sure that the education offered today is truly first- rate, so that alumni and supporters can be proud of Anatolia and of their contributions to it. We must re-dedicate ourselves to excellence even as we reach out to our alumni with renewed effort.

Richard Jackson
President



Stephens Hall

Chairman's Message



I have seen the splendid old buildings of Macedonia, Compton and Stephens Hall gradually encircled by today's technology and architecture, like the new Ingle Hall Classroom Annex, the Raphael Hall Performing Arts Center, the new track and field, and, at ACT, the library which bears my name. I am impressed how these flagship buildings, once alone and naked on a bare hillside, have become with time a center of learning respected throughout Greece and well beyond.

There will always be better days ahead for Anatolia, and I firmly believe that the best is yet to come.

Fellow Trustees, alumni and friends, we too are called on to give back to ensure that Anatolia continues to be the beacon of enlightened education and the bridge between Greece and the United States for which it has so long been known. I ask that you join me in meeting the school's priority needs and completing the capital campaign laid out in this report. We are in this together.

George Bissell
Chairman

Anatolia Board of Trustees

George Bissell

I have visited the Anatolia campus regularly for four decades. I have watched it grow and flourish through good times and bad, coming to appreciate the profound meaning of its motto "Morning Cometh." There will always be better days ahead for Anatolia, and I firmly believe that the best is yet to come. In fact, it is our job as Trustees to make sure that this is so.

And yet, the greatness of Anatolia is not in the buildings and facilities, monumental as they are. I see it in the faces and enthusiasm of our students who come to Harvard each year for the Model UN. I see it in our alumni at the frontiers of knowledge at the Mayo Clinic or MIT, and in the arts professions and business, all giving back to make the world a better place. I see it too in the everyday dedication of our faculty and staff.



Introduction



The focus of this 2007 Annual Report is development since this is among the most critical areas facing Anatolia today, and the support and full participation of all Trustees will be absolutely necessary to mobilize the school's donor base as the current capital campaign enters the critical public phase over the next two years. It is hoped that Trustees have received a satisfactory flow of information on campus academic, extra-curricular and outreach activities over the past year in the form of committee and periodic reports, ACT Vision, the Anatolia Newsletter and occasional updates from the President. We have, nevertheless, included here a selective listing of Anatolia and ACT events over the past 12 months to give at least a flavor of campus life.

The remainder of this report focuses on development objectives and performance, donations over the past year and a financial record of contributions and development costs.



2006-2007: The Year in Review

Anatolia is one of Greece's most distinguished private, non-profit educational institutions. Founded in 1886 and incorporated in Massachusetts in 1894, Anatolia was originally located in Marsovan, Asia Minor. Following its closure in 1921, Anatolia was invited by Eleftherios Venizelos to relocate to Thessaloniki, which it did in early 1924. Since the early 1930's, the school has operated almost continuously on an extensive pine-covered campus in Pylea, a Thessaloniki suburb.

The Anatolia family of schools consists of its original secondary division, **Anatolia College**, which includes an English-language International Baccalaureate (IB) Program. The high school is complemented by Anatolia's university-level division, the U.S.-accredited **American College of Thessaloniki** (founded 1981), which today offers B.A., B.S., and MBA degrees to nearly 500 students from Greece, Southeast Europe, and the U.S. **Anatolia Elementary School** (established 2004), the institution's newest educational division, which extends Anatolia's educational mission to grades K-6.

Today, nearly 2,500 students attend one of Anatolia's three divisions, and the institution takes great pride in its nearly 13,000 alumni in Greece, Europe, the U.S., and throughout the world who consistently distinguish themselves, generation after generation, in the professions, the arts and letters, scientific research, as well as business and entrepreneurial activities.

We invite you to join us in this brief overview of the year just passed, a year

- filled as ever with student accomplishments at all levels, both within and beyond the classroom
- featuring a full roster of speakers on subjects ranging from the global economy to the Parthenon frieze
- crowned by new collaborations with peer institutions at home and abroad, which will ensure that our students continue to receive cutting-edge international educations
- witnessing the full use of a new classroom facility, the completion of a major renovation of our campus performing arts center, and the final planning stages to renovate our indoor gymnasium

Below is a month-by-month cross section of Anatolia activities drawn from literally hundreds of events and accomplishments throughout the year:



2nd Annual MBA Conference

2006-2007: The Year in Review

September

30

ACT MBA COMMENCEMENT

Numerous U.S. and Greek dignitaries honored the MBA 2006 Commencement with their presence, not to mention professors, parents, and friends. Thessaloniki native Elena Ambrosiadou, Chairwoman and CEO of Ikos Asset Management, addressed the 25 graduates.

Technology Center, and for President Jackson to extend Anatolia's thanks for Foundation support across a broad range of areas over the past several years, including, in addition to the Stavros S. Niarchos Technology Center, scholarships for Hurricane Katrina students, Anatolia high school participation in the Manhattan Theatre Club's Theaterlink Program, a series of onsite and teleconference workshops for librarians, including Bissell Library Director Karen Bohrer, and a new scholarship for an ACT graduate to attend AIT/Carnegie Mellon.

was held took place at the Conference Hall of the Thessaloniki Chamber of Commerce and Industry.

25

4th ANNUAL AUTOMOBILE CONFERENCE (AABC)

"Future Vehicle Design Trends," jointly organized by ACT and the Anatolia Automotive Institute (AAI) in collaboration with Auto Business Review, drew nearly 300 attendees to the Thessaloniki Science Center and Museum "NOESIS".

October

18

STAVROS S. NIARCHOS FOUNDATION BOARD MEETING

The meeting the Foundation's first in Northern Greece gave the thirty-five Niarchos Trustees in attendance the opportunity to see first-hand the Bissell Library and the Stavros S. Niarchos

November

4

2nd ANNUAL MBA CONFERENCE

Organized by ACT's graduate business department, the conference "Retail Market and Commercial Real Estate"



4th Annual Automobile Business Conference



Dr. Yiannos Kontopoulos '88
(second from left)
lectures at ACT

2006-2007: The Year in Review

25

ANATOLIA FACULTY ADDRESS AMERICAN STUDIES CONFERENCE

Three Anatolia faculty members – one each from ACT, the IB, and Anatolia high school – were among nine presenters at the conference “Trends and Perspectives in American Studies in Greece” organized by HELAAS (the Hellenic Association for American Studies) and the English Department of the Aristotle University of Thessaloniki and held at the Thessaloniki History Center. The conference was attended by a full house of 150 university students, scholars, and members of the general public.

Speakers & Topics:

Dr. Eleftheria Arapoglou (IB):

“The American literary presence in Greece: the examples of Mark Twain and Henry James”

Dr. Phil Holland (Chair, Anatolia English Department): *“Presenting American literature and culture to Greek secondary school students.”*

Dr. Joseph Gratale (ACT): *“American culture and world culture: beyond the rule of empire.”*

27

ANATOLIA GRAD YIANNOS KONTOPOULOS '88 LECTURES AT ACT

Dr. Kontopoulos spoke about the “Seven Deadly Sins of the Global Economy, and why I am Not Worried About It” to an audience of 250 from the business community and beyond. The event was co-organized by the American College of Thessaloniki (ACT) and the Alumni Association of Columbia University.

ACT FACULTY INITIATE COLLABORATIVE RESEARCH

A four-member team of ACT faculty – Aigli Brouskou, Serap Kayatekin, Anna-Maria Konsta and Maria Kyriakidou – have been awarded College funding to carry out a research project regarding migrant women in Northern Greece. The project will be interdisciplinary, engaging anthropology, history and sociology, as well as law and political economy, thus drawing on the faculty members' own areas of expertise.

30

ANATOLIA ATHLETES EXCEL IN AEGEAN SPORTS TOURNAMENT

Anatolia teams took 1st in Boys' Basketball and Soccer and 2nd in Girl's Volleyball, Soccer, and Track and Field. This was by far the largest such tournament ever – 15 schools, 46 teams and 500 athletes from Thessaloniki and Athens.



Agean Sports Tournament



Annual Anatolia Christmas Bazaar

2006-2007: The Year in Review

December

10

ACT AT THE 2006 MONEY SHOW

The ACT Business Department participated once again in the Money Show at the Hyatt Regency Hotel with presentations by faculty on the topic: "E-Business Diffusion in the Greek Market."

Dr. Kourkoumelis, Business Department Chair and Director of the MBA program at ACT, welcomed the audience and set the stage for the presentations. Mr. Argyris Spyridis, E-Business Specialist and Adjunct Marketing Professor, spoke about "E-Modelling The First Fifteen Minutes" and Mr. Akis Papagiannis, Adjunct Management Professor, discussed "Digital Applications for Complete Management Operation Processes".

The Holiday Season arrives each December in full force: within a few days, the Anatolia Elementary School Christmas party, the Anatolia Annual Christmas Bazaar for charity, the Alumni Christmas tea, the ACT Christmas dinner, the Athens Anatolia Alumni Association holiday party, the Anatolia Alumni Chorale performance for AKTIDA, and the Anatolia Alumni New Year's Eve celebration all take place. Of special note this year:

13

ANNUAL ANATOLIA CHRISTMAS CONCERT

This was the first time elementary and high school students collaborated on a project of this magnitude. 250 students from the Greek Dance Club, Chorale, Pegasus, Musical Ensemble and Greek Oral Interpretation Club performed.

17

ANATOLIA ALUMNI CHORALE CHRISTMAS CONCERT

Held at the Olympion Theatre in the city center, the Alumni Christmas Concert donated its proceeds to AXTIDA, an NGO that supports individuals with autism. Other performance highlights for Anatolia's renowned alumni singers included concerts at the Thessaloniki Music Hall (Oct. 2006), the Museum of Byzantine Culture (Jan. 2007), participation in the inauguration of the newly-renovated Raphael Hall Performing Arts Center (May 2007), and a trip to the International Chorale Festival in Salzburg (June 2007).





Anatolia Drama Club
brings Shakespeare to Campus



2006-2007: The Year in Review

January

21, 26-28

ANATOLIA THESPIANS BRING SHAKESPEARE TO CAMPUS

Anatolia's acclaimed Drama Club delivered five sell-out performances of *The Complete Works of William Shakespeare Abridged*, in late January, and six weeks later (March 3-4, 9-11) the Greek Theater Club repeated their fellow-thespians' success with their interpretation of Aristophanes' *The Assembly Women*. The latter group continued a long-standing tradition of donating the proceeds from one performance to the St. Demetrios Children's Hospital adjacent to the campus.

ACT STUDY ABROAD STUDENTS ARRIVE IN RECORD NUMBERS

In summer 2006, ACT welcomed 60 American students the largest group ever in the history of the ACT's Study Abroad program. In late September, ACT welcomed 62 Study Abroad

students (another record) for the fall term, while 84 students from 30 different universities across the U.S. arrived on the ACT campus for the spring term. That's three records in a single year!

February

12

AGREEMENT WITH TIPPIE SCHOOL OF MANAGEMENT SIGNED

The signature ceremony for the new three-year agreement between the ACT MBA and the Tippie School of the University of Iowa took place in President Jackson's office. The Tippie School, ranked among the top 50 MBA programs, will cooperate with ACT on a range of activities. Almost immediately, results were seen with the arrival on campus of a group of more than 30 Tippie School MBA students accompanied by faculty. This groundbreaking agreement results in large part from Trustee John Pappajohn's encouragement and support of both institutions.

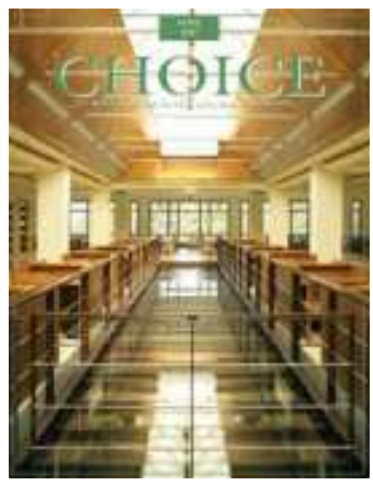


Agreement with
Tippie School of Management signed

23-35

ACMUN

Anatolia held its 2nd ACMUN this year, hosting some 300 students from Greece, Poland, Germany, Egypt and Turkey. While the Anatolia MUN was by far the largest such event this year, club members had the opportunity to participate in an additional five MUN conferences: the Deutsche Schule MUN (Athens), the Thessaloniki MUN, the Harvard MUN (Boston), the Dublin MUN, and the Robert College MUN. In all, nearly 200 Anatolia students had the chance to participate in at least one MUN event this past year!



Bissell Library featured at the cover of Choice magazine



2006-2007: The Year in Review

March

6

JOHN BRADY KIESLING PRESENTS "DIPLOMACY LESSONS"

ACT welcomed back former US diplomat John Brady Kiesling for a series of events organized under the auspices of the Michael S. Dukakis Chair in Public Policy and Service. Initially, Mr. Kiesling conducted a Master Class in Diplomacy for students in International Relations. Mr. Kiesling then delivered the first Dukakis lecture of Spring 2007, presenting material from his new book *Diplomacy Lessons: Realism for an Unloved Superpower*. That evening Mr. Kiesling also spoke to a group of Anatolia alumni in Morley House on current US foreign policy.

12

SABANCI UNIVERSITY DEAN VISITS ACT

Dr. Nakiye Avdan Boyacigiller, Dean of Sabanci University's Faculty of Management, was a guest lecturer in an MBA Management class and participated in discussions with faculty and ACT administrators concerning potential research collaborations between the two business schools.

April

4

BISSELL LIBRARY FEATURED ON COVER OF CHOICE

ACT's BISSELL LIBRARY was featured on the cover of CHOICE, a magazine covering the library sector that reaches almost every undergraduate college and university library in the United States. This was a rare honor, given that no libraries in Greece and only a handful outside the U.S. have ever been featured by CHOICE.

14-26

DUKAKIS VISIT TO ANATOLIA HIGHLIGHT OF SPRING 2007

Former Massachusetts Governor and Honorary Trustee Michael S. Dukakis, accompanied by his wife Kitty, returned to Anatolia and to ACT to occupy ACT's Michael S. Dukakis Chair in Public Policy and Service, created in 1999 to commemorate his accomplishments in American public life.

On April 16, he inaugurated the newly renovated Raphael Hall in a symposium with Deputy Minister Stylianides (now Education Minister) and author Nick Gage. He also participated in a digital videoconference with students and faculty from ACT and Boston College, and found time to speak with Anatolia high school and IB students. In Athens, Dukakis made the case for private, non-profit higher education to the Greek President, Education Minister and Opposition Leader.



Governor Dukakis
on Government

2006-2007: The Year in Review

Governor Dukakis has indeed inspired me to become active in public service, not just through his encouragement of political involvement, but through his leadership as an accomplished Greek-American showing honesty in serving his fellow citizens

Nick Maragos, ACT Study Abroad Student (hometown: Boston)



Michael S. Dukakis Chair
Commemorative Stamp

May

PACE QUICKENS FOR ANATOLIA IN MAY

As the 2006-2007 school year neared conclusion, the pace of events picked up at Anatolia. On the docket this past May:

- Clubs Happening (3)
- Field Day (4)
- 1st Form Forensics Performance (7)
- Multimedia Performance (12-13)
- End of Year Concert (15)
- Raphael Hall Performing Arts Center Inauguration (18)
- Publication of *Dokimes*, *Pegasus*, *Anatolia Computing Newspaper*
- Publication of *In Focus* and *Mathitikos Kosmos*

BILINGUAL PROGRAM CELEBRATES 25TH ANNIVERSARY

Anatolia College's Bilingual Program, which holds classes on the premises of the Anatolia Elementary School, completed its 25th year in May 2007. The new Bridge to Bilingual Program is also

proving extremely popular, swelling enrollment to over 180 pupils.

30 EXPORT STRATEGY CONFERENCE

Addressing the need for export awareness and a successful export strategy, ACT's Anatolia Institute for Management Leadership, in collaboration with the Exporters' Association of Northern Greece (S.E.V.E), presented an overview of Greek export activities and strategies to enter new markets. The sponsor of the conference, held in newly-renovated Raphael Hall, was the National Bank of Greece.



Inauguration of the Tsakopoulos Collection

2006-2007: The Year in Review

June

1

ACT and ALBA ENTER HISTORIC COLLABORATION

ALBA and ACT are combining expertise and unique strengths to “raise the bar” in graduate-level education in Thessaloniki, Northern Greece, and Southeast Europe.

Initially the collaboration will focus on the design and delivery of three graduate degree programs: an MSc in Finance, an MSc in Business Management, and an Executive MBA, with startup in 2008. Although the programs are distinct in their focus and content, their main aim is common: to ensure that students are equipped with the tools and know-how that will make the difference in their career, their business, or their profession.

Beyond degree programs, ALBA & ACT will also design and deliver custom training and development programs for corporate clients. The professional development programs leverage the

uniquely qualified faculty of ALBA /ACT that brings not only academic expertise but also extensive practical experience with some of the world's leading organizations to bear on the client organization's needs.



Greece, and particularly Thessaloniki, is quickly becoming the business and academic locus of Southeast Europe. We believe that ALBA&ACT will cover the pressing need for robust, academically sound, and at the same time pragmatic graduate education and corporate training programs

Richard Jackson, Anatolia President

When two already great educational institutions join forces, the result cannot be anything less than exceptional.

Nikolaos Travlos,
ALBA Graduate Business School Dean

29

TSAKOPOULOS COLLECTION INAUGURATED AT BISSELL LIBRARY

The Tsakopoulos Family's gift of 3,000 books to Anatolia was inaugurated in the Bissell Library on May 29 by Trustee Kyriakos Tsakopoulos. The volumes came from the Tsakopoulos Foundation's collection, hosted today at California State University. Holdings include volumes in English, Greek, Bulgarian, Romanian, and Turkish.



ACT Commencement

2006-2007: The Year in Review

29

ACT COMMENCEMENT

The capstone of our academic year represented a tremendous amount of hard work by all concerned by the graduates whose pride and relief were written on their faces, by the faculty who helped to get them there, and by all the public relations and maintenance staff who made this complex event possible.

Special thanks go to Trustee and commencement speaker Kyriakos Tsakopoulos, who also accepted on his father's behalf the "Honorary Doctorate of Humane Letters" degree ACT awarded to Mr. Angelos Tsakopoulos, distinguished entrepreneur, philanthropist and tireless supporter of Hellenism in the U.S.

The "Philip and Marjorie Ireland Humanitarian and Public Service Award" was presented to another distinguished guest, Mr. Nikolaos Papageorgiou, President of the Papageorgiou Hospital, for continuous contributions to the health care field and broader society of Northern Greece. Mr.

Papageorgiou took the occasion to announce a new scholarship endowment for all divisions of Anatolia.

30

ANATOLIA COLLEGE COMMENCEMENT

The Class of 2007 230 strong celebrated their graduation on June 30, where the featured speaker was Anatolia alumna Dr. Nina Papavasiliou ('88), Professor and Director of the Laboratory of Lymphocyte Biology at Rockefeller University, one of the world's top biomedical research centers.

Top academic awards this year went to: Demetrios Lagoudis (1st Lykeion), Konstantinos Bakas (2nd Lykeion), and Argyrios Tsiaras (International Baccalaurate).

And turning towards the future, Fall 2007 saw no fewer than 16 Anatolia IB graduates entering U.S. universities, including Amherst, Bates, Bard, Boston University, Georgetown, Mt. Holyoke, Smith, and Yale among others. The new year began on campus with record

elementary school enrollment of 399, all places filled in the High School, including a record 114 IB students, and ACT entering class enrollment up 24% for a total Fall 2007 undergraduate and graduate enrollment of 441.



AC Commencement



Ingle Hall Annex

Message from Development Chairs



Antonis Kamaras



John H. Clymer

In January 2005 Chairman Bissell and the Board launched a five-year capital campaign which will conclude in December 2009. We are pleased to report that, coming to the close of the “quiet” phase of the campaign, we are nearly halfway towards our goal of \$20 million. This is, however, due to generous legacies to the school, and there is much work remaining to be done. We will shortly be entering the “public” campaign phase in which you can expect to be approached to participate in this important endeavor if you have not already done so. We now have in place an active Director for European Development, Maria Tsekou '82, based in Athens, and expect soon to make a comparable appointment in Boston. Please, therefore, respond positively when they or Trustees of Anatolia contact you. Not only your direct contribution but also your possible referrals to individuals, corporations and foundations, that in your judgment could be convinced to support our cause, would be highly valued.

Those of you who have recently visited the campus have seen its spectacular new facilities such as the Ingle Hall Classroom Annex or the Raphael Hall Performing Arts Center. These buildings were deemed

so essential to carrying out Anatolia's educational mission that we built them before all funding was in place. There are thus still very attractive naming opportunities classrooms, theatrical spaces and more in both, and we seek as broad participation as possible from the Anatolia family in order to complete these projects. The indoor gymnasium, state-of-the-art in 1975 but now sadly behind the times, as well as our outdoor athletic facilities, are additional areas awaiting your help. Scholarships, always important at every level of Anatolia, are a further continuing need of the school.

We owe it to today's students in all divisions of Anatolia to receive an education that is second to none. In preparing for an the uncertain world beyond the idyllic Anatolia campus, they will need all the humane judgment, analytic skills and technological mastery that we can instill in them.

Antonis Kamaras '83
Chair,
Greek Development Sub-Committee

John H. Clymer
Chair
Anatolia Development Committee



The renovated Raphael Hall

The Capital Campaign:

A Snapshot as of November 2007

As Jack Clymer and Antonis Kamaras note in their message above, the current capital campaign was announced in 2004 by Chairman Bissell for five years from January 2005 through CY2009 with an initial goal of \$20 million. As reported at the May Trustee meeting in Thessaloniki, progress during the initial quiet phase has been respectable owing to several significant legacies to Anatolia. These, however, have been, for the most part, tied to specific donor wishes, largely in the scholarship area, and do not, therefore, relate directly to priority campaign needs, identified by the school administration and Facilities Committee and outlined in the following pages. As a result, it was agreed at the May meeting that the quiet phase of the campaign should be extended through CY2007 to permit broad participation by Trustees and major donors. A key priority was identified as well-organized and prepared calls on all Trustees and designated major donors over the remaining months.

As a goal, the US and Greek sides were challenged to reach by the end of 2009 a 50% achievement rate by each side in grants and pledges toward the \$20 million campaign goal.

On the Greek side, the past year has seen gradually increasing traction as the new Director for European Development has established herself in Athens and developed close working relations at all levels of the campus through regular visits. The Greek campaign received a boost through an upscale dinner hosted by outgoing American Ambassador Charles Ries, April 27, to bolster Anatolia development efforts on the occasion of a visit by Michael and Kitty Dukakis. The event brought together some 140 Athenians including major business figures outside the normal Anatolia orbit. These constitute a new universe of potential donors and the Development Office and President are working to consolidate these initial ties. While efforts are underway to broaden alumni giving and to establish the tradition of reunion gifts, generally absent in Greece, a particular focus has remained cultivation of major potential donors, and a number of these cultivations are active and ongoing. To date, progress in

the scholarship area has been particularly noteworthy and this appears to be the most attractive current area for Greek donors, particularly alumni and corporations. While the scholarship endowment is down, owing to the dollar depreciation and the fact that major new Weter and Raphael legacies have not yet come on line, Greek corporate and individual donors, as well as several US Trustees, have come forward to ensure that all high-potential students with clear economic need received the assistance necessary to enroll in September 2007.

On the US side, efforts by the Chairman and the Development Committee Chair to recruit a dynamic new development director for the Boston office have intensified and, we hope, will lead to strong new leadership there as the capital campaign enters the two-year public phase.



Concert at the renovated Raphael Hall

2007-2008: The Year to Come

Since its reestablishment in Thessaloniki in the early twentieth century, Anatolia's stellar reputation has been built on a three-pronged approach to education that includes outstanding academics, American-style extracurricular clubs among which the performing arts clubs have long held pride of place and athletics. This balanced approach to educating the whole individual, time tested and well honed in America, constitutes Anatolia's strongest claim to being nearly unique among secondary educational institutions in Greece.

Clearly, the two most important ingredients for long-term, continuing success as an educational institution are an outstanding faculty and student body, the latter supported by scholarship endowments and yearly giving to ensure that an Anatolia education is available to all those young scholars most able to take advantage of its benefits.

The third ingredient teaching and support facilities where both the academic and extracurricular portions of the program can be carried out at the level of excellence traditionally

associated with Anatolia is the focus of the current phase of the Anatolia development campaign, scheduled to emerge from its silent phase in 2008.

Our campus, acquired in the late 1920s and gradually built up over the course of the next half-century, was the subject of lively discussion as we entered the 21st century, when the Anatolia Trustees and campus arrived at a comprehensive medium-range plan to greatly renew and upgrade existing teaching, performing arts, and athletic facilities on the grounds of the original campus. The campus facilities development plan arrived at is being systematically implemented in stages, and we are very proud to announce that to date we have completed:

- A substantial addition on our South Campus, the **Ingle Hall Annex**, which has added 10 teaching rooms, a series of science labs and art room, and an indoor exercise room for the use of our secondary school students
- A major renovation of an existing building on our Main Campus, **Raphael Hall**, which is providing for the first time in Anatolia history a modern performing arts center for

our many student and alumni performing arts groups both dramatic and musical as well as a venue for guest artists and public lectures and conferences.

For the upcoming year, we have scheduled

- A complete overhaul of our **indoor gymnasium**, also on the Main Campus, which will vastly improve electrical-mechanical installations throughout the facility, add new spaces for a number of sports, and bring the structure's exterior into aesthetic harmony with the historic stone structures on the original quad.

As the latest Development Campaign nears completion of its silent phase, Anatolia is reaching out to donors among alumni, friends, and organizations, offering a wide range of donor options for each of these campus capital projects. We warmly invite our Alumni, Friends, and other Supporters to visit the campus or contact our Development Offices in Greece and in the US to learn more about these opportunities.

Here's what we've accomplished to date:



Indoor Gymnasium

2007-2008: The Year to Come

THE INGLE HALL ANNEX

- 10 new teaching classrooms
- a wired AV classroom
- a 25-station computer lab
- an art room
- an indoor exercise room-gymnasium
- Biology/Chemistry and Physics Laboratories
- Renovated Dean's and Registrar's Offices & Teachers' Room

A total of fifteen new teaching and learning spaces offer ideal opportunities to Anatolia alumni, families, friends, and sponsors to make a donation that will be recognized in perpetuity through a range of naming and other options.

THE RAPHAEL HALL PERFORMING ARTS CENTER

- Complete rearrangement of the auditorium with new stage and seating for up to 250
- New entranceway and façade
- New foyer, including an open-plan exhibition and reception space
- New backstage and ancillary spaces for performers
- New storage and scenery-building areas
- New electrical-mechanical installations
- Comprehensive facelift for the building's exterior
- Fully accessible to the disabled

While all of the above have been accomplished and the Performing Arts Center is already functional, completion of the final phase of this vital project is in abeyance until funding is secured.

The Raphael Hall renovation has resulted in a major upgrading of Anatolia's theatrical and musical performing facilities, offering students the opportunity to experiment with a variety of performance formats and providing a new campus venue for artistic guest performances and conferences.



2007-2008: The Year to Come

During the 2007-2008 academic year, we will be carrying out a comparable renovation of our aging indoor gymnasium.

The gym renovation's main goals include:

- Realignment of entranceways through a new windbreak entrance
- Upgrading of the main court with new flooring, acoustic and lighting systems
- Reconstruction of all locker rooms and player bathrooms/showers
- New visitors' facilities
- New squash court annex
- Enhanced fire safety through provision of new emergency exits
- New drainage and natural gas systems
- Heating and electrical installation upgrades
- Energy conservation gains through replacement of all embrasures





Scholarship Summary

Since its earliest years, Anatolia has maintained a tradition of providing scholarships to substantial numbers of its students. These scholarships are awarded on the basis of a combination of merit and financial need. Study at Anatolia College and ACT by these outstanding students is fully supported through annual gifts and return of scholarship endowments.

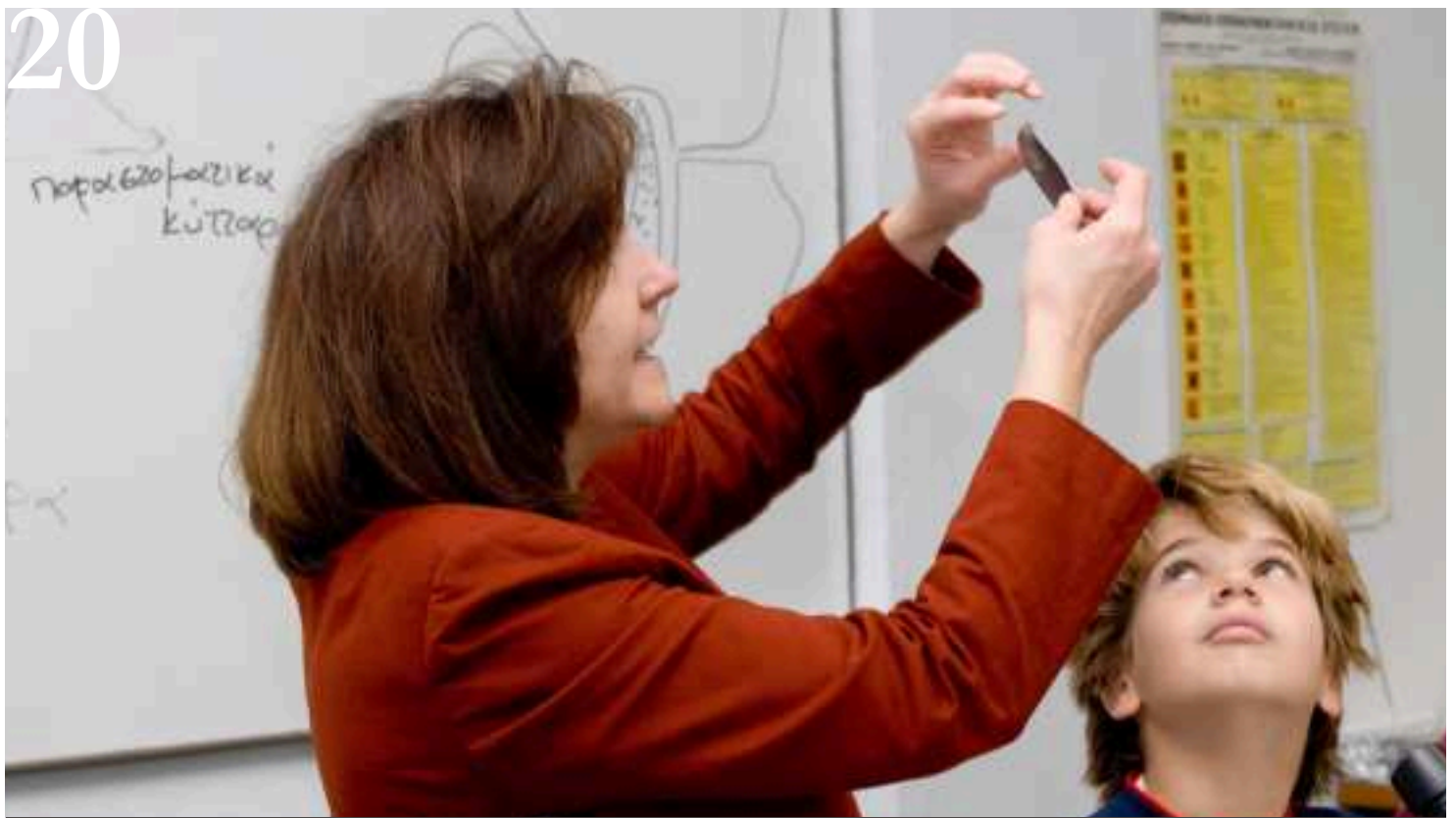
For Anatolia High School, half of scholarship holders come from Thessaloniki and about half from the provinces. The latter students live and board in Anatolia's dormitory receiving full support to do so. For the ACT/MBA and undergraduate program, scholarship students come from Greece and other countries, particularly from the Balkan area.

Over the past years, while the number of scholarships funded from the endowment has decreased, due to the exchange rate between the euro and US dollar, this has been compensated by the increasing number of new donors among Trustees, corporations, associations and individuals. Support for scholarships by alumni, friends, corporations and foundations is critical to the institution's mission, particularly in light of rising tuition and fees over the past few years, which has made an Anatolia education unattainable for many bright and ambitious students.

Several of our Trustees continue supporting our scholarship programs with new donations, in many cases in addition to other ongoing scholarship students whom they support, such as

- Leonidas Evangelidis (one full-tuition, six year HS scholarship)
- Elias Kulukundis (two full-tuition, four-year ACT scholarships)
- Kitty Kyriacopoulou (two full-tuition, two-year ACT scholarships)
- Helen Lindsay (two full-tuition, four-year ACT scholarships)

Furthermore, because of our Trustees and Alumni efforts and networking, the Jewish Community of Thessaloniki has been approached resulting in pledges of three full-tuition scholarships for Jewish students from the Balkan countries to attend ACT.



Scholarship Summary

New contacts with top corporations have been established and produced positive results for the support of our scholarship programs. Some of these are:

In addition, several grant proposals have been submitted to different Foundations - Latsis, Bodossakis and Papageorgiou to fund scholarships for academically talented students with demonstrated financial need.

AY 2007/ 08 is a successful year with focus on Scholarship programs. Currently 85 students from High School receive scholarship support, 24 at IB program, 27 for ACT undergraduate studies and 15 for the MBA program. (See chart on right).

- Akritas Wood Processing Co. (one full-tuition MBA scholarship)
- Coca Cola HBC, SA (one half-tuition MBA scholarship & two 50% ACT)
- InfoQuest (one half-tuition MBA scholarship)
- National Bank of Greece (two full-tuition MBA scholarships)
- National Securities (one full-tuition MBA scholarship)

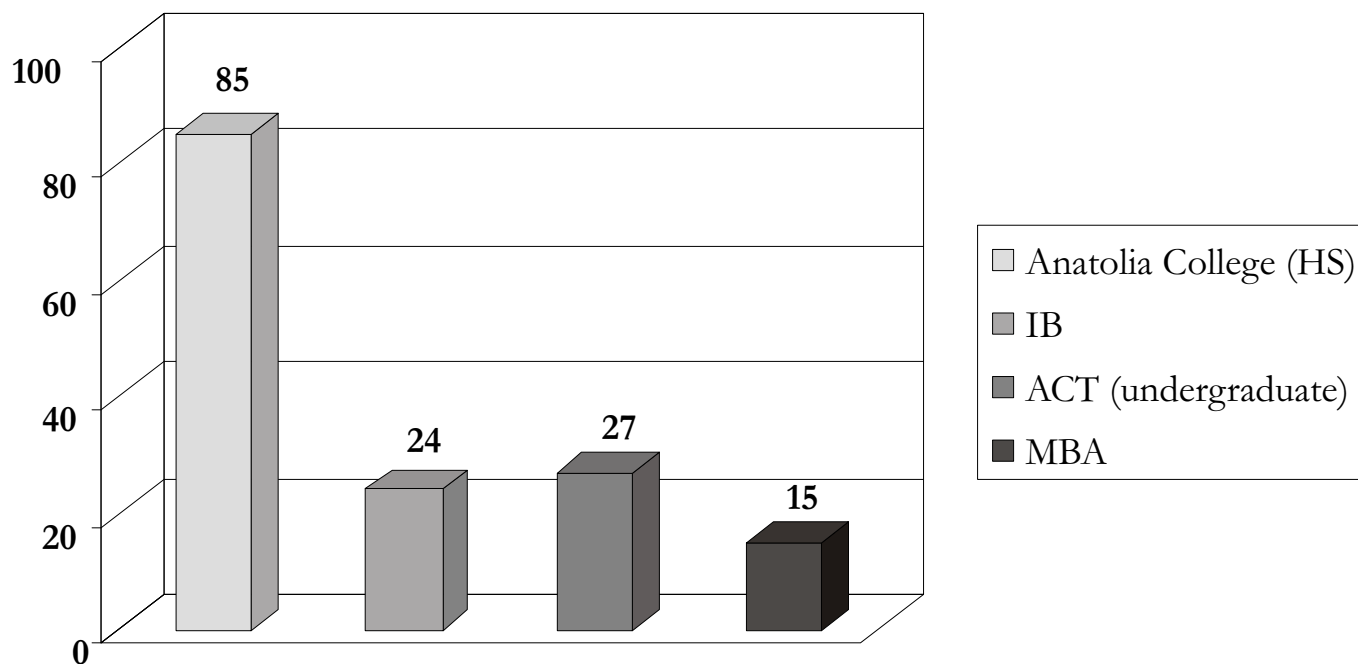




IB Scholarship Students

Scholarship Summary

Anatolia Scholarship Report





Financials

Overall, Anatolia had another successful year in 2007 in terms of its financial profile and progress. The generous contributions from donors in Greece and the US along with the positive climate in the world capital markets allowed the school to experience a highly productive year.

The Audited Condensed Consolidated Statement of Financial Position presents total assets as of June 30, 2007 of \$63.8 million, a \$9.5 million increase from that of the prior year. Total net assets also increased by \$8.6 million during the same period to \$56.0 million at June 30, 2007. The Condensed Consolidated Statement of Activities indicate a financially strong year with a surplus of revenues over expenses of \$7.5 million, almost double the surplus of \$4.1 million in 2006.

Anatolia operations, located in Thessaloniki, Greece, include a 1,300-person high school with an IB program (Anatolia College), a 450-person four-year U.S. accredited college (American College of Thessaloniki), and a Greek Corporation holding a pre-kindergarten, kindergarten, and elementary complex

comprising approximately 400 children. Significant enrollment increases were recorded at the Elementary school and the International Baccalaureate program. Enrollment at Anatolia College reached full capacity consistent with previous years, while the American College of Thessaloniki accepted a freshman class 26% larger than the prior year. Noteworthy is the increased interest in the study abroad program at ACT which in 2007 enrolled in excess of 200 US students. These enrollment increases benefited tuition revenues, a large component of Anatolia's operating revenues.

The College's goals are to offer the best of Greek and American education, to provide a strong program in English language and literature, and to encourage extracurricular activities both intellectual and athletic. The relatively small increase (4%) in 2007 operating costs is justifiable in terms of the Greek economy considering Anatolia's ambitious mission and determination to excel in a highly competitive market. Maintaining prudent fiscal management and a tight control on operating costs is a high priority for Anatolia.

Development efforts in 2007 were marked by the establishment of a fund raising team in Greece for the first time. The result has been an increase in Greek donations while in the US revenues from new gifts and pledges totaled \$3.4 million. Anatolia's endowment exceeded \$36 million in June 2007, the result of substantial new gifts and continued performance above benchmarks. Restricted endowment revenues, calculated on a previous 12 quarter average, provide the core funds for Anatolia's financial aid program. A higher spending rate was approved for 2007 to make up for part of the loss sustained from the unfavorable US Dollar to Euro ratio with income created in US Dollars and spent in Euros. Approximately 58% of the \$1.3 million allocated to be spent for financial aid in 2007 came from endowed funds, 34% from annual gifts and 8% from operational funds. Financial aid funds were further distributed 22% to ACT and 78% to Anatolia College.



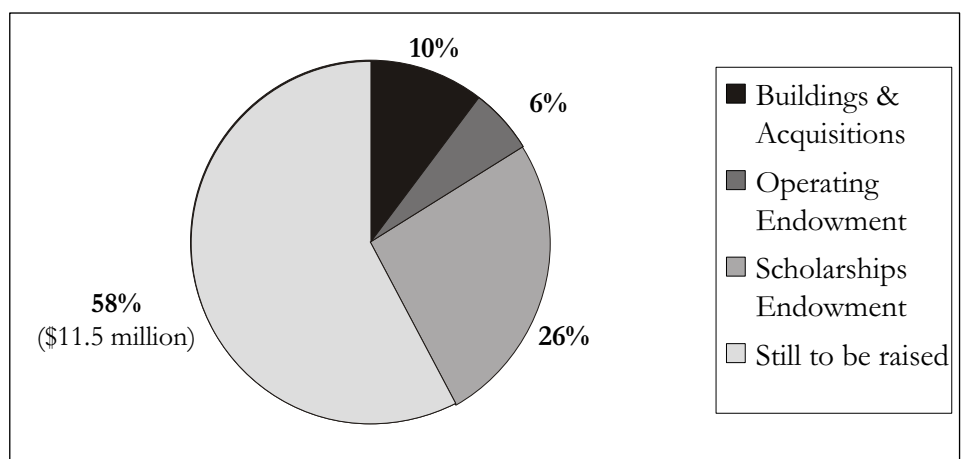
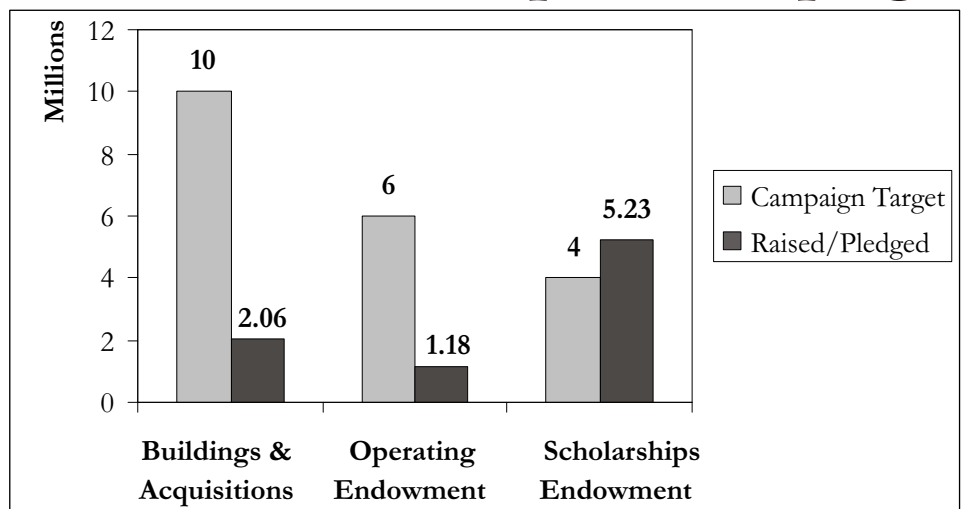
Financials

A major upgrade of campus facilities started in 2005 with construction of the Annex to Ingle Hall to be used as a classroom building, a new soccer stadium and renovation of the Kindergarten building. The upgrade continued in 2007 with conversion of the Raphael Hall to a contemporary Performing Arts Center and an extensive renovation of the main campus tennis courts. These two projects, in total exceeding \$1.7 million, were completed with assistance from a USAID/ASHA grant and an internal loan to be paid back with funds raised from private donations.

Projected further expansion of the Elementary School, the enhanced interest in the International Baccalaureate program and increasing enrollment at the American College of Thessaloniki create expectations of higher tuition revenues for 2008.

While a major challenge remains to create additional revenues through new activities, efforts will continue towards further containment of the operational costs.

5 Year Capital Campaign



Audited Condensed Consolidated Statements of Financial Position

(in thousands)

	<u>June 30, 2007</u>	<u>June 30, 2006</u>
	<u>Total</u>	<u>Total</u>
Assets:		
Cash and cash equivalents	1,688	1,693
Accounts, contributions and other receivables	2,456	1,938
Investments, at fair value	36,036	29,774
Funds held in trust by others, at fair value	5,186	4,754
Fixed Assets	18,145	15,803
Other Assets	298	363
	<u> </u>	<u> </u>
Total Assets	\$63,809	\$54,325
Liabilities and Net Assets:		
Accounts payable and accrued expenses	\$4,834	\$4,284
Deferred revenue	2,966	2,579
Total Liabilities	<u>7,800</u>	<u>6,863</u>
Net Assets		
Unrestricted	18,388	15,772
Temporarily restricted	20,234	17,647
Permanently restricted	17,387	14,043
Total Net Assets	<u>56,009</u>	<u>47,462</u>
	<u> </u>	<u> </u>
Total liabilities and net assets	\$63,809	\$54,325

Audited Condensed Consolidated Statements of Activities

(in thousands)

	<u>Year Ended</u> <u>June 30, 2007</u>	<u>Year Ended June</u> <u>30, 2006</u>
	<u>Total</u>	<u>Total</u>
Revenues:		
Student tuition and fees, net	\$13,566	\$11,876
Contributions, private grants and federal grants	4,856	4,865
Investment earnings appropriated for spending	930	1,459
Investment return less earnings appropriated for spending	3,493	454
Other investment income	692	271
Auxiliary and other revenue	5,381	4,785
	<u> </u>	<u> </u>
Total revenues	28,918	23,710
Expenses:		
Instruction	11,598	10,384
Administrative and institutional	6,137	5,732
Auxiliary activities	3,560	3,190
Federal grants expenses	83	296
	<u> </u>	<u> </u>
Total expenses	21,378	19,602
	<u> </u>	<u> </u>
Change in net assets	\$7,540	\$4,108
Net assets as of beginning of year	47,462	42,924
Foreign currency translation adjustment	1,006	430
	<u> </u>	<u> </u>
Net assets as of end of year	\$56,008	\$47,462

Notes to Condensed Consolidated Financial Statements (dollars in thousands):

(1) The condensed consolidated financial statements are presented on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

(2) The College's accounting records in Greece are maintained in Euros. The foreign currency equivalents are translated into U.S. dollars.

(3) The College is a tax-exempt organization exempted from income taxes in both the United States of America and in Greece.

(4) Investments at fair value as of June 30, 2007 consisted of short term investments (\$6,748), equities (\$22,948), fixed income (\$5,877) and other (\$463) for a total of \$36,036.

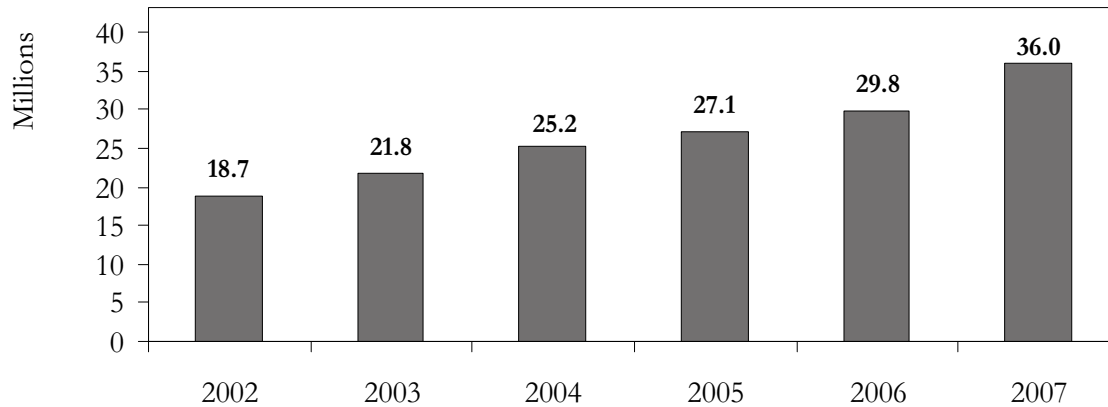
(5) Fixed assets, consisted principally of buildings and equipment, are stated at cost and presented net of accumulated depreciation of \$10,519 and \$8,688 in 2007 and 2006, respectively.

(7) The College has several defined contribution annuity retirement plans covering the majority of its full-time faculty and administrative personnel. The amounts charged to expense for these plans were \$608 and \$728 for the years ended June 30, 2007 and 2006, respectively. A termination fund for Greek employees is also payable upon their retirement or involuntary termination, as provided by Greek law with the amounts charged for this plan \$196 and \$120 for the years ended June 30, 2007 and 2006, respectively. The accounts payable and accrued expenses presented on the balance sheet include \$1,884 and \$1,643 respectively for each period, relating to this long term obligation.

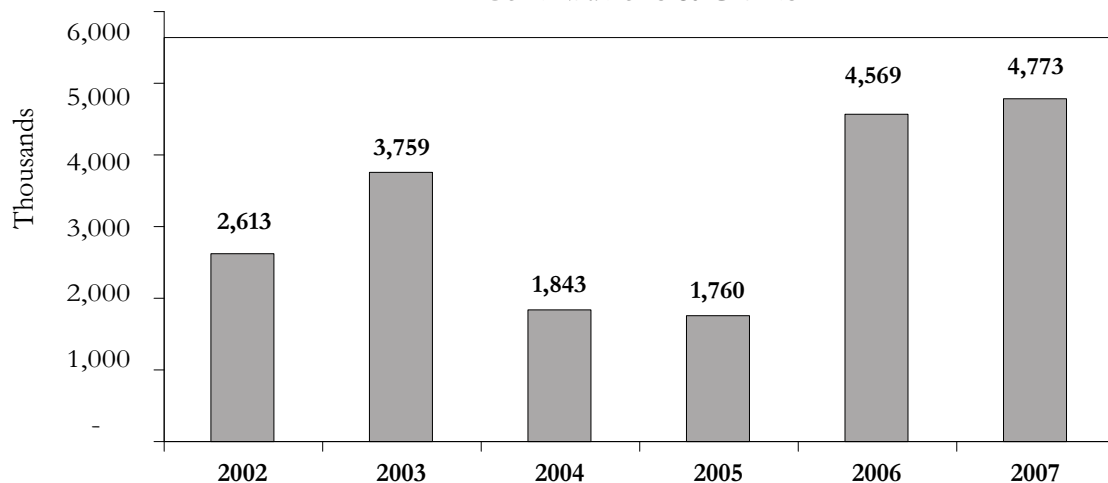


Financials

Investments at fair value (June 30 each year, in millions)



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Theodoros Papanestoros - Director of Marketing
Argyris Goutsidis - Director of Facilities
Rodney Coules - Director of Testing Services
Yannis Tzorbatzoglou - Coordinator for Institutional Advancement
Rea Samara - Director, Public Relations
Ifigenia Sougaraki - Director, Scholarships and Gifts
Pavlos Floros - Director of Accounting
Eva Kanellis - Director of US College Counseling and Summer Camps

Anatolia Elementary School

Nikos Arnautis - Director

Anatolia College

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Ioannis Lalatsis - Dean `A Lykeion
Christos Plousios - Dean `B Lykeion
Kyriakos Arvanitis - Dean `A Gymnasium
Lia Manidou - Dean `B Gymnasium
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Ellen Proestopoulos - Director of Student Services
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Voula Tantanosi - Head Librarian

American College of Thessaloniki

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Karen Bohrer - Director, Bissell Library
Antigoni Vlachopoulou - Registrar
Elli Konstantinou - Director of Recruitment
Roula Lebetli - Director of Admissions
Elena Charalambidou - Director of Business Liaison and Career Services

Since its founding in 1886 the name Anatolia has become synonymous with quality education. In Thessaloniki, Greece since 1923, Anatolia is a private, non-profit, educational institution imbued with the best ideals of Greek and American education. Today, Anatolia provides quality education to Greek, American, and Balkan youth and adults alike through its three academic divisions.

ACT, the **American College of Thessaloniki**, is a private, independent, non-profit American University chartered by the State of Massachusetts and accredited by the New England Association of Schools and Colleges (NEASC). It offers Bachelor (BS and BA) degree programs in Business (Finance, International Business, Management, Marketing), Information Technology (Computer Science and Computer Management Information Systems) and International Relations and Diplomacy. Graduate programs include a Master's program in Business Administration (MBA) with concentrations in Banking and Finance, Entrepreneurship, Management and Marketing and through the school's collaboration with ALBA Graduate Business School, an Executive MBA, an MSc Degree in Finance and an MSc degree in Business Management.

Anatolia College is one of the most prestigious secondary schools in Greece, comprising "gymnasio" (grades 7-9) and "lykeio" (grades 10-12), and the International Baccalaureate (IB) program (grades 11-12) that prepares students for entry and success at some of the best universities worldwide.

Anatolia Elementary (primary school and kindergarten) builds a strong academic foundation in a warm family environment. The school's core philosophy integrates academic excellence, individual development, emphasis on the English language, and community service.

Three great schools.

A single-minded commitment to quality education.

GREECE:

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P.O. Box 21021
555 10 Pylea
Thessaloniki

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130 Bowdoin Street; Suite 1201-1202
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Anatolia