



Socrates D. Constantinou and Son S.A.
5th CONSOLIDATED BALANCE SHEET AT DECEMBER 31, 1998
FISCAL YEAR (JANUARY 1, 1998 - DECEMBER 31, 1998)
AMOUNTS IN GrD

ASSETS

	Year ended 1998			Year ended 1997		
	Acquisition Value	Accumulated Depreciation	Net Value	Acquisition Value	Accumulated Depreciation	Net Value
B. FORMATION EXPENSES						
1. Formation and set-up expenses	10.433.428	8.401.744	2.031.684	-	-	-
4. Other formation expenses	5.627.000	4.285.289	1.341.711	5.627.000	3.563.389	2.063.611
	<u>16.060.428</u>	<u>12.687.033</u>	<u>3.373.395</u>	<u>5.627.000</u>	<u>3.563.389</u>	<u>2.063.611</u>
C. FIXED ASSETS						
II. Tangible Assets						
1. Fields-Lots	178.317.781	-	178.317.781	178.317.781	-	178.317.781
3. Buildings & Technical works	783.338.459	478.492.001	304.846.458	683.767.565	436.932.328	246.835.237
4. Machinery-technical installations-other mechanical equipment	74.660.621	44.336.398	30.324.223	56.497.317	37.678.822	18.818.495
5. Transportation means	92.966.590	45.036.481	47.930.109	60.218.371	29.156.334	31.062.037
6. Furniture & other equipment	373.462.854	219.820.674	153.642.180	283.703.395	161.032.298	122.671.097
Total Tangible Assets (CII)	<u>1.502.746.305</u>	<u>787.685.554</u>	<u>715.060.751</u>	<u>1.262.504.429</u>	<u>664.799.782</u>	<u>597.704.647</u>
III. Participations and other long term financial receivables						
7. Other long term receivables			12.532.534			5.302.328
			<u>12.532.534</u>			<u>5.302.328</u>
Total Fixed Assets (CI+CII)			<u>727.593.285</u>			<u>603.006.975</u>
D. CURRENT ASSETS						
I. Inventories						
1. Merchandise			1.981.240.982			2.134.490.239
5. Down payment for inventory purchases			15.994.293			3.378.169
			<u>1.997.235.275</u>			<u>2.137.868.408</u>
II. Receivables						
1. Receivables from clients			1.974.005.064			1.911.877.018
2. Bills receivable						
Bills receivable on hand		4.233.331			6.654.090	
Bills receivable on banks for collection		<u>138.599.339</u>	142.832.670		<u>122.811.365</u>	129.465.455
3. Bill receivable overdue			94.611.311			90.107.410
3a. Cheques receivable			1.486.486.407			1.451.855.071
3b. Cheques receivables overdue			217.041.325			180.296.113
10. Doubtfull-disputed customers and debtors			82.367.114			57.222.861
11. Sundry Debtors			158.844.004			183.223.872
12. Advances and credits control account			12.620.764			5.915.187
			<u>4.168.808.659</u>			<u>4.009.962.987</u>
III. Securities						
1. Shares			13.500.000			13.500.000
IV. Cash and banks						
1. Cash			26.233.063			21.377.711
3. Sight & time deposits			48.044.992			36.953.211
			<u>74.278.055</u>			<u>58.330.922</u>
Total Current Assets (DI+DII+DIII+DIV)			<u>6.253.821.989</u>			<u>6.219.662.317</u>
E. TRANSITORY ACCOUNTS						
1. Prepaid expenses			894.400			233.464
2. Noncurrent receivables from currently earned income			13.801.405			14.204.473
3. Other transitory accounts			2.168.784			1.483.068
			<u>16.864.589</u>			<u>15.921.005</u>
TOTAL ASSETS (B+C+D+E)			<u>7.001.653.258</u>			<u>6.840.653.908</u>
ASSET MEMO ACCOUNTS						
1. Assets belonging to third assets			6			-
2. Debit accounts of guarantees and colateral security			84.716.322			307.348.534
			<u>84.716.328</u>			<u>307.348.534</u>

CONSOLIDATED INCOME STATEMENT AS OF DECEMBER 31, 1998

	Year ended 1998		Year ended 1997	
I. OPERATING RESULTS				
Company's turnover		7.869.257.054		8.064.909.848
LESS: Cost of sales		<u>5.159.414.234</u>		<u>5.530.922.590</u>
GROSS INCOME		2.709.842.820		2.533.987.258
PLUS: Other operating income		<u>69.040.706</u>		<u>52.363.324</u>
Total		2.778.883.526		2.586.350.582
LESS: 1. Administrative expenses	518.858.060		414.188.387	
3. Selling expenses	<u>1.340.519.404</u>	<u>1.859.377.464</u>	<u>1.136.950.869</u>	<u>1.551.139.256</u>
OPERATING RESULTS BEFORE FINANCIAL TRANSACTIONS		919.506.062		1.035.211.326
LESS: 2. Income from securities	291.972		-	
4. Interest & related income	<u>6.304.944</u>		<u>5.514.801</u>	
	6.596.916		5.514.801	
LESS: 3. Interest & related expenses	<u>353.522.653</u>	<u>346.925.737</u>	<u>220.562.008</u>	<u>215.047.207</u>
TOTAL OPERATING PROFIT		572.580.325		820.164.119
II. PLUS (or less): EXTRAORDINARY RESULTS				
1. Extraordinary income	121.341.315		66.735.707	
2. Extraordinary profits	8.345.655		500.998	
3. Previous years income	<u>57.521</u>		<u>8.267.493</u>	
	129.744.491		75.504.198	
LESS: 1. Extraordinary expenses	252.054.679		95.879.003	
2. Extraordinary losses	9.040.963		416.602	
3. Prior period expenses	1.715.867		2.804.383	
4. Provisions for extraordinary risks	<u>40.508.304</u>	<u>303.319.813</u>	<u>39.446.351</u>	<u>138.546.339</u>
		173.575.322		63.042.141
OPERATING AND EXTRAORDINARY RESULTS		399.005.003		757.121.978
LESS: Total depreciation	116.601.509		108.186.794	
LESS: Depreciation incorporated in operating cost	<u>116.601.509</u>	<u>-</u>	<u>108.186.794</u>	<u>-</u>
NET PROFITS BEFORE TAXES		399.005.003		757.121.978
Less: - Prior years' tax differences	-		14.868.856	
- Income tax	148.548.092		237.630.588	
- Other not charged to the operating cost taxes	<u>3.215.589</u>	<u>151.763.681</u>	<u>11.705.722</u>	<u>264.205.166</u>
NET RESULTS (PROFIT) FOR THE YEAR AFTER TAXES		247.241.322		492.916.812
Less: Minority interests quota on profit after taxes		3.006.407		9.889
NET CONSOLIDATED PROFIT OF THE GROUP FOR THE YEAR AFTER TAXES		250.247.729		492.906.923

NOTES:

1. The last revaluation on the the company's fixed assets was done in the 1996 according to Law 2065/92

LIABILITIES & SHARE CAPITAL

	Year ended 1998	Year ended 1997
A. OWNERS EQUITY		
I. Share Capital (2,562,000 shares x 200 GrD per share)		
1. Paid in	<u>512.400.000</u>	<u>512.400.000</u>
II. Paid in capital in excess of par	<u>462.000.000</u>	<u>462.000.000</u>
III. Revaluation reserves - Investment grants and subsidies		
2. Other assets value adjustments	<u>9.974.422</u>	<u>9.974.422</u>
IV. Reserves		
1. Statutory reserve	124.047.962	106.525.079
4. Extraordinary reserves	<u>281.707.300</u>	<u>281.707.300</u>
	405.755.262	388.232.379
Less: Consolidation differences	<u>532.619.714</u>	<u>331.300.467</u>
	-126.864.452	-56.931.912
V. Retained earnings		
Retained earnings for the period	<u>1.184.609.326</u>	<u>1.054.364.480</u>
IX. Minority Rights		
	<u>62.855.715</u>	<u>1.486.830</u>
Total capital and reserves (AI + AII + AIII + AIV + AV)	<u>2.104.975.011</u>	<u>2.097.157.644</u>
B. PROVISIONS		
2. Other provisions	<u>190.304.636</u>	<u>166.000.061</u>
C. LIABILITIES		
I. Long term liabilities		
Debenture Loans	<u>703.143.962</u>	-
II. Current liabilities		
1. Suppliers	395.654.336	443.654.643
2. Bills payable	601.099.937	815.718.733
2a. Checks payable	86.624.191	-
3. Short term bank loans	2.393.202.598	2.516.759.222
4. Clients down payments	33.165.326	39.704.740
5. Taxes and duties payable	215.849.182	437.033.817
6. Dues to insurance organizations	42.164.918	33.826.476
10. Dividends payable	204.729.450	238.009.000
11. Syndry creditors	<u>20.717.517</u>	<u>41.252.913</u>
	<u>3.993.207.455</u>	<u>4.565.959.544</u>
Total liabilities (CI + CII)	<u>4.696.351.417</u>	<u>4.565.959.544</u>
D. TRANSITORY ACCOUNTS		
1. Unearned and deferred income	68.825	-
2. Accrued expenses	9.623.432	11.536.659
3. Other transitory liability accounts	<u>329.937</u>	-
Total (D)	<u>10.022.194</u>	<u>11.536.659</u>
TOTAL LIABILITIES & SHAREHOLDERS EQUITY (A + B + C + D)	<u>7.001.653.258</u>	<u>6.840.653.908</u>
LIABILITY MEMO ACCOUNTS		
1. Third party properties	6	-
2. Credit accounts of guarantees and colateral secu	<u>84.716.322</u>	<u>307.348.534</u>
	<u>84.716.328</u>	<u>307.348.534</u>