



SOCRATES D. CONSTANTINOU & SON S.A.
CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31st, 2002 Reg No. 8349/06/B/86/02

ASSETS	Amounts as of 31/12/02	Amounts as of 31/12/01
B. ESTABLISHMENT EXPENSES	330.293,59	327.214,74
C. FIXED ASSETS		
II. Tangible Assets	19.675.096,21	9.559.590,77
Less: Accumulated Depreciation	7.085.918,60	4.300.521,34
	12.589.177,61	5.259.069,43
III. Participations & other long term financial assets	78.299,26	67.092,01
Total Fixed Assets	12.667.476,87	5.326.161,44
D. CURRENT ASSETS		
I. Stocks	12.650.936,04	12.167.992,85
II. Customers	10.893.939,99	9.282.104,87
Other Receivables	16.617.119,20	18.179.134,39
III. Securities	43.433,60	40.205,43
IV. Cash	847.217,78	945.481,44
Total Current Assets	41.052.646,61	40.614.918,98
E. TRANSIT DEBIT BALANCES	18.673,28	7.655,15
TOTAL ASSETS (B+C+D+E)	54.069.090,35	46.275.950,31
DEBIT MEMO ACCOUNTS	11.659.155,98	1.953.491,43
CAPITAL & LIABILITIES	Amounts as of 31/12/2002	Amounts as of 31/12/2001
A. SHAREHOLDERS' EQUITY		
I. Share capital (13,191,620 shares X 0.62 EURO per share)	8.178.804,40	4.526.262,66
II. Share premium account	12.150.233,31	12.150.233,31
III. Revaluation -Investment grants differences	957.902,50	1.298.507,06
IV. Reserves	2.967.905,34	1.283.233,95
Less: Consolidation differences	(6.753.884,68)	(6.753.884,68)
V. Prior periods' results	1.031.205,73	3.435.773,67
IX. Minority rights	(1.693.504,60)	(715.787,66)
TOTAL SHAREHOLDERS' EQUITY	16.838.662,00	15.224.338,31
Results for the period 01/01/2002-31/12/2002	(1.274.041,73)	1.556.905,95
Tax audit differences	---	(265.958,54)
	(1.274.041,73)	1.290.947,41
B. PROVISIONS FOR CONTINGENCIES & EXPENSES	22.172,49	564.778,32
C. LIABILITIES		
I. Long term liabilities	20.289.662,62	304.047,81
II. Short term liabilities	17.930.409,98	28.545.254,38
Total Liabilities	38.220.072,60	28.849.302,19
D. TRANSIT CREDIT BALANCES	262.224,99	346.584,08
TOTAL LIABILITIES & SHAREHOLDERS' EQUITY (A+B+C+D)	54.069.090,35	46.275.950,31
E. CREDIT MEMO ACCOUNTS	11.659.155,98	1.953.491,43



SOCRATES D. CONSTANTINOU & SON S.A.
PROFIT & LOSS STATEMENT JANUARY 1st - SEPTEMBER 30th 2002

PROFIT AND LOSS STATEMENT

	Amounts as of 31/12/02	Amounts as of 31/12/01
I. Operating results		
Sales	51.728.941,92	39.454.914,58
Less: Cost of sales	36.819.933,72	27.717.014,34
Gross profit	14.909.008,20	11.737.900,24
Plus: Other Operating Income	424.206,65	994.276,64
Total	15.333.214,85	12.732.176,88
LESS: 1. Administrative expenses	5.382.338,61	3.375.365,84
2. Selling expenses	8.478.183,99	7.065.239,12
3. Financial results	2.690.122,47	1.081.791,39
Total net operating income before extraordinary items and taxes	-1.217.430,22	1.208.780,53
II. LESS: Extraordinary results		
Extraordinary & Non-operating Income-Profits	800.791,31	539.523,03
Extraordinary & Non-operating Expenses-Losses	1.418.294,91	348.901,19
Provisions for extraordinary risks	229.122,06	155.683,07
Net Income after extraordinary items and before taxes and extra depreciation	-2.064.055,88	1.243.719,30
LESS: Total depreciation recorded	2.413.448,53	1.188.190,90
Less: Depreciation included in the operating cost	2.256.375,78	1.031.118,15
NET INCOME FOR THE PERIOD 01/01-30/9/2002 (Profits-Losses) before taxes	-2.221.128,63	1.086.646,55
PLUS: Minority shares proportion	947.086,90	470.259,40
NET CONSOLIDATED INCOME FOR THE GROUP (Profit or Loss) before taxes	-1.274.041,73*	1.556.905,95

NOTES:

- There are no pledges against the fixed assets
- There are no significant cases disputed in courts or under arbitration differences and decisions of courts or arbitrators that may significantly affect the financial position or operations of the firm.
- Employed personnel as of 31/12/2002 amounts to 250 individuals
- The basic accounting principles that were followed are the same with the ones used for the preparation of the financial statements at the end of the fiscal year
- The last revaluation of fixed assets took place in 2000 fiscal year, according to L. 2065/92
- A tax audit has been performed on the parent company until the 2000 fiscal year.
- By decision of the Extraordinary General Meeting of the parent company's Shareholders of 29/04/2002, the merger through absorption of VELLIFEST S.A. by SOCRATES D. CONSTANTINOU & SON S.A. was approved in accordance with the provisions of c.l. 2190/1920 and l. 2166/1993. The transformation balance sheet was drawn up as of 31/08/2001. The number K2-7348/21/06/2002 approval was issued by the Ministry of Development.
- Due to the absorption, the financial statements as of 31/12/2002 are not comparable with the respective statements of the previous period.
- * Net consolidated income for the group include also transferred losses of the absorbed VELLIFEST S.A. for the period 1/9-31/12/2001 amounting to 1,392,162.56 euros. Therefore, consolidated net results for the period 1/1-31/12/2002 before the offsetting of the transferred losses of VELLIFEST S.A. amount to 118.120,83 euros.

Thessaloniki, 17/02/2003

THE PRESIDENT & MANAGING DIRECTOR

THE VICE PRESIDENT

THE FINANCIAL DIRECTOR

THE DIRECTOR OF THE ACCOUNTING DEPARTMENT

D. CONSTANTINOU
I.C. No L 119476

K. CONSTANTINOU
I.C. No Z 905961

G. MAKRIS
I.C. No K. 178403

T. FYTILIS
I.C. No 0 164486

AUDITORS REPORT

Towards the Board of Directors of "SOCRATES D. CONSTANTINOU & SON S.A."

We have conducted the audit on the above Summary Financial Statements of "Socrates D. Constantinou and Son S.A." from January 1 2002 until December 31 2002 according to the provisions of article 6 of P.D. 360/1985 as amended by the article 90 of Law 2533/1997 by applying the standards and requirements accepted by the Institute of Certified Auditors-Accountants and the auditing procedures that we considered pertinent and we didn't realize any inconsistencies or omissions that can significantly affect both the consolidated asset structure and the financial position as well as the results of the aforementioned parent Company and its subsidiaries included in the consolidation. Included in the consolidation are the financial statements that are not accompanied by a Certified Auditor's Accountants Report, which totally represent 9.84% and 5.53% of the consolidated total turnover and total assets and due to their minor importance no audit was conducted on them. From our audit the following arose: 1) For the covering of contingencies that might arise from receivables and cheques overdue as well as for doubtful-contested trade and trade debtors amounting to € 1.809.496 approximately, the companies' administration has set up a provision amounting to € 16.160. In our opinion the provision for doubtful and disputed receivables should have been greater by € 1.793.336 approximately. 2) The companies relying on opinion 205/1988 of the plenary session of the Administration Legal Advisors and on article 10 of L. 2065/1992 has set up a provision for members of staff that is entitled to get a pension until the end of the next period. In our opinion the amount of the provision for staff's retirement benefits should concern all the company's employees independently of the fact that they are entitled to get a pension. If the company had formed a provision in accordance with this method the cumulative amount would be € 730.165 approximately, from which € 103.428 approximately would burden the current fiscal year while € 626.727 approximately would have burdened the previous fiscal years. 3) The account "Establishment expenses" includes the amount € 157.072,75 which represents the balance of the non-depreciated loss of a subsidiary company from debt foreign exchange differences, which occurred during the 2000 fiscal year from the settlement of liabilities in yen and the valuation of the end of the fiscal year. The subsidiary based on the provisions of PDL 12948.12.2000, did not burden the results of the previous fiscal periods with the total amount of the loss that occurred, with the condition that it would be depreciated in equal amounts in a three year period. As of December 31st 2002 the amount of € 157.072,75 was fully depreciated and in this way burdened the burdened the results of the subsidiary during the current fiscal period. Therefore the net consolidated profits of the Group as of December 31, 2002 are reduced by € 80.170,10. According to the audit we have conducted, we have realised that the above-consolidated financial statements have been drawn up in accordance with the relevant provisions of cod. L. 2190/1920 "regarding corporations" and after taking into consideration our-above mentioned remarks, as well as the notes provided by the company, they do not contain any inconsistencies or omissions that can significantly affect both the appearing consolidated asset structure and financial position of the total companies included in the consolidation as of December 31st 2002, as well as the consolidated results for the period ending on that date in conformity with legal requirements and the accounting principles which have been generally applied by the parent company on a basis consistent with that of the previous fiscal year, after taking into consideration remark number 3. It is noted that the present certification is issued for the purposes of article 90 of L. 2533/1997 and does not substitute the certification of the regular audit, which is required by article 108 of cod. L. 2190/1920 "regarding corporations". For this reason it is likely that some funds of the above summary financial statements to present differences with the full year financial statements which will be published with the aforementioned regular audit certification.

Athens, February 24, 2003
The Auditor
Emmanouil A. Pileiadis
A.M. SOEL 12021
DELOITTE & TOUCHE S.A.