

The figures and information given below aim to offer summary information about the financial position of "SOCRATES D. CONSTANTINOU & SON S.A. " and the Group of SOCRATES D. CONSTANTINOU & SON S.A..We therefore advise the reader, before making any investment decision or other transaction with the company, to visit the company's website ([www.yalco.gr](http://www.yalco.gr)) in which the corresponding financial statements, according to the International Accounting Standards, are posted together with the audit report of the certified auditor-accountant, whenever the latter is required.

**BALANCE SHEET**  
Amounts in €

	CONSOLIDATED ACCOUNTS		COMPANY ACCOUNTS	
	01.01-31.03.2005	01.01-31.12.2004	01.01-31.03.2005	01.01-31.12.2004
<b>ASSETS</b>				
Tangible Fixed Assets	13.959.907,38	14.105.275,47	13.207.274,69	13.336.432,25
Intangible Assets and Long term Receivables	476.673,15	479.367,13	3.901.231,09	3.765.898,06
Inventories	13.594.379,95	12.386.274,18	9.340.586,97	9.995.009,47
Trade Receivables	22.605.001,40	21.651.676,65	21.350.750,01	20.187.937,67
Other Assets	4.115.047,10	3.317.126,76	3.420.060,65	2.722.009,94
<b>TOTAL ASSETS</b>	<b>54.751.008,98</b>	<b>51.939.720,19</b>	<b>51.219.903,41</b>	<b>50.007.287,39</b>
<b>LIABILITIES AND OWNER'S EQUITY</b>				
Long-term Liabilities	21.266.028,96	21.250.494,30	20.824.289,12	20.811.133,46
Short-term Bank Liabilities	5.635.105,18	6.291.195,11	1.000.000,00	1.026.012,78
Other Short-term Liabilities	10.618.028,18	7.069.494,53	6.544.868,10	5.538.597,23
<b>Total Liabilities ( a )</b>	<b>37.519.162,32</b>	<b>34.611.183,94</b>	<b>28.369.157,22</b>	<b>27.375.743,47</b>
Shareholders' Equity	17.169.207,63	17.238.989,82	22.850.746,19	22.631.543,92
Minority Interest	62.639,03	89.546,43	0,00	0,00
<b>Total Equity ( b )</b>	<b>17.231.846,66</b>	<b>17.328.536,25</b>	<b>22.850.746,19</b>	<b>22.631.543,92</b>
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY ( a ) + ( b )</b>	<b>54.751.008,98</b>	<b>51.939.720,19</b>	<b>51.219.903,41</b>	<b>50.007.287,39</b>

**INCOME STATEMENT**  
Amounts in €

	CONSOLIDATED ACCOUNTS		COMPANY ACCOUNTS	
	01.01-31.03.2005	01.01-31.03.2004	01.01-31.03.2005	01.01-31.03.2004
Turnover	10.320.092,80	10.857.250,58	8.985.330,21	9.742.132,99
Cost of Goods Sold	-6.640.039,49	-6.775.074,66	-5.816.159,15	-6.240.846,90
<b>Gross Profit</b>	<b>3.680.053,31</b>	<b>4.082.175,92</b>	<b>3.169.171,06</b>	<b>3.501.286,09</b>
Other Revenues	94.479,90	108.604,75	104.996,20	112.837,12
Operating Expenses	-3.447.733,57	-3.243.091,14	-2.702.052,67	-2.619.173,92
Financial Results	-238.053,95	-261.506,01	-160.878,64	-186.646,59
<b>Profit (loss) before Taxes</b>	<b>88.745,69</b>	<b>686.183,52</b>	<b>411.235,95</b>	<b>808.302,70</b>
Less: Taxes	-155.084,03	-282.905,95	-154.092,58	-282.905,95
<b>Profit/(loss) after Taxes</b>	<b>-66.338,34</b>	<b>403.277,57</b>	<b>257.143,37</b>	<b>525.396,75</b>
<b>Attributable to :</b>				
Shareholders	-39.335,47	408.428,16	257.143,37	525.396,75
Minority Interest	-27.002,87	-5.150,59	0,00	0,00
	-66.338,34	403.277,57	257.143,37	525.396,75
	<b>-0,003</b>	<b>0,031</b>	<b>0,020</b>	<b>0,040</b>
<b>Profits/(losses) before Interests and Taxes</b>	<b>326.799,64</b>	<b>947.689,53</b>	<b>572.114,59</b>	<b>994.949,29</b>
<b>Profits/(losses) before Interests , Taxes and Depreciations</b>	<b>614.414,74</b>	<b>1.255.502,03</b>	<b>812.944,02</b>	<b>1.259.960,93</b>

**STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY**  
Amounts in €

	CONSOLIDATED ACCOUNTS		COMPANY ACCOUNTS	
	01.01-31.03.2005	01.01-31.03.2004	01.01-31.03.2005	01.01-31.03.2004
<b>Equity Balance at Period's Beginning (01.01.2005 and 01.01.2004 respectively)</b>	<b>17.328.536,25</b>	<b>16.606.432,64</b>	<b>22.631.543,92</b>	<b>21.750.305,12</b>
Income Charged Directly to Equity	7.589,85	51.940,53	0,00	0,00
Profits/(losses) after Taxes for the period	-66.338,34	403.277,57	257.143,37	525.396,75
Purchase / (Sales) of Own Shares	-37.941,10	0,00	-37.941,10	0,00
<b>Equity Balance at Period's End (31.03.2005 and 31.03.2004 respectively)</b>	<b>17.231.846,66</b>	<b>17.061.650,74</b>	<b>22.850.746,19</b>	<b>22.275.701,87</b>

**EQUITY RECONCILIATION BETWEEN GREEK GAAP AND IAS**  
Amounts in €

	CONSOLIDATED ACCOUNTS		COMPANY ACCOUNTS	
	01.01.2005	01.01.2004	01.01.2005	01.01.2004
<b>Equity according to Greek GAAP at Period's Beginning</b>	<b>17.870.135,00</b>	<b>17.039.873,10</b>	<b>27.186.999,30</b>	<b>26.321.735,72</b>
Transfer of Paid Dividend Recognition in the Approval year from the General Meeting	520.967,60	527.664,80	520.967,60	527.664,80
Financing Reclassification from Owner's Equity to liabilities	-804.079,89	-978.109,25	-271.166,48	-329.273,63
Depreciation Financing adjustment according to the fixed assets useful life	-180.038,97	-127.954,51	-30.621,34	-1.307,09
Effect from non recognition of Intangible Assets	-132.413,67	-171.439,05	-6.153,31	-97.529,52
Adjustment due to usage of useful life for fixed assets depreciation	2.828.612,76	2.408.737,69	2.813.471,55	2.337.421,66
Adjustment of anticipations according to the IAS	-2.340.962,36	-1.952.233,79	-1.571.233,76	-1.222.762,57
Effect from the investments assessment in subsidiaries companies according to the IAS	0,00	0,00	-5.464.441,94	-5.464.441,94
Buy Back Shares	-244.979,20	0,00	-244.979,20	0,00
Recognition of Deferred Taxation	-155.593,90	-106.995,23	-301.298,50	-321.202,31
Other	-33.111,12	-33.111,12	0,00	0,00
<b>Equity according to Greek IAS at Period's Beginning</b>	<b>17.328.536,25</b>	<b>16.606.432,64</b>	<b>22.631.543,92</b>	<b>21.750.305,12</b>

**ADDITIONAL DATA AND INFORMATION :**

1.The interim Financial Statements of first quarter of 2005 (1/1-31-3-2005) have not been audited from Certified auditor Accountant and have been composed according to the International Financial Reporting Standards (IFRS) and specifically according to the International Accounting Standards 34 for interim financial statements.

2.The Group's companies that are included in the consolidated financial statements are:

	Greece	Parent
1.Socrates D.Constantinou & Son S.A. "Yalco"		
2.Excel S.A.	Greece	89.57%
3.Rota Logistics Center S.A.	Greece	92.70%
4.Omnishop S.A.	Greece	80.00%
5.Kormos Distribution S.A.	Greece	99.60%
6.Velkon Service Ltd	Greece	99.50%
7.Yalco Hungary KFT	Hungary	76.00%

**The consolidated Accounts of all Group's companies were composed in accordance to the full consolidation method**

3.the company have been audited by the Tax Authorities up:

- The parent company until the fiscal year 2000
- Excel S.A. until the fiscal year 1998
- Rota Center Logistics S.A. since its establishment (2000 fiscal year)
- Omnishop S.A. until the fiscal year 2002
- Kormos Distribution S.A. until the fiscal year 2002
- Velkon Service Ltd until the fiscal year 2002
- Yalco Hungary KFT has not been audited since its establishment (2004 fiscal year)
- The same basic accounting principles have also been followed during the fiscal year of 2004
- There are no pledges on the company's fixed assets.
- There are no cases contested in courts or under arbitration which may significantly affect the financial position or the operations of the company or the Group.
- At the end of the examined period, the company's personnel was: for the Group 278 and for the company 214 people.
- Company's transactions with the affiliated companies, accumulatively from the beginning of the fiscal year, amount to: sales € 268.488,97 and purchases € 59.630,59.
- The balance of the receivables and payables of the Company with the affiliated companies, at the end of the current period, amounts to € 3.944.452,06 and € 202.788,36 respectively.
- During the period 1/1-03/31/2005 a share buy back of € 37.941,10 was realized and the total of purchased shares reached the amount of 282.920,30 Euro.
- The analysis of the company's turnover on 03/31/2005 according with the Stacod 2003 is the following:

	<u>Consolidated</u>	<u>Company</u>
287.9 Construction of other metallic products	1.883.515,00	1.883.515,00
514.2 Wholesale of clothing and footwear	12.367,68	12.367,68
514.3 Wholesale of electrical house appliances	717.266,99	723.205,03
514.4 Wholesale of china, glass ware and cleaning products	5.917.972,40	5.666.166,16
514.9 Wholesale of other houseware	666.144,87	666.144,87
515.6 Wholesale of other intermediate products	33.931,47	33.931,47
518.Wholesale of other machinery used in the industry ,commerce and pilotage	840.949,18	0,00
524.4 Retail of furniture ,lamps and houseware products	178.882,34	0,00
528.2 Repairing of houseware electrical appliances and micro appliances	21.876,19	0,00
631.2 Inventory	47.186,68	0,00
<b>Total</b>	<b>10.320.092,80</b>	<b>8.985.330,21</b>

**CASH FLOW STATEMENT**  
Amounts in €

	CONSOLIDATED ACCOUNTS		COMPANY ACCOUNTS	
	01.01-31.03.2005	01.01-31.03.2004	01.01-31.03.2005	01.01-31.03.2004
<b>Operating Activities</b>				
Profits before Taxes	88.745,69	686.183,52	411.235,95	808.302,70
Plus/minus adjustments for:				
Depreciation	287.615,10	307.812,50	240.829,43	265.011,64
Provisions	1.005.633,15	1.219.145,47	934.721,67	1.140.553,62
Exchange Differences	-19.084,81	0,00	-19.084,81	0,00
Investment Income	3.531,35	-34.667,99	3.945,96	-9.086,91
Interest and Related Expenses	72.298,44	63.697,22	6.283,33	9.595,61
	<b>1.438.738,92</b>	<b>2.242.170,72</b>	<b>1.577.931,53</b>	<b>2.214.376,66</b>
Changes in Working Capital:				
Decrease / (Increase) in Inventories	-1.210.526,31	-721.166,88	654.422,50	-113.023,37
Decrease / (Increase) in Receivables	-1.600.722,72	-2.088.113,29	-1.136.456,66	-1.089.265,04
(Decrease) / Increase in Payables (except for banks)	2.959.793,77	2.377.746,50	-87.859,65	89.752,28
Less:				
Interest and Related Expenses Paid	72.298,44	63.697,22	6.283,33	9.595,61
Taxes Paid	3.150,99	3.603,66	3.150,99	3.603,66
	73.095,31	-498.834,55	-579.328,13	-1.125.735,40
<b>Net Cash from Operating Activities ( a )</b>	<b>1.511.834,23</b>	<b>1.743.336,17</b>	<b>998.603,40</b>	<b>1.088.641,26</b>
<b>Investing Activities</b>				
Purchase of Tangible and Intangible Assets	-157.978,78	-172.680,22	-120.314,14	-118.783,23
Proceeds from the Sale of Property, Plant and Equipment	9.200,00	47.000,00	9.200,00	47.000,00
Interest Received	2.590,73	10.920,79	2.176,12	10.909,89
	<b>-146.188,05</b>	<b>-114.759,43</b>	<b>-108.938,02</b>	<b>-60.873,34</b>
<b>Financing Activities</b>				
Proceeds from Share Capital Increase	0,00	44.934,80	0,00	0,00
Payments on Loans	-657.664,74	-584.037,12	-26.012,78	-45.352,25
Dividends Paid	-426,72	-2.218,28	-426,72	-2.218,28
Sale/(Purchase) of own shares	-37.941,10	0,00	-37.941,10	0,00
<b>Net Cash from Financing Activities ( c )</b>	<b>-696.032,56</b>	<b>-541.320,60</b>	<b>-64.380,60</b>	<b>-47.570,53</b>
<b>Net Increase / (Decrease) in Cash and Cash Equivalents ( a ) + ( b ) + ( c )</b>	<b>669.613,62</b>	<b>1.087.256,14</b>	<b>825.284,78</b>	<b>980.197,39</b>
<b>Cash and Cash Equivalents at Period's Beginning</b>	<b>1.918.094,50</b>	<b>4.079.638,01</b>	<b>1.290.336,85</b>	<b>3.447.123,60</b>
<b>Cash and Cash Equivalents at Period's End</b>	<b>2.587.708,12</b>	<b>5.166.894,15</b>	<b>2.115.621,63</b>	<b>4.427.320,99</b>

CHAIRMAN OF THE BoD

VICE PRESIDENT

FINANCIAL MANAGER

CHIEF ACCOUNTANT

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(I.C. No.: L 119476)

**CONSTANTINOU K.**  
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