

SOCRATES D. CONSTANTINOU & SON S.A.



PARENT FINANCIAL STATEMENTS

AS OF JUNE 30, 2000

ASSETS	6 / 30/ 00	6/30/99
<i>in GrD</i>		
C. FIXED ASSETS		
II. Tangible Assets	1.602.585.412	1.450.860.946
Less: Accumulated Depreciation	920.828.337	799.331.578
	681.757.075	651.529.368
III. Participations & other long term receivables	2.804.645.589	1.114.370.275
Total Fixed Assets	3.486.402.664	1.765.899.643
D. CURRENT ASSETS		
I. Inventories	2.738.965.873	1.916.509.314
II. Customers	2.419.089.152	1.845.466.886
Other Receivables	5.705.087.619	2.220.002.462
III. Securities	13.700.000	13.500.000
IV. Cash at bank and in hand	64.054.410	149.459.464
Total Current Assets	10.940.897.054	6.144.938.126
E. TRANSIT DEBIT BALANCES	6.828.555	15.700.000
TOTAL ASSETS (C+D+E)	14.434.128.273	7.926.537.769
ASSET MEMO ACCOUNTS	297.629.382	506.778.980

LIABILITIES & EQUITY	6/ 30/ 2000	6/30/1999
A. SHAREHOLDERS EQUITY		
I. Paid in share capital (5,124,000 shares X 200 GrD per share)	1.542.324.000	1.024.800.000
II. Share premium account	4.140.192.000	--
III. Revaluation -Investment grants differences	10.970.422	10.970.422
IV. Reserves	408.707.300	401.707.300
V. Prior periods' results	1.172.886.255	1.131.124.510
TOTAL SHAREHOLDERS' EQUITY	7.275.079.977	2.568.602.232
Six-month results before taxes	629.527.193	302.095.796
B. PROVISIONS FOR LIABILITIES & EXPENSES	204.955.752	180.804.191
C. LIABILITIES		
I. Long term liabilities	1.475.878.459	1.402.955.415
II. Short term liabilities	4.920.903.872	3.319.423.899
Total Liabilities	6.396.782.331	4.722.379.314
D. TRANSIT CREDIT BALANCES	255.214.417	205.424.201
TOTAL LIABILITIES & SHAREHOLDERS' EQUITY (A+B+C+D)	14.434.828.273	7.926.537.769
E. LIABILITIES MEMO ACCOUNTS	297.629.382	506.778.980

**SOCRATES D. CONSTANTINOU & SON S.A.**

PROFIT & LOSS STATEMENT

(1/1/2001 - 6/30/2001)

in GrD

PROFIT AND LOSS STATEMENT		6 / 30 / 00	6 / 30 / 99
I. Operating results			
Sales		5.003.203.774	3.715.357.977
Less: Cost of sales		3.460.588.090	2.434.824.397
Gross Margin		1.542.615.684	1.280.533.580
Plus: Other Operating Income		50.609.071	27.570.037
Total		1.593.224.755	1.308.103.617
LESS: 1. Administrative expenses	316.295.027		256.382.544
2. Selling expenses	735.048.138		654.055.972
3. Financial results	149.816.466	1.201.159.631	107.883.323
Total operating results		392.065.124	289.781.778
II. LESS: Extraordinary results			
Extraordinary & Non-operating Income-Profits	42.127.590		46.600.235
Extraordinary & Non-operating Expenses-Losses	107.096.918		68.094.182
Provisions for extraordinary risks	25.000.000	89.969.328	19.000.000
Operating & extraordinary results (profits)		302.095.796	249.287.831
LESS: Total depreciation of fixed assets	61.446.452		53.219.154
Less: Depreciation included in the operating cost	61.446.452	--	53.219.154
NET RESULTS (PROFIT) BEFORE TAXES		302.095.796	249.287.831

NOTES:

1. There are no pledges against the fixed assets
2. There are neither disputes pending nor referred to arbitration nor any court judgements or pronouncements of arbitrators that could significantly affect the financial position of the Company.
3. Employed personnel : 140 people.
4. These financial statements are composed on the basis of the same accounting principles which are used to prepare the financial statements at the end of the fiscal year

Thessaloniki, August 4 2001

THE PRESIDENT & MANAGING DIRECTOR

THE VICE PRESIDENT

THE FINANCIAL
DIRECTORD.CONSTANTINOU
I.C. No L 119476K. CONSTANTINOU
I.C. No Z 905961G. MAKRIS
I.C. No K. 178403**AUDITORS REPORT****To the Shareholders of "SOCRATES D. CONSTANTINOU & SON S.A."**

We have conducted the audit on the above Financial Statements of "Socrates D. Constantinou and Son S.A." from January 1 2000 until December 31 2000 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 asset structure and the financial position of the company and the results appearing on them .We have examined the books of account and records kept by the Company and we obtained all the information and explanations which we needed for the purpose of our audit. The Company applied properly the General Accounting Plan. No change in the inventory valuation has been made as compared with that of the corresponding previous period. From our audit the following arose: 1) In order to cover contingencies that might arise from receivables and cheques overdue as well as for doubtful-constested trade and trade debtors amounting to GrD 436 million approximately, the company's management has set up a provision amounting to GrD 200 million approximately which is considered adequate. 2) the firm 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 till 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 GrD 110 million from which GrD 21 million will burden the current fiscal year and GrD 89 million will burden the previous fiscal years. 3) The account "Participations in affiliated companies" includes the acquisition cost of the shares of non-listed companies amounting to GrD 2,795,280,395 which according to the latest published balance sheet on June 30, 2000 will have a book value amounting to GrD 830,577,699. The company following the tax legislation (art. 28 par. 5 of P.D 186/1995) and judging that the difference amounting to GrD 2,964,702,696 stems from intangible assets that have not been evaluated (representation agreements of foreign houses) has evaluated these shares in their acquisition cost and not in their book value as it stated by art. 43 par. 6 of Law 2190/1920. According to the audit we have conducted, we have realised that the above Financial Statements, result from the company's books and records and after taking into consideration our-above mentioned remarks, the do not contain any inconsistencies or omissions that can significantly affect both the appearing asset structure and financial position of the company on June 30 2001, and the results for the period ending on that date in conformity with legal requirements and the accounting principles which have been generally applied on a basis consistent with that of the previous fiscal year.

Athens, August 11, 2000
The Auditor
Michalis K. Hatzipavlou
A.M. SOEL 12511
DELOITTE & TOUCHE S.A.