



**SOCRATES D. CONSTANTINOU & SON S.A.**  
**CONSOLIDATED FINANCIAL STATEMENTS AS OF SEPTEMBER 30th, 2002 Reg No. 8349/06/B/86/02**

<b>ASSETS</b>	<b>Amounts as of 30/09/02</b>	<b>Amounts as of 30/09/01</b>
	<u>in EUROS</u>	<u>in EUROS</u>
<b>B. ESTABLISHMENT EXPENSES</b>	435.921,46	352.034,31
<b>C. FIXED ASSETS</b>		
<b>II. Tangible Assets</b>	20.033.222,61	9.283.482,59
Less: Accumulated Depreciation	6.675.564,22	4.039.389,88
	13.357.658,39	5.244.092,71
<b>III. Participations &amp; other long term financial assets</b>	157.948,84	66.205,38
<b>Total Fixed Assets</b>	<b>13.515.607,23</b>	<b>5.310.298,09</b>
<b>D. CURRENT ASSETS</b>		
<b>I. Stocks</b>	14.791.884,16	12.393.848,80
<b>II. Customers</b>	14.259.980,07	10.241.154,35
Other Receivables	22.069.655,10	18.579.236,26
<b>III. Securities</b>	43.433,60	40.205,43
<b>IV. Cash</b>	1.049.837,76	253.796,68
<b>Total Current Assets</b>	<b>52.214.790,69</b>	<b>41.508.241,52</b>
<b>E. TRANSIT DEBIT BALANCES</b>	22.174,71	293.986,14
<b>TOTAL ASSETS (B+C+D+E)</b>	<b>66.188.494,09</b>	<b>47.464.560,06</b>
<b>DEBIT MEMO ACCOUNTS</b>	16.457.306,32	2.593.299,00
<b>CAPITAL &amp; LIABILITIES</b>	<b>Amounts as of 30/9/2002</b>	<b>Amounts as of 30/9/2001</b>
	<u>in EUROS</u>	<u>in EUROS</u>
<b>A. SHAREHOLDERS' EQUITY</b>		
<b>I. Share capital</b> (13,191,620 shares X 0.62 EURO per share)	8.178.804,40	4.526.262,66
<b>II. Share premium account</b>	12.150.233,31	12.150.233,31
<b>III. Revaluation -Investment grants differences</b>	797.741,29	1.068.484,48
<b>IV. Reserves</b>	2.967.905,34	1.283.233,95
Less: Consolidation differences	-6.753.884,68	-6.753.884,68
<b>V. Prior periods' results</b>	1.031.205,72	3.481.802,46
<b>IX. Minority rights</b>	(1.478.880,05)	(759.382,19)
<b>TOTAL SHAREHOLDERS' EQUITY</b>	<b>16.893.125,33</b>	<b>14.996.749,99</b>
Results for the period 01/01/2002- 30/09/2002	(727.914,69)	1.336.148,42
Tax audit differences	--	311.987,33
	(727.914,69)	1.024.161,10
<b>B. PROVISIONS FOR CONTINGENCIES &amp; EXPENSES</b>	2.071.802,11	695.623,63
<b>C. LIABILITIES</b>		
<b>I. Long term liabilities</b>	20.308.687,61	341.994,81
<b>II. Short term liabilities</b>	26.356.878,21	29.371.672,43
<b>Total Liabilities</b>	<b>46.665.565,82</b>	<b>29.713.667,24</b>
<b>D. TRANSIT CREDIT BALANCES</b>	1.285.915,82	1.034.358,09
<b>TOTAL LIABILITIES &amp; SHAREHOLDERS' EQUITY (A+B+C+D)</b>	<b>66.188.494,09</b>	<b>47.464.560,05</b>
<b>E. CREDIT MEMO ACCOUNTS</b>	16.457.306,32	2.593.299,00



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

PROFIT AND LOSS STATEMENT				
	Amounts of Absorbed company	Amounts of Absorbing and Absorbed Company	Total in EUROS	Amounts as of 30/9/01 in EUROS
	01/09 - 31/12/2001	01/01 - 30/9/2002	01/09/2001 - 30/9/2002	
<b>I. Operating results</b>				
Sales	4,721,204,83	30,054,765,88	34,775,970,71	23,029,500,77
Less: Cost of sales	<u>3,580,258,73</u>	<u>19,848,965,40</u>	<u>23,429,324,13</u>	<u>15,438,064,26</u>
Gross profit	1,140,946,10	10,205,800,48	11,346,646,58	7,591,436,51
Plus: Other Operating Income	<u>27,380,78</u>	<u>329,529,57</u>	<u>356,910,35</u>	<u>367,185,09</u>
Total	1,168,226,88	10,535,330,05	11,703,556,93	7,958,621,60
LESS: 1. Administrative expenses	786,564,00	2,716,795,66	3,503,359,66	1,635,475,84
2. Selling expenses	487,103,53	4,902,760,56	5,389,864,09	3,590,331,44
3. Financial results	616,493,46	882,550,36	1,599,043,82	241,634,98
Total net operating income before extraordinary items and taxes	<u>-721,934,11</u>	<u>1,933,223,47</u>	<u>1,211,289,36</u>	<u>2,491,179,34</u>
II. LESS: Extraordinary results				
Extraordinary & Non-operating Income-Profits	47,013,38	82,190,58	129,203,96	40,344,28
Extraordinary & Non-operating Expenses-Losses	674,959,17	93,571,49	768,530,66	108,097,61
Provisions for extraordinary risks	<u>42,282,66</u>	<u>130,000,00</u>	<u>172,282,66</u>	<u>114,453,42</u>
Operating & extraordinary results (profits)	306,125,29	1,045,995,54	1,352,120,83	353,282,70
LESS: Total depreciation recorded				
Less:				
Depreciation included in the operating cost	<u>306,125,29</u>	<u>1,045,995,54</u>	<u>1,352,120,83</u>	<u>353,282,70</u>
NET INCOME (Profit or Loss)	<u>-1,392,162,56</u>	<u>1,791,842,56</u>	<u>399,680,00</u>	<u>2,308,972,59</u>

**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 30/9/2002 amounts to 226 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
- By decision of the Ministry of Development, K2 - 7348/21-6-2002, the merger through absorption of VELLIFEST S.A. by SOCRATES D. CONSTANTINOU & SON S.A. was approved. In the financial statements as of 30-09-2002 items of the asset and capital & liabilities of the absorbed VELLIFEST S.A. have been transferred which is no longer a legal person. Specifically, the profit and loss account includes items of the period 01/09/2001-30/09/2002. For reasons of comparing the results, the company analysed income in two periods: 01/09-31/12/2002 and 01/01-30/09/2002
- In accordance with the 4-digit STACOD-91 classification the company's Net Turnover as of 30/06/2002 by category of economic activity is analysed as follows
 

287.9 Construction of other metallic products	4,459,927,46 €
514.2 Wholesale of clothing and footwear	107,253,16 €
514.3 Wholesale of electrical house appliances	2,830,997,94 €
514.4 Wholesale of china, glass ware and cleaning products	23,487,116,92 €
514.9 Wholesale of other houseware	3,649,050,97 €
515.6 Wholesale of other intermediate products	241,624,26 €
Total	34,775,970,71 €

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 6 164486