



SOCRATES D. CONSTANTINOU & SON S.A

CONSOLIDATED FINANCIAL STATEMENTS as of SEPTEMBER 30th, 2004 (January 1st - September 30th 2004) Reg No. 8349/06/B/86/

ASSETS			LIABILITIES AND EQUITY		
	AMOUNTS UNTIL 30.09.2004	AMOUNTS UNTIL 30.09.2003		AMOUNTS UNTIL 30.09.2004	AMOUNTS UNTIL 30.09.2003
B. ESTABLISHMENT EXPENSES	<u>110.718,98</u>	<u>226.258,08</u>	A. CAPITAL AND RESERVES		
C. FIXED ASSETS			I. Share Capital		
II. Tangible assets	20.713.407,00	19.983.358,42	(13,191,620 shares x 0.62 Euro)	8.178.804,40	8.178.804,40
Less: Accumulated Depreciation	<u>9.621.759,57</u>	<u>8.378.498,64</u>	II. Paid in Capital in Excess of par	<u>12.150.233,31</u>	<u>12.150.233,31</u>
	11.091.647,43	11.604.859,78	III. Revaluation - Investment grants differences	850.338,44	861.327,53
III. Participations & other long-term			IV. Reserves	3.271.126,36	2.996.931,62
financial assets	<u>82.592,88</u>	<u>74.339,58</u>	Less: Consolidation differences	6.264.367,63	7.217.390,96
Total Fixed Assets	<u>11.174.240,31</u>	<u>11.679.199,36</u>	V. Prior periods' results	-1.140.668,86	-1.342.723,13
D. CURRENT ASSETS			VII. Currency Differences	1.019,91
I. Inventories	14.119.255,01	12.607.806,27	IX. Minority rights	-145.420,75	-330.910,30
II. Customers	12.290.640,07	12.915.197,97	Total Shareholders Equity (AI+AII+AIII+AIV+AV+AVII+AIX)	<u>16.901.065,18</u>	<u>15.296.272,47</u>
Other Receivables	11.200.611,10	14.592.485,75	Results 1/1-30/09/04	2.067.450,86	2.011.720,67
III. Securities	209.994,28	28.031,33	Tax Audit Differences	<u>2.067.450,86</u>	<u>-147.764,00</u>
IV. Available Cash	<u>769.874,31</u>	<u>1.063.848,34</u>	B. PROVISIONS FOR CONTINGENCIES AND EXPENSES	<u>34.396,47</u>	<u>110.500,05</u>
Total Current Assets	<u>38.590.374,77</u>	<u>41.207.369,66</u>	C. LIABILITIES		
TOTAL ASSETS (B+C+D)	<u>49.875.334,06</u>	<u>53.112.827,10</u>	I. Long-term liabilities		
ASSET MEMO ACCOUNTS	<u>14.982.147,20</u>	<u>16.469.020,91</u>	1. Long term liabilities bank accounts	<u>17.267.732,60</u>	<u>20.251.772,60</u>
			II. Short-term Liabilities		
			1. Short term liabilities bank accounts	5.052.074,68	6.545.561,30
			2. Other short term obligations	<u>7.252.174,38</u>	<u>7.388.012,51</u>
				<u>12.304.249,06</u>	<u>13.933.573,81</u>
			Total Liabilities (CI+CII)	<u>29.571.981,66</u>	<u>34.185.346,41</u>
			D. TRANSIT CREDIT ACCOUNTS	<u>1.300.439,89</u>	<u>1.656.751,50</u>
			TOTAL LIABILITIES AND EQUITY (A+B+C+D)	<u>49.875.334,06</u>	<u>53.112.827,10</u>
			LIABILITIES MEMO ACCOUNTS	<u>14.982.147,20</u>	<u>16.469.020,91</u>

PROFIT AND LOSS ACCOUNT as of SEPTEMBER 30TH 2004(1.1 - 09.30.2004)

	30.09.2004	30.09.2003
I. OPERATING RESULTS		
Turnover (Sales)	33.715.040,74	34.276.442,44
Less: Cost of Goods Sold	<u>21.288.962,43</u>	<u>22.257.403,08</u>
GROSS OPERATING PROFIT	12.426.078,31	12.019.039,36
Plus: Other Operating Income	<u>341.057,01</u>	<u>399.079,20</u>
Total	12.767.135,32	12.418.118,56
Less: 1. Administrative Expenses	3.202.896,38	2.801.360,16
2. Selling Expenses	6.469.893,39	5.990.244,48
3. Financial Results	<u>763.219,07</u>	<u>1.045.372,17</u>
Total net operating income before extraordinary items and taxes	2.331.126,48	2.581.141,75
II. Less: Extraordinary results		
Extraordinary & Non-operating Income-Profits	326.384,50	283.390,10
Extraordinary & Non-operating Expenses-Losses	416.684,32	457.195,09
Provisions for extraordinary risks	<u>225.847,60</u>	<u>402.000,00</u>
Operating & extraordinary results	2.014.979,06	2.005.336,76
Less: Total depreciation recorded	1.411.076,56	1.519.731,84
Less:		
Depreciation included in the operating cost	<u>1.411.076,56</u>	<u>1.519.731,84</u>
NET INCOME before TAXES	<u>2.014.979,06</u>	<u>2.005.336,76</u>
Plus,Minus Minority shares proportion	<u>52.471,80</u>	<u>6.383,91</u>
NET CONSOLIDATED INCOME FOR THE GROUP before taxes	<u>2.067.450,86</u>	<u>2.011.720,67</u>

NOTES

- The above consolidated financial statements include the following Companies: 1)SOCRATES D. CONSTANTINOU & SON S.A. (parent) 2)Excel S.A. 3) Rota Centre Logistics S.A. 4) Omnishop S.A. 5) Kormos Distribution S.A. 6) Velkon Service 7) Yalco Hungary KFT . The consolidation was made according with articles 90 to 109 of 2190/1920 Law regarding S.A.'s. For the asset conversion of Yalco Hungary KFT the final currency method.
 - 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 the operations of the firm.
 - The total number of employed personnel as of 30/9/2004 is 268
 - The basic accounting principles that were followed are the same with the ones used for the preparation of the financial statement at the end of fiscal year.
 - The last revaluation of fixed assets took place in 2000 fiscal year, according to L. 2065/92.
 - The parent company is audited for 2000 fiscal year use, whereas the subsidiaries EXCEL S.A., Kormos Distribution, Velkon Service until the 1998 fiscal year use Omnishop until 1999 and Rota Centre Logistics S.A. was not audited since its establishment, 2000 fiscal year use
 - In the Assets Account "Securities" is included the acquisition value of these securities amounted to Euro 200,896,7
 - In accordance with the 4-digit STACOD-2003 classification the company's Net Turnover as of 30/09/2004 by category of economic activity is analyzed as follows:
- | | | |
|--|-------|----------------------|
| 287.9 Construction of other metallic products | Euros | 3.140.191,29 |
| 514.2 Wholesale of clothing and footwear | | 103.659,14 |
| 514.3 Wholesale of electrical house appliances | | 2.499.027,95 |
| 514.4 Wholesale of china, glassware and cleaning products | | 19.579.372,77 |
| 514.9 Wholesale of other houseware | | 3.269.591,19 |
| 515.6 Wholesale of intermediate products | | 180.196,73 |
| 518.7 Wholesale of other machinery used in the industry, commerce and pilotage | | 4.257.512,35 |
| 524.4 Retail of furniture,lamps and houseware products | | 491.893,53 |
| 528.2 Repairing of houseware electrical appliances and micro appliances | | 72.862,87 |
| 631.2 Inventory | | 120.732,92 |
| TOTAL | | 33.715.040,74 |

THESSALONIKI, 11/11/2004

THE
CHAIRMAN AND C.E.O

THE
VICE - CHAIRMAN

THE
CHIEF FINANCIAL OFFICER

THE
CHIEF ACCOUNTANT

CONSTANTINOU D.
ID No. L 119476

CONSTANTINOU K.
ID No. Z 905961

MAKRIS G.
ID No. K 178403

FITILIS T
ID No. I 164486- Reg No 15514 A Class