

ASSETS	AMOUNTS UNTIL 12.31.2003	AMOUNTS UNTIL 12.31.2002	LIABILITIES AND EQUITY	AMOUNTS UNTIL 12.31.2003	AMOUNTS UNTIL 12.31.2002
<b>B. ESTABLISHMENT EXPENSES</b>	97,529.52	212,746.06	<b>A. CAPITAL AND RESERVES</b>		
<b>C. FIXED ASSETS</b>			I. Share Capital		
II. Tangible assets	18,671,345.95	18,362,020.61	(13,191.620 shares x 0,62 Euro)	8,178,804.40	8,178,804.40
Less: Accumulated Depreciation	7,963,622.49	6,376,180.10	II. Paid in Capital in Excess of par	12,150,233.31	12,150,233.31
	10,707,723.46	11,985,840.51	III. Revaluation- Investment grants differences	332,196.59	195,838.59
III. Participations & other long-term financial assets	9,070,576.53	9,763,685.81	IV. Reserves	2,947,165.92	2,939,522.06
			V. Retained Earnings	2,378,348.29	2,378,348.29
<b>Total Fixed Assets</b>	<b>19,778,299.99</b>	<b>21,749,526.32</b>	<b>Total Shareholders Equity</b>	<b>25,986,748.51</b>	<b>25,842,746.65</b>
<b>D. CURRENT ASSETS</b>			Results 1/1-31/12/03	1,492,834.51	151,196.47
I. Inventories	9,704,399.11	10,309,461.31	<b>B. PROVISIONS FOR CONTINGENCIES AND EXPENSES</b>	300,000.00	4,272.46
II. Customers	12,242,994.41	12,278,744.45	<b>C. LIABILITIES</b>		
Other Receivables	10,163,232.37	11,736,024.00	I. Long-term liabilities	13,636,685.78	20,061,457.00
III. Securities	28,031.33	43,433.60	II. Short-term Liabilities	12,590,104.87	9,197,442.06
IV. Available Cash	3,447,123.60	634,475.64	<b>Total Liabilities</b>	<b>26,226,790.65</b>	<b>29,258,899.06</b>
<b>Total Current Assets</b>	<b>35,585,780.82</b>	<b>35,002,139.00</b>	<b>D. TRANSIT CREDIT ACCOUNTS</b>	1,504,910.99	1,725,267.77
<b>E. TRANSIT DEBIT ACCOUNTS</b>	49,674.33	17,971.03	<b>TOTAL LIABILITIES AND EQUITY (A+B+C+D)</b>	<b>55,511,284.66</b>	<b>56,982,382.41</b>
<b>TOTAL ASSETS (B+C+D+E)</b>	<b>55,511,284.66</b>	<b>56,982,382.41</b>	<b>LIABILITIES MEMO ACCOUNTS</b>	11,930,654.42	11,346,112.56
<b>ASSET MEMO ACCOUNTS</b>	11,930,654.42	11,346,112.56			

**PROFIT AND LOSS ACCOUNT as of DECEMBER 31ST 2003(1.1 - 12.31.2003)**

	12.31.2003	12.31.2002
<b>I. OPERATING RESULTS</b>		
Turnover (Sales)	38,755,667.30	44,318,933.47
Less: Cost of Goods Sold	24,941,467.80	30,271,526.59
<b>GROSS OPERATING PROFIT</b>	<b>13,814,199.50</b>	<b>14,047,406.88</b>
Plus: Other Operating Income	373,688.87	472,908.79
<b>Total</b>	<b>14,187,888.37</b>	<b>14,520,315.67</b>
Less: 1. Administrative Expenses	3,087,987.50	4,460,255.03
2. Selling Expenses	6,918,374.00	7,137,225.50
3. Financial Results	979,013.43	1,918,089.00
<b>Total net operating income before extraordinary items and taxes</b>	<b>3,202,513.44</b>	<b>1,004,746.14</b>
<b>II. Less: Extraordinary results</b>		
Extraordinary & Non-operating Income-Profits	557,594.83	592,530.70
Extraordinary & Non-operating Expenses-Losses	588,429.39	1,226,080.37
Provisions for extraordinary risks	300,000.00	220,000.00
Operating & extraordinary results	1,707,903.92	2,871,678.88
Less: Total depreciation recorded	1,707,903.92	1,946,181.23
Less: Depreciation included in the operating cost	1,707,903.92	0.00
Results for period before holdings depreciation	2,871,678.88	151,196.47
Less: Holdings Depreciation	1,378,844.37	
<b>TOTAL NET INCOME before TAXES</b>	<b>1,492,834.51</b>	<b>151,196.47</b>

**NOTES**

- There are no pledges against fixed assets.
- There are no cases disputed in courts or under arbitration that may significantly affect the financial position or operations of the firm.
- The total number of employed personnel as of 31/12/2003 is 207
- 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.
- A tax audit has been conducted on the company until 2000 fiscal year.
- On 21/06/2002 the merger through absorption of VELLIFEST S.A by SOCRATES D. CONSTANTINOU & SON S.A. was completed. For this reason the financial results of the fourth 3-month period are not comparable with ones of the previous fiscal year's results.
- During the 2003 fiscal year is completed the clearance and dissolution of the following affiliates, AMALCO S.A., VELKON S.A. AND KORMOS S.A. The results deriving from the dissolution of these companies are displayed in the account "Holdings Depreciation".
- In accordance with the 4-digit STACOD-2003 classification the company's Net Turnover as of 31/12/2003 by category of economic activity is analyzed as follows:
 

287.9 Construction of other metallic products	Euro 4,392,881,96
514.2 Wholesale of clothing and footwear	Euro 172,459,60
514.3 Wholesale of electrical house appliances	Euro 3,837,810,56
514.4 Wholesale of china, glassware and cleaning products	Euro 26,204,767,65
514.9 Wholesale of other houseware	Euro 3,883,900,98
515.6 Wholesale of intermediate products	Euro 263,846,55
<b>TOTAL</b>	<b>Euro 38,755,667,30</b>

**THESSALONIKI, 02/18/2003**

THE  
CHAIRMAN AND C.E.O

THE  
VICE - CHAIRMAN

THE  
CHIEF FINANCIAL OFFICER

THE  
CHIEF ACCOUNTANT

CONSTANTINOU D.  
ID No. 119476

CONSTANTINOU K.  
ID No. Z 905961

MAKRIS G.  
ID No. K 178403

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

CERTIFIED AUDITOR'S - ACCOUNTANT'S REPORT

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

We have audited the above financial statements, as it was anticipated by the provisions of article 6 of the presidential decree 360/1985, as modified with the article 90 of Law 2533/1997 by applying, within the framework of the rules and principles followed by the Institute of Certified Public Accountants of Greece, the appropriate auditing procedures, in order to ascertain that the summary financial statements of "SOCRATES D. CONSTANTINOU ANS SON S.A." covering the period from January 1st 2003 until December 31st 2003 do not contain any inaccuracies or omissions substantially affecting the asset structure and the financial position as well as the financial results presented. Within the framework of our audit we took into account the activities of the Company's outlets.

The Company provided us with all the appropriate information and explanations that we asked in order to conduct the audit. The Company followed correctly the General Accounting Principles. The inventory method has not been verified in relation with the previous year, and the production cost has been determined in accordance with the accepted principles of cost accounting.

Based on our audit, we can ascertain that:

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 Euro 800,000, the company's administration has set up a provision for doubtful receivables of Euro 300,000.

In our opinion the Company should have format an additional provision for doubtful nad disputed receivables amounting to Euro 500,000.

2. The company, based on the decision no. 205/1989 of the Plenary Session of the Administration Legal Advisors and 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 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 had formed a provision in accordance with this method the cumulative amount would be Euro 713,722 approximately, from which Euro 114,098 would burden the current fiscal year while Euro 599,624 would have burden the previous fiscal years.

3. The account "Participations in affiliated companies" includes the amount Euro 9,031,480.81 that represents the acquisition cost of the shares of non-listed companies. The company following the tax legislation ( article 28, par. 5 of P.D 186/1995) has evaluated these shares by their acquisition cost, and not in their book value as it is stated by article 43, par.6 of Law 2190/1920, resulting in the occurrence of the surplus value amounting to Euro 7,871,673.80.

4. A tax audit has not been performed on the Company for the fiscal years 2001 until 2003, and for this reason the tax obligations for these fiscal years have not been finalized.

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 and the notes provided by the Company, do not contain any inconsistencies or omissions that can significantly affect both the appearing asset structure and financial position of the company on December 31st 2003, 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. It is noted that the current certification is issued for the purposes of article 90 of L. 2533/1997 and does not substitute the certification of the regular audit that is required in accordance with article 37 of C.L. 2190/1920. 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 19/02/2004  
 THE CERTIFIED AUDITOR - ACCOUNTANT  
 EMMANOUEL A. PILDIS  
 REG.SOEI 12021  
 Deloitte  
 XATZIPAVLOU SOFIANOS & KAMPANIS S.A.