

LAMBRAKIS PRESS S.A.

Registration No. 1410/06/B/86/40 Prefecture of Athens
BALANCE SHEET OF DECEMBER 31, 2004
34TH CORPORATE YEAR (JANUARY 1 - DECEMBER 31, 2004)
AMOUNTS IN EUROS

ASSETS	Closing year's amounts (2004)			Previous year's amounts (2003)			LIABILITIES	
	Acquisition value	Accrued depreciation	Non-depreciated balance	Acquisition value	Accrued depreciation	Non-depreciated balance	Closing year's amounts (2004)	Previous year's amounts (2003)
B. ESTABLISHMENT EXPENSES							A. EQUITY CAPITAL	
1. Establishment and set up expenses	5,742,450.46	5,513,579.46	228,871.00	5,742,450.46	4,894,682.07	847,768.39	I. Share capital (75,300,000 shares of nominal value of 0.60 euros each)	
4. Other establishment expenses	5,437,735.24	3,010,828.86	2,426,906.38	2,654,897.95	2,280,519.62	374,378.33	1. Fully paid up	45,180,000.00
	11,180,185.70	8,524,408.32	2,655,777.38	8,397,348.41	7,175,201.69	1,222,146.72		45,180,000.00
C. FIXED ASSETS							II. Share premium reserve	201,653,475.23
I. Intangible assets							III. Revaluation differences - Investment subsidies	
2. Industrial property rights	139,587.37	139,587.32	0.05	139,587.37	139,587.32	0.05	2. Differences from revaluation of other assets	305,059.11
5. Other intangible assets	214,509.97	152,856.27	61,653.70	214,509.97	143,647.08	70,862.89		
	354,097.34	292,443.59	61,653.75	354,097.34	283,234.40	70,862.94	IV. Reserves	
II. Tangible assets							1. Statutory reserve	2,877,769.63
1. Land	4,203,941.51	-	4,203,941.51	3,707,053.87	-	3,707,053.87	Less: Loss (write off) from sale or devaluation of securities	46,974,486.18
3. Buildings and technical works	20,699,883.13	5,073,821.07	15,626,062.06	10,755,988.62	3,814,904.00	6,941,084.62	Loss from cancellation of own shares	-70,612,544.94
4. Machinery-Technical installations & other mechanical equipment	1,221,710.00	870,901.10	350,808.90	1,221,710.00	781,235.37	440,474.63	4. Extraordinary reserves	4,011,853.58
5. Vehicles and other transportation	498,037.01	371,061.41	126,975.60	515,225.45	335,420.80	179,804.65	5. Tax-exempt reserves pursuant to special statutory regulations	4,054,288.97
6. Furniture and other appliances	9,175,786.95	6,544,897.74	2,630,889.21	6,876,578.58	6,334,046.60	542,529.98		-30,387,110.76
7. Tangible assets under construction and advance payments	132,351.53	-	132,351.53	6,123,838.32	-	6,123,838.32		
	35,931,710.13	12,860,681.32	23,071,028.81	29,200,392.84	11,265,606.77	17,934,786.07	V. Retained earnings	
TOTAL TANGIBLE AND INTANGIBLE ASSETS (C1+CII)	36,285,807.47	13,153,124.91	23,132,682.56	29,554,490.18	11,548,841.17	18,005,649.01	1. Earnings brought forward	1,290,964.30
								-7,968,751.04
III. Participations & other long term financial receivables							VI. Own shares (treasury stock)	-31,123,138.52
1. Participations in affiliated companies		144,850,044.72		145,021,687.12			TOTAL EQUITY CAPITAL (AI+II+III+IV+V+VI)	185,883,096.25
Less: Provisions for devaluations	18,870,443.47		125,832,866.11	14,870,101.39	15,016,836.53	130,004,850.59		182,266,844.15
Less: Instalments due	146,735.14	19,017,178.61	489,846.75	146,735.14		442,858.97		
7. Other long term receivables			126,322,712.86			130,447,709.56		
			149,455,395.42			148,453,358.57		
D. CURRENT ASSETS							B. PROVISIONS FOR RISKS AND EXPENSES	511,861.93
I. Inventory							2. Other provisions	3,735.15
1. Merchandise			3,803,657.48			2,342,435.76		
2. Finished and unfinished goods, byproducts and residuals			1,658,268.35			2,291,863.34		
3. Production in progress			-			160,336.39		
4. Raw and secondary materials-Consumables-Spare parts and packaging materials			3,430.44			3,430.44		
5. Advance payments for inventory purchases			-			359,533.45		
			5,465,356.27			5,157,599.38		
II. Receivables							III. Short-term liabilities	
1. Clients			24,436,509.45			26,215,649.75	1. Suppliers	14,051,437.06
3. Bills of exchange in arrears			64,324.90			66,203.10	2a. Cheques payable	2,577,242.57
3a. Cheques receivable						23,512,745.63	3. Banks - short term liabilities	9,500,000.00
- in portfolio			20,960,848.70			607,359.62	4. Advance payments by clients	1,836,152.60
3b. Cheques in arrears			553,055.09			3,548,340.81	5. Tax and duties liabilities	1,370,849.40
5. Short term receivables against affiliated companies			6,197,876.31			1,174,391.40	6. Pension and social security	810,833.58
10. Bad - litigious clients and debtors		968,186.81	-		1,174,391.40	278,707.09	9. Liabilities to other affiliated companies	194,454.38
Less: Provisions			968,186.81			895,684.31	10. Dividends payable	264,461.76
11. Various debtors			3,212,823.81			4,531,107.56	11. Various creditors	533,247.56
12. Advance payments and credit management accounts			261,087.43			248,901.66		31,138,678.91
			56,654,712.50			59,625,992.44	TOTAL LIABILITIES (C1+CII)	46,138,678.91
III. Marketable securities								50,995,136.18
1. Shares		26,390,168.47		26,390,168.47				
3. Other securities		6,278,398.32		7,078,398.32				
Less: Provisions for devaluation		32,668,566.79		33,468,566.79				
		16,028,841.03	16,639,725.76	15,585,005.86	17,883,560.93			
IV. Cash and cash equivalents			97,275.33			98,895.96	D. TRANSITORY ACCOUNTS	
1. Cash			383,180.89			393,213.69	1. Earnings of forthcoming years	951,344.06
3. Sight and term deposits			480,456.22			492,109.65	2. Incurred expenses	1,896,616.15
			79,240,250.75			83,159,262.40	3. Other transitory accounts	27,276.87
TOTAL CURRENT ASSETS (D1+DII+DIII+DIV)			79,240,250.75			83,159,262.40		2,875,237.08
E. TRANSITORY ACCOUNTS							TOTAL EQUITY AND LIABILITIES (A+B+C+D)	235,408,874.17
1. Expenses of forthcoming years		955,145.89			212,512.67			235,809,783.70
2. Current year's income receivable		3,102,304.73			2,762,503.34			
		4,057,450.62			2,975,016.01			
TOTAL ASSETS (B+C+D+E)			235,408,874.17			235,809,783.70		
MEMO ACCOUNTS							MEMO ACCOUNTS	
1. Third-party assets		3,141.00			24,166.03		1. Beneficiaries of third-party assets	3,141.00
2. Debit accounts of guarantees and collaterals		32,895,713.87		28,843,859.49			2. Credit accounts of guarantees and collaterals	32,895,713.87
4. Other memo accounts		2,011,242.38		1,108,399.58			4. Other transitory accounts	2,011,242.38
		34,910,097.25		29,976,425.10				29,976,425.10

Notes:

- Investments in shares listed in the Athens Stock Exchange, included in Accounts CIII and DIII of Assets, were valued at market in accordance with Law N. 2992/2002. The net difference (loss) that arose from the valuation of these shares amounting to Euro 5.643 thousand was transferred directly to shareholders equity as in prior year.
- In case that the outstanding lawsuits that have been filed against the Company, mainly relating to articles in newspapers, result in unfavorable decisions, they are not expected to have a material impact on the financial position or operation of the Company. In addition, there are no legal or other disputes with legal or other regulatory authorities.
- There are no mortgages on the Company's fixed assets.
- The average personnel employed during the period were 830.
- Land and buildings were revalued during 2004 in accordance with Tax Law 2065/1992 and Ministerial Decision 1091653, 1121/2004. The cost bases of these assets was increased by Euro 1.384 thousand and the accumulated depreciation by Euro 481 thousand. The resulted net revaluation difference of Euro 903 thousand was netted with prior year accumulated losses. The depreciation expense for the year was based on the revalued cost of these assets and was increased by Euro 45 thousand.
- The Extraordinary General Assembly of the Shareholders dated 16.2.2004 decided to simultaneously: a) decrease share capital by Euro 827.862 by cancelling 1,379,770 shares of nominal value Euro 0.6 each, held as treasury stocks, and b) increase share capital by Euro 827.862, through the issuance of 1,379,770 new shares of nominal value Euro 0.6, by transferring such an amount from share premium reserve to share capital.
- The analysis of the net sales proceeds by business activity for the period 1.1 - 31.12.2004 (STAKOD 03) was as follows: code 221.2 Euro 128,299 thousand, code 521.4 Euro 5,715 thousand, code 741.5 Euro 5,403 thousand and code 515.7 Euro 318 thousand.

INCOME STATEMENT AS AT DECEMBER 31, 2004 (JANUARY 1 - DECEMBER 31, 2004)

	Closing period's amounts (1.1.04 - 31.12.2004)			Previous period's amounts (1.1.03 - 31.12.2003)			APPROPRIATION TABLE	
							Closing period's amounts (1.1-31.12.04)	Previous period's amounts (1.1-31.12.03)
I. Operating earnings							Net earnings (profit)	8,480,923.56
Turnover (Sales)			139,734,749.52			123,354,457.39	(+) Previous year's retained earnings (loss)	12,050,585.65
Less: - Cost of goods sold			80,872,883.87			71,863,800.06	Total	-19,928,976.38
Gross operating earnings			58,862,085.65			51,490,657.31		-7,878,390.73
Plus: Other operating income			1,566,763.76			1,595,255.54	Less:	
Total			60,428,849.41			53,085,912.85	1. Other taxes not included in operating cost	-124,051.34
Less:						45,336,772.55	2. Difference from the revaluation of fixed assets	902,843.12
1. Administrative expenses		11,183,157.47			9,076,265.95		8. Balance of profit / (loss) carried forward	1,290,964.30
3. Selling expenses		40,423,398.84	51,606,556.31	36,260,506.60	45,336,772.55			
Subtotal			8,822,293.10		7,749,140.30			
Less:								
1. Income from participations	1,427,118.15			2,076,832.86				
2. Income from securities	186,989.53			156,892.70				
3. Profit from the sale of participations and securities	0.00			123,135.58				
4. Credit interest and related income	4,772.86	1,618,880.54		8,879.37	2,365,740.51			
Less:								
2. Expenses & loss from participations and securities	11,652.54			88,823.20				
3. Debit interest and related expenses	867,328.42	878,980.96	739,899.58	647,070.51	735,893.71	1,629,846.80		
TOTAL OPERATING EARNINGS			9,562,192.68			9,378,987.10		
II. LESS: Extraordinary Earnings								
1. Extraordinary and non-operating income		27,505.68		62,721.48				
2. Extraordinary profit		2,970.30		1,467,469.38				
3. Income from previous years		332,603.32		1,599,334.44				
4. Income from previous years' provisions		1,199,285.99		761,299.81				
Less:		1,562,365.49		3,890,825.11				
1. Extraordinary and non-operating expenses		257,636.42		289,311.33				
2. Extraordinary loss		850,016.61		70,900.86				
3. Previous years' expenses		1,034,078.54		859,014.37				
4. Provisions for extraordinary risks		501,903.04	2,643,634.61	-1,081,269.12	0.00	1,219,226.56	2,671,598.55	
OPERATING AND EXTRAORDINARY EARNINGS			8,480,923.56			12,050,585.65		
Less:								
Total depreciation of fixed assets		2,911,741.79		2,522,777.42				
Less: Depreciation included in operating cost		2,911,741.79		2,522,777.42				
NET EARNINGS (Profit) BEFORE TAX			8,480,923.56			12,050,585.65		

Athens, February 25, 2005

THE PRESIDENT OF THE BOARD
OF DIRECTORS

THE VICE PRESIDENT OF THE BOARD AND
MANAGING DIRECTOR

THE GENERAL MANAGER

THE GROUP'S FINANCIAL MANAGER

THE ACCOUNTING MANAGER

CHRISTOS D. LAMBRAKIS
ID NO.: M 154944

STAVROS P. PSYCHARIS
ID NO.: L 352089

DAMIANOS Z. HADJIKOKKINOS
ID NO.: S 147009

NIKOLAOS I. KATSIKIBRAKIS
ID NO.: I.107581

THEODOROS D. NTOLOS
ID NO.: L 296570
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CERTIFIED AUDITORS' ACCOUNTANTS' AUDIT REPORT
TO THE SHAREHOLDERS OF "LAMBRAKIS PRESS S.A."

We have audited the financial statements and the notes to the financial statements of LAMBRAKIS PRESS S.A. for the year ended 31 December 2004.

Our audit, under which we took full cognizance of the results and position of the branches of the company, was made in accordance with article 37 of the Corporate Law 2190/1920 "the Companies Act of Greece" and the audit procedures we considered appropriate on the basis of the auditing principles and rules promulgated by the Institute of Certified Auditors and Accountants of Greece. All the books and records maintained by the Company were made available to us and we were provided with all the information and explanations that were necessary for our audit. The Company has applied correctly the Greek General Chart of Accounts. The accounting principles used for the preparation of the financial statements were applied on a basis consistent with that of the preceding year and the cost of sales which is derived from the accounting records has been determined in accordance with generally accepted costing principles. We agreed the relevant information contained in the Board of Directors report addressed to the Shareholders' Ordinary General Assembly to the financial statements. The notes to the financial statements include the information required by paragraph 1 of article 43a of the Corporate Law 2190/1920.

Based on our audit we note the following:

- The account "participations" (investments) includes participations in companies not listed in the Athens Stock Exchange amounting to Euro 112.2 million approximately. From the account participations, seventeen (17) companies -representing approximately Euro 111.7 million- that are audited by certified auditors, were valued at their acquisition cost and not according to article 43 par. 6 of the Corporate Law 2190/1920 (the lower between acquisition cost and fair value, by participation). Had these participations