

**LAMBRAKIS PRESS S.A.**  
 Reg. No. 1410/01/B/86/1409 Athens Prefecture  
**13th CONSOLIDATED BALANCE SHEET OF DECEMBER 31, 2003**  
**FISCAL YEAR JANUARY 1 - DECEMBER 31, 2003**  
 (amounts in euros)

**ASSETS**

	Closing period's amounts (31.12.2003)			Previous period's amounts (31.12.2002)		
	Acquisition value	Accrued depreciation	Non-depreciated balance	Acquisition value	Accrued depreciation	Non-depreciated balance
<b>B. ESTABLISHMENT EXPENSES</b>						
1. Establishment and set up expenses	10.789.373,07	9.146.127,93	1.643.245,14	10.204.847,35	7.984.825,78	2.220.021,57
3. Construction period interest	3.573.737,49	966.789,33	2.606.948,16	3.573.737,49	252.041,84	3.321.695,65
4. Other establishment expenses	15.877.600,32	11.295.125,30	4.582.475,02	12.096.148,10	7.702.890,49	4.393.257,61
	<u>30.240.710,88</u>	<u>21.379.042,56</u>	<u>8.861.068,32</u>	<u>25.834.732,94</u>	<u>15.939.668,11</u>	<u>9.895.064,83</u>
<b>C. FIXED ASSETS</b>						
<b>I. Intangible assets</b>						
2. Industrial property rights	187.732,85	155.609,47	32.123,38	156.351,26	146.139,69	10.211,57
5. Other intangible assets	906.509,37	489.681,75	416.827,62	613.776,33	425.322,93	188.453,40
	<u>1.094.242,22</u>	<u>645.291,22</u>	<u>448.951,00</u>	<u>770.127,59</u>	<u>571.462,62</u>	<u>198.664,97</u>
<b>II. Tangible assets</b>						
1. Land	20.675.278,91		20.675.278,91	18.344.978,24		18.344.978,24
3. Buildings and technical works	81.231.471,99	16.651.381,59	64.580.090,40	66.909.513,84	12.715.613,26	54.193.900,58
4. Machinery-Technical installations & other mechanical equipment	98.188.788,10	25.244.230,44	72.944.557,66	78.807.215,62	21.435.928,75	57.371.286,87
5. Vehicles and other transportation	2.248.433,21	1.420.407,22	827.985,99	2.511.483,09	1.486.720,01	1.022.764,08
6. Furniture and other appliances	18.007.339,59	15.914.407,58	2.092.932,01	18.116.894,23	14.532.764,56	3.583.929,67
7. Tangible assets under construction and advance payments	6.545.506,57		6.545.506,57	18.231.899,75		18.231.899,75
	<u>228.588.918,37</u>	<u>59.230.486,83</u>	<u>167.668.311,54</u>	<u>202.921.784,77</u>	<u>50.173.035,58</u>	<u>152.748.749,19</u>
<b>TOTAL TANGIBLE AND INTANGIBLE ASSETS (C+I+II)</b>	<u>227.991.060,59</u>	<u>59.875.778,05</u>	<u>168.115.282,54</u>	<u>203.691.912,36</u>	<u>50.744.498,20</u>	<u>152.947.414,16</u>
<b>III. Participations &amp; other long term financial receivables</b>						
1. Participations in affiliated companies		44.759.149,22		15.325.882,20	47.410.099,95	
Less: Provisions for devaluations	15.300.101,39					
Less: Instalments due			29.312.312,69			31.937.482,61
2. Participations in other companies	146.735,14	15.446.836,53		146.735,14	15.472.617,34	
7. Other long term receivables			1.002.979,65			5.500.000,00
			<u>30.315.292,34</u>			<u>1.242.415,94</u>
						<u>38.679.896,55</u>
<b>TOTAL FIXED ASSETS (C+I+II+III)</b>			<u>198.430.574,88</u>			<u>191.627.312,71</u>
<b>D. CURRENT ASSETS</b>						
<b>I. Assets</b>						
1. Inventories			6.188.802,79			7.832.006,85
2. Finished and unfinished goods, byproducts and residuals			8.729.052,46			6.146.489,60
3. Production in progress			880.037,35			2.565.405,03
4. Raw and secondary materials-Consumables-Spare parts and packaging materials			13.445.669,38			14.033.853,87
5. Advance payments for inventory purchases			999.506,38			1.017.553,79
			<u>30.224.068,36</u>			<u>33.598.309,14</u>
<b>II. Receivables</b>						
1. Clients			74.604.896,38			66.945.709,62
2. Bills of exchange receivable						883.572,87
- In portfolio		297.911,18				442.052,25
- In banks for collection		96.127,93				1.341.500,47
- In banks as collateral			394.039,11			683.188,20
3. Bills of exchange in arrears			575.981,99			1.486.720,01
3a. Cheques receivable						43.950.734,03
- In portfolio			46.148.358,61			2.861.802,11
3b. Cheques in arrears			3.377.089,12			630.347,53
5. Short term receivables against affiliated companies			1.475.757,10			4.421.010,83
10. Bad - religious related companies		3.545.445,18			4.421.010,83	
Less: Provisions		1.075.674,73			2.809.086,26	
11. Various debtors			21.287.209,80			13.798.811,14
12. Advance payments and credit control accounts			1.471.971,69			2.397.715,50
			<u>181.895.054,25</u>			<u>134.421.733,17</u>
<b>III. Marketable securities</b>						
1. Shares		27.805.202,05			28.294.089,08	
3. Other securities		12.078.389,32			14.118.603,64	
Less: Provisions for devaluation		39.883.600,37			42.412.692,72	
		16.089.712,78			14.079.998,38	
			<u>23.793.887,59</u>			<u>28.332.694,34</u>
<b>IV. Cash and cash equivalents</b>						
1. Cash			278.557,38			262.608,08
3. Sight and term deposits			4.038.451,13			2.740.642,85
			<u>4.317.008,51</u>			<u>3.003.250,93</u>
<b>TOTAL CURRENT ASSETS (D+II+III+IV)</b>			<u>210.140.018,71</u>			<u>199.455.987,58</u>
<b>E. TRANSITORY ACCOUNTS</b>						
1. Expenses of forthcoming years			1.010.401,48			927.902,60
2. This year's income receivable			3.962.394,60			2.087.801,33
3. Other transitory accounts			2.273.216,48			3.311.643,90
			<u>7.246.012,56</u>			<u>6.327.347,83</u>
<b>TOTAL ASSETS (B+C+D+E)</b>			<u>424.678.074,47</u>			<u>407.305.712,85</u>
<b>MEMO ACCOUNTS</b>						
1. Third-party assets			12.624.005,07			1.573.328,14
2. Debt accounts of guarantees and collaterals			129.427.069,86			14.602.449,64
4. Other memo accounts			12.785.398,65			5.110.402,10
			<u>154.836.473,58</u>			<u>21.286.177,88</u>

**LIABILITIES**

	Closing period's amounts 31/12/2003		Previous period's amounts 31/12/2002	
<b>A. EQUITY CAPITAL</b>				
<b>I. Share capital</b>				
1. Fully paid up		45.180.000,00		45.180.000,00
<b>II. Share premium reserve</b>				
1. Fully paid up		206.260.785,36		206.260.785,36
<b>III. Revaluation differences - Investment subsidies</b>				
1. Differences from revaluation of other assets		419.510,50		419.510,50
3. Subsidies of investments in fixed assets		3.003.918,75		3.003.918,75
		<u>3.423.429,25</u>		<u>419.510,50</u>
<b>IV. Reserves</b>				
1. Statutory reserve		3.391.283,95		3.565.512,26
Less: Loss (if write off) from sale or devaluation of securities		9.776.486,27		-39.510.791,28
2. Goodwill write down		-4.580.114,00		
3. Special reserves		71,25		14.360,05
4. Extraordinary reserves		4.011.853,58		4.011.853,58
5. Tax-exempt reserves pursuant to special statutory regulations		8.876.595,84		9.192.089,18
7. Consolidation differences		3.790.497,98		12.634.094,62
		<u>-27.106.028,26</u>		<u>-10.092.881,57</u>
<b>V. Results brought forward</b>		<u>-39.262.115,04</u>		<u>-46.751.782,61</u>
<b>VII. Minority rights</b>		<u>26.088.903,33</u>		<u>30.057.333,60</u>
<b>VIII. Own shares (treasury stock)</b>		<u>-31.123.138,52</u>		<u>-31.123.138,52</u>
<b>TOTAL EQUITY CAPITAL (A+II+III+IV+V+VII+VIII)</b>		<u>183.461.836,13</u>		<u>183.949.826,76</u>
<b>B. PROVISIONS FOR RISKS AND EXPENSES</b>				
1. Provision for pension liabilities		130.272,62		101.113,67
2. Other provisions		108.146,53		296.335,78
		<u>238.419,15</u>		<u>397.449,45</u>
<b>C. LIABILITIES</b>				
<b>I. Long term liabilities</b>				
2. Bank loans		73.954.512,00		82.171.680,00
8. Other long term liabilities		154.071,90		-
		<u>74.108.583,90</u>		<u>82.171.680,00</u>
<b>II. Short term liabilities</b>				
1. Suppliers		29.354.015,26		30.746.287,35
2. Bills of exchange payable		3.506.375,29		7.184.439,35
2a. Cheques payable		9.776.486,27		17.898.545,96
3. Banks - short term liabilities		79.183.313,86		59.362.716,25
4. Advance payments by clients		3.007.769,80		2.232.664,18
5. Tax and duties liabilities		4.470.502,62		4.104.453,43
6. Pension funds		2.398.534,60		2.254.416,94
7. Μεταρροφές υποχρ. πληρω στην επόμενη χρήση		8.217.168,00		
8. Υποχρεώσεις προς συνδεδεμένες επιχειρήσεις		2.344.944,79		
10. Dividends payable		264.889,48		269.206,41
11. Various creditors		15.618.084,63		1.441.259,26
		<u>158.142.094,60</u>		<u>125.494.080,03</u>
<b>TOTAL SHORT- AND LONG-TERM LIABILITIES (C+II)</b>		<u>232.250.668,50</u>		<u>207.665.769,03</u>
<b>D. TRANSITORY ACCOUNTS</b>				
1. Earnings of forthcoming years		2.984.654,73		2.397.573,67
2. Incurred expenses		5.628.672,95		2.761.667,63
3. Other transitory accounts		113.823,01		173.426,41
		<u>8.727.150,69</u>		<u>5.332.667,71</u>
<b>TOTAL LIABILITIES (A+B+C+D)</b>		<u>424.678.074,47</u>		<u>407.305.712,85</u>
<b>MEMO ACCOUNTS</b>				
1. Beneficiaries of third-party assets		12.624.005,07		1.573.328,14
2. Credit accounts of guarantees and collaterals		129.427.069,86		14.602.449,64
4. Other transitory accounts		12.785.398,65		5.110.402,10
		<u>154.836.473,58</u>		<u>21.286.177,88</u>

**Notes:**

- The companies included in the consolidation are: 1) IRIS PRINTING SA 2) MULTIMEDIA SA, 3) STUDIO ATA SA, 4) SPECIAL PUBLICATIONS SA, 5) LP DIGITAL SA (consolidated), 6) HEARST LAMBRAKIS PUBLISHING LTD, 7) MC HELLAS SA, 8) EUROSTAR SA (consolidated), 9) ACTION PLAN SA (consolidated), 10) NEA AKTINA SA and 11) ELLINIKI GRAMMATA SA, 12) MICHALAKOPOULOU SA. The figures of the consolidated balance sheet and the consolidated income statement for the current year are not comparable to the respective figures of the previous year because in this year the company MICHALAKOPOULOU SA is included in the consolidation for the first time while the company PHOENIX SA, that was included in the consolidation of the affiliate company IRIS PRINTING SA in the prior year, is not included in this year's consolidation. Also, during the current year the acquired company of ORAPRESS SA was merged with the subsidiary IRIS PRINTING SA in accordance with Law 2166/1993.
- Participation in "Affiliated Companies" includes investments in companies that are not listed in the Athens Stock Exchange amounting to Euro 12 million, which were valued at their acquisition cost in accordance with article 28.5 par c. of P. D. 186/1992 as amended by article 32 par. 5 of Law N 3229/2004.
- Investment in shares of companies listed on the Athens Stock Exchange (included in the Asset accounts CII and DIII), were valued at their market value according with Law 2992/2002. The loss arising from this valuation, amounting to Euro 2.705 thousand, as in the previous year was transferred directly to Shareholders' Equity. In addition the Company transferred to Shareholders' Equity the loss from the sale and valuation of affiliate companies not listed in the Athens Stock Exchange, amounting to Euro 1.496 thousand.
- A subsidiary of the Group in computing its annual depreciation applied the lower depreciation rates as noted in P. D. 259/03. More details are stated in the detailed notes to the consolidated financial statements.
- Outstanding lawsuits that have been filed against the Company, mainly from publishers in press, 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.
- The average personnel employed during the period were 2.333.
- There are mortgages on the fixed assets of the Company's affiliates amounting to Euro 98.958 to secure a long-term bank loan approximately Euro 93.000.
- Certain prior year balances have been adjusted in order to be comparable with current year's balances. Specifically, expenses related to direct sales for the current year (2003) are included in distribution expenses instead of in cost of sales, in order to be in uniform with industry practice, and the respective balances of prior year (2002) were adjusted accordingly.
- The latest revaluation of the Company's fixed assets was recorded at 31.12.2000.

**INCOME STATEMENT**

	December 31st, 2003 (January 1 - December 31, 2003)		Previous period's amounts 31/12/2002	
	Closing period's amounts 31/12/2003		31/12/2002	
<b>I. Operating earnings</b>				
Turnover (Sales)		286.503.477,57		260.203.605,12
Less: - Cost of goods sold		<u>201.097.080,97</u>		<u>195.714.673,77</u>
Gross operating earnings		85.406.396,60		64.488.931,35
Plus: Other operating income		253.821,01		1.826.296,25
Total		<u>85.660.217,61</u>		<u>66.315.227,60</u>
Less:				
1. Administrative expenses		22.242.462,89		18.239.569,79
2. Research and development expenses		220.454,48		378.963,96
3. Selling expenses		53.456.774,75		43.143.374,89
Subtotal		<u>75.989.692,10</u>		<u>61.761.908,27</u>
(Less)				
1. Income from participations		1.303.807,02		1.440.027,00
2. Income from securities		227.227,18		270.340,56
3. Profit from the sale of participations and securities		123.135,58		658.714,16
4. Credit interest and related income		447.023,35		243.138,18
		<u>2.101.193,13</u>		<u>2.612.219,90</u>
Less:				
1. Provisions for devaluation of participations & securities				