

LAMBRAKIS PRESS S.A.
SUMMARY CONSOLIDATED BALANCE SHEET OF JUNE 30, 2004
 Reg. No. 1410/06/B/86/40
 (Accounting Period: JANUARY 1 - JUNE 30, 2004)
 (Amounts in euros)

ASSETS

	Closing period's amounts 30.06.2004			Previous period's amounts 30.06.2003		
	Acquisition cost	Depreciation	Non-depreciated value	Acquisition cost	Depreciation	Non-depreciated value
B. ESTABLISHMENT EXPENSES	30.280.896,73	23.321.322,50	6.959.574,23	27.045.545,11	17.742.402,04	9.303.143,07
C. FIXED ASSETS						
I. Intangible assets	1.217.416,22	741.775,44	475.640,78	799.027,38	591.626,97	207.400,41
II. Tangible assets	230.770.045,30	63.579.529,01	167.190.516,29	217.201.609,68	57.860.713,06	159.340.896,62
TOTAL TANGIBLE & INTANGIBLE ASSETS (C+CI)	231.987.461,52	64.321.304,45	167.666.157,07	218.000.637,06	58.452.340,03	159.548.297,03
III. Participations & other long term financial receivables			26.565.010,22			33.416.756,35
TOTAL FIXED ASSETS (C+CI+CIII)			194.231.167,29			192.965.053,38
D. CURRENT ASSETS						
I. Inventory			32.467.004,13			35.991.836,76
II. Debtors			147.970.322,85			142.168.819,72
III. Securities			21.800.708,49			21.648.192,36
IV. Cash and cash equivalents			4.393.200,25			3.328.196,47
TOTAL CURRENT ASSETS (DI+DII+DIII+DIV)			206.631.235,72			203.137.045,31
E. PREPAYMENTS AND DEFERRED EXPENSES			17.259.959,05			15.094.138,60
TOTAL ASSETS (B+C+D+E)			425.081.936,29			420.499.380,36
OFF BALANCE SHEET ACCOUNTS			185.635.037,14			183.712.045,10

LIABILITIES

	Closing period's amounts 30.06.2004	Previous period's amounts 30.06.2003
	A. CAPITAL AND RESERVES	
I. Share capital	45.180.000,00	45.180.000,00
II. Share premium reserve	201.653.475,23	206.260.785,36
III. Revaluation differences - Investment subsidies	3.224.827,32	1.048.662,26
IV. Reserves	-62.699.604,22	-29.634.057,68
V. Previous years' retained earnings	-39.803.107,67	-46.010.202,92
VII. Period's results (profit)	4.165.087,45	1.192.628,55
VIII. Treasury stock (own shares)	-	-31.123.138,52
IX. Minority rights	25.700.138,76	27.380.953,44
X. Consolidation differences	3.790.497,81	11.923.518,15
TOTAL EQUITY CAPITAL (AI-AX)	181.211.314,69	186.219.148,64
B. PROVISIONS FOR RISKS AND EXPENSES	229.099,50	303.784,07
C. LIABILITIES		
I. Long-term liabilities	68.985.941,09	78.063.096,00
II. Short-term liabilities	158.597.493,33	143.642.989,39
TOTAL LONG AND SHORT TERM LIABILITIES (C+CI)	227.583.434,42	221.706.085,39
D. ACCRUALS AND DEFERRED INCOME	16.058.087,68	12.270.362,26
TOTAL EQUITY & LIABILITIES (A+B+C+D)	425.081.936,29	420.499.380,36
OFF BALANCE SHEET ACCOUNTS	185.635.037,14	183.712.045,10

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 condensed consolidated balance sheet and the condensed consolidated income statement for the current period are not comparable to the respective figures of the previous period because in this period the company MICHALAKOPOULOU SA is included in the consolidation while in the previous period was not.
- Investments in companies that are not listed in the Athens Stock Exchange amounting to approximately Euro 12 million were valued at their acquisition cost.
- Investment in shares of companies listed on the Athens Stock Exchange (included in the Asset accounts CIII and DIII), were valued at their market value according with Law 2992/2002. The loss arising from this valuation, amounting to Euro 5.287 thousand, as in the previous year was transferred directly to Shareholders' Equity.
- Outstanding lawsuits that have been filed against the companies of the Group, mainly from publications in press, are not expected to have a material impact on the financial position or operation of the Group. In addition, there are no legal or other disputes with legal or other regulatory authorities.
- The average personnel employed during the period were 2,346.
- Certain companies of the Group have mortgages on their fixed assets totaling Euro 98,958 thousand to secure bank loans outstanding amounting to Euro 77.802 thousand.
- Certain prior period balances have been adjusted in order to be comparable with current period's balances. Specifically, expenses related to direct sales for the current period are included in distribution expenses instead of in cost of sales, in order to be uniform with industry practice, and the respective balances of previous period were adjusted accordingly.
- The latest revaluation of the Company's fixed assets was recorded at 31.12.2000.
- The analysis of the net sales proceeds by business activity for the period 1.1 - 30.06.2004 (STAKOD 03) was as follows: code 221.1 Euro 4.515 thousand, code 221.2 Euro 80.342 thousand, code 221.3 Euro 52 thousand, code 221.9 Euro 891 thousand, code 222.1 Euro 33.677 thousand, code 222.3 Euro 2.879 thousand, code 222.4 Euro 822 thousand, code 514.9 Euro 824 thousand, code 515.7 Euro 654 thousand, code 521.4 Euro 2.411 thousand, code 524.7 Euro 147 thousand, code 633.0 Euro 16.032 thousand, code 642.0 Euro 1.823 thousand, code 702.0 Euro 956 thousand, code 741.2 Euro 381 thousand, code 744.0 Euro 284 thousand, code 745.0 Euro 2.095 thousand, code 748.4 Euro 2.706 thousand, code 922.2 Euro 5.121.

INCOME STATEMENT
AS OF JUNE 30, 2004 (JANUARY 1 - JUNE 30, 2004)

	Current Period's Amounts 30/06/2004	Previous Period's Amounts 30/06/2003
I. Operating income		
Turnover (sales)	156.612.057,78	133.200.678,55
Less: Cost of goods sold	105.543.914,49	92.362.010,55
Gross margin	51.068.143,29	40.838.668,00
Plus: Other operating income	225.066,22	187.441,90
Total	51.293.209,51	41.026.109,90
Less: Administrative and selling expenses	42.441.936,72	36.183.147,98
Operating income sub-total	8.851.272,79	4.842.961,92
Less: Net Income from participations and interest	-2.415.596,56	-1.747.809,66
TOTAL OPERATING INCOME	6.435.676,23	3.095.152,26
Plus: Extraordinary income	-2.093.758,45	-2.030.096,26
OPERATING AND EXTRAORDINARY INCOME	4.341.917,78	1.065.056,00
Less:		
Total depreciation of fixed assets	8.597.145,13	9.111.339,29
Less: Depreciation included in cost of goods sold	8.595.649,67	1.495,46
NET EARNINGS BEFORE TAX	4.340.422,32	1.065.056,00
Less:		
Minority rights	175.334,87	-127.572,55
NET CONSOLIDATED EARNINGS OF THE GROUP	4.165.087,45	1.192.628,55

Athens, July 27 2004

THE PRESIDENT
OF THE BOARD OF DIRECTORS

THE VICE-PRESIDENT OF THE BOARD AND
MANAGING DIRECTOR

THE GENERAL FINANCIAL AND
ADMINISTRATIVE MANAGER

THE GROUP 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. KATSIBRAKIS
ID No.: I 107581

THEODOROS D. NTOLOS
ID No.: L 296570
Reg.No..0001984 Class A

CERTIFIED AUDITORS' ACCOUNTANTS' AUDIT REPORT
To the Board of Directors of "LAMBRAKIS PRESS S.A."

We have performed the audit prescribed by article 6 of Presidential Decree 360/1985, as amended by article 90 of Law 2533/1997, by applying the audit procedures we have considered appropriate on the basis of the auditing principles and rules promulgated by the Institute of Certified Auditors and Accountants of Greece to establish the above condensed consolidated financial statements of S.A. "LAMBRAKIS PRESS SA", covering the period from 01.01.2004 to 30.06.2004, do not include inconsistencies or omissions that would materially affect the consolidated financial position, as well as the consolidated results for the period, of the above parent company and its subsidiaries that are included in the consolidation. The consolidation includes financial statements not audited by certified auditors, representing 2,1% and 3,3% of the consolidated total assets and total sales proceeds respectively.

Based on our audit we note the following:

- Certain companies of the Group have not recorded in prior years depreciation for specific tangible and intangible assets amounting to Euro 1,6 million, as a result, the Group's retained earnings are overstated by an equal amount.
- Investments in companies not listed in the Athens Stock Exchange amounting to approximately Euro 12 million, out of which five (5) companies representing approximately Euro 9,9 million are audited by certified auditors, were valued at their acquisition cost. Had these investments been valued at the lower between acquisition cost and fair value, in accordance to art. 106 par.4 of Company Law 2190/1920, their value would be lower by approximately Euro 8,1 million, for which a related provision has not been recorded by reducing current period's results by Euro 1 million and the results of previous years by Euro 7,1 million.
- As reported in note 3 under the consolidated balance sheet, certain companies of the Group did not record in current period's results, losses from the valuation of investments in shares listed in the Athens Stock Exchange, of approximately Euro 5,3 million, instead the Company transferred directly such losses to shareholder's equity.
- The Current Assets Account D1, "Inventories" includes obsolete and slow-moving items amounting to approximately Euro 1,3 million, for which a related provision has not been recorded by equally reducing results of previous years.
- For possible losses relating to doubtful and in dispute receivables amounting to Euro 18,3 million approximately, the Company has recorded a provision of approximately Euro 1,6 million. An additional provision should have been established for the remaining difference of Euro 17,7 million, that would have impacted prior years results.
- The Company, in accordance with the opinion 205/1988 expressed by the plenary session of the Legal Council to the State and article 31 of para. 1 xv of Law 2238/1994, did not provide for staff leaving indemnities. Had the Company established this provision according to the article 42, v par. 14 of Company Law 2190/1920 the cumulative amount would have been Euro 10,6 million approximately, and would have impacted current period's net income by Euro 0,1 million approximately and retained earnings by Euro 10,5 million approximately.
- The Company and its subsidiaries have not been audited by the tax authorities, mainly for the years 1999 to 2003. As a result their tax liabilities have not been finalized.

From our audit we concluded that the above condensed consolidated financial statements have been prepared according to the provisions of the Corporate Law 2190/1920 and taking into account the proceeding paragraphs as well as the Company's notes, do not contain errors or misstatements that would affect significantly the consolidated financial position of the companies that are included in the consolidation as at June 30, 2004, as well as the consolidated results for the period then ended, on the basis of the applicable legal requirements and generally accepted accounting principles (in Greece) which are consistent with those applied by the Company in the previous period.

Athens, July 29 2004
The Certified Auditors Accountants

CHARALABOS AR. PETROPOULOS
SOEL Registration No.12001

SOFIA KALOMENIDES
SOEL Registration No. 13301

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ERNST & YOUNG (HELLAS)
CERTIFIED AUDITORS ACCOUNTANTS SA