

# LAMBRAKIS PRESS S.A.

Registration No. 1410/06/B/86/40

## Use of capital proceeds

### Share Capital Increase following the resolution of the Shareholders' Meeting of September 16, 1999

Pursuant to Presidential Decree No. 360/1985 as amended, the company announces the following:

Following the share capital increase effected in cash through a pre-emptive rights offering to existing shareholders, pursuant to the resolution of the Shareholders' Meeting on September 16, 1999 that was concluded in November 1999 (issuance of 25,300,000 new common registered shares of a nominal value of GRD 200 each, right exercise period October 29, 1999 until November 29, 1999, raised funds certification December 1, 1999 and first trading date December 29, 1999) the company raised a net amount of GRD 62,909 million (gross proceeds GRD 63,250 million less offering expenses GRD 341 million), that are allocated according to the 2000-2003 investment plan, as stated in the Rights Offering Prospectus, as follows (amounts in GRD million):

| Investment Plan<br>(Extraordinary General Meeting of September 16, 1999)            | Offering Prospectus<br>September 1999 | Amended Investment<br>Plan<br>(OGM June 22, 2001) | Investments<br>November 29, 1999<br>March 31, 2001 | Investments<br>April 1, 2001<br>June 30, 2001 | Total materialized<br>investments<br>November 29, 1999<br>June 30, 2001 | Investments pending<br>July 1, 2001<br>December 31, 2003 | Notes            |
|---|---------------------------------------|---|--|---|---|--|------------------|
| <b>Digital networks and subscription-based TV</b>                                   | <b>40,000</b>                         | <b>38,140</b>                                     | <b>8,534</b>                                       | <b>0</b>                                      | <b>8,534</b>  | <b>29,606</b>  |                  |
| <i>Participation in share capital increase of Northern Greece Publishing SA</i>     |                                       |   | 500  |   | 500   |  |                  |
| <i>Participation in share capital increase of Special Publications SA</i>           |                                       |   | 553  | 101   | 654   |  |                  |
| <i>Participation in share capital increase of Teletypos SA</i>                      |                                       |   | 1,120  |   | 1,120   |  |                  |
| <i>Participation in share capital increase of Expo Plan SA</i>                      |                                       |   | 30   |   | 30  |  |                  |
| <i>Participation in share capital increase of Lambrakis - Hearst Publishing Ltd</i> |                                       |   | 82   |   | 82  |  |                  |
| <i>Participation in share capital increase of Publishing Communications SA</i>      |                                       |   | 50   |   | 50  |  |                  |
| <i>Participation in share capital increase of Freegate Inc.</i>                     |                                       |   | 34   |   | 34  |  |                  |
| <i>Increase of participation in Paper-Pack Tsoukarides SA</i>                       |                                       |   | 1,384  |   | 1,384   |  |                  |
| <b>Total participations in share capital increases</b>                              | <b>6,000</b>                          | <b>6,000</b>                                      | <b>3,753</b>                                       | <b>101</b>                                    | <b>3,854</b>  | <b>2,146</b>   |                  |
| <b>New publishing products</b>  | <b>3,000</b>                          | <b>3,000</b>                                      | <b>777</b>   | <b>0</b>                                      | <b>777</b>  | <b>2,223</b>   |                  |
| <b>Repayment of bank loans and suppliers</b>  | <b>13,309</b>                         | <b>14,543</b>                                     | <b>14,543</b>                                      | <b>0</b>                                      | <b>14,543</b>   | <b>0</b>   |                  |
| <b>Full repayment of remaining lease instalments</b>                                | <b>600</b>                            | <b>600</b>  | <b>-</b>   | <b>-</b>                                      | <b>-</b>  | <b>600</b>   |                  |
| <i>Re-arrangements of buildings and office space</i>                                |                                       |   | 367  |   | 367   | -  |                  |
| <i>Renovation of office equipment</i>   |                                       |   | 39   |   | 39  | -  |                  |
| <i>Purchase of computers and updating of digital infrastructure</i>                 |                                       |   | 220  | 57  | 277   | -  |                  |
| <b>Total investments in fixed assets</b>  |                                       | <b>626</b>  | <b>626</b>   | <b>57</b>                                     | <b>683</b>  | <b>-57</b>   | <b>Overdraft</b> |
| <b>Total investments</b>  | <b>62,909</b>                         | <b>62,909</b>                                     | <b>28,233</b>                                      | <b>158</b>                                    | <b>28,391</b>   | <b>34,518</b>  |                  |

The amount of GRD 34,517 million of "Pending Investments" was allocated to shares of companies listed on the Athens Stock Exchange of an acquisition value of GRD 23,525 million and market value (at average 06/2001 price) of GRD 6,201 million, in mutual fund shares of an acquisition value of GRD 5,000 million and a market value of GRD 1,750 million, in working capital cash of GRD 3,422 million to affiliated companies and finally in repayment of short-term bank loans of GRD 2,570 million.

Investments in excess of the company's investment plan for 2000-2003 (overdraft), as described in in the Prospectus of the Offering (September 1999) as amended according to the resolution of the Shareholders' General Meeting of June 22, 2001, pertain to upgrading the information systems of the company. The expansion of the Group into new business activities requires the constant upgrading of software systems, to enable the internal organization of the company (MIS, internal audit) to cope with the new increased requirements of the Group. This excess investment will be submitted for approval to the next Shareholders' General Meeting.

Athens, August 29, 2001

THE PRESIDENT OF THE BOARD OF DIRECTORS  
& GENERAL MANAGER

A MEMBER OF THE BOARD &  
FINANCIAL DIRECTOR

THE HEAD OF THE ACCOUNTING DIVISION

CHRISTOS D. LAMBRAKIS  
ID No.: M 154944

DIMITRIOS A. HATZIS  
ID No.: F 089929

DIMITRIOS I. PANAYOTAKIS  
ID No.: S 010488

#### CERTIFICATE OF CHARTERED ACCOUNTANT-AUDITOR

We have audited the above data of the corporation "LAMBRAKIS PRESS S.A." applying the principles and rules of auditing followed by the Body of Chartered Accountants. From our audit we found out that the above data stem from the accounting books kept by the company and from the company's Offering Prospectuses approved by the Athens Stock Exchange.

Athens, August 30, 2001  
THE CHARTERED ACCOUNTANT-AUDITOR

CHARAL. AR. PETROPOULOS  
S.O.E.L. Reg.: 12001  
SOL ERNST & YOUNG  
CHARTERED ACCOUNTANTS - AUDITORS