

# 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 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 (Rights offering prospectus of September 1999) as it was amended by a resolution of the Ordinary Shareholders' Meeting of June 22, 2001 as follows (amounts in GRD million):

Investment Plan (Extraordinary General Meeting of September 16, 1999)	Offering Prospectus September 1999	Amended Investment Plan (OGM June 22, 2001)	Investments November 29, 1999 June 30, 2001	Investments July 1, 2001 September 30, 2001	Total materialized investments November 29, 1999 September 30, 2001	Investments pending October 1, 2001 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>80</b>	<b>8,614</b>	<b>29,526</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>			654	16	669		
<i>Participation in share capital increase of Teletypos SA</i>			1,120		1,120		
<i>Participation of 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>3,854</b>	<b>16</b>	<b>3,869</b>	<b>2,131</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>			277		277	-	
<b>Total investments in fixed assets</b>		<b>626</b>	<b>683</b>	<b>0</b>	<b>683</b>	<b>-57</b>	<b>Overdraft</b>
<b>Total investments</b>	<b>62,909</b>	<b>62,909</b>	<b>28,391</b>	<b>96</b>	<b>28,487</b>	<b>34,422</b>	

The amount of GRD 34,422 million of "Pending Investments" were allocated to: 1) shares of companies listed on the Athens Stock Exchange of an acquisition value of GRD 23,525 million and market value (at average 09/2001 price) of GRD 4,090 million, 2) mutual fund shares of an acquisition value of GRD 5,000 million and a market value of GRD 1,750 million, 3) a time deposit (Repos) of GRD 240 million, 4) working capital of GRD 1,187 million in cash to avoid further financial and capital expenses and 5) the working capital of affiliated companies in cash advances (GRD 4,470 million in total) as follows: Action Plan Sa GRD 810 million, Eurostar SA GRD 404 million, Hearst-Lambrakis Publishing Ltd GRD 187 million, MC Hellas SA GRD 50 million, Ramet SA GRD 1,206 million, ΔΟΛ Digital SA GRD 419 million, Special Publications SA GRD 107 million, Ellinika Grammata SA GRD 202 million, Fierotos Ermis SA GRD 1,085 million.

In particular, the short-term support of the working capital of affiliated companies was deemed proper, in order to cover temporarily the capital requirements of these companies, until they finalise their annual budgets, and effect their share capital increases that will cover their medium-term working capital requirements and will be funded by the said cash advances.

The investment plan of the company was amended according to the resolution of the Shareholders' Ordinary General Meeting of June 22, 2001, decreasing by GRD 1,860 million the funds allocated to investments in New Economy (digital networks and subscription-based TV) and re-assigning this amount to investments in fixed assets pertaining to the re-arrangement, refurbishing and optimizing the buildings of the Company, the upgrading of its information systems (GRD 626 million) and the reduction of short-term bank loans (GRD 1,234 million).

Also, the company decreased its investments plan for digital networks by GRD 57 million, and re-assigned these funds to investments in internal organization and infrastructure and more specifically to the upgrading of software systems, to enable the organization of the company (MIS, Internal Auditing) to cope with the increased requirements of the Group. This last amendment of the investment plan remains to be approved by the company's General Meeting of the Shareholders.

Referring to the implications of the amendments of the investment plan, the company notes the following: Despite the fact that the company considers its presence in the areas of digital economy a strategic decision, during the current international economic situation the company reckons that the decreasing rates of economic growth in these sectors calls for a deceleration and/or the suspension of its investment plans. As a result the freed-up capital resources are re-assigned to investments in organization and infrastructure as well as to new investments, according to the resolution of the company's shareholders.

Athens, November 20, 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  
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#### 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, November 22, 2001  
THE CHARTERED ACCOUNTANT-AUDITOR

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