

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 Euro 0.59 (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 184,619.22 thousand euros (GRD 62,909 million) (gross proceeds 185,619.96 thousand euros (GRD 63,250 million) less offering expenses 1,000.73 thousand euros (GRD 341 million)), that are allocated according to the 2000-2003 investment plan (Rights Offering Prospectus of September 1999) as it was amended by the resolution of the Ordinary Shareholders' Meeting of June 22, 2001 as follows (amounts in thousand euros and GRD million):

| Investment Plan (Extraordinary General Meeting of September 16, 1999) | Prospectus September 1999 | | Amended Investment Program (General Meeting of 22.06.2001) | | Investments 29.11.1999 31.12.2001 | | Investments 1.1.2002 31.3.2002 | | Σύνολο Υλοποιηθεισών Επενδύσεων 29.11.1999 31.3.2002 | | Pending program 1.4.2002 31.12.2003 | | Notes |
|--|---------------------------------|-------------------|---|-------------------|---|-------------------|--------------------------------------|-------------------|--|-------------------|--|-------------------|---------------|
| | GRD million | thousand euros | GRD million | thousand euros | GRD million | thousand euros | GRD million | thousand euros | GRD million | thousand euros | GRD million | thousand euros | |
| Participation in the share capital increase of DOL Digital SA | | | | | 6,080 | 17,843 | 0 | 0 | 6,080 | 17,843 | | | |
| Participation in the share capital increase of Microland SA | | | | | 333 | 977 | 0 | 0 | 333 | 977 | | | |
| Acquisition of 46.75% of Odeon SA | | | | | 1,530 | 4,491 | 0 | 0 | 1,530 | 4,491 | | | |
| Acquisition of 32.27% of Digital Press SA | | | | | 661 | 1,940 | 0 | 0 | 661 | 1,940 | | | |
| Acquisition of 24.23% of Odeon Licensing SA | | | | | 10 | 29 | 0 | 0 | 10 | 29 | | | |
| Total digital networks and subscription-based TV | 40,000 | 117,388 | 38,140 | 111,930 | 8,614 | 25,280 | 0 | 0 | 8,614 | 25,280 | 29,526 | 86,649 | |
| Participation in share capital increase of Northern Greece Publishing SA | | | | | 500 | 1,467 | 0 | 0 | 500 | 1,467 | | | |
| Participation in share capital increase of Special Publications SA | | | | | 669 | 1,963 | 0 | 0 | 669 | 1,963 | | | |
| Participation in share capital increase of Teletypos SA | | | | | 1,120 | 3,287 | 0 | 0 | 1,120 | 3,287 | | | |
| Participation in share capital increase of Expo Plan SA | | | | | 30 | 88 | 0 | 0 | 30 | 88 | | | |
| Participation in share capital increase of Lambrakis - Hearst Publishing Ltd | | | | | 82 | 241 | 0 | 0 | 82 | 241 | | | |
| Participation in share capital increase of Publishing Communications SA | | | | | 50 | 147 | 0 | 0 | 50 | 147 | | | |
| Participation in share capital increase of Freegate Inc. | | | | | 34 | 100 | 0 | 0 | 34 | 100 | | | |
| Increase in holding of Action Plan SA | | | | | 413 | 1,212 | 0 | 0 | 413 | 1,212 | | | |
| Participation in share capital increase of Action Plan SA Funds tagged for the participation of Lambrakis Press in the share capital increase of Action Plan SA (Resolution of the General Meeting of Action Plan shareholders of 25.02.2002) | | | | | 792 | 2,324 | 0 | 0 | 792 | 2,324 | | | |
| Increase in holding of Eurostar SA | | | | | 562 | 1,649 | 0 | 0 | 562 | 1,649 | | | |
| Increase in holding of Publications 4 Ltd. | | | | | 43 | 126 | 0 | 0 | 43 | 126 | | | |
| Increase in holding of Paper-Pack SA | | | | | 1,384 | 4,062 | 0 | 0 | 1,384 | 4,062 | | | |
| Total participations in share capital increases and holding increases | 6,000 | 17,608 | 6,000 | 17,608 | 5,679 | 16,666 | 0 | 0 | 5,679 | 16,666 | 321 | 942 | |
| New publishing products | 3,000 | 8,804 | 3,000 | 8,804 | 777 | 2,280 | 171 | 503 | 948 | 2,783 | 2,052 | 6,021 | |
| Repayment of bank loans and suppliers | 13,309 | 39,058 | 14,543 | 42,679 | 14,543 | 42,679 | 0 | 0 | 14,543 | 42,679 | 0 | 0 | |
| Full repayment of remaining lease instalments | 600 | 1,761 | 600 | 1,761 | 0 | 0 | 0 | 0 | 0 | 0 | 600 | 1,761 | |
| Re-arrangements of buildings and office space | | | | | 367 | 1,077 | 0 | 0 | 367 | 1,077 | | | |
| Renovation of office equipment | | | | | 39 | 114 | 0 | 0 | 39 | 114 | | | |
| Purchase of computers and updating of digital infrastructure | | | | | 277 | 814 | 42 | 123 | 319 | 937 | | | |
| Purchase of building plot | | | | | 467 | 1,371 | 0 | 0 | 467 | 1,371 | | | |
| Total investments in fixed assets | 0 | 0 | 626 | 1,837 | 1,150 | 3,376 | 42 | 123 | 1,192 | 3,499 | -566 | -1,662 | Καθ' Υπέρβαση |
| Increase in working capital | 0 | 0 | 0 | 0 | 4,903 | 14,389 | 0 | 0 | 4,903 | 14,389 | -4,903 | -14,389 | Καθ' Υπέρβαση |
| Total investments | 62,909 | 184,619 | 62,909 | 184,619 | 35,667 | 104,671 | 213 | 626 | 35,880 | 105,297 | 27,029 | 79,323 | |

The investment plan of the company was amended according to the resolution of the Shareholders' Ordinary General Meeting of June 22, 2001, decreasing by 5,458.55 thousand euros (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, upgrading its digital information systems (1,837.12 thousand euros - GRD 626 million) and the reduction of short-term bank loans (3,621.42 thousand euros - GRD 1,234 million).

Following a resolution of the Company's Board of Directors dated 25.2.2002, the investment program was amended by further reducing by 15,926.63 thousand euros (GRD 5,427 million) the funds initially allocated to digital networks. These funds were re-assigned as follows : i) 167.28 thousand euros (GRD 57 million) to organization and infrastructure investments, specifically pertaining to upgrading the installed software systems so that the infrastructure of the Company (M.I.S., Internal Auditing) meet the increased group management requirements, ii) 1,370.51 thousand euros (GRD 467 million) to purchase one building plot and iii) 14,388.85 thousand euros (GRD 4,903 million) to support the working capital of the company in order to avoid further loans. The Company's Management decided to allocate part of the raised funds to support the working capital in order to contain the effect of the operating loss incurred by the company in the 2000 and 2001 fiscal years and to strengthen its business operations. As mentioned, these amendments, are subject to approval by the Ordinary General Meeting of the Shareholders.

Following a resolution of the Board of Directors dated 23.5.2002, the investment program was amended by further reducing by 123.26 thousand euros (GRD 42 million) the funds initially assigned to digital networks and these funds were re-assigned to organization and infrastructure investments, specifically pertaining to updating and integrating the installed software systems. This amendment is subject to approval by the Ordinary General Meeting of the Shareholders.

Despite the fact that the company regards its presence in the various sectors of digital economy as a strategic decision, still in the current international economic situation the company reckons that that the slowdown of growth rates in these sectors internationally calls for a deceleration or even a partial suspension of its investment plans. As a result the freed-up funds will be re-assigned both to organization and infrastructural investments and to new investment plans, that are subject to approval by the upcoming Ordinary General Meeting of the Shareholders.

The funds assigned to the pending investments were placed :

- in shares of companies listed on the Athens Stock Exchange of a total acquisition value of 33,710.93 thousand euros (GRD 11,487 million) having a current value of 6,435.80 thousand euros (GRD 2,193 million) valued at their mean closing price of March 2002.
- in mutual fund shares of a total acquisition value of 14,673.51 thousand euros (GRD 5,000 million) having a current value of 5,828.32 thousand euros (GRD 1,986 million) valued at their mean closing price of March, 2002)
- in bought-back shares (treasury stock) according to the resolution of the Ordinary General Meeting of the Shareholders dated 29.6.2000, of an acquisition value of 31,122.52 thousand euros (GRD 10,605 million) having a current value of 4,739.55 thousand euros (GRD 1,615 million) valued at their mean closing price of March 2002, in order to generate sufficient liquidity in the trading of the shares without significantly impacting their price. The Management of the Company regards this placement of funds an investment and examines (subject to the future resolutions concerning the placement of bought-back shares) the possibility of including this investment in the 2000-2003 Investment Program, following the approval of the General Meeting of the Shareholders and the competent Capital Markets Authorities.
- in a time deposit (REPOS) of 440.21 thousand euros (GRD 150 million).

Athens, May, 23, 2002

THE PRESIDENT OF THE BOARD OF DIRECTORS

THE VICE PRESIDENT OF THE BOARD OF DIRECTORS

THE GROUP FINANCIAL DIRECTOR

THE HEAD OF THE DIVISION OF ACCOUNTING

CHRISTOS D. LAMBRAKIS
ID No.: M 154944

STAVROS P. PSYCHARIS
ID No.: L 352089

DIMITRIOS A. HATZIS
ID No.: F 089929

DIMITRIOS I. PANAGIOTAKIS
ID No.: S 010488

CERTIFICATION OF CHARTERED AUDITOR - ACCOUNTANT

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, after accounting for the above notes of the company.

Athens, May 23, 2002

THE CHARTERED AUDITOR ACCOUNTANT

Charal. Ar. Petropoulos
Reg. ID.: 12001
SOL ERNST & YOUNG S.A.
CHARTERED AUDITORS ACCOUNTANTS