

ASSETS	Amounts of Financial Year 2004			Amounts of Previous Year 2003			CAPITAL AND LIABILITIES	Amounts of Financial Year 2004	Amounts of Previous Year 2003
	Acquisition cost	Accumulated	Net book value	Acquisition cost	Accumulated	Net book value			
B. FORMATION EXPENSES							A. OWNERS EQUITY		
4. Other formation expenses	2.237.628,00	1.362.947,80	874.680,20	1.511.226,31	926.306,36	584.919,95	I. Share Capital		
C. FIXED ASSETS							(53.187.840 shares of 0,30 euro)		
I. Intangible Assets							1. Paid up capital	15.956.352,00	15.956.352,00
2. License Fees	20.015,57	7.219,20	12.796,37	16.081,66	3.216,12	12.865,54	II. Share Premium	819.176,86	819.176,86
II. Tangible Assets							III. Grants for fixed investments		
1. Land	5.442,14	0,00	5.442,14	3.753,20	0,00	3.753,20	1. Devaluation of participations	-2.722.460,52	0,00
3. Buildings-Technical works	39.616,69	14.894,52	24.722,17	39.616,69	11.495,40	28.121,29	2. Revaluation reserves on assets	231.975,62	230.286,68
4. Machinery-Technical installations & other mechanical equipment	6.299,44	6.251,60	47,84	6.299,44	6.226,60	72,84		-2.490.484,90	230.286,98
5. Transport equipment	114.611,67	35.860,70	78.750,97	108.784,92	27.009,75	81.775,17	IV. Reserves		
6. Furniture and Other Equipment	661.476,90	421.725,85	239.751,05	582.502,32	342.108,36	240.393,96	1. Legal reserves	957.761,09	737.727,39
Total Tangible and intangible assets (C I+CII)	827.446,84	478.732,67	348.714,17	740.956,57	386.840,11	354.116,46	Less: Loss balance from value measurement of securities for offsetting	-696.356,70	-730.596,30
III. Participations and other long-term receivables							4. Extraordinary reserves	1.565.763,13	1.565.763,13
1. Participation in subsidiaries		3.777.956,37			3.340.381,32		4a. Taxed reserves L. 2579/98	126.470,01	126.470,01
2. Participating interests in other undertakings		2.315,48			2.315,48		5. Tax-free reserves under special laws	163.805,84	163.805,84
Less: Allowances for value decline		3.060.743,83	719.528,02		0,00	3.342.696,80	V. Retained Earnings	2.117.443,37	1.863.170,07
7. Other long-term receivables			86.914,31			88.505,34	Period's profit carried forward	2.878.957,51	1.040.538,72
Total fixed assets (C I+C II+C III)			806.442,33			3.431.202,14	Prior periods losses	0,00	-712.346,69
D. CURRENT ASSETS								2.878.957,51	328.192,03
I. Inventories							Total shareholders equity (AI+All+AllII+AIV+AV)	19.281.444,84	19.197.177,64
1. Merchandise			13.986.336,54			8.164.921,01	B. PROVISIONS FOR LIABILITIES AND CHARGES		
5. Advances for goods in transit			15.827.061,47			6.532.350,26	1. Personell dismissal and retirement compensation provision	234.742,93	208.994,26
II. Receivables							2. Other provisions	267.066,97	61.404,74
1. Trade debtors	7.190.402,46		6.907.920,48	26.891.442,36		26.891.442,36		501.809,90	270.399,00
Less: Provisions	282.481,98		92.914,31	0,00		0,00	C. LIABILITIES		
2. Promissory notes receivable - on hand							I. Long Term Liabilities		
3. Bills & notes receivable overdue	11.497,05		0,00	11.497,05		11.497,05	1. Bonded loans	31.490.000,00	0,00
Less: Provisions	11.497,05		0,00	0,00		0,00	1a. Convertible bonded loans	16.621.200,00	0,00
3a. Cheques receivable - on hand			23.145.976,54			6.120.862,66		48.111.200,00	0,00
3b. Cheques bounced	12.209.451,27			22.746.485,61		22.746.485,61	II. Short term liabilities		
Less: Provisions	312.607,81		0,00	115.733,37		115.733,37	1. Suppliers	3.409.199,67	5.653.938,08
5. Short-term receivables from subsidiaries in	312.607,81		0,00	0,00		0,00	2a. Cheques payables (postdated)	10.452.443,38	13.341.927,47
10. Doubtfull-Contested trade and other debtors	1.063.086,21		0,00	797.685,98		797.685,98	3. Banks-short term liabilities	1.270.000,00	22.121.051,77
Less: Provisions	1.063.086,21		0,00	0,00		0,00	4. Advances from trade debtors	2.283.981,34	1.091.552,79
11. Sundry debtors			2.136.361,48			4.196.446,65	5. Taxes and duties payable	2.817.850,16	3.457.397,34
11a. Receivables from seccion securities			1.877.779,29			1.052.109,70	6. Social securities	96.403,77	84.221,18
11b. Receivables transection			50.074,61			222.542,59	7. Current instalments of long-term debt	2.010.000,00	13.220.000,00
12. Advances and credits control account			36.640,10			45.045,41	10. Dividends payable	1.787.215,00	3.497.741,19
III. Securities							11. Sundry creditors	372.101,93	864.449,00
1. Shares	1.851.467,05		388.502,12	1.854.709,90		354.727,92	Total Liabilities (C I+C II)	24.499.195,25	63.332.278,82
Less: Allowances for value decline	1.462.964,93			1.499.981,98			D. ACCRUED EXPENSES AND DIFFERENT INCOME	72.610.395,25	63.332.278,82
IV. Cash							2. Accrued expenses	1.407.378,37	18.209,36
1. Cash on hand			4.032,71			9.129,01	GRAND TOTAL LIABILITIES AND SHAREHOLDERS EQUITY (A+B+C+D)		
3. Current & time deposits			15.082.575,76			1.799.221,09		93.801.028,36	82.818.064,82
Total Current asset (DI+DII+DIII+DIV)			15.086.608,47			1.808.350,10	DEBIT MEMO ACCOUNTS		
E. PREPAYMENTS AND ACCRUED INCOME							2. Debit accounts of guarantees and colateral security	14.790.523,00	11.923.802,66
1. Prepaid expenses			12.768,61			22.446,04	3. Claims in bilateral agreements	2.676,53	4.366,96
GRAND TOTAL FIXED ASSETS (B+C+D+E)			93.801.028,36			82.818.064,82		14.793.199,53	11.928.169,62

REMARKS:

- The entry "credit interest and relevant incomes" includes, pursuant to the Hellenic General Accounting Chart, is also included the amount of 83.382,98 Euro that refers to credit interests over deposits and incomes to the amount of 500,000 Euro, arising from a transaction on the same date, of a contract derivatives, non negotiable in an organized stock market. Said transaction to the amount of 9.650.000 on purchase and 10.150.000 on sale, was registered in the company books, pursuant to the provisions of the Hellenic General Accounting Chart, both in Real Accounts and Memo Accounts.
- By force of a resolution of the Extraordinary General Assembly dated 21/01/2004 and by the Board of Directors dated 11/06/2004, approved by nr. K2-1667/6-2-2004 decision of the Ministry of Development, company issued a Convertible Loan Stock, negotiable with the Athens Stock Exchange, to the amount of 16.21.200 Euro, date of issue being the 03/08/2004. The Convertible Loan Stock is for three years, divided to 166.212 stocks of 100 Euro face value each. Each Stock is convertible in 22 common shares with the right to vote. The right to conversion, past the first six months anniversary, may be exercised up to the end of the loan in any subsequent monthly anniversary. The interest rate is fixed to 3,8% per annum. In the event of non-conversion of the stocks up to the expiration date of the loan, the price for repayment of stocks on the 03/08/2007 shall be 112,2% of their face value, namely 112,2 Euro per stock. The possible liability in the event of non-conversion in bonds upon expiration on the 03/08/2007 for the Convertible Loan Stocks, on the aforementioned benefit exceeding the interest rate, pursuant to the Hellenic General Accounting Chart, it shall be recorded at the time of its generation with the relevant account 65.09 Benefits to bondholders in addition to contractual interest, in detail and per type of benefit. On the opposite, there shall be a possible benefit to the company due to the non-payment of interest rates, in the event of conversion prior to the expiration of the loan.
- By force of resolution taken by the Board of Directors dated 06/07/2004, company issued pursuant to the provisions of Law 3156/2003 a simple Loan Stock to the amount of 33.500.000 Euro, for five years, paid out in nine instalments, the first of which is in 12 months past the date of issue for the loan, and the subsequent ones every six months up to the expiration of the loan.
- By force of nr. K2-1667/6-2-2004 decision of the Ministry of Development, the abolishment of the privilege on preferred shares without right to vote of the company and their conversion in common shares with the right to vote was approved.
- The appropriation of the previous period include the financial figures of the absorbed company concerning the period between 16/10 and 31/12/2002, and therefore are not comparable to the respective one for the current period. The appropriation of the previous period was reformed, so that it may be comparable to the respective one of the current period.
- The investments on fixed assets for the period at hand, amount to 87.081,60 Euro. There are no mortgages and attachments on the fixed assets as of 31/12/2004.
- The entry on securities concerns completely stock of companies listed with the Athens Stock Exchange, valued on the basis of the mean price for December.
- The personnel employed in the company as of 31/12/2004 amount to 63 persons.
- The results of the period was burdened with the amount of 870.609,22 Euro, concerning the allowances for amortization of doubtful accounts.
- The company sales are classified on the basis of the Statistic Industrial Classification Of Economic Activities 03 as follows:
Code 514.3 Electric Home Appliances Wholesale 6.687.718,95 Euro
Code 519.0 Other Wholesales (Air-conditioning Units Sales) 50.180.448,18 Euro
Code 642.0 Mobile Telephony 152.632.486,80 Euro
Code 518.4 Computers Wholesale 179.492,13 Euro
Total: 209.680.146,06 Euro
- For the purposes of calculating the amortisations, the reduced coefficients were applied, as in force since 01/01/2003 by Presidential Decree 299/2003.
- The relevant allowances were made for accrued revenues and expenditures the data of which were not known to the company as of 31/12/2004.
- The value of company fields was readjusted, pursuant to Law 2065/92, and a variance to the amount of 1.688,94 Euro has arisen, and item was recorded in credit of the account "Revaluation differences from readjustment of value for other assets".

PROFIT AND LOSS ACCOUNT AS AT DECEMBER 31st, 2004 (JANUARY 1 - DECEMBER 31, 2004)				APPROPRIATION ACCOUNT					
I. OPERATING RESULTS	Amounts of Financial Year 2004			Amounts of Previous Year 2003			Amounts of Financial Year 2004	Amounts of Previous Year 2003	
Net turnover (sales)		209.680.146,06			202.336.344,03		Net results profit for the year	6.832.774,72	7.479.086,49
Less: Cost of sales		191.031.384,36			179.559.012,86		Less: Balance brought forward	328.192,03	-712.346,69
Gross operating results (profit)		18.648.761,70			22.777.331,17		Less: Prior period tax audit adjustments	0,00	-398.107,00
Plus: Other operating income		72.227,99			44.768,08		Total	7.160.966,75	6.368.632,80
Total		18.720.989,69			22.822.099,25		Less: 1. Applicable income tax	2.432.100,74	1.912.808,68
Less: 1. Administrative expenses	3.143.859,10			3.022.035,55			2. Other not charged to the operating cost taxes	0,00	10.330,15
3. Distribution costs	7.029.360,14			7.994.295,36			Distributable profit carried forward	4.728.866,01	4.445.493,97
Sub total (profit)		8.547.770,45			11.016.330,91		Profit distribution:		
Plus: 2. Income from securities	14.128,37			4.287,37			1. Legal reserve	220.033,70	232.589,46
3. Income from sale of bonds	379,60			0,00			2. Prodividend	0,00	548.000,00
4. Interest and similar income	583.382,98			22.522,58			3. Prodividend	0,00	124.723,39
Less: 1. Participations and securities value decline allowances	338.283,31		0,00	26.809,95			3a. Dividends payable	1.595.635,20	3.191.270,40
2. Participations & securities expenses and losses	18,22		0,00	0,00			5. Special and extraordinary reserves	34.239,60	20.718,69
3. Interest charges and related expenses	2.387.268,20		-2.127.678,78	2.952.379,68		-2.925.569,73	8. Profit (losses) carried forward	2.878.957,51	328.192,03
Total operating results (profit)		6.420.091,67			8.880.198,61			4.728.866,01	4.445.493,97
II. PLUS: EXTRAORDINARY RESULTS							OFFSETTING TABLE		
1. Extraordinary and nonoperating income	1.901.268,18			1.515.710,42			From sale of securities	0,00	0,00
2. Extraordinary gains	4.506,40			16.578,93			Less: Allowances for value decline securities	730.596,30	751.314,99
3. Income previous year	16.623,88			23.466,41			Balance (loss) transferable to A/C 41.02 for future offsetting	34.239,60	20.718,69
4. Income from unused prior period provisions	74.998,04			20.718,69				696.356,70	730.596,30
Less: 1. Extraordinary and nonoperating expenses	345.344,73		893.116,79				Difference of participation value prior periods	2.722.460,52	0,00
2. Extraordinary losses	1.391,91		1.278.112,14						
3. Previous years expenses	42.367,59		8.492,65						
4. Provisions for extraordinary contingencies	1.195.609,22		412.683,05	797.864,99		2.977.586,57			
Operating and extraordinary results (profits)		1.584.713,45	6.832.774,72			-1.401.112,12			
Less: Total depreciation of fixed assets		534.453,76				7.479.086,49			
Less: Charged to the operating cost		534.453,76	0,00			418.386,51			
NET RESULTS FOR THE YEAR (PROFIT) BEFORE TAXES			6.832.774,72			7.479.086,49			

CHAIRMAN OF THE BOARD OF DIRECTORS

MANAGING DIRECTOR

Glyfada, February 23, 2005

CHIEF FINANCIAL MANAGER

THE HEAD OF ACCOUNTS DEPARTMENT

GEORGE ATH. FIDAKIS
Id. No N 000657

JOHN D. PANTOUSIS
Id. No E 168490

MICHALIS POULIS
E.C.G. 020873

ANTONIS KANAVOS
E.C.G. 008246

REPORT OF THE CERTIFIED AUDITOR - ACCOUNTANT
To the Shareholders of 'F.G. Europe S.A.'

We have audited the above financial statements, the related attachment to the Financial Statements and the Cash Flow Statement of the company "F.G. Europe S.A." for the year ended 31 December 2004. Our audit was carried out in accordance with the provisions of article 37 of Company Law 2190/1920 and the auditing procedures that we considered appropriate, based on the principles and auditing standards followed by the Institute of Certified Auditors Accountants. The company's books of accounts and records were made available to us and we were provided with all information and explanations requested for the purposes of our audit. The company complied with the Greek General Chart of Accounts, with the exception of the matters reported in the qualifications no. 1 and 2 reported below. There was no change in the valuation methods used compared to those used in the prior year. We have confirmed that the content of the Directors' report to the Shareholders' Meeting is in agreement with the related Financial Statements. The Attachment to the Financial Statements contains the information provided by paragraph 1 of article 43a of L 2190/1920 and the Cash Flow Statement has been prepared in accordance with the financial statements and the Company's books and records. The following resulted from our audit: 1. The amount of € 500 thousand, included in the Income Statement account "Interest and related financial income", relates to the setting off of deposit payments and receipts made for the purchase and sale of a vessel under construction, in accordance with the purchase and sale memoranda of agreements signed with non-identical seller and buyer. In addition, the Company has not made the appropriate accounting entries to reflect the total purchase and sale values reflected in the purchase and sale memoranda of agreements, while we have not been provided with the final purchase and sale agreements. 2. The Balance Sheet account I.1A "Convertible bond" amounting to € 16.600 thousand approximately relates to the nominal value of a public listed convertible bond issued by the Company during the year. Had the Company applied article 43 para. 3b of the Companies Act 2190/1920, the convertible bond value should be recognised at the maturity settlement price, thus the relevant Balance Sheet account should be increased by the difference between the settlement value and the nominal value of the convertible bond, provided that the conversion right is not exercised. This difference of € 2.028 thousand approximately should have been posted against the Balance Sheet intangibles account "Difference between issuance and settlement values of convertible bond" and amortised in equal instalments up to the convertible bond maturity date (August 2007). In line with the above, the amortization of € 507 thousand should have decreased the current year's profits and net asset position accordingly. 3. The Company valued for the first time this year its investments in non-listed subsidiaries in line with article 43 of Companies Act 2190/1920, at the lower of cost and net asset value. The valuation impairment of € 2.722 thousand approximately, relevant to prior year losses that should have been recognized in prior years' financial statements, was posted directly in the Balance sheet reserve account "Difference from investments' valuation". 4. Losses incurred from the re-valuation of shares in the 2000 financial year amounting to € 575 thousand approximately were not charged against prior year profits but were capitalized in terms of art. 37 of Cl. 2874/2000. Thus, the current year results include an amount of € 115 thousand that should have been recognized in the results of the 2000 financial year, while as at 31 December 2004 no further re-valuation amount remains capitalized. 5. The tax declarations and the books of the Company have not been audited by the tax authorities for the years 2003 and 2004. Consequently the Company's tax liabilities for these open tax years have not yet been finalized. In our opinion, except for the matters referred to above, the financial statements, which are in agreement with the books and records of the Company, together with the related notes to the financial statements and the Cash Flow Statements, present the assets, liabilities and financial position of the Company as at 31 December 2004 as well as the results of its operations for the year then ended and the cash flows from the Company's activities in conformity with the prevailing legislation and Greek generally accepted accounting principles applied on a consistent basis with the preceding year.