

**NEOCHIMIKI - L.V. LAVRENTIADIS**  
**CONSOLIDATED BALANCE SHEET**  
**AS AT JUNE 30, (JANUARY 1 - JUNE 30, 2004)**

ASSETS	PERIOD 1/1/2004 - 30/6/2004			PERIOD 1/1/2003 - 30/6/2003			LIABILITIES	PERIOD 1/1/2004 - 30/6/2004		PERIOD 1/1/2003 - 30/6/2003	
	ACQUISITION COST	ACC. DEPRECIATION	BALANCE	ACQUISITION COST	ACC. DEPRECIATION	BALANCE		EURO		EURO	
B. FORMATION EXPENSES	3.234.810,63	940.798,72	2.294.011,91	1.608.544,96	393.065,11	1.215.479,85	<b>A. CAPITAL AND RESERVES</b>				
C. FIXED ASSETS							Share capital	10.800.000,00		9.000.000,00	
Total Tangible Assets	70.059.547,97	6.956.837,66	63.102.710,31	40.087.410,32	4.275.232,12	35.812.178,20	Share premium account	6.525.000,00		8.325.000,00	
Other long - term claims			81.750,62			51.819,06	Revaluation Reserves - Investments Grants	6.379.591,60		375.641,97	
TOTAL FIXED ASSETS			63.184.460,93			35.863.997,26	Reserves	7.768.068,85		3.106.919,29	
D. CURRENT ASSETS							Results carried forward	1.891.278,06		3.062.416,87	
Inventories			15.180.976,20			7.810.621,90	Results (profit) period	3.959.669,88		3.022.812,59	
Trade Debtors			16.404.146,41			17.693.420,76	Differences in exchange rates of subsidiary company	-31.260,74		-6.107,93	
Other Debtors			13.893.775,98			9.318.090,75	Minority rights	1.417.170,53		1.069.152,97	
Investments			0,00			1.153,04	TOTAL CAPITAL AND RESERVES	38.709.518,18		27.955.835,76	
Cash			2.873.382,48			1.972.942,86	<b>B. PROVISIONS FOR LIABILITIES &amp; CHARGES</b>				
TOTAL CURRENT ASSETS			48.352.281,07			36.796.229,31	Provisions for staff retirement benefits	230.591,22		0,00	
E. PREPAYMENTS AND ACCRUED INCOME			326.126,63			146.972,65	Other provisions	10.942,56		0,00	
								241.533,78		0,00	
<b>GRAND TOTAL ASSETS</b>			<b>114.156.880,54</b>			<b>74.022.679,07</b>	<b>C. CREDITORS</b>				
							Long Term Debt	41.009.000,00		15.000.000,00	
							Current Liabilities	34.099.162,39		30.941.977,48	
							TOTAL CREDITORS (C+CI)	75.108.162,39		45.941.977,48	
							<b>D. ACCRUAL AND DEFERRED INCOME</b>	97.666,19		124.865,83	
							<b>GRAND TOTAL LIABILITIES (A+B+C+D)</b>	<b>114.156.880,54</b>		<b>74.022.679,07</b>	

**NOTES TO THE BALANCE SHEET**

- The basic accounting principles, followed for the preparation of the above consolidated financial statements are the same with the ones followed for the preparation of last year's consolidation financial statements, except of the case no. 6 of the following notes.
- There are no mortgages and prenotices on fixed assets
- There are no matters disputed by law or under arbitration, neither decisions of judges or arbitrators, which may have significant repercussions on the Group's operation:
- The average number of people employed by the Group for the period 1/1/04-30/6/04 is 295
- Breakdown of sales, as required by STACOD is as follows : (a) 515.5 Wholesale trade of chemical products, euro 20.650.766,15 (b) 245.1 Production of soap, detergents, cleaning and varnishing products, euro 15.418.214,02 (c) 519.0 Other wholesale trade, euro 246.233,57 (d) 602.4 Road transportation of merchandise, euro 14.171,19 (e) 930.9 Other service provision, euro 86.501,93.
- Parent company's land was valued at its fair value at 30/6/2004, according to the provisions of article 15 of law N. 3229/2004. The last value adjustment of land and building of the subsidiaries and of parent company's building, was made in 31/12/2000 according to the provisions of Law 2065/1992.
- The companies included in the consolidation of period 1/1/03-30/6/2004 are the following (a) NEOCHIMIKI - L.V. LAVRENTIADIS S.A (b) LAMDA DETERGENT S.A (c) LAMDA PAK S.A (d) LAMDA LAMDA S.A (e) LAMD/ POLYMERS INTERNATIONAL S.A (f) SPEDIMENT A.M.E. (g) CHEMICAL SOLUTIONS S.A (h) NEOCHIMIKI ROMANIA A.E. (i) PETRONET S.A (j) 3 LAMDA S.A (k) NEOCHIMIKI BEOGRAD, (l) CHEMPOL HELLAS S.A.
- According to the 31/12/2002 decision of the Extraordinary Assembly of parent Company's Shareholders, the Share Capital of the company was increased by the amount of 1.850.000,00 euro by the issuance of 1.850.000 shares with a nominal value of 1 euro each, with cash deposit due to public registration. This share capital increase was approved by the No. 2658/9-5-2003 decision of Piraeus Prefecture as well by the 5-5-2003 decision of The Athens Stock Exchange Board of Directors and was verified by the 9-5-2003 decision of the parent Company's Board of Directors. The time period for exercising such right was from 14/4/2003 to 16/4/2003 and the new shares have been accepted for negotiation at 20/5/2003. Due to the issuance a total amount of 10.175.000 has been derived. The net amount after the deduction of issuance expenses of 847.510,88 euro amounted to 9.327.489,12 euro.
- According to the 1/8/2003 decision of the Extraordinary Assembly of parent Company's Shareholders, which was approved by the no. K2-10860/18-8-2003 decision of Ministry of Development, the Share Capital of the company was increased by the amount of 1.800.000,00 euro and was verified by the 22/8/2003 decision of the Company's Board of Directors, by capitalization of reserves formed due to share premium issuance and at the same time increase of already existing share nominal value to the amount of 1,20 euro each. According to the same Extraordinary Assembly of Company's Shareholders, the deduction of already existing share nominal value was decided from the amount of 1,20 to 0,30 euro each, and at the same time the issuance of 27.000.000 new common share, which were distributed free to company's shareholders with a rate of 3 new for each old one.

**PROFIT AND LOSS ACCOUNT AS AT JUNE 30 (JANUARY 1 - JUNE 30)**

	PERIOD 1/1/2004 - 30/6/2004		PERIOD 1/1/2003 - 30/6/2003		Agios Ioannis Rentis, June 21 2004
	EURO		EURO		
<b>I. Operating results</b>					
Net turnover (sales)		36.415.886,86		26.774.641,23	Chairman, Board of Directors
Less: Cost of sales		25.137.969,87		19.466.651,45	Vice President, Board of Directors
Gross operating results (profit)		11.277.916,99		7.307.989,78	
Plus: 1. Other operating income		28.241,42		0,00	
Total		11.306.158,41		7.307.989,78	
Less: 1 Administrative expenses	1.525.028,63		939.483,22		
2 Research and development costs	30.584,47		25.903,97		
3 Distribution cost	4.220.907,27	5.776.520,37	2.326.102,04	3.291.489,23	Dr. Lavrentis Lavrentiadis
Sub total (profit)		5.529.638,04		4.016.500,55	Zafiria Lavrentiadou
PLUS: 4 Interest receivable and similar income	2.960,91		10.518,86		
Less: 3. Interest payable and similar charges	1.431.068,57	-1.428.107,66	975.161,62	-964.642,76	
Total operating results (profit)		4.101.530,38		3.051.857,79	Chief Accountant
<b>II. PLUS: Extraordinary results</b>					
1 Extraordinary and non - operating income - gain	146.776,46		82.839,49		
Less: 1 Extraordinary and non operating expenses	124.878,30	21.898,16	13.010,46	69.829,03	
Operating and extra ordinary results (profit)		4.123.428,54		3.121.686,82	
Less: Total value adjustments of fixed assets	2.172.603,18		1.173.115,11		
Less: Charged to the operating cost	2.154.182,26	18.420,92	1.173.115,11	0,00	Xaralambos Zantzas
<b>NET RESULTS (PROFIT) FOR THE PERIOD BEFORE TAXES</b>		<b>4.141.849,46</b>		<b>3.121.686,82</b>	
Less: Proportion of minority rights		145.337,74		98.874,23	
<b>CONSOLIDATED NET RESULTS (PROFIT) FOR THE PERIOD BEFORE TAXES</b>		<b>3.996.511,72</b>		<b>3.022.812,59</b>	

**AUDITOR'S REPORT**

To the Board of Directors of "NEOCHIMIKI - L.V. LAVRENTIADIS S.A."

We performed an audit in accordance with the provisions of article 6 of P.D. 360/1985, as amended with the article 90 of Law 2533/1997, applying, in conformity with the auditing principles and regulations, which are accepted by the Institute of Certified Public Accountants of Greece the audit procedures we considered necessary to verify that the above semi annual condensed financial statements of "NEOCHIMIKI - L.V. LAVRENTIADIS S.A" for the six month period ended June 30, 2004, do not contain errors or omissions which materially affect the consolidated assets, liabilities and financial position of the parent Company and its subsidiaries, included in the consolidation and the consolidated results of the six month period then ended.

Consolidated financial statements also, include financial statements not audited by Certified Auditors, representing 0,42% and 0,76% of total consolidated assets and total consolidated revenues respectively and because of their minor materiality significance, we have not performed audit to them.

Based on the audit we performed, we verified that the above consolidated financial statements, which have been prepared in conformity with the provisions of article 43, Law 2190/1920, after taking into consideration our foregoing notes as well as the company's notes, do not include any errors or omissions, which materially affect the consolidated assets, liabilities and financial position of all companies included in the consolidation as at 30/06/2004, as well as the consolidated results of their operations for the period ended on that date and are in conformity with legal requirements and generally accepted accounting principles, followed by parent company, applied on a basis consistent with that of the respective period of the preceding year except the case of no. 6 of company's notes mentioned beneath the Balance Sheet.

Athens, 29 July 2004  
The Certified Public Accountant-Auditor