

NEOCHIMIKI - L.V LAVRENTIADIS S.A
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	2.736.671,70	853.236,78	1.883.434,92	1.536.638,52	372.594,25	1.164.044,27	A. CAPITAL AND RESERVES				
C. FIXED ASSETS			EURO			EURO	Share capital	10.800.000,00		9.000.000,00	
Total Tangible Assets	27.780.666,84	2.863.457,34	24.917.209,50	11.497.588,99	2.304.248,90	9.193.340,09	Share premium account	6.525.000,00		8.325.000,00	
Other long - term claims			19.789.726,72			12.731.486,67	Revaluation Reserves - Investments Grants	6.379.591,60		375.641,97	
TOTAL FIXED ASSETS			<u>44.706.936,22</u>			<u>21.924.826,76</u>	Reserves	4.146.438,59		1.941.346,90	
D. CURRENT ASSETS							Results carried forward	1.410.092,39		2.768.537,68	
Inventories			6.009.402,36			4.150.318,69	Results (profit) period	2.002.766,09		1.803.315,78	
Trade Debtors			10.965.513,82			13.372.878,61	TOTAL CAPITAL AND RESERVES	<u>31.263.888,67</u>		<u>24.213.842,33</u>	
Other Debtors			7.985.807,23			6.634.194,04	B. PROVISIONS FOR LIABILITIES & CHARGES				
Investments			0,00			1.153,04	Provisions for staff retirement benefits	97.171,32		0,00	
Cash			1.317.047,79			1.799.962,81	Other provisions	10.942,56		0,00	
TOTAL CURRENT ASSETS			<u>26.277.771,20</u>			<u>25.958.507,19</u>		108.113,88		0,00	
E. PREPAYMENTS AND ACCRUED INCOME			173.147,01			38.538,67	C. CREDITORS				
GRAND TOTAL ASSETS			<u>73.041.289,35</u>			<u>49.085.916,89</u>	Long Term Debt	21.010.000,00		1.000.000,00	
							Current Liabilities	20.659.286,80		23.872.074,56	
							TOTAL CREDITORS (CI+CII)	<u>41.669.286,80</u>		<u>24.872.074,56</u>	
							GRAND TOTAL LIABILITIES (A+B+C+D)	<u>73.041.289,35</u>		<u>49.085.916,89</u>	

NOTES TO THE BALANCE SHEET

- The basic accounting principles, followed for the preparation of the above financial statements are the same with the ones followed for the preparation of last year's, financial statements, except the case no. 6 of the following notes.
- There are no mortgages and prenotions on Company's 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 company's operations.
- The average number of people employed by the company for the period 1/1/04-30/6/04 is 48.
- Breakdown of sales, as required by STACOD is as follows : (a) 515.5 Wholesale trade of chemical products, euro 25.591.529,17, (b) 245.1 Production of soap, detergents, cleaning and varnishing products, euro 2.541.561,68 (c) 519.0 Other wholesale trade, euro 159.387,74 (d) 930.9 Other service provision euro 29.779,09.
- 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 building, was made in 31/12/2000 according to the provisions of Law 2065/1992.
- According to the 31/12/2002 decision of the Extraordinary Assembly of 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 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 euro 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 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	
	EURO		EURO	
I. Operating results				
Net turnover (sales)		28.322.257,68		21.327.333,65
Less: Cost of sales		22.838.104,12		17.033.303,71
Gross operating results (profit)		5.484.153,56		4.294.029,94
Plus: Other operating income		1.296,68		0,00
Total		5.485.450,24		4.294.029,94
Less:				
1 Administrative expenses	562.370,08		469.072,13	
2 Research and development costs	30.584,47		25.903,97	
3 Distribution cost	2.162.710,22	2.755.664,77	1.481.252,23	1.976.228,33
Sub total (profit)		2.729.785,47		2.317.801,61
PLUS: Interest receivable and similar income	2.069,84		8.370,67	
Less: Interest payable and similar charges	772.202,27	-770.132,43	567.463,44	-559.092,77
Total operating results (profit)		1.959.653,04		1.758.708,84
II. PLUS: Extraordinary results				
1 Extraordinary and non - operating income - gain	125.170,57		47.346,33	
Less:				
1 Extraordinary and non operating expenses	73.645,06	51.525,51	2.739,39	44.606,94
Operating and extra ordinary results (profit)		2.011.178,55		1.803.315,78
Less: Total value adjustments of fixed assets	621.140,60		532.478,77	
Less: Charged to the operating cost	612.728,14	8.412,46	532.478,77	0,00
NET RESULTS (PROFIT) FOR THE PERIOD BEFORE TAXES		2.002.766,09		1.803.315,78
Less: Proportion of minority rights				

Agios Ioannis Rentis, July 21 2004

Chairman, Board of Directors Vice President, Board of Directors

Dr. Lavrentis Lavrentiadis Zafiria Lavrentiadou

Chief Accountant

Xaralambos Zantzias

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 Company's assets, liabilities and financial position as at June 30, 2004, as well as the results of the six month period then ended. During the audit that we performed, we also checked the financial position of the branches of the Company.

We were provided with the books and records kept by the company and the information we considered necessary. The Company correctly applied the General Chart of Accounts. No change in the inventory valuation method has been made, as compared with that of respective period of the previous year, except the case of no. 6 of company's notes mentioned beneath the Balance Sheet and the production cost has been determined according to the accepted principles of cost accounting.

As a result of our audit the following matters came to our attention:

- "Participation and other long term receivables" include also an amount of € 19.748.977,90 , which represents the acquisition cost of S.A.. shares, which are not listed in the Athens Stock Exchange and are audited by Certified Public Accountants. According to these companies' last legal Financial Statements, their book value is greater than their acquisition cost.

Based on the audit we performed, we verified that the above financial statements, which are in agreement with the books and records of the Company, after taking into consideration our foregoing notes as well as the company's notes, do not include any errors or omissions, which materially affect Company's assets, liabilities and financial position as at 30/06/2004, as well as the results of its operations for the period ended on that date and are in conformity with legal requirements and generally accepted accounting principles 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.