

## **REVIEW REPORT**

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To the Shareholders of “NAOUSSA SPINNING MILLS” AE

We have reviewed the accompanying interim financial statements of “NAOUSSA SPINNING MILLS” AE, as of and for the three-month period ended 31 March 2005. These interim financial statements are the responsibility of the Company's management.

We conducted our review in accordance with the Greek Review Standard, which is based on the International Standard on Review Engagements. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the interim financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data, and thus provides less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial statements do not give a true and fair view (or are not presented fairly, in all material respects) in accordance with the International Financial Reporting Standards that have been adopted by the European Union.

Without further qualifying our review report, we draw attention to Note 36 where reference is made to the fact that, within the frame of the agreement of the Group with the main credit banks for the renegotiation of the bank borrowings and the financing of the companies have been engaged external consultants, in collaboration with which the Group prepares and submits a five - year business plan for the viability of the companies of the Group. The preparation of the aforesaid plan is found at the stage of completion and foresees among other things the reorganisation of the operating activities and especially the productive installations, decrease of staff and financing of the working capital and the restructuring cost to secure the viability of the company and the Group. This data implies uncertainty for the company to continue in operation as a going concern. Without further qualifying our review report, we draw attention to Note 30 where reference is made to the fact that, the tax returns of the company for the two last years and these of the other companies of the Group for 2 to 3 years have not been examined by the tax authorities as yet and, as a consequence, the possibility exists of additional taxes and penalties being assessed at the time when the returns will be examined and will be accepted as final. The outcome of these tax inspections cannot be predicted at present and, therefore, no provision has been made in these financial statements in this respect.

**Athens, 28 May 2005**

**Haralambos Kon. Xenos**  
**Certified Public Accountant**  
**SOEL Reg. No. 11551**  
**SOL S.A. - Certified Auditors Accountants**