



REAL ESTATE DEVELOPMENT & SERVICES S.A.

Public Companies (S.A.) Reg. Nr. 13564/06/B/86/123

BALANCE SHEET AS AT DECEMBER 31, 2004 - 86th YEAR (01.01.2004 - 31.12.2004)

ASSETS	2004 - €			2003 - €			LIABILITIES	
	Acquisition value	Accumulated Depreciation	Net Book value	Acquisition value	Accumulated Depreciation	Net Book value	2004 - €	2003 - €
B. FORMATION EXPENSES							A. SHAREHOLDERS' EQUITY	
1. Incorporation and Formation Expenses	1,274,346.27	1,088,362.70	185,983.57	1,274,346.27	902,379.19	371,967.08	I. Share Capital	
3. Interest of bank loans	525,462.73	420,370.20	105,092.53	525,462.73	315,277.65	210,185.08	(39,610,265 Shares of € 1,70 each)	
4. Other formation expenses	2,706,530.67	2,340,419.21	366,111.46	2,597,344.57	1,916,912.96	680,431.61	1. Paid-up capital	67,337,450.50
	4,506,339.67	3,849,152.11	657,187.56	4,397,153.57	3,134,569.80	1,262,583.77	II. Share premium account	5,641,410.02
								12,415,440.26
C. FIXED ASSETS							III. Revaluation Reserves-Investment Grants	
I. Intangible Assets							1. Reserves from value adjustments of participating intr	57,422,453.00
5. Other intangible Assets	608,609.66	608,609.66	0.00	608,609.66	608,609.66	0.00	2. Reserves from value adjustments of other assets	0.00
								6,693,459.86
								57,422,453.00
II. Tangible Assets							IV. Reserves	
1. Land	4,804,111.95	0.00	4,804,111.95	4,804,111.95	0.00	4,804,111.95	1. Legal reserve	98,657.95
2. Fields	8,409,890.87	0.00	8,409,890.87	8,285,737.16	0.00	8,285,737.16	4. Extraordinary reserves	232,061.63
3. Buildings and technical works	32,291,077.89	4,883,537.64	27,407,540.25	32,006,324.62	3,502,087.71	28,504,236.91	5. Tax-free reserves under special laws	453,539.65
4. Machinery, technical installations and other mechanical equipment	102.71	102.70	0.01	102.71	102.70	0.01		784,259.23
5. Transportation equipment	2,465.15	1,201.75	1,263.40	2,465.15	831.98	1,633.17	V. Retained Earnings	
6. Furniture and fixtures	423,024.93	235,791.71	187,233.22	374,321.00	165,993.66	208,327.34	Loss carried forward	-781,953.78
7. Payments on account and tang. assets under construction	38,158.90	0.00	38,158.90	0.00	0.00	0.00	Loss brought forward	-12,927,515.37
	45,968,832.40	5,120,633.80	40,848,198.60	45,473,062.59	3,669,016.05	41,804,046.54		-13,709,469.15
Total Tangible Assets (CI+CII)	46,577,442.06	5,729,243.46	40,848,198.60	46,081,672.25	4,277,625.71	41,804,046.54	Total Capital and Reserves (AI+AII+AIII+AIV+AV)	117,476,103.60
								59,776,047.24
III. Financial Assets							B. PROVISIONS FOR LIABILITIES AND CHARGES	
1. Participating interests in affiliated undertakings			86,258,352.64			28,473,352.64	1. Provisions for staff retirement benefits	88,297.54
7. Other long-term receivables			156,740.86			130,514.48		76,244.00
			86,415,093.50			28,603,867.12	C. LIABILITIES	
							I. Long-term liabilities	
Total Fixed Assets (CI+CII+CIII)			127,263,292.10			70,407,913.66	8. Other long term liabilities	449,352.40
								435,271.47
D. CURRENT ASSETS							II. Current Liabilities	
II. Receivables							1. Suppliers	14,910,480.29
1. Trade debtors			5,310,879.65			2,057,581.32	2a. Cheques payable	8,964.14
3a. Cheques receivable (postdated)			1,566,451.40			48,886.73	3. Banks	42,975.84
10. Doubtful contested trade & other debtors	2,673,379.19		0.00	2,673,379.19		0.00	4. Advances from trade debtors	1,008,640.34
Minus : Allowances	2,673,379.19		0.00	2,673,379.19		0.00	5. Taxes-duties payable	557,370.91
11. Sundry debtors			1,072,040.69			2,988,065.78	6. Social security	32,755.46
12. Advances and credits to account for			3,325.37			27,265.65	11. Other accounts payable	202,547.08
			7,952,697.11			5,121,799.48		16,763,734.06
							Total Liabilities (CI+CII)	17,213,086.46
III. Investments								15,560,703.27
1. Shares			24.65			24.65	D. ACCRUALS AND DEFERRED INCOME	
			24.65			24.65	1. Accrued income	2,039,388.76
IV. Cash at bank and in hand							2. Accrued expenses	19,607.62
1. Cash on hand			2,527.03			4,201.02		2,058,996.38
3. Sight and time deposits			846,812.73			955,373.54		2,552,875.51
			849,339.76			959,574.56	GRAND TOTAL SHAREHOLDERS' EQUITY & LIABILITIES (A+B+C+D)	136,836,483.98
Total Current Assets (DII+DIII+DIV)			8,802,061.52			6,081,398.69	MEMO ACCOUNTS	
E. PREPAYMENTS AND ACCRUED INCOME							2. Guarantees and real securities	46,638,912.40
1. Prepaid expenses			113,942.80			213,973.90		24,227,027.56
GRAND TOTAL-ASSETS (B+C+D+E)			136,836,483.98			77,965,870.02		
MEMO ACCOUNTS								
2. Guarantees and real securities			46,638,912.40			24,227,027.56		

Notes : 1. The last value adjustment of fixed assets was performed in accounting period 2000, in accordance with the provisions of Law 2065/92. 2. According to the provisions of article 15 of L. 3229/2004, a value adjustment was computed in the year 2003 on the land and buildings at their fair value, following an estimation made by professional appraisers. The surplus value amount that occurred of Euro 6.693.459,86. By the of 24.06.2004 Resolution of the Annual General Meeting of the Shareholders and the Nr. K2-8229/01.07.2004 Decision of the Ministry of Development was decided the increase of the Share Capital of the company by a total amount 13.467.490,19 which derives from capitalization of surplus and value adjustment of fixed assets, amount Euro 6.693.459,86 and from capitalization of "Share Premium Account" amount Euro 6.774.030,24. 3. Of the real property of the company's has been registered a real mortgage for securing a liability of euro 24 million. 4. The company participates by 100% in the share capital of the companies "KANTZAS TRADE S.A.", "GYALOU TRADE & TOURIST S.A.", "P.M.S. PARKING SYSTEMS S.A." and by 67% in the share capital of the company "LOFOS PALLINI S.A.". The company disclosed the above participations at their acquisition costs, according to the provisions of the P.D. 186/92. Had the value measurement of the participations been made according to the options in par. 6 of article 43 of c.L. 2190/1920, a valuation difference would have occurred of EURO K 3.117,26, which should have been covered by a relative provision. Out of this difference, the amount of EURO K 2.681,20 corresponds to the current year. 5. In the Shareholders' Equity item "Revaluation Reserve", is shown an amount of Euro 57.422.453,00, which arises from free distribution of share by 100% of the subsidiary companies "KANTZA TRADE S.A." and "YALOU TRADE & TOURIST S.A.". The above companies proceed in an increase of the Share Capital with capitalization of the surplus value, which arose from the value adjustment of their real property, according to the provision of article 15 of L.3229/2004. 6. The company has been through tax authorities fiscal control up to the year 1998, inclusive.

INCOME STATEMENT

31st DECEMBER 2004 (1st JANUARY 2004 - 31st DECEMBER 2004)

	2004 - EURO		2003 - EURO	
I. OPERATING RESULTS				
Net Turnover (sales)		14,553,802.66		22,566,099.62
Minus : Cost of Sales		11,951,265.40		20,341,979.85
Gross operating results (profit)		2,602,537.26		2,224,119.77
Plus: Other operating income		232,492.11		51,881.66
Total		2,835,029.37		2,276,001.43
MINUS : 1. Administrative expenses		1,448,052.90		907,689.54
Sub total (profit)		1,386,976.47		1,368,311.89
Plus :				
2. Income from other investments	11,614.66		18,386.88	
3. Gains from sale of participating interests and other investments	0.00		4,436.60	
4. Credit interest and similar income	4,558.05		7,619.41	
Minus :				
3. Interest charges and related expenses	57,013.65	57,013.65	51,195.14	51,195.14
Total operating results (profit)		1,346,135.53		1,347,559.64
II. PLUS : EXTRAORDINARY RESULTS				
1. Extraordinary and non-operating income	61,847.46		135,271.45	
2. Extraordinary gain	43.96		0.00	
3. Prior years' income	0.00		22,275.26	
4. Income from prior years' provisions	5,368.53		4,993.10	
Minus :				
1. Extraordinary and non-operating expenses	232.17		804.66	
2. Extraordinary losses	271,629.09		0.00	
3. Prior years' expenses	81,977.08	353,838.34	-286,578.39	20,111.04
Operating and extraordinary results (profit)		1,059,557.14		1,489,183.75
LESS: Total fixed assets depreciation	2,166,200.06		2,111,778.81	
Minus : Depreciation integrated in the operating cost	2,166,200.06	0.00	2,111,778.81	0.00
NET RESULTS (PROFIT) FOR THE YEAR BEFORE TAXES		1,059,557.14		1,489,183.75

APPROPRIATION ACCOUNT

	2004 - EURO	2003 - EURO
Net results (profit) for the year	1,059,557.14	1,489,183.75
Plus : Results brought forward (loss)	-1,059,557.14	-1,489,183.75
Plus :Prior years' tax differences	-16,151.90	-5,335.99
Total	-16,151.90	-5,335.99
Minus :		
1. Income tax - Company	530,501.05	182,081.04
2. Other taxes not integrated into the oper.cost	235,300.83	252,399.76
	765,801.88	434,480.80
CURRENT YEAR LOSSES	-781,953.78	-439,816.79
Breakdown of sales per financial activity category, according to the STACOD 03 4-digit classification:		
452.1 Construction of buildings and technical works	8,045,033.23	
703.2 Real estate management , on consideration of a fee, or on a contractual basis	1,311,098.78	
742.0 Architects' & Engineers' activities & engineering consulting activities	383,805.01	
702.0 Leasing out of owned buildings	4,813,865.64	
	14,553,802.66	

CHAIRMAN OF THE BOARD OF DIRECTORS

Athens, April 20 2005
VICE- CHAIRMAN OF THE BOARD OF DIRECTORS
AND MANAGING DIRECTOR

FINANCIAL MANAGER

HEAD OF ACCOUNTING DEPT.

DIMITRIOS KOUTRAS
ID Nr I-280654

ANASTASIOS KALLITSANTIS
ID Nr E -434814

VASILIKI ANALITI
ID Nr E-013569

CHRIS ADAMOPOULOS
ID Nr Φ-042940

AUDITOR'S REPORT

To the Shareholders of "REAL ESTATE DEVELOPMENT & SERVICES S.A."

We have audited the above Financial Statements as well as the related Notes on the Accounts and the Cash Flow Statements of "REAL ESTATE DEVELOPMENT & SERVICES S.A." for the year ended December 31, 2004. We conducted our audit, within the scope of which we obtained also a full accounting report of the Company's Branch operations, in accordance with the provisions of art. 37 of the Companies' Act of Greece (c.L. 2190/1920) and also in conformity with the standards of auditing followed by the Institute of Certified Auditors-Accountants in Greece, which comply with the International Standards on Auditing and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances. We have examined the books of account and records kept by the Company and we obtained all the information and explanations we needed for the purpose of our audit. The Company has applied properly the Hellenic General Accounting Plan. No change in the inventory valuation method has been made as compared with that of the previous year. We have verified that the Board of Directors' Report to the Annual General Meeting of Shareholders is consistent with the related Financial Statements. The Notes on the Accounts include the information required by the par. 1, art. 43a L. 2190/1920 (Companies' Act of Greece). In our opinion, the above Financial Statements and the Cash Flow Statement, which are in agreement with the books and records of the Company, together with the Notes on the Accounts, after taking into consideration our foregoing notes as well as the company's notes under the Balance Sheet, Nr 4 and 6, give a true and fair view of the Company's assets, liabilities and financial position as at December 31, 2004 and of the results of its operations for the year ended on that date, in conformity with legal requirements and generally accepted accounting principles applied on a basis consistent with that of the preceding year.

Athens, April 21 2005
The Certified Public Accountant - Auditor

Aggeliki K. Gratsias- Drombakis
SOEL Reg. No. 13071
SOL S.A. - Certified Auditors Accountants