

PAPERPACK – TSOUKARIDIS J. S.A.

**2000
Annual Review**

Athens, July 2001

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1. INFORMATION ABOUT THE EDITING OF THE ANNUAL REPORT AND THE AUDITORS

1.1 Annual Review

The present annual review includes information regarding the present activity, its evolution through time as well as the goals of the parent company (hereinafter called "PAPERPACK – TSOUKARIDIS J. S.A." or "the Company") and group of companies (hereinafter called "PAPERPACK – TSOUKARIDIS J. S.A. Group of Companies"). The content of this annual review is the one required by the article 16 of the 5/204/14.11.2000 decision of the capital market commission (published in the FEK 1487/9.12.2000 volume 2) aiming at the proper and full informing of the public.

Responsible for the syntax of this annual report as well as for the accuracy of the information included are:

- Mr John Tsoukaridis, President of the Board of Directors and Chief Executive Officer of the Company, 10 – 14 Nafpliou Street , Metamorfosi, 14452 Athens, Greece, tel.: (00301) 28 46 800
- Mr George Oratis, Marketing & Public Relations Director of the Company, 10 – 14 Nafpliou Street, Metamorfosi, 14452 Athens, Greece, tel.: (00301) 28 46 800 and
- Mr Nicolas Sitaras, Investor Relations & Finance Director, 10 – 14 Nafpliou Street , Metamorfosi, 14452 Athens, Greece, tel.: (00301) 28 46 800

And they certify with responsibility that:

1. All information presented is true and complete
2. There are no pending lawsuits against the parent company or the ones belonging to the PAPERPACK – TSOUKARIDIS J. Group of Companies that could harm their financial wellbeing

This annual report can be obtained by the Company's headquarters (10 – 14 Nafpliou Street , Metamorfosi, 14452 Athens, Greece, tel.: (00301) 28 46 800)

1.2 Auditors

PAPERPACK – TSOUKARIDIS J. S.A. was audited for the years 1998, 1999 and 2000 by Mr. George Ath. Paraskeuopoulos (A.M. S.O.E. 11851) working for Grant Thornton S.A., 99 Pratinou Street, Athens, tel: (00301) 72 53 315 – 6.

The appropriate documentation can be found at the Appendix after the published financial statements.

The Company has been publishing consolidated financial statements since 1999. Mr. George Paraskeuopoulos was also the auditor for the consolidated financial statements for the years 1999 and 2000.

The appropriate documentation can be found at the Appendix after the published financial statements.

1.3 Tax Audit

The last financial audit was carried out for the year 1999 by the Peripheral Controlling Center of Athens. The company was audited for all her tax obligations and the fines and surcharges imposed for the year 1999 was 5.136.571 Drs. The whole amount was paid and credited against 2000 results.

2. COMPANY OVERVIEW

2.1 General Information

TSOUKARIDIS PETROS was established in 1950 and transferred its operation to TSOUKARIDIS P. & SON in 1970. The later transferred its operation to TSOUKARIDIS J. & P. in 1976 and to TSOUKARIDIS JOHN LTD. in 1986. TSOUKARIDIS JOHN LTD. main activity was the production of boxes made from different kinds of paper.

Another company TSOUKARIDIS JOHN S.A. was established in 1981 with the same activity (production of paper boxes). PAPERPACK TSOUKARIDIS J. S.A. was created on the 15TH of February 1996 by the merger of TSOUKARIDIS JOHN S.A. and TSOUKARIDIS JOHN LTD. The address company's headquarters is 10 – 14 Nafpliou street, Metamorfofi, 14452 Athens, tel.: (00301) 2846800. According to the article 4 of the company's Article of association, the initiation of the Company's duration was set as the date of registration to the Record of Societes Anonymes (15/02/1996) and it terminates on the 31.12.2050.

According to the article 2 of the Article of association, the Company's goals are:

1. The manufacturing of typographic and lithographic products and of any kind of paper or cardboard packaging and their merchantability.
2. The representation of international and domestic companies with similar activity.
3. The participation in newly developed or older companies, domestic or international, with similar or different activities.

PAPERPACK – TSOUKARIDIS J. S.A. produces, under premises, paper boxes as well as other paper packaging that is used for the industrial and commercial packaging of cosmetics, food, cigarettes, pharmaceuticals etc. In addition, it operates under license its industrial plant in Metamorfofi, Athens for an infinite amount of time.

2.2 Company History

As mentioned above, PAPERPACK – TSOUKARIDIS J. S.A. was created by the merger TSOUKARIDIS JOHN S.A. and merger TSOUKARIDIS JOHN LTD. with similar activity: the production of paper boxes and other paper packaging.

The two companies operated in rented and privately owned spaces of 3.000 m² total surface in the municipality of Peristeri, Athens and their production was mainly executed with the use of printing and cutting machinery.

The merger of the two companies was decided in 1995. The main goal was to create a stronger company that could take advantage of economies of scale, satisfy increasing demand and further penetrate the paper packaging industry. PAPERPACK TSOUKARIDIS J. S.A. manufactures paper boxes for packaging purposes that are used mainly by companies that produce food, cigarettes, drinks, medication and cosmetics.

The companies before the merger as well as PAPERPACK TSOUKARIDIS J. S.A. invested in new technology equipment. In 1998 they located their main offices in Metamorfofi, Athens and initiated the process of restructuring.

Following are the Company's most important historical events:

- In 1891 Yiangos P. Tsoukaridis started a small printing company in Izmerne, Asia Minor called “The Melissa”.
- In 1922 the expatriation forced John and Petros Tsoukaridis to transfer their printing company in Athens (48 Sokratous Street, Athens).

- In 1947 they equipped their company with new technology equipment. This modernization made their printing company one of the best in Athens.
- In 1976 they invest in new equipment and they transfer their offices in the industrial area of Peristeri. Their services are now extended to graphic arts as well as packaging.
- In 1995 the decision of the merger of TSOUKARIDIS JOHN S.A. and TSOUKARIDIS JOHN LTD. is made. PAPERPACK – TSOUKARIDIS J. S.A. is established and its first year of operation initiates the 1st of September 1995.
- In September 1997, the Company becomes the exclusive representative of Mead Packaging Group in Greece. Mead Packaging Company specializes in the production of multipacks (multiple lines of packaging products) Mead Packaging Products provides the Company with the specialized machinery that produces multipacks.
- In June 1998 the company started the transfer of its main offices to a new building that it leased in the area of Metamorfosi in Athens. The new office space is a two-floor building (4.800 m²) that increases the company's production. It also maintains storage space in Peristeri and Piraeus.
- In October 1999 the Company acquired 99,56% of a company called “Leonardos S.A.” for the price of 796.480.000 GRD.
- In October 2000, the Company was listed at the parallel market of the Athens Stock Exchange.
- In November 2000, the Company bought 15% of “FOKAS BROS S.A.” for the price of 440.000.000 GRD. In addition, PAPERPACK - TSOUKARIDIS J. S.A. participated at the capital increase of “FOKAS BROS S.A.”, acquired 50.000 more shares (380.000.000 GRD) and ended up owning 35%.
- In December 2000, PAPERPACK TSOUKARIDIS J. S.A. signed an agreement of collaboration with FLEXOPACK S.A. in order to participate in new companies that operate in the field of plastic and paper materials.
- In February 2001, the company signed an agreement with the shareholders of “VLACHOS BROS S.A.” according to which it acquired 11,26% of the specific company. During the same year, the Company participated in the capital increase of “VLACHOS BROS S.A.” and received 880 (now 1.680 shares) more shares increasing its stake in the company to 21%.

2.3 Share Capital Evolution

The Company's share capital was 700.000.000 GRD, divided in 70.000 nominal common shares worth 10.000 GRD each.

1. On the day of its creation, the initial share capital was 190.000.000 GRD, divided in 19.000 unregistered common shares worth 10.000 GRD each. The amount of 189.340.000 GRD was covered by the equity of the companies (TSOUKARIDIS JOHN S.A. and TSOUKARIDIS JOHN LTD.) that were merged. The amount of 660.000 GRD was paid in cash.
2. According to the 27.10.97 decision of the General Meeting, the shares became registered and the equity capital increased by 310.000.000 GRD. The registered shares that were issued were non-transferable for a decade and, their par value was 10.000 GRD and their issue price was 10.000 GRD each. The capital increase of 310.000.000 GRD was paid in cash by existing shareholders. The total share capital came up to 500.000.000 GRD divided in 50.000 registered common shares (out of which 31.000 were non - transferable) of 10.000 GRD each.
3. According to the 10.6.1998 decision of the General Meeting, the Company's share capital increased by 20.000.000 GRD. The amount of 15.936.403 GRD was covered by the capitalization of the amount that resulted from the revaluation of fixed assets and the amount of 4.063.597 GRD was paid

in cash by existing shareholders. 2.000 new, registered common shares were issued. Their par value and their issue price was 10.000 GRD each. The total share capital came up to 520.000.000 GRD divided in 52.000 registered common shares (out of which 31.000 were non – transferable for a decade) of 10.000 GRD each.

4. According to the 1.2.1999 decision of the General Meeting, the Company's share capital increased by 180.000.000 GRD. The total amount was paid in cash by existing shareholders. The 18.000 registered, common shares that were issued were nontransferable for a decade. Their par value and their issue price was 10.000 GRD each. The total share capital came up to 700.000.000 GRD divided in 70.000 registered common shares (out of which 49.000 were non – transferable for a decade) of 10.000 GRD each.
5. The General Meeting that took place on the 5th of July 2000 decided the decrease of the share's nominal value from 10.000 GRD to 200 GRD and the simultaneous split of the stock. Thus, 70.000 shares split to 3.500.000 registered common shares. With this capital increase, 555.000 new, registered, common shares were issued (5500 GRD each).

The total share capital came up to 811.000.000 GRD divided in 4.055.000 registered common shares of 200 GRD each.

2.4 Shareholders

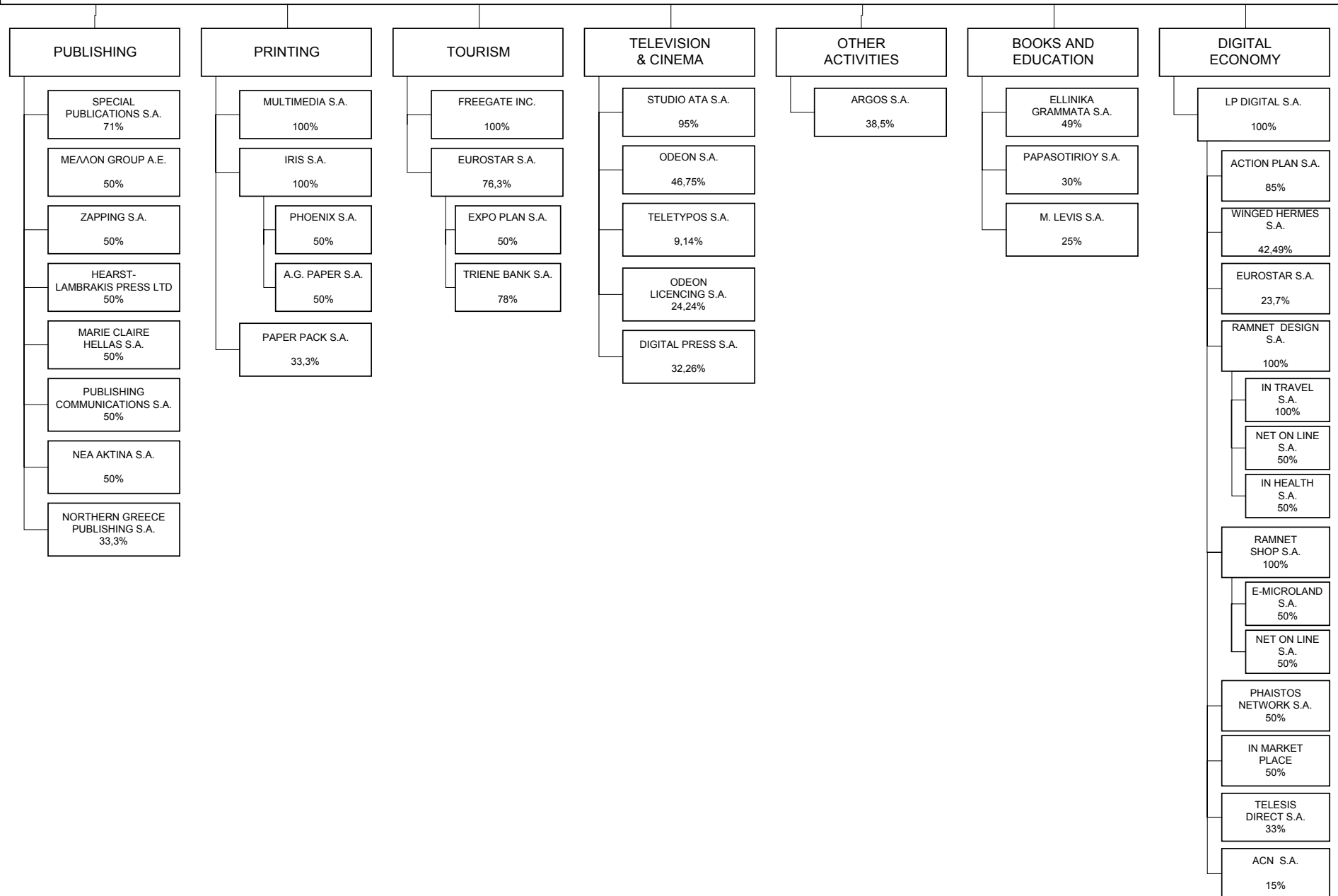
On the 31st of December 2000, the company's share capital was 811.000.000 GRD divided by 4.055.000 registered, common shares worth 200 GRD each. The company's shareholders were:

Shareholders	Number of shares	%
John Tsoukaridis	2.082.500	51,36%
Lamrakis Press S.A.	1.431.350	35,30%
Veatriki Tsoukaridi	337.500	8,32%
Other	203.650	5,02%
Total	4.055.000	100,0%

According to the company's knowledge, there are no other shareholders owning more than 3% of the Company's share capital. Besides Mr. John Tsoukaridis and his wife Veatriki there is no other member of the Board of Directors or any other Director that owns shares equal to or more that 0,2% of the total share capital.

The following diagram presents the structure of one of the Company's major shareholders Lambrakis Press S.A.:

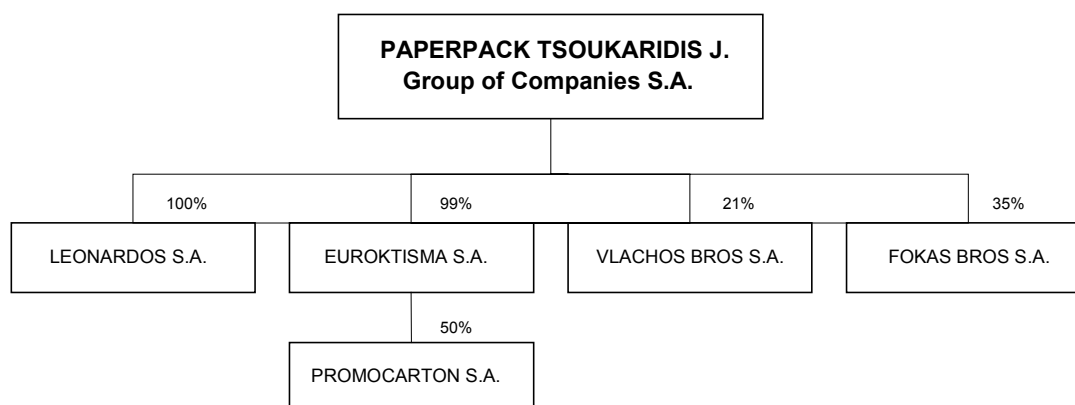
LAMBRAKIS PRESS S.A.



2.5 Group PAPERPACK TSOUKARIDIS J. S.A.

The Company is a member of the PAPERPACK TSOUKARIDIS J. Group of Companies that has developed activities in many fields such as: fixed assets, industrial production of graphic arts, production and sale of paper packaging and other.

The diagram of the PAPERPACK TSOUKARIDIS J. Group of Companies is as follows:



Note:

The company LEONARDOS S.A. was fully absorbed by the parent company PAPERPACK TSOUKARIDIS J. S.A. according to the decision made by the Ministry of Development on the 16.05.2001.

The 21% participation of PAPERPACK TSOUKARIDIS J. S.A. to the company VLACHOS BROS S.A. was realized during the year 2001.

2.6 Participations (more than 50%)

The following table shows the list of companies in which PAPERPACK TSOUKARIDIS J. S.A. owns, directly or indirectly, 50% or more of their share capital. For each one of these companies we show the equity capital, the number of shares, the book value and nominal value of the shares that PAPERPACK TSOUKARIDIS J. S.A. PAPERPACK TSOUKARIDIS J. S.A. includes in its portfolio.

<i>in Drs.</i>						
Company	Share Capital 31.12.2000	TSOUKARIDIS Participation (%)	Shares owned by the Company	Shares' par value	Equity 31.12.2000	Shares' book value
LEONARDOS S.A.	700.000.000	100,0%	28.000	25.000	641.036.065	641.036.065
EUROKTISMA S.A.	500.000.000	99,0%	49.500	10.000	493.179.262	488.247.469

3. COMPANY ACTIVITIES

3.1 Main activities of PAPERPACK TSOUKARIDIS J. S.A. and its affiliated companies

3.1.1 Main Activities

- **PAPERPACK TSOUKARIDIS J. S.A.**

PAPERPACK TSOUKARIDIS J. S.A. operates in the field of printing, box manufacturing and carton packaging. The company is vertically integrated (except paper production) and supplies paper boxes to industrial and commercial business units. The main customers for the Company's packaging products are companies that produce cosmetics, food, cigarettes and medication. In addition, with the use of 5colored and 6colored offset printing machines it produces lithographic prints. Through the exclusive representation of the Mead Packaging Group, PAPERPACK TSOUKARIDIS J. S.A. specializes in group packaging (a product known as multipack).

- **PAPERPACK TSOUKARIDIS J. S.A. Group of Companies**

The companies that are included in the 2000 consolidated financial statements are the following:

- EUROKTISMA S.A. provides services related to fixed assets; buying, selling, utilization, brokerage etc. It also participates in existing as well as newly developed firms.
- LEONARDOS S.A. specializes in the industrial production of graphic art products.
- PROMOCARTON S.A. designs and sells of carton displays and other Point of Sales materials
- FOKAS BROS S.A. is active in the field of packaging products like paper boxes, paper bags for confectioneries, bakeries, restaurants etc.

3.1.2 Production

PAPERPACK TSOUKARIDIS J. S.A. produces tailor made products for public and private companies. The Company's basic product lines are adjusted to its customer needs and it is thus practically impossible to count all different products.

Due to the complexity of its products, we analyze some general fields in which PAPERPACK TSOUKARIDIS J. S.A. is active:

- **Cosmetics Packaging:** Production and printing of paper boxes for the packaging of cosmetics. The raw materials used for this kind of packaging are of excellent quality. Modern methods are used such as local plasticization, hot foil stamping and embossing.
- **Food Packaging:** paper boxes are usually used by the food sector and more specifically for the milk and yogurt products. For the production of such packaging, the Company uses special inks and lacquers in order not to harm the content.
- **Cigarette Packaging:** The Company specializes in the production of soft and hard cigarette boxes. The specifications for this kind of packaging are very demanding and this is why modern cutting, dying and cleaning machinery is used.
- **Pharmaceutical Packaging:** This is one of the oldest product lines. The production process is controlled, at all levels, by an automated quality control system that checks and identifies ever box.

Those boxes that do not meet the standards of quality se through this control system are rejected along the production line.

- **Brochures:** The company has the capability to design and print all kinds of brochures with the use of its 5colored and 6colored offset printing machines. The brochures are refined with the use of water lacquers, UV and plasticizations.
- **Multipacks (group packaging):** PAPERPACK – TSOUKASIDIS S.A. is the exclusive representative of Mead Packaging Group in Greece since 1997. Mead is located in the U.S.A. and it specializes in the production and distribution of group packaging for product lines, know as multipacks. The packaging known as multipack is of improved quality and it acts as a promotional tool used by consumption products. In addition, it is very safe and easy to carry and transport.

3.2 Fixed Assets

I. Fixed assets owned by the company

The following table presents the Company’s fixed assets:

OWNED ASSETS						
LOCATION	ADDRESS	USE	TENANT	RENT	END OF CONTRACT	(m ²)
Peristeri	17 Ikonomidou street	Office space and cutting facility	Hanas Ioannis (personnal company)	1.865 EURO ^(*)	29.02.2008	440
Peristeri	17 Ikonomidou street	Storage	G. Oratis limited partnership	20.000 GRD.	16.06.2004	20
Peristeri	17 Ikonomidou street	Storage	G. Oratis limited partnership	20.000 GRD.	09.03.2004	10

(*) Adjusted every year by a percentage equal to last year’s inflation plus two points

II. LEASED FIXED ASSETS

The Company leases two buildings in the region of Attica. One building contains a manufacturing unit, storage space and offices, it occupies 4.800 m² and it is located in Metamorfosi (10 –14 Nafpliou Street). The second building contains storage space, it occupies 470 m² and it is located in Peristeri (17 Ikonomidou Street).

In addition, the Company leases part of its main offices in Metamorfosi to the following three companies:

- To PROMOCARTON S.A. it leases 90 m² of storage and office space. The monthly rent is 150.000 GRD and the contract ends 30.11.2006.
- To BREF MENT S.A. it leases 30 m² of office space. The monthly rent is 20.000 GRD and the contract ends 30.11.2006.
- To MARIANNA TSEKOU LTD. it leases 140 m² of office space. The monthly rent is 210.000 GRD and the contract ends 30.11.2006.

The companies EUROKTISMA S.A. and LEONARDOS S.A. do not own fixed assets.

The main fixed assets of FOKAS BROS S.A. are:

1. A 1.528 m² building ground in the area of Aspropirgos in Athens

2. A 733 m² storage space in the area of Aspropirgos, owned by all FOKAS BROS' shareholders besides PAPERPACK TSOUKARIDIS J. S.A.

3.3 Sales - geographical segments

The following table presents the Company's sales breakdown per activity for the period from 1999 to 2000:

Sales Breakdown per activity 1999 - 2000				
	<i>thousand €</i>		<i>thousand €</i>	
Sales	1999	%	2000	%
Domestic Sales				
Industrial Activity	5.259	70,3%	6.618	74,4%
Commercial Activity	293	3,9%	220	2,5%
Services	1.447	19,3%	1.150	12,9%
Total Domestic Sales	6.999	93,6%	7.988	89,8%
International Sales				
Industrial Activity	478	6,4%	786	8,8%
Commercial Activity	0	0,0%	70	0,8%
Services	0	0,0%	53	0,6%
Total International Sales	478	6,4%	910	10,2%
TOTAL SALES	7.478	100%	8.898	100%

The financial figures presented in Euro (€) have been calculated based on the following locked up parity of exchange:
1 Euro = 340,75 GRD

The following table presents the Company's Consolidated sales breakdown per activity for the period from 1999 to 2000:

Consolidated Sales Breakdown per activity 1999 - 2000				
	<i>thousand €</i>		<i>thousand €</i>	
Sales	1999	%	2000	%
Domestic Sales				
Industrial Activity	12.091	83,7%	13.300	78,7%
Commercial Activity	340	2,4%	1.106	6,5%
Services	1.529	10,6%	1.285	7,6%
Total Domestic Sales	13.960	96,7%	15.692	92,9%
International Sales				
Industrial Activity	478	3,3%	1.080	6,4%
Commercial Activity	0	0,0%	70	0,4%
Services	0	0,0%	53	0,3%
Total International Sales	478	3,3%	1.203	7,1%
TOTAL SALES	14.439	100%	16.895	100%

The financial figures presented in Euro (€) have been calculated based on the following locked up parity of exchange:
1 Euro = 340,75 GRD

The industrial activity entails the production of boxes, printed and advertising material. Correspondingly, the commercial activity regards the purchase and sale (without processing from the Company) of posters and printed material. The commercial activity is performed exclusively on a wholesale basis. Finally, the services rendered by the Company entail the production of boxes, printed and advertising material, made by raw material supplied by third parties.

The following table shows the Company's sales breakdown per geographical segment for the year 2000:

COUNTRY - AREA	SALES
	thous and €
ATHENS	7.595,0
ITALY	469,6
POLAND	361,0
TURKEY	132,1
SALONICA	132,1
THEBES	91,0
BELGIUM	55,8
AFRICA	29,3
ENGLAND	29,3
CYPRUS	2,9
OTHER (DOMESTIC)	2,1
TOTAL	8.900,1

Regarding the Company's sales network internationally, the Company has signed:

- a contract of exclusive procuration with a rep. office (MARCO PERGREFFI) in Italy and
- a contract of procuration with a partner/contractor (ARSO POLANSKI) in Poland.

3.4 Sub judice Cases

There are no outstanding magisterial cases against the Company, which could have a significant impact to the Company's financial status.

3.5 Average personnel

The evolution of the Company's personnel for the last two years, as presented in the Company's appendage, is as follows:

- *PAPERPACK – TSOUKARIDIS J. S.A.*

	1999	2000
Administrative personnel	24	25
Working personnel	47	54
Total	71	79

- *GROUP PAPERPACK – TSOUKARIDIS J. S.A.*

The evolution of the Group's personnel for the last two years, as presented in the Company's Group appendix, is as follows:

	1999	2000
Administrative personnel	33	51
Working personnel	101	143
Σύνολο προσωπικού	134	194

3.6 Investments 1999– 2000

Since its establishment, the Company has performed significant investments each year in order to maintain and increase its competitive advantages. The following table presents the Company's incarnated investments for the past two years:

	1999	2000
	<i>thousand €</i>	<i>thousand €</i>
INTANGIBLE ASSETS, NET	0	0
PROPERTY, PLANT AND EQUIPMENT, NET	0	0
Land	0	0
Buildings and installations	18	70
Plant and machinery	1.250	2.298
Transportation Equipment	100	103
Furniture and Fixture	38	50
PARTICIPATONS	4.434	3.583
TOTAL	5.840	6.104

*The financial figures presented in Euro (€) have been calculated based on the following locked up parity of exchange:
1 Euro = 340,75 GRD*

The investments presented in the account "Plant and Machinery" concern the acquisition of machinery necessary for the modernization of the existing machinery and equipment. More specifically, the Company acquired:

- 3 cutting machines,
- a film reproduction machines and
- a printing machine.

In the year 2000 the Company completed its investment program concerning additional after – printing equipment which included:

A plastic membrane agglutination to boxes machine in order for the contents to be clear.

A conical box agglutination machine which is used mainly for fast food packaging, an activity which the company places emphasis to.

A laminating machine for the production of welle boxes.

A film production machine. This investment resulted in the improvement of quality and the enhancement of suppleness of the pre press activity, since it replaces the traditional montaz, offering greater accuracy and shorter processing time.

The investments presented in the account "Furniture and fixture" concern the purchase of new management information systems (hardware & software), containing applications in Economic Management, Cost Accounting, etc, by the creation of customized applications to serve the needs of senior management.

On 05.07.2000 the General Meeting of the Company's shareholders decided to proceed with the listing of the Company's shares on the parallel market of the Athens Stock Exchange through a capital increase amounting to 111.000.000 GRD. The Company issued 555.000 new, registered, common shares with a par value of 200 GRD each and an offering price of 5.500 GRD, which resulted in a 2.941.500.000 GRD difference from issuing stock above par which is included in the account "Reserves and other shareholders equity accounts". The Public Offering lasted from 15.09.2000 to 19.09.2000 and issue's expenses amounted to 200.000.000 GRD. The Company raised 3.052.500.000 GRD and the first day of trading was the 19th of October of the same year. The disposition of the funds raised was completed with the expiration of the last quarter of the year 2000. The publishing of the table showing the use of proceeds was done on the 28.02.2001 in the newspapers "TA NEA" and "KERDOS".

The funds that were raised will be used as follows:

Investment Program IPO Prospectus July 2000		Investments 01/10/2000 - 31/12/2000	Remaining program
Repayment of short term and long term bank loans	2.300.000.000 GRD	2.300.000.000 GRD	-
Acquisition of a printing machine for the completion of the Company's investment program	360.000.000 GRD	360.000.000 GRD	-
Working Capital	192.500.000 GRD	192.500.000 GRD	-
Total	2.852.500.000 GRD	2.852.500.000 GRD	-

From the companies that are included in the consolidated financial statements of PAPERPACK TSOUKARIDIS J. S.A., LEONARDOS S.A. performed extensive investments.

The main investments that the company performed are:

- the acquisition of two die cutting machines
- the acquisition of a folder gluer machine
- the acquisition of a printing machine

Elements with regard to the more main investments of Company that are already materialized

3.7 Data with regard to the main investments of the Company that are already in progress

There are no other investments, either regarding the maternal Company or the Group that are in progress.

On the February of 2001 a private memorandum of understanding was signed between PAPERPACK TSOUKARIDIS J. S.A and the company VLACHOS BROS S.A. with which the Company initially acquired 800 shares, thus 11,26% of VLACHOS BROS S.A. Moreover PAPERPACK TSOUKARIDIS J. S.A participated in a share capital increase of VLACHOS BROS S.A. through which it acquired an additional 880 shares, possessing in total 1.680 shares, thus 21% of the share capital.

3.8 Data with regard to the Company's future investments

The Company places emphasis to investments made for productive equipment which result on one side in the reduction of the cost of production through the increase of produced goods and on the other side the production of products with high added value.

In this context, the Company plans for the current year:

- a) the replacement of older technology printing machines with new ones and
- b) the acquisition of a state of the art printing machine which is considered unique in the Greek Market.

With the above investments the Company expects to improve its flexibility in production which will result in an increase in the time needed for the correspondence of orders. The cost of production will be decreased (new job positions will not be created) and finally the Company will produce new pioneering products with high profit margins.

4. FINANCIAL RESULTS & STATEMENTS

4.1 Income Statement

INCOME STATEMENT		
	1999	2000
	<i>in thous. €</i>	<i>in thous. €</i>
Sales from:		
Industrial Activity	5.737,3	7.404,2
Commercial Activity	293,5	290,5
Services	1.446,8	1.203,2
Total Sales	7.477,6	8.898,0
Minus: Cost of Goods Sold ⁽¹⁾	4.660,3	5.728,5
Gross Profit⁽¹⁾	2.817,3	3.169,5
<i>% of sales</i>	37,7%	35,6%
Plus : Other Operating Income	67,5	199,6
Total	2.884,8	3.369,0
<i>% of sales</i>	38,6%	37,9%
Administrative Expenses ⁽¹⁾	707,3	789,4
<i>% of sales</i>	9,5%	8,9%
Research and Development Expenses ⁽¹⁾	5,9	5,9
<i>% of sales</i>	0,1%	0,1%
Selling Expenses ⁽¹⁾	346,3	663,2
<i>% of sales</i>	4,6%	7,5%
Operating Income⁽¹⁾	1.825,4	1.910,5
<i>% of sales</i>	24,4%	21,5%
Plus :Income from Participations	2,9	5,9
Plus : Profits (loss) from the sale of participations & shares	410,9	0,0
Minus : Provisions	38,2	0,0
Plus: Extraordinary Income & Profit	346,3	504,8
Minus: Extraordinary Expenses & Losses	223,0	173,1
EBITDA	2.324,3	2.248,0
<i>% of sales</i>	31,1%	25,3%
Plus : Interest Income & Related Income	96,8	38,2
Minus : Interest Expense & Related Expenses	446,1	534,1
<i>% of sales</i>	6,0%	6,0%
Earnings before Tax Depreciation	1.975,1	1.752,0
<i>% of sales</i>	26,4%	19,7%
Minus : Depreciation Charges	739,5	997,8
EBT	1.235,5	754,2
<i>% of sales</i>	16,5%	8,5%
Taxes	355,1	267,1
EAT⁽²⁾	880,4	487,2
<i>% of sales</i>	11,8%	5,5%
Previous Years' Tax Audits ⁽³⁾	117,4	14,7
Net Attributable Earnings ^{(2),(3)}	763,0	472,5
<i>% of sales</i>	10,2%	5,3%
	1999	2000

The conversion rate taken into account is 1 Euro = 340,75 GRD

Notes:

⁽¹⁾ For the calculation of the Operating Income we have subtracted depreciation from Administrative, Selling and R& D expenses as follows:

DERPRECIATION BREAKDOWN		
	1999	2000
	<i>in thous. €</i>	<i>in thous. €</i>
Cost of Goods sold	575,2	572,3
Administrative Expenses	114,5	270,0
Selling Expenses	20,5	32,3
R & D Expenses	2,9	2,9
Depreciation not included in operating cost	26,4	120,3
Sum	739,5	997,8

⁽²⁾ There are no compensations for the members of the Board of Directors

^(3T) The previous years' tax audit charges are the same as the ones found on the published financial statements. The sum of the account for the year 1999 includes charges from the 1998 tax audit (22,4 mil. Drs) and charges made to the company TSOUKARIDIS JOHN S.A. (pre merger) for the years 1993-1995 (17,5 mil. Drs). Fines and surcharges where paid and credited against 2000 results.

The Company's financial statements for the year 2000 note the following:

- 1) On 05.07.2000 the General Meeting of the Company's shareholders decided to proceed with the listing of the Company's shares on the parallel market of the Athens Stock Exchange through a capital increase amounting to 111.000.000 GRD. The Company issued 555.000 new, registered, common shares with a par value of 200 GRD each and an offering price of 5.500 GRD, which resulted in a 2.941.500.000 GRD difference from issuing stock above par and was included in the account "Reserves and other shareholders equity accounts". The Public Offering lasted from 15.09.2000 to 19.09.2000 and issue's expenses amounted to 200.000.000 GRD. The Company raised 3.052.500.000 GRD and the first day of trading was the 19th of October of the same year.
- 2) There are no pending or current lawsuits that could harm significantly the company's financial wellbeing.
- 3) There are no liens on the Company's assets.
- 4) In 2000, investments for fixed assets amounted to 800.000.000 GRD
- 5) The accounting principles used for the 2000 financial statements are the same as the ones used for 1999.
- 6) The company employed 78 people on 31.12.2000.
- 7) The Company is acting as a guarantor for certain obligations of affiliated LEONARDOS S.A.

The main observations of the Company's Auditor for the year 2000 are as follows:

1. According to the Tax Legislation (article 37 Law 2874/2000), the Company surcharged its current year results with an extra 31.274.678 GRD, which correspond to 1/5 of the 156.373.388 GRD loss realized from sale of stocks. The remainder of 125.098.710 GRD, was transferred to the account «Other Installation Expenses», according to the aforementioned tax clause, instead of fully surcharging current years results. The Company's Owners Equity is increased by the equal amount.
2. According to Law 2065/1992, in the year 2000 there was a revaluation adjustment in the acquisition value of Land and Property and accumulated depreciation because of which there was an increase in the acquisition value of Land by 2.297.017 GRD and Property by 12.000.000 GRD and in the Property

accumulated depreciation by 7.630.000 GRD. The revaluation difference that resulted amounting to 6.667.017 is presented in the owners' equity account «Reserves».

3. Current years results were surcharged with 9.785.536 GRD debit exchange differences that came from the 18.3.1998 evaluation, which should have surcharged year's 1998 expenses.
4. The remainder of the Assets account «Participations in Affiliated Companies» amounting to 2.731.832.541 GRD represents a) the value of the total share capital of a company which is audited by a Certified Auditor, with a participation value of 1.416.832.514 GRD. The book value of the specific company amounts to 641.036.065 GRD, b) the value of 99% of the share capital of a company, with a participation value of 495.000.000 GRD. The book value of the specific company amounts to 488.247.470 GRD and c) the value of 35% of the share capital of a company that was audited, with a participation value of 820.000.000 GRD. The book value of the specific company amounts to 295.163.717 GRD.

According to the Auditors Report, the above financial statements, which are derived from the books and data of the Company, portray, together with the Company's appendage and after taking into consideration the Company's observations under the Balance sheet, the financial structure and the economic position of the Company on the 31st of December 2000 as well as the results of the year 2000, based on relevant clauses and accounting principles, which have been generally accepted and, apart from observation number 2 of the Auditors Report, do not differ from those that the Company applied during the previous year.

4.2 Balance Sheet

BALANCE SHEET		
ASSETS	1999	2000
	<i>in thous. €</i>	<i>in thous. €</i>
Instalation Expenses	451,9	1.646,4
Minus: Accumulated Depreciation	255,3	586,9
Net Instalation Expenses	196,6	1.059,4
Property, Plant & Equipment	5.581,8	8.187,8
Minus: Accumulated Depreciation	1.843,0	2.520,9
Net Property, Plant & Equipment	3.738,8	5.666,9
Participations	4.434,3	8.017,6
Other Long term Receivables	26,4	32,3
Total Non Current Assets	8.199,6	13.716,8
Inventory	1.141,6	1.546,6
Customers	2.380,0	2.465,1
Notes & Cheques Receivables	387,4	525,3
Other Receivables	586,9	331,6
Securities	851,1	642,7
Cash	299,3	111,5
Total Current Assets	5.646,4	5.622,9
Asset Transitory Accounts	8,8	73,4
TOTAL ASSETS	14.051,3	20.472,5
<i>Memo Accounts</i>	2.347,8	6.113,0
LIABILITIES & OWNERS' EQUITY		
Share Capital	2.054,3	2.380,0
Share Capital due	325,8	0,0
Paid in Capital in excess of Par	0,0	8.631,0
Subsidies - Reval. Adjustment	991,9	833,5
Reserves	1.470,3	1.253,1
Income carried forward	355,1	363,9
Total Owners' Equity	5.197,4	13.461,5
Provisions	102,7	117,4
Long Term Bank Debt	1.511,4	2,9
Suppliers	1.241,4	1.347,0
Notes & Cheques Payable	2.799,7	261,2
Short Term Bank Debt	1.960,4	4.369,8
Dividends Payable	293,5	358,0
Current Portion of Long term Liabs.	32,3	0,0
Tax & Social Security Liabilities	689,7	328,7
Customer Deposits		
Other Current Liabilities	179,0	146,7
Total Current Liabilities	7.195,9	6.811,4
Liab. Transitory Accounts	44,0	55,8
TOTAL LIABILITIES & OWNERS' EQUITY	14.051,3	20.449,0
<i>Memo Accounts</i>	2.347,8	6.113,0

The conversion rate taken into account is 1 Euro = 340,75 GRD

4.3 Sources and Uses of Funds

The sources and uses of the Company's funds over the period 1999 – 2000 are presented in the table below:

SOURCES AND USES OF FUNDS						
			(in thous.€)			
	1999	2000	1999	2000	SUM	%
Sources of funds						
EBT	421	257	1.235,5	754,2	678	11,4%
Depreciation	252	340	739,5	997,8	592	10,0%
Provisions ⁽¹⁾	40	253	117,4	742,5	293	4,9%
Share Capital Increase	180	111	528,2	325,8	291	4,9%
Share Capital Increase (in excess of par)		2.942	0,0	8.633,9	2.942	49,6%
Change in the sum intended for Share Capital increase	0	0	0,0	0,0	0	0,0%
Change in Share Capital due	111	(111)	325,8	(325,8)	0	0,0%
Net change in Subsidies - Reveal. Adjustment	82	(54)	240,6	(158,5)	28	0,5%
Increase of Long term Bank Debt ⁽²⁾	282	0	827,6	0,0	282	4,8%
Increase of Short term Bank Debt	0	821	0,0	2.409,4	821	13,9%
SUM	1.368	4.559	4.014,1	13.379,3	5.927	100,0%
Uses of funds						
Change in Working Capital	(1.555)	1.544	(4.563,5)	4.530,1	(11)	-0,2%
Change in Cash and Securities	240	(134)	703,2	(393,2)	106	1,8%
Change in the Share Capital due	111	(111)	325,8	(325,7)	0	0,0%
Net Change in Installation Expenses ⁽³⁾	53	407	154,7	1.194,1	460	7,8%
Net change in Assets ⁽⁴⁾	251	859	736,6	2.520,3	1.110	18,7%
Increase (Decrease) of Participations and other Long term Liabilities	1.515	1.224	4.446,1	3.591,2	2.739	46,2%
Decrease of Long term Bank Debt	0	524	0,0	1.537,4	524	8,8%
Decrease of Short term Bank Debt	0	0	0,0	0,0	0	0,0%
Dividends paid	493	122	1.446,8	357,9	615	10,4%
Retention of dividends and profits for Share Capital increase	100	0	293,5	0,0	100	1,7%
Compensation of members of the Board of Directors	0	28	0,0	82,2	28	0,5%
Earnings distributed to Employees and Managers	0	0	0,0	0,0	0	0,0%
Taxes and Previous Years' Tax Audits	161	96	472,5	281,7	257	4,3%
Sum	1.368	4.559	4.014,1	13.379,3	5.927	100,0%

The conversion rate taken into account is 1 Euro = 340,75 GRD

Notes:

Provisions	= Liability Account "Provisions for Dangers and Expenses" at the end of the year - Liability Account "Provisions for Dangers and Expenses" at the beginning of the year + Asset Account "Provisions" at the end of the year - Asset Account "Provisions" at the beginning of the year
Increase of Long term Bank Debt	= Long term Bank Debt at the end of the year - Long term Bank Debt at the beginning of the year + Current Portion of Long term Liab. (end of the year)
Net Change in Installation Expenses	= Net Installation Expenses at the end of the year
Net change in Assets	= Net Value of Assets (Tangible and Intangible) at the end of the year - Depreciation of Asset (Tangible and Intangible) + Net Value of Assets (Tangible and Intangible) at the beginning of the year - Net readjustment of Assets (Tangible and Intangible)

4.4 Consolidated Income Statement

CONSOLIDATED INCOME STATEMENT		
	1999	2000
	<i>in thous. €</i>	<i>in thous. €</i>
Total Sales	14.438,7	16.895,1
Minus: Cost of Goods Sold	10.057,2	12.105,6
Gross Profit⁽¹⁾	4.381,5	4.789,4
<i>% of sales</i>	<i>30,3%</i>	<i>28,3%</i>
Plus : Other Operating Income	73,4	223,0
Total	4.454,9	5.012,5
<i>% of sales</i>	<i>30,9%</i>	<i>29,7%</i>
Administrative Expenses ⁽¹⁾	953,8	1.080,0
<i>% of sales</i>	<i>6,6%</i>	<i>6,4%</i>
Research and Development Expenses ⁽¹⁾	5,9	5,9
<i>% of sales</i>	<i>0,0%</i>	<i>0,0%</i>
Selling Expenses ⁽¹⁾	771,8	1.291,3
<i>% of sales</i>	<i>5,3%</i>	<i>7,6%</i>
Operating Income ⁽¹⁾	2.723,4	2.635,4
<i>% of sales</i>	<i>18,9%</i>	<i>15,6%</i>
Plus : Income from Participations	2,9	11,7
Plus : Profits (loss) from the sale of participations & shares	443,1	29,3
Minus : Provisions	55,8	5,9
Plus: Extraordinary Income & Profit	636,8	901,0
Minus: Extraordinary Expenses & Losses	234,8	237,7
EBITDA	3.515,8	3.333,8
<i>% of sales</i>	<i>24,3%</i>	<i>19,7%</i>
Plus : Interest Income & Related Income	135,0	102,7
Minus : Interest Expense & Related Expenses	672,0	812,9
<i>% of sales</i>	<i>4,7%</i>	<i>4,8%</i>
Earnings before Tax Depreciation	2.978,7	2.623,6
<i>% of sales</i>	<i>20,6%</i>	<i>15,5%</i>
Minus : Depreciation Charges	953,8	1.288,3
EBT	2.024,9	1.335,3
<i>% of sales</i>	<i>14,0%</i>	<i>7,9%</i>
Minus : Minority Interest Earnings	657,4	507,7
Group Earnings before Taxes and after Minority Interest	1.367,6	827,6
<i>% of sales</i>	<i>9,5%</i>	<i>4,9%</i>

The conversion rate taken into account is 1 Euro = 340,75 GRD

Note:

For the calculation of the Operating Income we have subtracted depreciation from Administrative, Selling and R & D expenses as follows:

DERPRECIATION BREAKDOWN		
	1999	2000
	<i>in thous. €</i>	<i>in thous. €</i>
Cost of Goods sold	742,5	742,5
Administrative Expenses	143,8	328,7
Selling Expenses	41,1	61,6
R & D Expenses	2,9	2,9
Depreciation not included in operating cost	26,4	152,6
Sum	956,7	1.288,3

The 1999 consolidation includes both PAPERPACK TSOUKARIDIS J. S.A. and LEONARDOS S.A. The 2000 consolidation includes PAPERPACK TSOUKARIDIS J. S.A., LEONARDOS S.A., EUROKTISMA S.A. FOKAS BROS S.A. AND PROMOCARTON S.A.

According to the Codified Law 2190/1920, PAPERPACK TSOUKARIDIS J. Group of Companies comprises all companies in which it holds a stake greater than 50% or those in which it holds a stake of 20% to 50% and at the same time controls them through a written agreement. Those are the companies that were consolidated by a full consolidation. All the transactions taking place between the companies of the PAPERPACK TSOUKARIDIS J. Group of Companies eliminated during the process of consolidation.

The Company's financial statements for the year 2000 note the following:

- 1) The above 2000 consolidated financial statement includes the financial statements of the parent company PAPERPACK TSOUKARIDIS J. S.A. as well as those of a.) LEONARDOS S.A., b.) EUROKTISMA S.A., c.) FOKAS BROS S.A. and d.) PROMOCARTON S.A.
- 2) There are no liens on the assets of the consolidating companies.
- 3) The consolidating companies employed 194 people on 31.12.2000.
- 4) The above companies were consolidated with the method of full consolidation.
- 5) The amount of 296.785.010 GRD refers to intercompany activities and it was subtracted from consolidated sales and cost of goods sold. The amount of 25.378.357 GRD came from intercompany receivables and obligations and it was subtracted from consolidated liabilities.
- 6) There are no pending or current lawsuits that could harm significantly the company's financial wellbeing.
- 7) On 05.07.2000 the General Meeting of the Company's shareholders decided to proceed with the listing of the Company's shares on the parallel market of the Athens Stock Exchange through a capital increase amounting to 111.000.000 GRD. The Company issued 555.000 new, registered, common shares with a par value of 200 GRD each and an offering price of 5.500 GRD which resulted in a 2.941.500.000 GRD difference from issuing stock above par and was included in the account "Reserves and other shareholders equity accounts". The Public Offering lasted from 15.09.2000 to 19.09.2000 and issue's expenses amounted to 200.000.000 grd. The Company raised 3.052.500.000 grd and the first day of trading was the 19th of October of the same year.
- 8) For comparability sake, all the above companies were consolidated for the year 1999 even though some of them didn't have to.
- 9) The last readjustment of the consolidated assets and their depreciation took place the 31.12.2000 according to Law 2065/1992.

The main observations of the Company's Auditor for the year 2000 are as follows:

1. According to the Tax Legislation (article 37 Law 2874/2000), the Company surcharged its current year results with 42,6 mil. GRD, which correspond to 1/5 of the 213 mil. GRD loss realized from sale of stocks. The remainder of 170,4 mil. GRD, was transferred to the account «Other Installation Expenses», according to the aforementioned tax clause, instead of fully surcharging current years results. The Company's Owners Equity in the year 2000 is increased by 170,4 mil. GRD
2. Following the previous year's practice, no depreciation was charged on the consolidation goodwill, which resulted and is presented in the Liabilities account "Consolidation Differences".
3. If a provision for personnel compensation was made, it would be increased by 70 mil. GRD, from which 5 mil. GRD concern the current year
4. According to Law 2065/1992, in the year 2000 there was a revaluation adjustment in the acquisition value of Land and Property and accumulated depreciation because of which there was an increase in the acquisition value of Land by 2.297.017 GRD and Property by 12.000.000 GRD and in the Property accumulated depreciation by 7.630.000 GRD. The revaluation difference that resulted amounting to 6.667.017 GRD is presented in the owners equity account «Reserves».
5. Debit exchange differences of 12.531.940 GRD which resulted from the evaluation of liabilities signed in EURO in the year 2000, were transferred to the account «Other Installation Expenses» and will be depreciated in the next two years according to the principles of article 7 of the Law 2842/2000.
6. Current years results were surcharged with 9.785.536 GRD debit exchange differences that came from the 18.3.1998 evaluation, which should have surcharged year's 1998 expenses.

According to the Auditors Report, the above financial statements, have been prepared according to relevant clauses of Law 2190/1920 and after taking into consideration the Company's observations under the Balance sheet, portray the financial structure and the economic position and the results of the companies that are included in the above consolidation for the year 2000.

4.5 Consolidated Balance Sheet

CONSOLIDATED BALANCE SHEET		
ASSETS	1999	2000
	<i>in thous. €</i>	<i>in thous. €</i>
Instalation Expenses	481,3	1.945,7
Minus: Accumulated Depreciation	264,1	654,4
Net Instalation Expenses	217,2	1.291,3
Property, Plant & Equipment	8.331,6	14.186,3
Minus: Accumulated Depreciation	3.066,8	3.803,4
Net Property, Plant & Equipment	5.264,9	10.383,0
Participations & Other long term Receivables	64,6	76,3
Total Non Current Assets	5.329,4	10.459,3
Inventory	2.189,3	2.817,3
Accounts Receivable	5.725,6	8.507,7
Securities	1.502,6	842,3
Cash	2.309,6	1.825,4
Total Current Assets	11.727,1	13.992,6
Asset Transitory Accounts	14,7	202,5
TOTAL ASSETS	17.288,3	25.945,7
<i>Memo Accounts</i>	2.397,6	6.127,7
LIABILITIES & OWNERS' EQUITY	0,0	0,0
Share Capital	2.380,0	2.380,0
Paid in Capital in excess of Par	0,0	8.633,9
Subsidies - Reval. Adjustment	991,9	833,5
Reserves	1.482,0	1.253,1
Income carried forward	328,7	293,5
Consolidation Differences	-2.101,2	-3.765,2
Owners Equity	3.081,4	9.628,8
Minus : Minority Interest	1.373,4	1.975,1
Total Owners' Equity	4.454,9	11.603,8
Provisions	126,2	146,7
Long Term Bank Debt	2.333,1	2.529,7
Suppliers	2.315,5	2.462,2
Notes & Cheques Payable	3.336,8	1.391,0
Short Term Bank Debt	2.294,9	6.256,8
Customer Deposits	29,3	23,5
Dividends Payable	490,1	358,0
Current Portion of Long term Liabs.	32,3	0,0
Tax & Social Security Liabilities	1.329,4	801,2
Other Current Liabilities	493,0	290,5
Total Current Liabilities	10.321,3	11.583,3
Liab. Transitory Accounts	52,8	82,2
TOTAL LIABILITIES & OWNERS' EQUITY	17.288,3	25.945,7
<i>Memo Accounts</i>	2.397,6	6.127,7

The conversion rate taken into account is 1 Euro = 340,75 GRD

4.6 Per share financial data

- Financial Highlights of PAPERPACK TSOUKARIDIS J. S.A.

Financial Highlights	1999	2000
	<i>(thous.€)</i>	<i>(thous.€)</i>
Total Sales	7.477,62	8.898,02
Gross Profit	2.817,31	3.169,48
Operating Income (before depreciation)	1.825,39	1.910,49
EBITDA	2.324,28	2.247,98
Earnings before Tax and Depreciation	1.975,06	1.752,02
EBT	1.235,51	754,22
EAT	880,41	487,16
Earnings after Tax and Previous Years' Tax Audits	763,02	472,49
Dividends	293,47	357,01
Weighted Number of Shares	3.421.096	3.685.000
Number of shares at year end	3.500.000	4.055.000
Per Share data⁽¹⁾	1999	2000
	€	€
Earnings before Tax and Depreciation	0,58	0,48
EBT	0,36	0,20
EAT	0,26	0,13
Earnings after Tax and Previous Years' Tax Audits	0,22	0,13
Dividends per Share ⁽²⁾	0,08	0,09

The conversion rate taken into account is 1 Euro = 340,75 GRD.

Notes:

- (1) Based on the weighted number of shares
- (2) Base on the number of shares adjusted for the decrease of the shares par value from 10.000 Drs. to 200 Drs. as decided by the General Committee of the Company's shareholders on 05.07.2000.

- Financial Highlights of PAPERPACK TSOUKARIDIS J. Group of Companies S.A.

Financial Highlights	1999	2000
	<i>(thous.€)</i>	<i>(thous.€)</i>
Total Sales	14.438,74	16.895,08
Gross Profit	4.381,51	4.789,44
Operating Income (before depreciation)	2.723,40	2.635,36
EBITDA	3.515,77	3.333,82
Earnings before Tax and Depreciation	2.978,72	2.623,62
EBT	2.024,94	1.335,29
Group Earnings before Taxes and after Minority Interest	1.367,57	827,59
Weighted Number of Shares	3.421.096	3.685.000
Number of shares at year end	3.500.000	4.055.000
Per Share data⁽¹⁾	1999	2000
	€	€
Earnings before Tax and Depreciation	0,87	0,71
EBT	0,59	0,36
Earnings before Taxes and after Minority Interest	0,40	0,22

The conversion rate taken into account is 1 Euro = 340,75 GRD

Notes:

(1) Based on the weighted number of shares

4.7 Intercompany Transactions

PAPERPACK TSOUKARIDIS J. S.A.' intercompany transactions with its affiliated companies are presented in the following table:

INTERCOMPANY TRANSACTIONS 2000		
<i>(in €)</i>		
COMPANY'S SALES TO		RECEIVABLES
PERIOD 1/1 - 31/12/2000		31.12.2000
PROMOCARTON S.A.	56.786	7.792
LEONARDOS S.A.	258.289	0
SUM	315.076	7.792
COMPANY'S PURCHASES FROM		PAYABLES
PERIOD 1/1 - 31/12/2000		31.12.2000
PROMOCARTON S.A.	0	0
LEONARDOS S.A.	384.615	60.297
SUM	384.615	60.297

5. INFORMATION WITH REGARD TO ADMINISTRATION, MANAGEMENT AND MONITORING

5.1 Board of Directors

The Company's Board of Directors, which was constituted by the 20.12.2000 record and elected according to the Extraordinary General Meeting of the shareholders in 23.02.2001, is comprised of seven members with a three year term ending in 2002 and consists of the following:

NAME	POSITION
John Tsoukaridis	President and CEO
Veatriki Tsoukaridi	Vice President
George Taniskidis	Member
George Oratis	Member
Korina Fassouli - Grafanaki	Member
Dimitrios Hatzis	Member
Dimitrios Panagiotakis	Member

For the year ended 2000, the annual compensation surmounted to the Board of Directors, after getting the approval of the Annual General Meeting of 29.06.2001 will amount to 103 mil. GRD with the lowest compensation amounting to 0,5 mil. GRD and the highest amounting to 63 mil. GRD

There are not any other kind of transactions between the Members of the Board and the company.

In 31.12.2000, the Company occupied approximately 79 persons and was managed by a group of experienced directors, which are the following:

<u>Directors</u>	<u>Position in the Company</u>
Tsoukaridis John	President and CEO, Managing Director
Tolos Christos	Commercial and Technical Director
Oratis George	Marketing and Public Relations Director, Member of the Board
Panagiotou Panikos	Financial Director - Cost Accountant
Zetos Nikolaos	Accounting Director
Sitaras Nicolas	Investor Relations & Finance Director
Chorianopoulos John	Plant A' Director
Anastasiadis Alexandros	Plant B' & Purchasing Director
Siemos Nikolaos	Quality Assurance Director

DIRECTORS

Tsoukaridis John

President and CEO, General Manager

54 years old

Graduate of the Athens Economics University (ASOEE). He started his career to the family business in 1973 right after his graduation. He entirely took over the commercial department of the Company and managed to achieve a continuous growth in its client base. In 1979 he took over as the Managing Director and Financial Director of the Company.

Tolos Christos

Commercial and Technical Director

48 years old

He is a graduate of the Doxiadi School and operates in the graphic arts field for thirty years.

He works for the Company since 1979.

Oratis George

Marketing and Public Relations Director, Member of the Board

27 years old

He is a graduate of the University of Piraeus, in Business Administration.

He works for the Company since 1995 and his fields of activity are the Research and Development of the Company, Marketing, Exports and Public Relations.

Panagiotou Panikos

Financial Director – Cost Accountant

56 years old

He is a graduate of the Athens Economic University and has a diploma in Systems Analysis from ELKEPA.

He works for the Company since 1986 and has worked for FAMOUS LTD as a Financial Director from 1983 until 1986.

Zetos Nikolaos

Accounting Director

35 years old

He is a graduate of the University of Piraeus, Department of Statistical & Insurance Science. Member of the Chamber of Finance. He has worked for AGROPLAN LTD. and AGROCOM LTD. as Accounting Director.

He works for the Company since 1997.

Sitaras Nicolas

Investor Relations and Finance Director

28 years

He holds a Bachelor's Degree BSc. (Honours) in Maritime Business with Maritime Law and a Master's Degree MSc. in International Shipping from the University of Plymouth in the United Kingdom. He has worked as a trainee manager for Hempel's Marine Paints Ltd., Square Ltd. and Internaftiki S.A.

He works for the Company since January of 1999.

Chorianopoulos John

Plant A' Director

42 years old

He has 23 years of experience in similar companies.

He works for the Company since 1996.

Anastasiadis Alexandros

Plant B' and Purchasing Director

31 years old

He holds a Degree in Chemical Engineering from the Polytechnical School of the University of Patra and a Master's Degree Msc in Chemical Engineering from the University of Florida. He has worked in similar positions for Aluminium of Attica S.A. and Sarantis S.A.

He works for the Company since May of 2000.

Siemos Nikolaos

Quality Assurance Director

52 years

He holds a Degree in electronics. He has worked as Head of Operations for LEGRAND in Greece from 1981 up to 1996. He has also worked as Head of Operations in COMPUTER SCHLUMBERGER from 1971 up to 1976 and as an Officer Manager in SCHLUMBERGER TECHNICAL SERVICES from 1976 up to 1981.

He works for the Company since 1997.

For the year ended 2000, the annual gross salaries of the Company's Directors which are presented above (George Oratis not included), amounted to 71,3 mil. GRD, with the lowest salary amounting to 4,4 mil. GRD and the highest salary amounting to 19,6 mil. GRD.

Except for the rewards mentioned above, there aren't any other rewards, or business relationships or

transactions during the current year and the year before, between the Administrative, Management and Monitoring Bodies of the Company and the Company itself.

The mailing address of the Company is 10-14 Nafpliou Street, Metamorfosi, 14452 Athens, Greece.

For the year ended 2000, the Board of Directors didn't receive any rewards from affiliated companies and the same will apply for the year ending 2001.

5.2 Members of the Board of Directors and Directors participations in other companies

The members of the Board of Directors and the Directors of the Company participate in the following companies:

Member of the Board or Directors	COMPANY	POSITION	% PARTICIPATION
JOHN TSO UKARIDIS	PROMOCARTON S.A.	President	50,00%
	BREF - MED SUPPORT HELLAS S.A.	President	50,00%
	EUROKTISMA S.A.	President	1,00%
	VIKMAR LTD	Administrator	33,33%
	BENMAR LTD	Administrator	25,00%
	M. GAVRIILIDOU AND PARTNERS	Administrator	25,00%
	M. LEVI - J. TSOUKARIDIS AND PARTNERS	Administrator	25,00%
	T SOUKARIDIS J. & A AND PARTNERS	Administrator	50,00%
	M. GAVRIILIDOU - J. TSOUKARIDIS AND PARTNERS	Administrator	25,00%
	H. BOGIAKI AND PARTNERS	CoAdministrator	37,50%
	H. BOGIAKI - TSOUKARIDIS AND PARTNERS	CoAdministrator	37,50%
	J. T SOUKARIDIS AND PARTNERS	Administrator	3,33%
	IOANNIS DEIMEZIS AND PARTNERS	Administrator	12,50%
	M. APOSTOLATOU AND PARTNERS	Administrator	16,67%
G. ORATIS AND PARTNERS	Administrator	70,00%	
LEONARDOS S.A.	President & CEO	-	
MARIANNA TSEKOU AND PARTNERS	Member	15,00%	
VEATRIKI TSO UKARIDI	M. APOSTOLATOU AND PARTNERS	-	16,67%
	J. T SOUKARIDIS AND PARTNERS	Administrator	30,00%
	BREF - MED SUPPORT HELLAS S.A.	Member	-
	EUROKTISMA S.A.	Vice President	-
GEORGE TANISKIDIS	LEONARDOS S.A.	Vice President	-
	INTERTRUST S.A.	Member	-
GEORGE O RATIS	COSMOLINE S.A.	Member	-
	G. ORATIS AND PARTNERS	-	30%
KORINA FASSOULI - GRAFANAKI	PROMOCARTON S.A.	CEO	-
	LEONARDOS S.A.	Member	-
	PROMOCARTON S.A.	Member	-
KORINA FASSOULI - GRAFANAKI	EUROKTISMA S.A.	Member	-
	CASTELWIND S.A.	Member	-
	EUROWIND S.A.	Member	-
	TELETEL S.A.	Member	-

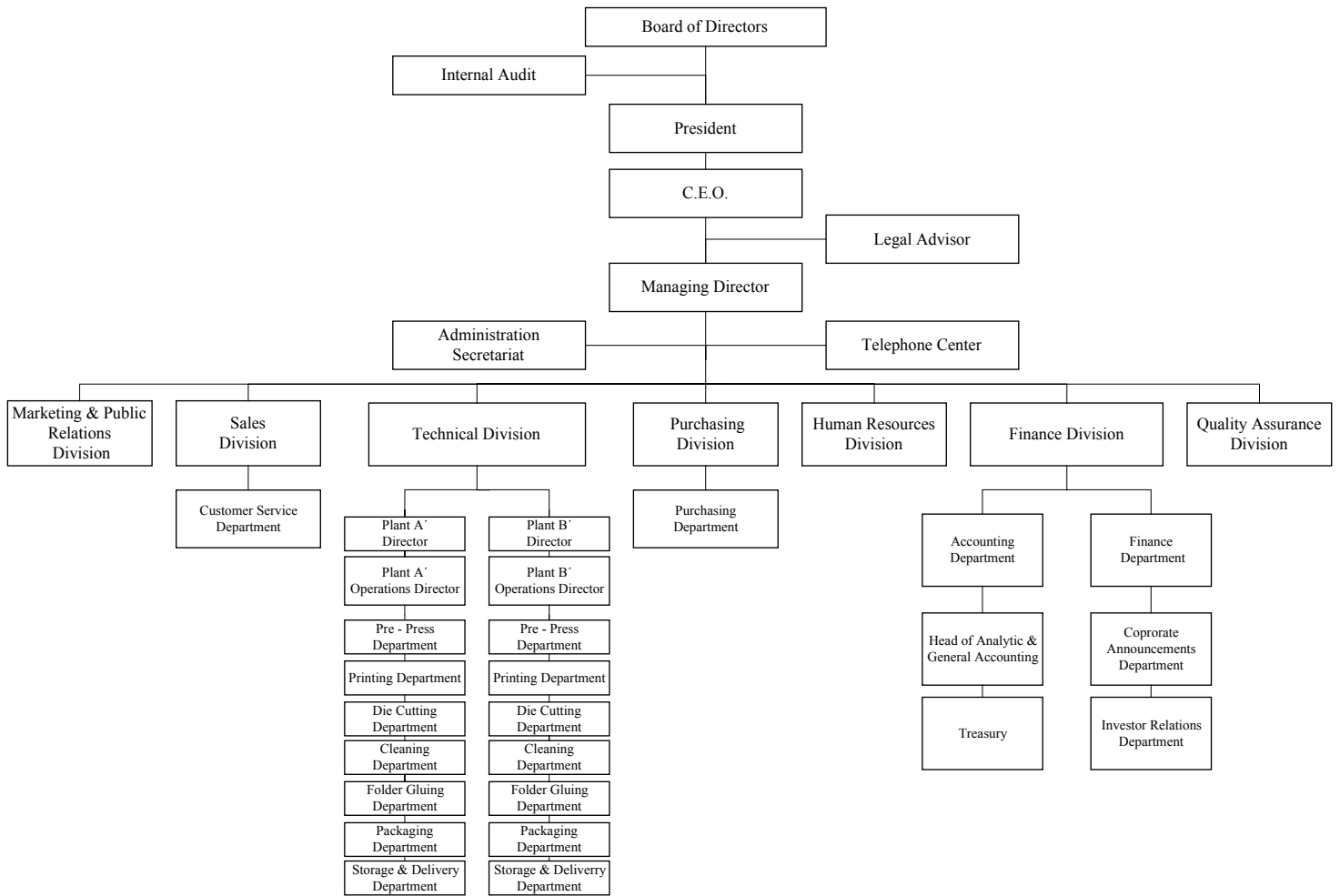
CHATZIS DIMITRIOS	MULTIMEDIA S.A.	Vice President	-
	MARIE CLAIRE HELLAS S.A.	Vice President	-
	NEA AKTINA S.A.	Member	-
	EUROSTAR S.A.	Vice President	-
	MELLON GROUP S.A.	Member	-
	EKDOTIKI EPIKONIONI AKI S.A.	Member	-
	AGGELIDIS - GEORGAKOPOULOS S.A.	Vice President	-
	EIDIKES EKDOSEIS S.A.	Vice President	-
	EKDOTIKI BOREIOU ELLADOS S.A.	Member	-
	IRIS S.A.	C.E.O.	-
	PHOENIX S.A.	President & CEO	-
	STUDIO A.T.A. S.A.	Member	-
	TRIAINA TRAVEL S.A.	Vice President	-
	ODEON S.A.	Member	-
	ODEON LICENSING S.A.	Member	-
	DOL DIGITAL S.A.	President	-
	DIGITAL PRESS HELLAS S.A.	Member	-
	ELLINIKA GRAMMATA S.A.	Vice President	-
	RAMNET S.A.	Vice President	-
	RAMNET SHOP S.A.	Vice President	-
	NET ON LINE (IN BOOKS) S.A.	Vice President	-
	E-MICROLAND S.A.	Member	-
	IN TRAVEL S.A.	Vice President	-
	IN HEALTH S.A.	Member	-
	PAPASOTIRIOU S.A.	Member	-
	ATHENS NEWS S.A.	Vice President & CEO	-
	FTEROTOS ERMIS S.A.	President	-
	ACTION PLAN S.A.	Vice President	-
	DATAFORMS S.A.	Member	-
	EXPO PLAN S.A.	Member	-
D.E EKDOTIKI AND PARTNERS	Administrator	-	
HEARST - LAMBRAKIS EKDOTIKI LTD	Administrator	-	
TELESIS DIRECT S.A.	Member	-	
PANAGIOTAKIS DIMITRIOS	PHOENIX S.A.	Member	-
	EIDIKES EKDOSEIS S.A.	Member	-
	AGGELIDIS - GEORGAKOPOULOS S.A.	Member	-
	DOL DIGITAL S.A.	Member	-
	MULTIMEDIA S.A.	Member	-
	EUROSTAR S.A.	Member	-
	D.E EKDOTIKI AND PARTNERS	Administrator	-
	FTEROTOS ERMIS S.A.	Member	-
ACTION PLAN S.A.	Member	-	

Except for the above companies, the members of the Board and the directors of the Company state that they do not participate in the Board of Directors or in the share capital of other companies over 10%, nor do they exert influence, nor do they have any other relationship with other companies except the above and those mentioned in the Affiliated Companies chapter.

Furthermore, no business relationship, agreement, contract or transaction exists between the Company and the companies in which the members of the Board and the Directors of the Company participate in except for those mentioned in the Affiliated Companies chapter.

5.3 Members of bodies of administration or monitoring

The company's organization chart is as follows:



5.4 Loans, guarantees towards the administrative, management and monitoring bodies

There aren't any loans or guarantees in favor of the administrative, management and monitoring directors of the Company, except for those anticipated in the Company's chart, included in its everyday activities and have been approved by the relevant bodies.

6. COMPANY MEMBERS OF THE PAPERPACK – TSOUKARIDIS GROUP OF COMPANIES

6.1 Companies included in the consolidated financial statements for the year 2000

6.1.1 EUROKTISMA S.A.

EUROKTISMA S.A. was founded in April 1999 and its main offices are based in Athens, 16 Panepistimiou Street. Its duration is 50 years.

The company's activities are related to fixed assets (real estate) like buying, selling, utilization, brokerage etc. In addition, the company invests in existing and newly established companies.

The Board of Directors, appointed by the articles of association, was put together on the 25/05/1999. The members of the Board of Directors are the following:

Name	Position
John Tsoukaridis	President
Veatriki Tsoukaridi	Vice President
Petros Tsoukaridis	Member
Aristidis Kontoaggelos	Member
Korina Fassouli - Grafanaki	Member

The company's share capital amounts to 500.000.000 GRD divided by 50.000 unregistered shares with a par value of 10.000 GRD each. The composition of the shareholders is as follows:

Shareholders	No of Shares	Percent (%)
PAPERPACK - TSOUKARIDIS J. S.A.	49.500	99%
John Tsoukaridis	500	1%
Sum	50.000	100%

The company's principal financial data for the year 2000 are presented in the following table:

BALANCE SHEET Items	<i>(thous. €)</i>
	31/12/2000
Assets	
Net Instalation Expenses	35
Total Fixed Assets	147
Total Current Assets	1.265
Asset Transitory Accounts	0
TOTAL ASSETS	1.447
Liabilities & Owners' Equity	
Total Owners' Equity	1.447
Provisions	0
Long Term Liabilities	0
Total Current Liabilities	0
Liab. Transitory Accounts	0
TOTAL LIABILITIES & OWNERS' EQUITY	1.447
INCOME STATEMENT Items	
	<i>(thous. €)</i>
	2000
Total Sales	0
Gross Profit	0
Operating Income	-3
EBT	-21
EAT	0

The company did not pay dividends during the year 2000.

Notes:

- The value of EUROKTISMA S.A. registered in the accounting books of PAPERPACK TSOUKARIDIS J. S.A. amounts to 495.000.000 GRD
- Minority interests amount to 4.931.793 GRD

6.1.2 LEONARDOS S.A.

On 16.05.2001, the Ministry of Development approved the merger between PAPERPACK TSOUKARIDIS J. S.A. and LEONARDOS S.A. with the absorption of the later by the former.

The societe anonyme “LEONARDOS GRAPHIC ARTS S.A.” (hereinafter called “LEONARDOS S.A.”) was founded by the fission of “Leonardos J. Graphic Arts S.A.” founded in 1994. The company’s headquarters are located in Kifissia of Athens (24 Viltanioti Street) and its duration will end on 31.12.2050.

The company’s principal activities are the industrial production of graphical products (box manufacturing, lithographs and printed packaging) and the participation in other companies (existing og newly developed) working in the same or a related field of activity

The composition of the company’s Board of Directors as it was put together on 20.12.1999 is as follows:

Name	Position
John Tsoukaridis	President & Managing Director
Veatriki Tsoukaridi	Vice President
George Oratis	Member
Korina Fassouli - Grafanaki	Member
Dimitrios Hatzis	Member
Christos Tolos	Member
Grigoris Piperos	Member

The company's initial share capital amounted to 80.000.000 Drs., divided by 3.200 unregistered shares with a par value of 25.000 GRD each.

On 04.11.1999 the General Meeting of the shareholders decided a share capital increase amounting to 220 mil GRD. As a result 8.800 new unregistered shares of 25.000 par value each were issued and the amount was paid in full in cash.

The company's share capital amounts to 700.000.000 GRD, divided by 28.000 unregistered shares with a par value of 25.000 GRD each.

The initial composition of the company's shareholders is as follows:

Shareholders	No of Shares	Percent (%)
Eleftherios I. Leonardos	1.616	50,50%
Moshanna El. Leonardou	1570	49,06%
Ourania El. Leonardou	7	0,22%
Ioanna El. Leonardou	7	0,22%
Sum	3.200	100,00%

After the completion of the company's absorption from PAPERPACK – TSOUKARIDIS S.A. on the 30.09.1999 and after the share capital increases on 04.11.1999, 31.5.2000 and 03.10.2000, the composition of the company's share capital is as follows:

Shareholder	No of Shares	Percent (%)
PAPERPACK - TSOUKARIDIS J. S.A.	28.000	100%

The company's principal financial data for the years 1999 and 2000 are presented in the following table:

BALANCE SHEET Items	<i>(χιλ. €)</i>	
	31/12/1999	31/12/2000
<i>Assets</i>		
Net Instalation Expenses	0	188
Total Fixed Assets	789	3.390
Total Current Assets	2.427	3.076
Asset Transitory Accounts	21	103
TOTAL ASSETS	3.237	6.756
<i>Liabilities & Owners' Equity</i>		
Total Owners' Equity	869	1.881
Provisions	23	26
Long Term Liabilities	822	2.527
Total Current Liabilities	1.517	2.298
Liab. Transitory Accounts	6	23
TOTAL LIABILITIES & OWNERS' EQUITY	3.237	6.756
INCOME STATEMENT Items		
	<i>(χιλ. €)</i>	
	1999	2000
Total Sales	3.777	4.393
Gross Profit	619	396
Operating Income	273	-50
EBT	135	-135
EAT	73	0

Notes:

- The value of LEONARDOS S.A. registered in the accounting books of PAPERPACK – TSOUKARIDIS S.A. amounts to 1.416.832.541 Drs.
- There are no minority interests

6.1.3 PROMOCARTON S.A

PROMOCARTON S.A. was founded in October 1998 and its main offices are based in 10 Nafpliou Street, 14452 Metamorfosi, Athens. Its duration is 50 years.

The company's main activities is the design and selling of display stands and other promotional materials, the provision of financial and corporate advice as well as imports, exports and representations of any kind.

The Board of Directors, appointed by the by the articles of association, was put together on the 30/06/2000. The members of the Board of Directors are the following:

Name	Position
Ioannis Tsoukaridis	President
Christos Tolos	Vice President
George Oratis	Managing Director
Nikolaos Apergis	Member
Korina Fassouli - Grafanaki	Member

The company's initial share capital amounted to 20.000.000 GRD, divided by 2.000 registered shares with a par value of 10.000 GRD each. On 03.07.2000 the General Meeting of the shareholders decided a share capital increase amounting to 100 mil GRD and 8.800 new registered shares of 10.000 GRD par value each were issued.

Today, the composition of the company's share capital is as follows:

Shareholders	No of Shares	Percent (%)
John Tsoukaridis	5.000	50%
EUROKTISMA S.A.	5.000	50%
Sum	10.000	100%

The company's principal financial data for the years 1999 and 2000 are presented in the following table:

BALANCE SHEET Items	<i>(thous. €)</i>	
	31/12/1999	31/12/2000
Assets		
Net Instalation Expenses	3	3
Total Fixed Assets	3	114
Total Current Assets	232	625
Asset Transitory Accounts	0	0
TOTAL ASSETS	238	742
Liabilities & Owners' Equity		
Total Owners' Equity	62	352
Provisions	0	3
Long Term Liabilities	0	0
Total Current Liabilities	176	387
Liab. Transitory Accounts	0	0
TOTAL LIABILITIES & OWNERS' EQUITY	238	742
INCOME STATEMENT Items		
	<i>(thous. €)</i>	
	1999	2000
Total Sales	414	701
Gross Profit	123	197
Operating Income	12	76
EBT	6	76
EAT	3	53

The company did not pay dividends during the year 2000.

Minority interests amount to 119.811.407 Drs.

6.1.4 FOKAS BROS S.A.

PROMOCARTON S.A. was founded in August 1996 and its main offices are based in Aspropyrgos (17th km. in the Athens – Korinthos Highway). Its duration is 99 years.

The company's main activity is the production and sale of packaging and related products.

The Board of Directors, appointed by the by the General Committee of the shareholders on the 28.11.2000, was put together on the 29.11.2000. The members of the Board of Directors are the following:

Name	Position
Nikolaos D. Fokas	President & Managing Director
Nikolaos G. Fokas	Vice President
Athanasios G. Fokas	Member
Ioannis D. Fokas	Member
John Tsoukaridis	Member
George Oratis	Member
Korina Fassouli - Grafanaki	Member

The company's initial share capital amounted to 10.000.000 GRD, divided by 10.000 registered shares with a par value of 25.000 GRD each. Today's share capital amounts to 250.000.000 GRD, divided by 10.000 registered shares with a par value of 25.000 GRD each.

The composition of the company's shareholders is as follows:

Shareholders	No of Shares	Percent (%)
PAPERPACK - TSOUKARIDIS J. S.A.	3.500	35,00%
Nikolaos D. Fokas	1.625	16,25%
Nikolaos G. Fokas	1.625	16,25%
Athanasios G. Fokas	1.625	16,25%
John D. Fokas	1.625	16,25%
Sum	10.000	100,00%

The company's principal financial data for the years 1999 and 2000 are presented in the following table:

BALANCE SHEET Items	<i>(thous. €)</i>	
	31/12/1999	31/12/2000
Assets		
Net Instalation Expenses	3	3
Total Fixed Assets	772	1.106
Total Current Assets	2.010	3.486
Asset Transitory Accounts	0	23
TOTAL ASSETS	2.785	4.619
Liabilities & Owners' Equity		
Total Owners' Equity	1.294	2.474
Provisions	0	0
Long Term Liabilities	0	0
Total Current Liabilities	1.491	2.145
Liab. Transitory Accounts	0	0
TOTAL LIABILITIES & OWNERS' EQUITY	2.785	4.619
INCOME STATEMENT Items		
	<i>(thous. €)</i>	
	1999	2000
Total Sales	3.108	3.774
Gross Profit	869	1.194
Operating Income	610	701
EBT	654	663
EAT	428	423

The company did not pay dividends during the year 2000.

Notes:

- The value of FOKAS BROS S.A. registered in the accounting books of PAPERPACK TSOUKARIDIS J. S.A. amounts to 820.000.000 GRD.
- Minority interests amount to 548.161.190 GRD.

6.2 COMPANIES IN WHICH PAPERPACK – TSOUKARIDIS J. S.A. PARTICIPATES WITH AN INTEREST EXCEEDING 10% OF THEIR CAPITAL

6.2.1 VLACHOS BROS S.A.

VLACHOS BROS S.A. was founded in 1996 and its main offices are based in the municipality of Glyfada,. Its duration is 50 years.

The company's activity is the industrial production and selling of packaging products.

The Board of Directors, appointed by the General Meeting of shareholders on the 17.4.2001, was put together on the 18.4.2000. The members of the Board of Directors are the following:

Name	Position
John Tsoukaridis	President
Nikolaos Vlahos	Vice President & Managing Director
Dimitrios Vlahos	Member & Deputy Managing Director
Asimina Ginosati	Member
Vassilios Kirou	Member

The company's principal financial data for the years 1999 and 2000 are presented in the following table:

	31/12/1999	31/12/2000
	<i>(thous. €)</i>	<i>(thous. €)</i>
Total Assets	1.922	3.023
Owners' Equity	434	311
Share Capital	153	153
Reserves	0	0
Sales	2.515	3.193
EBT	62	-123

The company did not pay dividends during the year 2000.

Notes:

- The value of VLACHOS BROS S.A. registered in the accounting books of PAPERPACK TSOUKARIDIS J. S.A. amounts to 400.000.160 GRD
- Minority interests amount to 83.788.871 GRD

7. INFORMATION REGARDING THE COMPANY'S PERSPECTIVES

7.1 GOALS OF PAPERPACK TSOUKARIDIS J. S.A.

2001 is a year during which the Company emphasizes the improvement of its profitability. This is already apparent by the financial results of the second trimester, where the turnover has increased by 11% and profits have risen significantly in comparison to those of the previous years.

The Company's initial goal is the absorption of its subsidiary LEONARDOS S.A. This action aims at the achievement of economies of scale and the reduction of the production and management cost. Furthermore, the unified managerial framework, on both economic and commercial grounds, is expected to present greater efficiency.

The Company's second goal for this year is the partial replacement of the production equipment by new high-technology machinery. This investment aims at the reduction of the production cost, since new technology machinery production has a higher output per hour, and thus the production volume increases. In particular, the Company will replace an old printing machine with an advanced one. By doing so, the Company will save on personnel expenses and it will achieve economies of scale during the printing stage.

Another Company goal for this year includes the advancement of its exporting activities. As shown by the first trimester, the Company's exports will comprise more than 20% of sales this year. The Company believes that high exporting activity is vital because it helps keep the company in alertness. High growth in exports can be achieved by understanding global demands and inclinations and thereby developing and adapting to the modern trends of packaging.

As far as the general commercial policy of the Company is concerned, it now emphasizes in products with high added value. This includes packaging techniques that require complicated know-how with limited national competition.

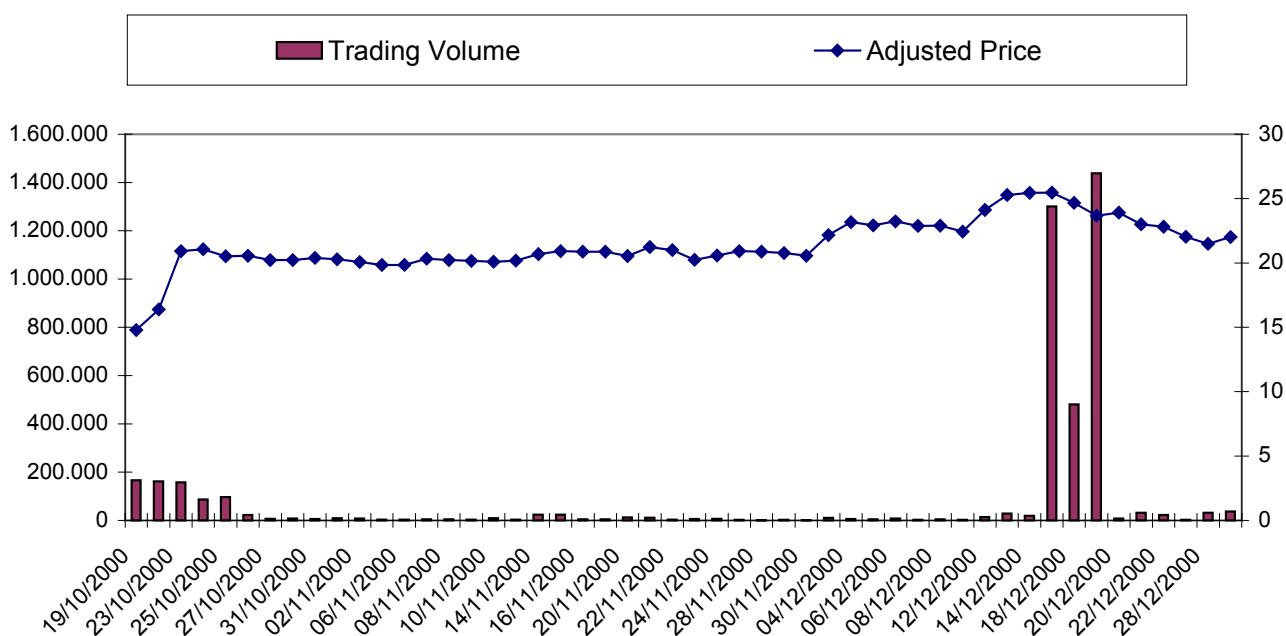
Besides existing products, the Company plans to expand in other technology production fields in order to enhance its product mix to include pioneering packaging that will be distributed mainly in Western Europe.

8. STOCK PRICE AND TRADING VOLUME EVOLUTION

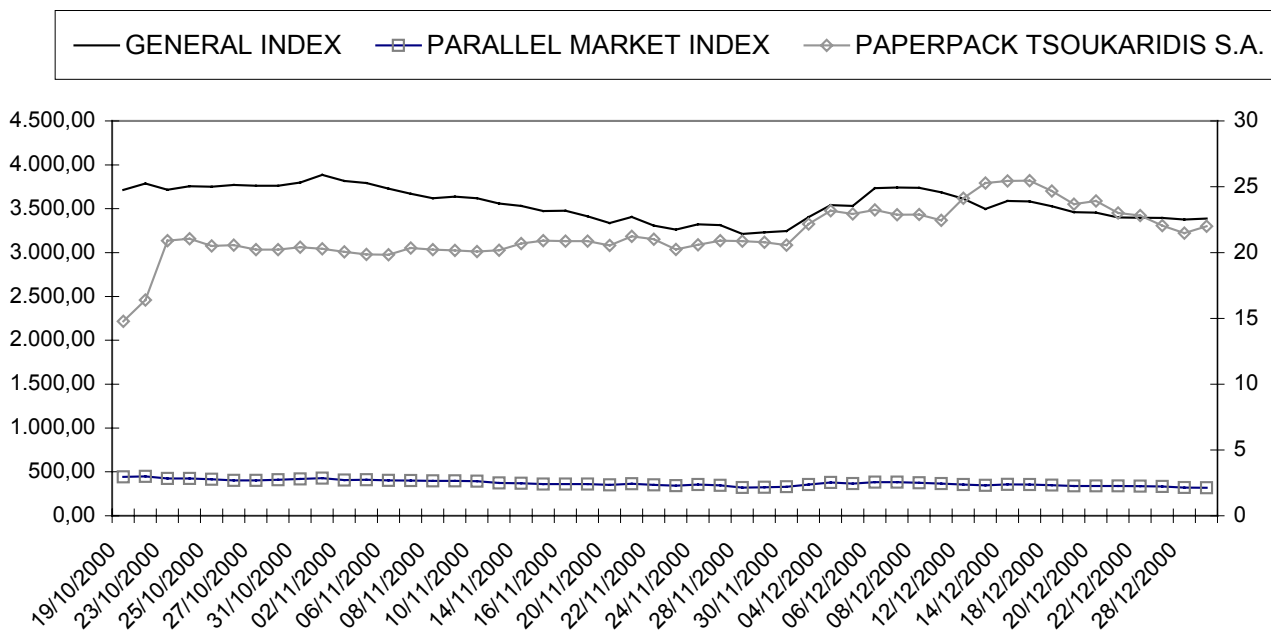
PAPERPACK TSOUKARIDIS S.A. initiated trading on the Athens Stock Exchange on the 19.10.2000. The stock closing price during the last session of each month from October 2000 until December 2000, the trading volume and the value of the total monthly trading volume is presented in the following table:

Date	Total monthly trading value (thousand €)	total trading volume	Closing price (€)
31/10/2000	12.455.260	709.970	20,4
30/11/2000	3.061.748	149.320	20,56
29/12/2000	73.300.570	3.449.610	22,01

The following diagram presents the Company's stock price evolution in comparison to its trading volume, from 19.10.2000 until 29.12.2000.



The Company's stock price evolution in comparison to the General Index and the Parallel market Index is as follows:



The Company's capitalization on the 29.12.2000 amounted to 89.250 thousand €.