

2001 ANNUAL REPORT

THIS REPORT HAS BEEN DRAWN UP WITH THE AIM  
OF PROVIDING ADEQUATE INFORMATION TO INVESTORS  
AS DEFINED IN ARTICLE 16 OF DECISION NO. 5.204/14.11.2000  
OF THE BOARD OF DIRECTORS OF THE  
HELLENIC CAPITAL MARKET COMMISSION

DESIGN & PRODUCTION: MULTIMEDIA S.A.



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# Information about preparation of the annual report and the auditors

## 1.1 THE ANNUAL REPORT

This Annual Report contains information relating to the status, development of activities from results and the prospects of PAPERPACK - TSOUKARIDIS J. S.A. at parent Company level (hereinafter 'PAPERPACK - TSOUKARIDIS J. S.A.' or 'the Company') and at consolidated level (hereinafter 'PAPERPACK - TSOUKARIDIS J. GROUP S.A.' or 'the Group') which is considered necessary for the adequate provision of information to investors in the context of Article 16 of Decision No. 5/204/14.11.2000 of the BoD of the Capital Market Commission which was published in Government Gazette 1487/9.12.2000 issue B.

The persons responsible for preparing this Report and the accuracy of the information it contains are:

- Mr. John Tsoukaridis, Chairman of the BoD and CEO of the Company, 10-14 Nafpliou St., Metamorfofi, Attica, GR-14452, Tel. (+3010) 2846800
  - Mr. George Oratis, Marketing and PR Director of the Company, Member of the BoD, 10-14 Nafpliou St., Metamorfofi, Attica, GR-14452, Tel. (+3010) 2846800
  - Mr. Nikolaos Zetos, Accounting Director of the company, 10-14 Nafpliou St., Metamorfofi, Attica, GR-14452, Tel. (+3010) 2846800 and
  - Mr. Nicolas Sitaras, Investor Relations and Finance Director of the company, 10-14 Nafpliou St., Metamorfofi, Attica, GR-14452, Tel. (+3010) 2846800 who solemnly confirm that:
1. All information and particulars contained in it are true and accurate.
  2. There is no other data and no other events which have taken place, the concealment or omission of which could render all or part of the data information in this annual report misleading.
  3. There are no pending judicial disputes or arbitration cases against the Company or companies in which it has holdings which could have significant repercussions on its financial status,

This report can be obtained by interested parties from the Company's HQ (10-14 Nafpliou St., Metamorfofi, Attica).

## 1.2 ORDINARY AUDITORS - ACCOUNTANTS

PAPERPACK - TSOUKARIDIS J. S.A. has been audited by certified auditors - accountants. The audit for the last three accounting periods (1999, 2000 and 2001) was carried out by the certified auditor - accountant, Mr. George A. Paraskevopoulos (ICAA (GR) 11851) with the Company Grant Thornton S.A., 99 Pratinou St., Athens, Tel. 01072 53315 - 6.

The relevant audit certificates are set out in the Annex below the published financial statements.

The Company also prepares consolidated financial statements. The first consolidated financial statement of the Company was that for the 1999 accounting period. The audit for the last three accounting periods (1999, 2000 and 2001) was carried out by the certified auditor - accountant, Mr. George A. Paraskevopoulos (ICAA (GR) 11851) with the Company Grant Thornton S.A., 99 Pratinou St., Athens, Tel. (+3010) 7253315 - 6.

### **1.3 TAX AUDITS**

The last tax audit was carried out in 2002 by the Athens Regional Audit Centre (RAC) and related to the 1999 accounting period. The Company has been audited in respect of all its tax obligations including income tax, value added tax, major property tax, payrolling tax, redundancy payment tax, directors' fees tax, third party tax, freelance professional tax, interest tax, capital gains tax, etc. and its financial records were considered final, accurate and true. Tax audit adjustments, fines and surcharges for the 1999 accounting period worth 5,136,571 GRD were settled and entered in the accounting records for the 2000 accounting period by charging them to the profits for distribution.

Furthermore, the absorbed Company 'LEONARDOS GRAPHIC ARTS S.A.', was audited for taxation purposes up to the 1999 accounting period by the Athens Regional Audit Centre (RAC). Thus the absorbed Company has been audited in respect of all its tax obligations including income tax, value added tax, major property tax, payrolling tax, redundancy payment tax, directors' fees tax, third party tax, freelance professional tax, interest tax, capital gains tax, etc. and its financial records were considered final, accurate and true. Tax audit adjustments, fines and surcharges for the 1999 accounting period worth 3,765,585 GRD were settled and entered in the accounting records for the 2000 accounting period by charging them to the profits for distribution.

# Information relating to the share and its listing on the Athens Stock Exchange

## 2.1 PUBLIC OFFERINGS FOR THE PURCHASE OR EXCHANGE OF SHARES

Note that during the last accounting period and the current one no public offerings to third parties for the Company's shares were made.

Furthermore note that during the last accounting period and the current one the Company did not engage in public offerings for the shares of other companies.

# Information about the Company

## 3.1 GENERAL INFORMATION

PAPERPACK - TSOUKARIDIS J. S.A. was established on 15th February 1996 (Government Gazette on incorporation 779/1996), with the corporate name 'TSOUKARIDIS J. S.A.'. Following its entry in the Register of Companies maintained by the Ministry of Development the Company was granted register No. 35197/01D/ /96/14. The Company came about from the merger of the following two companies:

- a) TSOUKARIDIS JOHN S.A. which had been established in 1986 in order to continue the work of TSOUKARIDIS J. & P. Ltd. which had been established in turn in 1976 taking over the activities of the Company TSOUKARIDIS P. & SON Ltd., established in 1970 as a continuation of the sole trader enterprise TSOUKARIDIS PETROS, in existence since 1950. TSOUKARIDIS JOHN S.A. was engaged in the production of printed material and various types of cardboard boxes (box - making).
- b) TSOUKARIDIS JOHN Ltd. which had been established in 1981 to produce printed material and various types of cardboard boxes (box - making).

On 16.02.1999 Decision No. EM 192/99 of the Head of the Companies & Commerce Directorate of the Eastern Athens Division of the Prefecture of Attica was entered in the Register of Companies by means of which the corporate name of the Company was amended to 'PAPERPACK - TSOUKARIDIS J. S.A. - PRINTING AND CARTON PACKAGING COMPANY' trading as 'PAPERPACK - TSOUKARIDIS J. S.A.'. Following amendment of the Company's corporate name the Company was registered in the Ministry of Development's Register of Companies under 35197/01 //96/186(98). The headquarters of the Company is in Metamorfoosi, Attica at 10 - 14 Nafpliou St., GR - 14452, Tel. (+3010) 2846800, in rented property. The Company's term commenced from its date of registration in the Register of Companies (15.02.1996) and according to Article 4 of its Articles of Association expires on 31.12.2050. Moreover, Decision No. K2-9690 of the Deputy Minister of Development was entered in the Ministry of Development's Register of Companies amending the corporate name of the Company again to 'PAPERPACK - TSOUKARIDIS J. S.A. - PRINTING AND CARTON PACKAGING INDUSTRY' trading as 'PAPERPACK - TSOUKARIDIS J. S.A.'. Following amendment of the Company's corporate name the Company is registered in the Ministry of Development's Register of Companies under 35197/06/B/96/101.

According to Article 2 of its Articles of Association the scope of the Company is as follows:

1. Industrial production relating to printing and lithographic box making tasks, computer printouts and all manner of packaging on paper and cartonboard as well as trading of such items.
2. Printing of magazines.
3. Representation of foreign - Greek industrial/small business firms with products related to the scope of the Company.
4. Participation in newly established or other enterprises both in Greece and abroad, regardless of their legal form and scope.

The Company is active in the carton packaging sector and operates as a vertically integrated production unit for printed materials, different types of boxes and other paper packaging items. It produces boxes, paper packaging and other paper packaging items and printed material on order used by other industrial or commercial units to package cosmetics, foodstuffs, drinks, cigarettes, pharmaceuticals and other products.

According to the Economic Activity Sector Statistical Classification Bulletin dating from 1991 (STAKOD 91) issued by the National Statistical Service of Greece (NSSG) PAPERPACK - TSOUKARIDIS J. S.A. falls into the category of enterprises active in the manufacture of corrugated paper and cardboard and paper and cardboard packaging items (No. 21.21).

The Company holds an operating license for its industrial facilities: a) in Metamorfosi, Attica (Factory A) which is valid for an indefinite period of time (Decision No. 22604/01, Ref. No. 23045/4-10-2001 - Prefect of Athens, Eastern Attica Division) and b) in Kifisia, Attica (Factory B) which is valid for an indefinite period of time (Decision No. 22605/01, Ref. No. 23046/20.09.01 - Prefect of Athens, Eastern Attica Division).

### 3.2 BACKGROUND

PAPERPACK - TSOUKARIDIS J. S.A. trading as PAPERPACK - TSOUKARIDIS J. S.A., as mentioned above, came about from the merger of the companies TSOUKARIDIS JOHN S.A. and TSOUKARIDIS JOHN Ltd. The said companies were engaged in printing, cutting and pasting of paper packaging boxes, printing of brochures and printed material and in general producing items from sheet paper. The said companies were based in rented and privately owned facilities with a total surface area of approximately 3,000 m<sup>2</sup> in the municipality of Peristeri and production was mainly carried out using printing, cutting and stapling - pasting machinery. The two companies had developed close collaboration, mutually complementing each other's work before their merger.

In 1995 it was decided to merge the aforementioned companies in order to create a single Company and to ensure its further development in the sector by achieving economies of scale and better satisfaction of the ever-increasing demand for the Company's products. The new Company which arose from this merger is PAPERPACK - TSOUKARIDIS J. S.A. which is active today in the production of printed packaging products made of paperboard and other materials.

More specifically, the Company is involved in the production of printed packaging products which are used by other industrial units and trading companies in order to package their products. The companies it supplies are mainly food, cigarettes, drinks, pharmaceuticals and cosmetics companies. The Company has attained a significant position in the paper packaging sector in Greece and is widely known for the quality of services provided to its customers.

The companies which were merged as well as the new Company which arose following the merger have made investments in state-of-the-art mechanical equipment and have carried out organizational and functional restructuring, mainly following the relocation of the new Company in 1998 to its new headquarters in Metamorfosi, Attica.

Below the most important facts and turning points for the Company PAPERPACK - TSOUKARIDIS J. S.A., which played a significant role in its development to date, are set out:

- In 1891 Giangos P. Tsoukaridis started a small family printing press in Smyrna, in Asia Minor with the name "I MELISSA".
- The expulsion of Greeks from Asia Minor in 1922 forced John and Petros Tsoukaridis to transfer their printing press to Athens, which was set up at 48 Sokratous St.
- In 1947 the unit was modernized with new printing presses. This extensive investment programme made the Company one of the best equipped printing presses in the post-war period in Athens.
- In 1976 an extensive investment programme in mechanical equipment and building facilities was carried out with activities being transferred to the new facilities in the Peristeri Industrial Area. Following this a model of vertically integrated industrial graphic arts and printed packaging unit was established.
- During 1995 a decision was taken to merge the companies TSOUKARIDIS JOHN S.A. and TSOUKARIDIS JOHN Ltd., owned by John Tsoukaridis, creating 'TSOUKARIDIS J. S.A. - PRINTING AND CARTON PACKAGING' COMPANY (Government Gazette 779/1996). In accordance with the provisions of Law 2166/1993, the first accounting period for the Company commenced on a date later than its incorporation, in other words 01/09/1995.



- In September 1997 the Company undertook exclusive representation and production for MeadWestvaco Group in Greece. MeadWestvaco, which specializes in the production of mass packaging items (multipacks) for various types of products, provides its customer with the packaging machinery and the multipack packaging materials.
- In June 1998 the Company began to relocate to its new production unit in Metamorfofi, Attica, where the Company's offices are also housed. The new two-floor rented property covers a surface area of 4,800 m<sup>2</sup> thus increasing the capacity and functionality of the entire enterprise.
- In February 1999 the Company changed its corporate name again to 'PAPERPACK - TSOUKARIDIS J. S.A.' trading as PAPERPACK - TSOUKARIDIS J. S.A. during the same year it also invested in state-of-the-art mechanical equipment.
- In June 1999 Lambrakis Press Group S.A. acquired a 30% stake in the Company.
- In October 1999 the Company acquired 99.56% of the Company 'LEONARDOS GRAPHIC ARTS S.A.' for a total price of 2,337,432 Euros.
- In October 2000 the Company listed its shares on the parallel market of the Athens Stock Exchange.
- In November 2000 the Company acquired 37,500 shares in the Company FOKAS BROS S.A. for the sum of 1,291,269 Euros. Moreover, the Company participated in the share capital increase of FOKAS BROS S.A. acquiring an additional 50,000 shares for the price of 1,115,187 Euros, holding a total of 35% of its share capital.
- In December of the same year a memorandum of understanding was signed by PAPERPACK TSOUKARIDIS J. S.A. and FLEXOPACK S.A. aiming at wider collaboration between these two companies in the form of participation in companies active in the plastic items sector and the paper sector. Moreover, during the same month in 2000, the Company acquired the remaining shares in 'LEONARDOS GRAPHIC ARTS S.A.' (0.44%) for the sum of 8,885 Euros, thus obtaining all shares (100%) in its subsidiary Company and by means of decision of the boards of directors of the two companies merger by absorption was affected in accordance with Law 2166/93 and Codified Law 2190/1920.
- In February 2001 a private agreement was signed by the Company and the shareholders of the Company VLACHOS BROS S.A. according to which the Company initially acquired 800 shares, namely 11.26% in the said Company. Moreover the Company participated in a share capital increase held by VLACHOU BROS S.A. through which it acquired 880 shares, holding a total of 1,680 shares, in other words 21% of its share capital.
- In May 2001 the Company absorbed its 100% subsidiary Company 'LEONARDOS GRAPHIC ARTS S.A.' which it had significantly strengthened with state-of-the-art mechanical equipment and it acquired a leading position in the carton packaging sector in Greece, having two factories in Attica (Metamorfofi and Kifisia) covering a total surface area of approximately 14,000 m<sup>2</sup>.

### 3.3 DEVELOPMENT OF SHARE CAPITAL

The share capital of the Company stands at a total of 4,055,000 Euro, divided into 4,055,000 ordinary registered shares with a nominal value of 1 Euro each formed as follows:

1. The initial share capital of the Company at its incorporation (19.02.1996) was set at 190,000,000 drachmas, divided into 19,000 ordinary unregistered shares with a nominal value of 10,000 drachmas each. The share capital was covered as follows: a) contribution of the share capital of the two merged companies TSOUKARIDIS JOHN S.A. and TSOUKARIDIS JOHN Ltd., in accordance with provisions of Law 2166/93 worth a total of 189,340,000 drachmas and b) payment of 660,000 drachmas in cash to round the amount off (Government Gazette 779/19.2.1996).
2. By means of resolution of the Extraordinary General Meeting of shareholders of the Company taken on 27.10.97, the shares of the Company were converted into registered shares and its share capital was increased by 310,000,000 drachmas, with existing shareholders paying in cash. In accordance with the provisions of Law 1892/90, 31,000 ordinary registered shares, non-transferable for one decade, with a nominal value of 10,000 drachmas and issue price of 10,000 drachmas each, were issued. The share capital was covered by payment of 310,000,000 drachmas in cash (Government Gazette 8235/26.11.1997)

In this manner, the share capital of the Company stood at 500,000,000 drachmas, divided into 50,000 ordinary registered shares, of which 31,000 shares were non-transferable for one decade, with a nominal value of 10,000 drachmas each.

3. By means of resolution of the General Meeting of shareholders taken on 30.6.1998, the share capital of the Company was increased by 20,000,000 drachmas. This increase was done: a) by capitalizing the fixed asset readjustments reserve worth 15,936,403 drachmas, and b) by payment of 4,063,597 drachmas in cash by existing shareholders (Government Gazette 732/10.02.1999). 2,000 new ordinary registered shares with a nominal value of 10,000 drachmas each and issue price of 10,000 drachmas each were issued. In this manner, the share capital of the Company stood at 520,000,000 drachmas divided into 52,000 ordinary registered shares, of which 31,000 shares were non-transferable for one decade, with a nominal value of 10,000 drachmas each.
4. By means of resolution of the Extraordinary General Meeting of shareholders taken on 1.2.1999, the share capital of the Company was increased by 180,000,000 drachmas. The share capital was covered in full by payment in cash by existing shareholders of an amount corresponding to the participation of each party in the share capital. 18,000 ordinary registered shares, non-transferable for a decade in accordance with provisions of Law 2601/98, with a nominal value of 10,000 drachmas and issue price of 10,000 drachmas each were issued (Government Gazette 1017/23.2.1999). In this manner the share capital of the Company stood at 700,000,000 drachmas divided into 70,000 ordinary registered shares with a nominal value of 10,000 drachmas each, of which 49,000 shares were non-transferable for one decade, of which 31,000 shares were issued pursuant to a resolution of the Extraordinary General Meeting of shareholders dated 27.10.1997 in accordance with provisions of Law 1892/90 and 18,000 shares pursuant to a resolution of the Extraordinary General Meeting of shareholders dated 1.2.1999, in accordance with the provisions of Law 2601/98.
5. The Extraordinary General Meeting of shareholders of the Company held on 5.7.2000 (Government Gazette 9069/03.10.2000) decided to reduce the nominal value of Company shares from 10,000 drachmas to 200 drachmas with a corresponding increase in the number of shares (share split) from 70,000, to 3,500,000 ordinary registered shares and an increase in share capital by 111,000,000 drachmas by issuing 550,000 new ordinary registered shares with a nominal value of 200 drachmas each and a sale price above par.
6. By means of resolution of the Ordinary General Meeting of shareholders taken on 29.06.2001 (Government Gazette 6506/26.07.2001) the nominal value of Company shares was increased from 200 drachmas to 340.75 drachmas by capitalizing part of the premium on capital stock reserve shown in account 41.00 worth 570,741,250 drachmas. In this manner the share capital became 1,381,741,250 drachmas divided into 4,055,000 ordinary registered shares with a nominal value of 340.75 drachmas each. By means of the same resolution of the Ordinary General Meeting of shareholders, the share capital and nominal value of each share was converted into Euro and consequently the share capital of Company stood at 4,055,000 Euro divided into 4,055,000 ordinary registered shares with a nominal value of 1 Euro each.

### 3.4 TERMS IN THE ARTICLES OF ASSOCIATION ON CHANGES IN CAPITAL

Increases in Company share capital may be done by means of resolution of the General Meeting or Board of Directors pursuant to article 13 of Codified Law 2190/1920 or the provisions in force from time to time.

### 3.5 SHAREHOLDERS - SHARE CAPITAL COMPOSITION

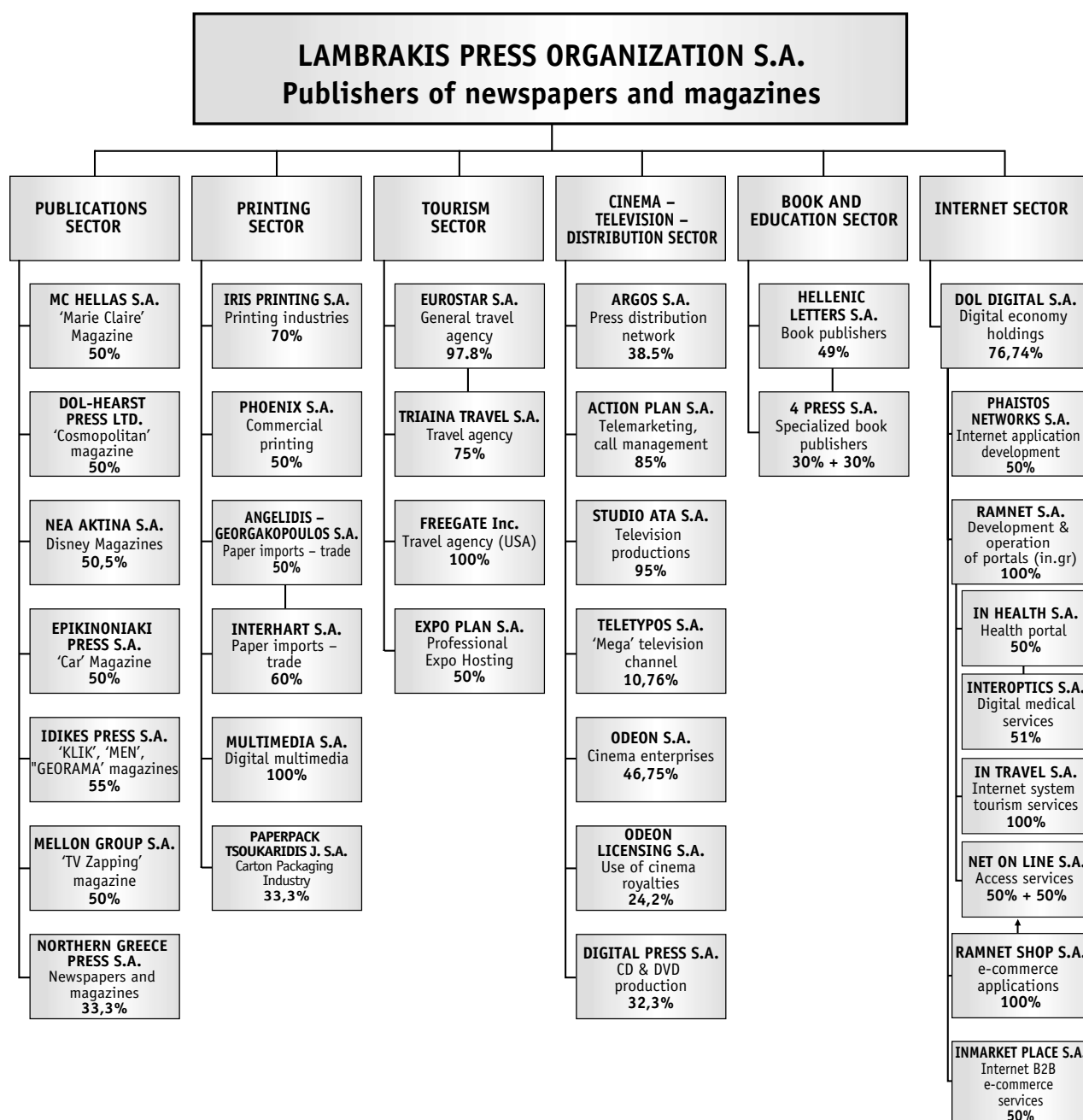
On 31.12.2001 the share capital of the Company stood at 4,055,000 Euro (1,381,741,250 drachmas) divided into 4,055,000 ordinary registered shares with a nominal value of 1 Euro (340.75 drachmas) each. The share capital composition of the Company is as follows:

SHAREHOLDER	NUMBER OF SHARES	%
John Tsoukaridis	2,029,800	50.06%
Lambrakis Press Group S.A.	1,421,090	35.05%
Beatrice Tsoukaridis	156,270	3.85%
Investors	447,840	11.04%
<b>TOTAL</b>	<b>4,055,000</b>	<b>100.00%</b>

There is no shareholder known to the Company, other than those referred to above, who holds more than 3% of its share capital. Moreover, in addition to Mr. John Tsoukaridis and Beatrice Tsoukaridis, there is no other member of the BoD of the Company and/or senior executive who holds shares equal to or greater than 0.2% of all shares in the Company.

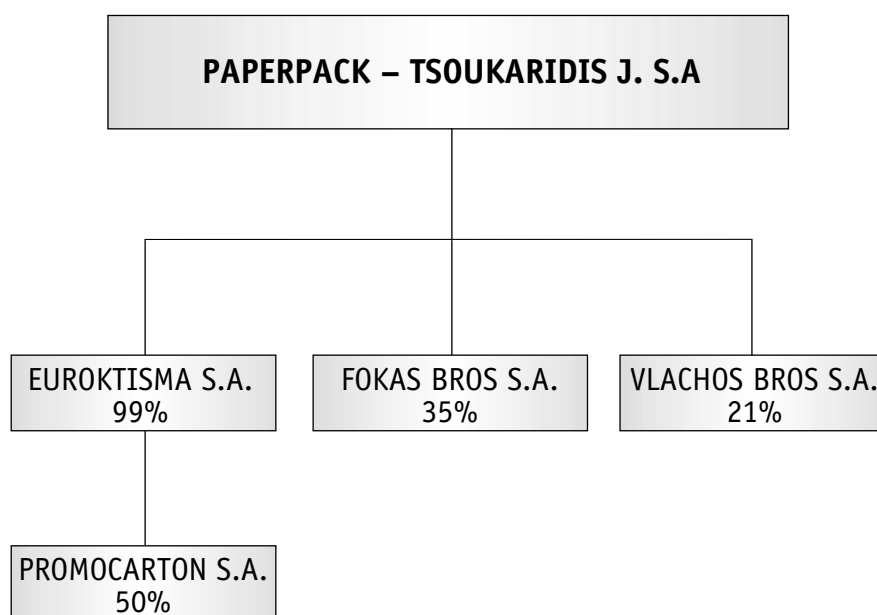
Note that on 31.12.2001 the Company held 94,190 treasury stock on the basis of a resolution of the Extraordinary General Meeting of shareholders of the Company taken on 23.2.2001 to purchase treasury stock up to 5% of the shares of the Company within 18 months from passing of the resolution.

The diagram which follows shows the structure of Lambrakis Press Group, the main shareholder in the Company, as it is today:



### 3.6 THE GROUP

The Company leads a group of companies involved in the following sectors: real estate property, industrial manufacturing of paper packaging products, manufacturing and trading of packaging items, P.O.P. materials (i.e. floor stands and displays made of paper) and other items. The organizational chart of the PAPERPACK TSOUKARIDIS J. Group S.A. is shown below:



*Notes:*

The Company's 100% subsidiary LEONARDOS S.A. was completely absorbed by the parent Company PAPERPACK - TSOUKARIDIS J. S.A. in accordance with the decision of the Ministry of Development dated 16.05.2001 (ref. No. K2-5871).

The Company acquired a 21% holding in VLACHOS BROS S.A. during 2001.

### 3.7 HOLDINGS ABOVE 50%

The table below shows the companies in which PAPERPACK - TSOUKARIDIS J. S.A. has a direct or indirect holding above 50% as well as the share capital, owners' equity, number of shares, book value and nominal value of shares which it has acquired and retained in its portfolio.

<i>In Euro</i> COMPANY	SHARE CAPITAL 31.12.2001	% HOLDING BY PAPERPACK	SHARES HELD BY THE COMPANY	NOMINAL VALUE OF SHARE	OWNERS' EQUITY 31.12.2001	BOOK VALUE OF HOLDING
EUROKTISMA S.A.	1,500,000	99.0%	49,500	30	1,461,000	1,445,785

# Information about Company activity

## 4.1 MAIN ACTIVITIES OF THE COMPANY AND ITS AFFILIATED COMPANIES

### 4.1.1 MAIN BUSINESS SECTORS

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

PAPERPACK - TSOUKARIDIS J. S.A. is involved in the carton packaging sector. The Company operates as a vertically integrated unit with the aim of supplying industrial and commercial units with printed packaging products made of paperboard used mainly for cosmetics, food, drinks, cigarettes and pharmaceutical and healthcare products and other materials. The Company also produces lithographic printouts and labels and is involved in the multipackaging sector.

More specifically the Company prints and manufactures packaging products with specialized quality requirements in relation to the raw materials used and production processes that are followed. Moreover, the Company also designs and prints all types of leaflets using high - quality offset five and six colour printing machines. Finally, thanks to exclusive representation and production for the MeadWestvaco Group in Greece, the Company is specialized in manufacturing and distributing multipacks.

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

The activities of the companies in the PAPERPACK - TSOUKARIDIS J. Group S.A. included in consolidation during the 2001 accounting period are analyzed below:

- EUROKTISMA S.A. is involved in providing all manner of services related to real estate property, such as purchase, sale, development, realty, and so on, as well as participating in existing and newly established companies.
- PROMOCARTON S.A. is involved in designing and trading displays, exhibition stands, paper and other P.O.P. materials, etc.
- FOKAS BROS S.A. is involved in manufacturing and trading paper packaging items and other related items. More specifically it mainly produces paper packing products and paper bags for patisseries, bakeries, restaurants, etc..

### 4.1.2 PRODUCTS AND PRODUCTION PROCEDURE

PAPERPACK - TSOUKARIDIS J. S.A. is an enterprise supplying other companies in the public and private sector. In other words it does not produce its own standardized products but adapts to and satisfies its customers needs. In this case, the Company's applications are unlimited both in relation to the number and sectors of activity and it is practically impossible to cite all the items it manufactures. For this reason, certain sectors are mentioned below in which PAPERPACK - TSOUKARIDIS J. S.A. is mainly active so that a picture can be formed about the Company's activity.

- **Cosmetics boxes:** Printing and production of cosmetics packaging boxes with demanding requirements in relation to quality and all materials and processing using state-of-the-art methods such as topical application of plastic, printing in gold and embossing.
- **Food and Liquor boxes:** The Company can manufacture boxes for food, precooked meals, dairy products and fast food products. For this production is very essential the use of food-safe raw materials. Special inks and varnishes suitable for direct food contact are used in these applications.
- **Cigarette boxes:** The Company specializes in producing hing-lid cartons, hard and soft outers, soft labels etc., either using offset or gravure printing. The specifications of these products include absolute colour stability and perfect die-cutting using state-of-the-art technology.
- **Pharmachemical and healthcare boxes:** The Company has a long tradition in producing pharmaceutical healthcare boxes. During the production process for these boxes automatic quality control and identification control for each box during packaging is implemented and boxes not in compliance are rejected.
- **Leaflets:** The Company can design and print any type of leaflet using modern five colour and six colour offset printing machines. Printed materials are given their finishing touches using water-based or UV varnishes and topical or complete lamination.
- **Multipacks:** In September 1997 PAPERPACK - TSOUKARIDIS J. S.A. undertook exclusive representation and production on behalf of MeadWestvaco Group in Greece. This Company is based in the United States and specializes in producing and distributing multipacks for various types of products. More specifically, the Company distributes the appropriate packaging machinery and multipack packaging materials to its customers. Multipack packaging contributes significantly to promoting consumer products both due to the improved image of the product for the consumer and due to safe and easy transport of products packaged in the multipack form.

## 4.2 MAIN FACILITIES - REAL ESTATE PROPERTY

### I. PRIVATELY OWNED PROPERTY

The real estate property of the Company consists of a horizontal property, namely the first floor of a two-storey building located at the crossroads of Methyariou St. & Ikonomidou St. built on the plot of land within the approved town plan of the Municipality of Peristeri at the location known as Maralio or Kounea in the region of Kolpkynthous on building block 6a (17 - 19 Ikonomidou St., GR-12132). This property covers an area of 470 m<sup>2</sup>, has its own entrance (on the stairwell) from the ground floor of the building and the Company's degree of joint ownership in the plot is 250/1000.

*Note that the Company leases the aforementioned privately owned property to third parties as follows:*

PRIVATELY OWNED FACILITIES						
LOCATION	ADDRESS	USE	LESSEE	MONTHLY RENTAL FEE	EXPIRY OF RENTAL AGREEMENT	SURFACE AREA (m <sup>2</sup> )
Peristeri	17 - 19 Ikonomidou St.	Offices for cutting firm	John Hanas (sole trader)	2,068 Euro*	29.02.2008	470

\* *Readjusted every rental year by an amount equal to 100% of the rate of inflation during the previous year plus 2% on the rental fee paid from time to time.*

## II. RENTED PROPERTY

Below are the main properties rented by the Company:

- **Metamorfofi Attica**

10-14 Nafpliou St.: registered offices of the Company, offices - factory A - total service area of 4,800 m<sup>2</sup>

- **Kifisia**

24 Viltanioti St.: offices - factory B - total surface area of 6,750 m<sup>2</sup>.

The facilities amended by the Company cover a total area of 11,550 m<sup>2</sup> and are used in the manner set out in the following table:

RENTED FACILITIES					
LOCATION	USE	LESSOR	MONTHLY RENTAL FEE	EXPIRY OF RENTAL AGREEMENT	SURFACE AREA (m <sup>2</sup> )
Metamorfofi Attica	HQ - Offices	Anastasios Raptis			
	Factory A	Stamatina Raptis			
		Constantina Raptis			
		Efthymia Raptis			
		Sotiria Raptis	14,186.02 Euro	1.11.2006	4,800
Kifisia	Factory B	LEO S.A.	16,140.87 Euro	30.09.2004	6,750

Moreover, the Company sublets part of its offices in Metamorfofi, Attica to the companies PROMOCARTON S.A. and MARIANNA TSEKOU & Partners Ltd. as shown in detail in the table below:

SUBLET PROPERTIES					
LOCATION	USE	LESSEE	MONTHLY RENTAL FEE	EXPIRY OF RENTAL AGREEMENT	SURFACE AREA (m <sup>2</sup> )
Metamorfofi Attica	Offices	Promocarton S.A.	440.20 Euro	01.11.2006	40
	Warehouse	Promocarton S.A.		01.11.2006	50
Metamorfofi Attica	Offices	Marianna Tsekou & Partners Ltd.	616.29 Euro	01.11.2006	140

Note that the Company EUROKTISMA S.A. has a listed apartment in Galaxidi in the Prefecture of Fokida covering an area of 64m<sup>2</sup>.

The main property owned by FOKAS BROS S.A. is as follows:

1. A plot of land covering an area of 1,528 m<sup>2</sup> in Aspropyrgos, Attica of which 897m<sup>2</sup> is under roof.
2. A warehouse covering 733 m<sup>2</sup> located on an area of land in Aspropyrgos which belongs to the existing shareholders of FOKAS BROS S.A. apart from PAPERPACK - TSOUKARIDIS J. S.A.

### 4.2.1 COLLATERAL SECURITY

No collateral security has been provided by the Company to third parties.

### 4.2.2 LIENS

There are no prenotations, mortgages or other encumbrances over the aforementioned fixed property assets of the Company (fields - lots and buildings).

### 4.3 TURNOVER - GEOGRAPHICAL AREAS

The table below shows the development in Company turnover per activity during the two-year period 2001 - 2000:

DEVELOPMENT IN COMPANY TURNOVER PER ACTIVITY DURING 2001-2000								
TURNOVER	Million GRD 2001	%	Million GRD 2000	%	'000 Euro 2001	%	'000 Euro 2000	%
<b>Domestic Turnover</b>								
Industrial activity	3.548	77.0%	3.599	83.5%	10.412.3	77.0%	10.562.0	33.5%
Commercial activity	0	0.00%	156	3.6%	0.0	0.0%	458.0	3.6%
Services	205	4.4%	173	4.0%	601.6	4.4%	508.0	4.0%
<b>Total Domestic Turnover</b>	<b>3.753</b>	<b>81.4%</b>	<b>3.928</b>	<b>91.1%</b>	<b>11,013.9</b>	<b>81.4%</b>	<b>11,528.0</b>	<b>91.1%</b>
<b>Foreign Turnover</b>								
Industrial activity	855	18.6%	340	7.9%	2.509.2	18.6%	998.0	7.9%
Commercial activity	0	0.0%	24	0.6%	0	0.0%	70.0	0.6%
Services	0	0.0%	18	0.4%	0	0.0%	53.0	0.4%
<b>Total foreign turnover</b>	<b>855</b>	<b>18.6%</b>	<b>382</b>	<b>8.9%</b>	<b>2,509.2</b>	<b>18.6%</b>	<b>1,121.0</b>	<b>8.9%</b>
<b>TOTAL TURNOVER</b>	<b>4.608</b>	<b>100%</b>	<b>4.310</b>	<b>100%</b>	<b>13,523.1</b>	<b>100%</b>	<b>12,649.0</b>	<b>100%</b>

Note that conversion of financial figures from GRD to Euro (€) has been done on the basis of the official exchange rate which is 1 Euro = 340.75 GRD. Further note that the figures for 2000 were readjusted for reasons of comparability due to absorption of LEONARDOS GRAPHIC ARTS S.A.

The table below shows the development in consolidated company turnover per activity during the two-year period 2001-2000:

DEVELOPMENT IN TURNOVER PER ACTIVITY 2001-2000								
TURNOVER	Million GRD 2001	%	Million GRD 2000	%	'000 Euro 2001	%	'000 Euro 2000	%
<b>Domestic Turnover</b>								
Industrial Activity	4,857	78.7%	4,532	78.7%	14,254.0	78.7%	13,300.0	78.7%
Commercial Activity	205	3.3%	377	6.5%	602.0	3.3%	1,106.0	6.5%
Services (assembly)	222	3.6%	438	7.6%	651.0	3.6%	1,285.0	7.6%
<b>Total domestic turnover</b>	<b>5.284</b>	<b>85.6%</b>	<b>5,347</b>	<b>92.8%</b>	<b>15,507.0</b>	<b>85.6%</b>	<b>15,692.0</b>	<b>92.8%</b>
<b>Foreign Turnover</b>								
Industrial Activity	890	14.4%	368	6.4%	2,612.0	14.4%	1,080.0	6.4%
Commercial Activity	0	0.0%	24	0.4%	0.0	0.0%	70.0	0.4%
Services (assembly)	0	0.0%	18	0.4%	0.0	0.0%	53.0	0.4%
<b>Total Foreign Turnover</b>	<b>890</b>	<b>14.4%</b>	<b>410</b>	<b>7.2%</b>	<b>2,612.0</b>	<b>14.4%</b>	<b>1,203.0</b>	<b>7.2%</b>
<b>TOTAL TURNOVER</b>	<b>6,174</b>	<b>100%</b>	<b>5,757</b>	<b>100%</b>	<b>18,119.0</b>	<b>100%</b>	<b>16,895.0</b>	<b>100%</b>



Industrial activity relates to the Company producing printed packaging products, leaflets and advertising material. Likewise, commercial activity relates to purchase and direct resale (without any processing on the part of the Company) of leaflets and posters. Note that the Company's commercial activity relates solely to wholesale sales. Finally, services relate to production of printed packaging materials, leaflets and advertising material using third party raw materials.

The Company sells its products on the domestic market as well as foreign markets. The table below shows a breakdown of sales achieved by the Company per geographical area during the 2001 accounting period.

<b>COUNTRY - AREA</b>	<b>SALES in Million GRD</b>	<b>SALES in '000 Euro</b>
Azerbaijan	447.0	1,311.8
Italy	267.0	783.6
Turkey	92.0	270.0
Cyprus	77.0	226.0
Romania	12.0	35.2
Bulgaria	5.5	16.1
England	2.5	7.3
Attica	3,109.0	9,124.0
Thessaloniki	234.0	686.7
Other (domestic)	362.0	1,062.4
<b>TOTAL</b>	<b>4,608.0</b>	<b>13,523.1</b>

As far as the Company's sales network abroad is concerned the Company has entered into two representation agreements:

- exclusive representation contract with MARCO PERGREFFI in Italy and
- representation contract with the associate / subcontractor ARSO POLANSKI in Poland.

#### **4.4 PENDING LEGAL ACTIONS**

There are no judicial disputes or arbitrations pending against the Company which could have significant repercussions on its financial status.

#### **4.5 AVERAGE STAFF LEVELS**

The numerical development of Company's average staff levels over the last two years, as shown in the annexes, is as follows:

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

	<b>2001</b>	<b>2000</b>
Managerial - Admin Staff	41	35
Labourers - Tech. Staff	92	101
<b>TOTAL STAFF</b>	<b>133</b>	<b>136</b>

The Company data for 2000 was readjusted due to absorption of 'LEONARDOS GRAPHIC ARTS S.A.'.

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

The average number of personnel employed by the Group over the last two years per activity is shown in the following table:

	2001	2000
Managerial - Admin Staff	59	51
Labourers - Tech. Staff	136	143
<b>TOTAL STAFF</b>	<b>195</b>	<b>194</b>

**4.6 INVESTMENTS DURING 2001**

Since its establishment the Company has carried out significant investments each year in order to increase and maintain its competitiveness. The following table shows the net investments made (additional less reductions each year) over the last two-year period:

	2001 (in million GRD)	2000 (in million GRD)	Total for 2 years	2001 (in '000 Euro)	2000 (in '000 Euro)
<b>Intangible Assets</b>	717	0	717	2.104	0
<b>Tangible Assets</b>					
Fields - Lots	0	0	0	0	0
Buildings & Technical works	12	30	42	35	88
Machinery - technical installations & equipment	429	1.482	1.911	1.259	4.349
Transportation equipment	7	34	41	21	100
Furniture & other equipment	18	15	33	53	44
<b>PARTICIPATIONS</b>	411	1.221	1.632	1.206	3.583
<b>TOTAL</b>	<b>1.594</b>	<b>2.782</b>	<b>4.376</b>	<b>4.678</b>	<b>8.164</b>

Note that conversion of financial figures from GRD to Euro (€) has been done on the basis of the official exchange rate which is 1 Euro = 340.75 GRD. Further note that the figures for 2000 were readjusted for reasons of comparability due to absorption of LEONARDOS GRAPHIC ARTS S.A.

Investments relating to the account 'INTANGIBLE ASSETS' concern the goodwill which arose from the absorption of 'LEONARDOS GRAPHIC ARTS S.A.' in May 2001.

The investments referred to in the account 'Machinery - technical installations & other equipment', mainly relate to acquisition of machinery for the complete overhauling of the Company's mechanical equipment. More specifically during 2001 the Company acquired the following machinery, inter alia:

- 1 printing machine
- 1 die cutting machine
- 1 window patching machine
- 1 eight-corner gluing machine
- 1 laminating machine
- 1 slitting machine

#### **4.7 DATA ON THE COMPANY'S MAIN INVESTMENTS ALREADY IMPLEMENTED**

The Company has carried out an innovative investment by Greek standards. It has installed a box production line using the gravure method while up until now it had used the offset printing method. Following this investment the Company will be the first paper packaging company in Greece that will produce boxes using this method thus allowing its customers inside and outside of Greece to improve the quality and overall appearance of their boxes since metallic and luminescent colours can be printed.

#### **4.8 DATA ON MAIN FUTURE INVESTMENTS**

The Company emphasise on investments in production equipment which brings about a reduction in production costs on the one hand with an increase in productivity and the production of high added value products on the other hand.

Against this background it plans to purchase new production machinery this year.

With these investments it is expected to improve production flexibility bringing about a reduction in lead time response times that entails clear commercial benefits. These investments will reduce the production cost (no new job positions will be created) and the Company will manufacture new, innovative products with high profit margins.

# Information about the assets, financial statements and results of the Company and the Group

## 5.1 GROWTH IN TURNOVER - RESULTS OF THE COMPANY

RESULTS FOR THE PERIOD				
	2001 in Million GRD	2000 in Million GRD	2001 in '000 Euro	2000 in '000 Euro
<b>Turnover from:</b>				
Industrial Activity	4,403	3,944	12,921.5	11,574.5
Commercial Activity	0	102	0,0	299,3
Services	205	264	601.6	774.8
<b>Total Turnover</b>	<b>4,608</b>	<b>4,310</b>	<b>13,523.1</b>	<b>12,648.6</b>
Less: Cost of goods sold <sup>(1)</sup>	3.156	3.101	9.261.9	9.100.5
<b>Gross Profit<sup>(1)</sup></b>	<b>1,452</b>	<b>1,209</b>	<b>4,261.2</b>	<b>3,548.1</b>
<i>as a % of turnover</i>	<i>31.5%</i>	<i>28.1%</i>	<i>31.5%</i>	<i>28.1%</i>
Plus: other operating income	32	69	93.9	202.5
<b>TOTAL</b>	<b>1,484</b>	<b>1,278</b>	<b>4,355.1</b>	<b>3,750.6</b>
<i>as a % of turnover</i>	<i>32.2%</i>	<i>29.6%</i>	<i>32.2%</i>	<i>29.6%</i>
Administrative expenses <sup>(1)</sup>	482	337	1,414.5	989.0
<i>as a % of turnover</i>	<i>10.5%</i>	<i>7.8%</i>	<i>10.5%</i>	<i>7.8%</i>
R&D expenses <sup>(1)</sup>	2	2	5.9	5.9
<i>as a % of turnover</i>	<i>0.0%</i>	<i>0.0%</i>	<i>0.0%</i>	<i>0.0%</i>
Selling expenses <sup>(1)</sup>	236	304	692.6	892.2
<i>as a % of turnover</i>	<i>5.1%</i>	<i>7.1%</i>	<i>5.1%</i>	<i>7.1%</i>
<b>Operating results<sup>(1)</sup></b>	<b>764</b>	<b>635</b>	<b>2,242.1</b>	<b>1,863.5</b>
<i>as a % of turnover</i>	<i>16.6%</i>	<i>14.7%</i>	<i>16.6%</i>	<i>14.7%</i>

	2001 in Million GRD	2000 in Million GRD	2001 in '000 Euro	2000 in '000 Euro
Plus: Income from participations & securities	3	4	8.8	11.8
Plus: Gains on sale of participations & securities	15	0	44.0	0.0
Less: Participations & securities expenses & losses	3	0	8.8	0.0
Plus: Extraordinary & non-operating income and profits	282	293	827.6	859.9
Less: Extraordinary & non-operating expenses and losses	5	77	14.7	226.0
<b>EBITDA</b>	<b>1,056</b>	<b>855</b>	<b>3,099.0</b>	<b>2,509.2</b>
<i>as a % of turnover</i>	<i>22.9%</i>	<i>19.8%</i>	<i>22.9%</i>	<i>19.8%</i>
Plus: Interest and related income	12	26	35.2	76.3
Less: Interest charges and related expenses	239	273	701.4	801.2
<i>as a % of turnover</i>	<i>5.2%</i>	<i>6.3%</i>	<i>5.2%</i>	<i>6.3%</i>
Earnings before depreciation and tax	829	608	2,432.9	1,784.3
<i>as a % of turnover</i>	<i>18.0%</i>	<i>14.1%</i>	<i>18.0%</i>	<i>14.1%</i>
Less: Depreciation	626	397	1,837.1	1,165.1
<b>Earnings for the period before tax</b>	<b>203</b>	<b>211</b>	<b>595.7</b>	<b>619.2</b>
<i>as a % of turnover</i>	<i>4.4%</i>	<i>4.9%</i>	<i>4.4%</i>	<i>4.9%</i>
<b>Earnings before tax &amp; before gains &amp; income from sales of participations and securities</b>	<b>188</b>	<b>203</b>	<b>551.7</b>	<b>595.7</b>
<i>as a % of turnover</i>	<i>4.1%</i>	<i>4.7%</i>	<i>4.1%</i>	<i>4.7%</i>
Income and other taxes	74	91	217.2	267.1
<b>Earnings for the period after tax &amp; BoD Fees <sup>(2)</sup></b>	<b>129</b>	<b>84</b>	<b>378.6</b>	<b>246.5</b>
<i>as a % of turnover</i>	<i>2.8%</i>	<i>1.9%</i>	<i>2.8%</i>	<i>1.9%</i>
Prior period tax adjustments <sup>(3)</sup>	0	9	0.0	26.4
<b>Earnings after tax. BoD fees &amp; Prior period tax adjustments <sup>(2).(3)</sup></b>	<b>129</b>	<b>75</b>	<b>378.6</b>	<b>220.1</b>
<i>as a % of turnover</i>	<i>2.8%</i>	<i>1.7%</i>	<i>2.8%</i>	<i>1.7%</i>

Note that the Company's results for 2000 were readjusted in order to be comparable due to absorption of its subsidiary LEONARDOS GRAPHIC ARTS S.A. Further note that conversion of financial figures from GRD to Euro (€) has been done on the basis of the official exchange rate which is 1 Euro = 340.75 GRD.

*Other notes:*

<sup>(1)</sup> In order to calculate operating result depreciation was first subtracted from the cost of goods sold, administrative expenses, selling expenses and R&D expenses as follows:

<b>DISTRIBUTION OF DEPRECIATION</b>				
	<b>2001 in Million GRD</b>	<b>2000 in Million GRD</b>	<b>2001 in '000 Euro</b>	<b>2000 in '000 Euro</b>
Cost of goods sold	447	234	1,311.8	686.7
Administrative expenses	56	98	164.3	287.6
Selling expenses	13	12	38.1	35.2
R&D expenses	3	1	8.8	2.9
Depreciation not included In operating cost	107	52	314.3	152.6
<b>Total depreciation</b>	<b>626</b>	<b>397</b>	<b>1,837.3</b>	<b>1,165.0</b>

<sup>(2)</sup> During the year fees were paid to members of the Company's BoD worth 172,500,000 GRD which were charged to Company administrative expenses and thus to the results for the period. These fees were approved by the General Meeting of Shareholders on 29-6-2001 and 75 million GRD relate to the 2000 accounting period and 97.5 million GRD to the 2001 accounting period.

<sup>(3)</sup> Prior period tax audit adjustments are shown as they appear in the published financial statements for the accounting period to which they were charged. More specifically all tax audit adjustments which were charged to profits for distribution during 2000 stood at 9 million GRD and related to tax audits of the company for the 1999 accounting period. For the 1999 accounting period tax audit adjustments worth 5,136,571 GRD were settled and entered in the accounting records for the 2000 accounting period by charging them to the profits for distribution. Moreover Tax audit adjustments, fines and surcharges for the 1999 accounting period for the absorbed company 'LEONARDOS GRAPHIC ARTS S.A.' worth 3,765,585 GRD were settled and entered in the accounting records for the 2000 accounting period by charging them to the profits for distribution of the absorbed company 'LEONARDOS GRAPHIC ARTS S.A.'.

The main Company notes for the 2001 accounting period are as follows:

1. On 16/5/2001 the procedures for absorption of the company 'LEONARDOS GRAPHIC ARTS S.A.' in accordance with Law 2166/1993 were completed.
2. There are no liens affecting the Company's real estate property.
3. The average number of staff employed is 130.
4. There are no pending judicial disputes or arbitration cases against the Company or court rulings or arbitration awards which could have significant repercussions on its financial status or operation of the business.
5. The sum of 97,778,606 GRD was subtracted from the turnover and cost of goods sold which relates to intra-group transactions with the company 'LEONARDOS S.A.' which was absorbed and the figures were readjusted accordingly for the corresponding period of 2000.
6. Securities include: a) shares of companies listed on the ASE valued at their current price, namely 112,577,837 GRD, b) Mutual Fund units valued at their current price, namely 164,334,089 GRD, c) treasury stock valued at its acquisition cost, namely 500,571,973 GRD and shown in the balance sheet as 187,739,730 GRD in assets account (DIII Securities) and 312,832,243 GRD from a reduction in owners' equity.
7. The company has been audited for taxation purposes up to and including 1999.
8. By means of resolution of the General Meeting of shareholders of the company on 05/07/2000 it was decided to list the shares of the company on the parallel market of the Athens Stock Exchange and increase its share capital by public offering and private placement for 111,000,000 GRD. 555,000 new ordinary registered shares with a nominal value of 200 GRD each were issued and a sale price of 5,500 GRD each and a premium on capital stock worth 2,941,500,000 GRD was generated which was included in the liabilities account 'Reserves and other owners' equity accounts'. Certification of the

increase by the Board of Directors of the Company was done on 04/10/2000. The period for exercising the offering option was 15/09/2000-19/09/2000 and issue expenses were around 200,000,000 GRD. The total capital raised was 3,052,500,000 GRD and the date of listing of the new shares on the stock exchange was 19/10/2000. Distribution of the capital raised by the last share capital increase was completed at the end of the last quarter of 2000. The table on capital raised was published on 28/02/2001 in the newspapers "TA NEA" and "KERDOS".

9. By means of resolution of the General Meeting of shareholders of the Company on 29/06/2001 it was decided a) to increase the share capital by 570,74 1,250 GRD by capitalizing part of the premium on capital stock reserve, b) to increase the nominal value of shares in the company from 200 GRD to 340.75 GRD, c) to convert to the share capital and nominal value of shares into Euro in accordance with provisions of law 2842/2000. Certification of the increase was done by the Company's Board of Directors on 04/07/2001. At its meeting on 26th July 2001 the Board of Directors of the ASE was informed about the aforementioned increase and conversion of share capital and nominal value of the share into Euro. As of Monday 30th July 2001 shares of the company have been traded on the Athens Stock Exchange at their new nominal value of 340.75 GRD (1.00 Euro)
10. Goodwill worth 716,832,541 GRD was generated by absorption of 'LEONARDOS GRAPHIC ARTS S.A.' and appears in the asset account CI as goodwill. This goodwill was depreciated by 143,366,508 GRD. For reasons of comparability, the financial statements for the 2000 accounting period were readjusted due to absorption of the company "LEONARDOS S.A.".
11. The last readjustment in the Company's fixed assets was carried out during the 2000 accounting period in accordance with the provisions of law 2065/1992.
12. The breakdown of sales per category of financial activity in accordance with the four digit classification of economic activity sectors in STAKOD 91 is 21.21 - manufacture of corrugated paper and cardboard and merchandise containers made of paper and cardboard, 4,403,063,980 GRD, Code 22.22 printing 204,658,891 GRD.

The main comments made by the ordinary certified auditor-accounted for the 2001 accounting period were as follows:

1. The results for the period were charged with foreign exchange losses of 6,265,970 GRD which were generated by the valuation of liabilities in Euro as of 31.12.2000 in implementation of the provisions of article 7 of Law 2842/2000 which should have been charged to the expenses for the 2000 accounting period.
2. The assets account 'B. establishment expenses' includes the amount of 61,522,847 GRD which relates to the undepreciated remainder of the provision for personnel compensation for the absorbed company "Leonardos Graphic Arts S.A." which should have been charged to the results of the accounting period.
3. The balance of the assets account "C.III Participations in subsidiaries" of 1,726,013,910 GRD represents the value a) of 99% of the shares in the company whose acquisition value was 506,013,750 GRD. The book value of the same company based on the last legitimately published balance sheet was 493,179,262 GRD, b) 35% of shares in the company whose acquisition value was 820,000,000 GRD. The book value of this participation in accordance with the last legitimately published balance sheet was 843,324,907 GRD, c) 21% of the shares in the company whose acquisition value was 400,000,160 GRD. The book value of the company according to its last legitimately published balance sheet was 107,663,235 GRD.
4. The goodwill generated by absorption of the subsidiary company 'Leonardos Graphic Arts S.A.' of 716,832,541 GRD was entered into the assets account 'C.I intangible assets' and the depreciation corresponding to the accounting period worth 143,366,580 GRD is shown in the balance sheet liabilities account 'Depreciation and other owners' equity accounts' as reducing the owner's equity, without an equivalent amount having been charged to the results for the period.
5. On the basis of the taxation provisions in article 37 of Law 2874/29.12.2000, the results of the current accounting period were charged with the sum of 42,586,191 GRD which have arisen from valuation of shares on the Athens Stock Exchange on 31.12.2000 which should have been charged to the expenses for the 2000 accounting period.
6. The company made provisions for decline in the value of securities as of 31.12.2001 worth 164,248,311 GRD which were shown in the balance sheet liabilities account 'A.II Reserves and other owners' equity accounts' as reducing the owners' equity, without having been charged to the results for the period.

7. The company has not been audited for taxation purposes for the accounting periods 2000 and 2001 and consequently its taxation obligations are not final.

According to the certificate of the certified auditor, the aforementioned financial statements, which are based on the Company's accounting books and records, depict, together with the notes and cash flow statement, having regard to the aforementioned remarks, as well as the notes cited by the company, the assets and financial standing of the Company as of 31st December 2001 as well as the results for the period ended on that date, as well as the cash flows from the activities of the company for the accounting period on the basis of the relevant provisions and accounting principles which apply and which are generally accepted and which do not differ from those applied by the company during the previous year.

## 5.2 BREAKDOWN OF COMPANY FINANCIAL STATEMENTS

BALANCE SHEETS FOR THE ACCOUNTING PERIODS 2001-2000				
ASSETS	2001 in Million GRD	2000 in Million GRD	2001 in '000 Euro	2000 in '000 Euro
Establishment expenses	738	639	2,165.8	1,875.3
Less: Accumulated Depreciation	350	214	1,027.1	628.0
<b>Undepreciated establishment expenses</b>	<b>388</b>	<b>425</b>	<b>1,138.7</b>	<b>1,247.3</b>
Intangible Assets (acquisition value)	717	717	2,104.2	2,104.2
Less: Accumulated Depreciation	144	0	422.6	0.0
Undepreciated Intangible Assets	573	717	1,681.6	2,104.2
Tangible Assets (acquisition value)	4,693	4,225	13,772.6	12,399.1
Less: Accumulated Depreciation	1,347	1,151	3,953.0	3,377.8
Undepreciated Tangible Assets	3,346	3,074	9,819.6	9,021.3
Participations in subsidiaries	1,726	1,315	5,065.3	3,859.1
Other long-term financial assets	23	23	67.5	67.5
<b>Total fixed assets</b>	<b>5,668</b>	<b>5,129</b>	<b>16,634.0</b>	<b>15,052.1</b>
Stocks	989	788	2,904.4	2,312.5
Customers	1,442	1,111	4,231.8	3,260.5
Bills & Cheques receivable	215	321	631.0	942.0
Other receivables	50	305	146.7	895.1
Securities	466	272	1,367.6	798.2
Cash	111	145	325.8	425.6
<b>Current Assets</b>	<b>3,273</b>	<b>2,942</b>	<b>9,605.3</b>	<b>8,633.9</b>
<b>Transit debit balances</b>	<b>15</b>	<b>61</b>	<b>44.0</b>	<b>179.0</b>
<b>Total assets</b>	<b>9,344</b>	<b>8,557</b>	<b>27,422.0</b>	<b>25,112.3</b>
<i>Debit Memo Accounts</i>	31	2,083	90.7	6,113.0



<b>LIABILITIES</b>	<b>2001 in Million GRD</b>	<b>2000 in Million GRD</b>	<b>2001 in '000 Euro</b>	<b>2000 in '000 Euro</b>
Paid-up share capital	1,382	811	4,055.0	2,380.0
Premium on capital stock	2,371	2,941	6,958.6	8,631.0
Reserves from value adjustments - investment subsidies	93	284	272.9	833.5
Reserves	146	428	428.8	1,256.1
Results carried forward	0	64	0.0	187.8
<b>Total owners' equity</b>	<b>3,992</b>	<b>4,528</b>	<b>11,715.3</b>	<b>13,288.4</b>
<b>Provisions</b>	<b>101</b>	<b>49</b>	<b>296.4</b>	<b>143.8</b>
<b>Long-term bank loans</b>	<b>3,239</b>	<b>862</b>	<b>9,505.5</b>	<b>2,529.7</b>
Suppliers	876	582	2,570.8	1,708.0
Bills & cheques outstanding	217	137	636.8	402.1
Banks. short-term liabilities <sup>615</sup>	2,042	1,804.8	5,992.7	
Dividends payable	1	122	2.9	358.0
Insurance and pension fund dues	186	141	545.9	413.8
Customer down payments	34	8	99.8	23.5
Sundry creditors	59	58	173.1	170.2
<b>Total short-term liabilities</b>	<b>1,988</b>	<b>3,090</b>	<b>5,834.1</b>	<b>9,068.3</b>
<b>Transit credit balances</b>	<b>24</b>	<b>28</b>	<b>70.4</b>	<b>82.1</b>
<b>Total Liabilities</b>	<b>9,344</b>	<b>8,557</b>	<b>27,422.0</b>	<b>25,112.3</b>
<i>Credit Memo Accounts</i>	<i>31</i>	<i>2,083</i>	<i>90.7</i>	<i>6,113.0</i>

Note that the Company's results for 2000 were readjusted in order to be comparable due to absorption of its subsidiary LEONARDOS GRAPHIC ARTS S.A.

Further note that conversion of financial figures from GRD to Euro (€) has been done on the basis of the official exchange rate which is 1 Euro = 340.75 GRD.

Following the remarks made by the Certified Auditor - Accountant of the company referred to above the adjusted results and owners' equity of the company are as follows:

<b>COMPANY READJUSTED RESULTS</b>				
	<b>2001 in Million GRD</b>	<b>2001 in '000 Euro</b>	<b>2000 in Million GRD</b>	<b>2000 in '000 Euro</b>
<b>EARNINGS BEFORE TAX</b>	<b>203</b>	<b>595.7</b>	<b>211</b>	<b>619.2</b>
<b>Plus:</b> foreign exchange gains For the 2000 accounting period Law 2842/2000	6	17.6	-3	-8.8
<b>Plus:</b> Losses from valuation of securities For the 2000 accounting period Law 2842/2000	43	126.2	-170	-498.9
<b>Less:</b> Provisions for compensation of Personnel of the absorbed company LEONARDOS S.A.	62	182.0	70	205.4
<b>Less:</b> losses from valuation of participations On the basis of Law 2190/1920	920	2,700.0	1,307	3,835.7

	2001 in Million GRD	2001 in '000 Euro	2000 in Million GRD	2000 in '000 Euro
<b>Less:</b> Depreciation of Goodwill Of the absorbed company LEONARDOS S.A.	143	419.7	0	0.0
<b>Less:</b> Provisions for value decline of Securities for the 2001 accounting period	164	481.3	0	0.0
<b>READJUSTED RESULTS BEFORE TAX</b>	<b>-1,037</b>	<b>-3,043.5</b>	<b>-1,339</b>	<b>-3,929.6</b>
<b>Less:</b> Taxes	74	217.2	91	267.1
<b>READJUSTED RESULTS AFTER TAXES AND DIRECTORS' FEES</b>	<b>-1,111</b>	<b>-3,260.7</b>	<b>-1,430</b>	<b>-4,196.7</b>
<b>Less:</b> Tax audit adjustments For the period they correspond to	0	0.0	0	0.0
<b>READJUSTED RESULTS AFTER TAXES AND DIRECTORS' FEES AND TAX AUDIT ADJUSTMENTS</b>	<b>-1,111</b>	<b>-3,260.7</b>	<b>-1,430</b>	<b>-4,196.7</b>

**COMPANY OWNERS' EQUITY READJUSTMENTS**

	2001 in Million GRD	2001 in '000 Euro	2000 in Million GRD	2000 in '000 Euro
<b>OWNERS' EQUITY IN PUBLISHED BALANCE SHEET</b>	<b>3,992</b>	<b>11,715.3</b>	<b>4,528</b>	<b>13,288.3</b>
<b>Plus:</b> foreign exchange gains For the 2000 accounting period Law 2842/2000	6	17.6	-3	-8.8
<b>Plus:</b> Losses from valuation of securities For the 2000 accounting period Law 2842/2000	43	126.2	-170	-498.9
<b>Less:</b> Provisions for compensation of Personnel of the absorbed company LEONARDOS S.A.	62	182.0	70	205.4
<b>Less:</b> losses from valuation of participations On the basis of Law	2,700.0	1,307	3,835.7	
<b>Less:</b> Tax audit adjustments For the period they correspond to	0	0.0	0	0.0
<b>TOTAL READJUSTED OWNERS' EQUITY</b>	<b>3,059</b>	<b>8,977.1</b>	<b>2,978</b>	<b>8,739.5</b>
	<b>2001 in GRD</b>	<b>2001 in Euro</b>	<b>2000 in GRD</b>	<b>2000 in Euro</b>
<b>READJUSTED BOOK VALUE OF COMPANY SHARE*</b>	<b>754</b>	<b>2.2</b>	<b>734</b>	<b>2.1</b>

\*The readjusted book value of the company share has been calculated on the basis of the readjusted owners' equity of the company and the number of shares at the end of each period.

### 5.3 SOURCES AND USES OF CAPITAL

Total sources and uses of Company capital for the period 2001-2000 are as follows:

	(in Million GRD)		(in '000 Euro)		(in million GRD)	%
	2001	2000	2001	2000	Total	
<b>Sources of capital</b>						
Earnings before tax	203	211	595.7	619.2	414	4.9%
Depreciation	626	397	1,837.1	1,165.1	1,023	12.1%
Provisions <sup>(1)</sup>	(121)	327	(355.1)	959.6	206	2.4%
Increase in share capital by payment in cash and/or Capitalization of period's profit for distribution	0	511	0.0	1,499.6	511	6.0%
Share capital increase (above par)	0	2,942	0.0	8,633.9	2,942	34.8%
Change in amounts intended for Share capital increase	0	0	0.0	0.0	0	0.0%
Change in share capital due	0	(111)	0.0	(325.8)	(111)	-1.3%
Net change in investment subsidies - Value readjustment	(191)	(54)	(560.5)	(158.5)	(245)	-2.9%
Increase in long-term bank liabilities <sup>(2)</sup>	2,377	57	6,975.8	167.3	2,434	28.8%
Increase in short-term bank liabilities	0	1,274	0.0	3,738.8	1,274	15.2%
<b>TOTAL</b>	<b>2,894</b>	<b>5,554</b>	<b>8,493.0</b>	<b>16,299.2</b>	<b>8,448</b>	<b>100.0%</b>
<b>Uses of capital</b>						
Change in working capital	(676)	2,214	(1,983.9)	6,497.4	1,538	18.2%
Change in cash and securities	160	(234)	469.6	(686.7)	(74)	-0.9%
Change in capital collectible During next year	0	(111)	0.0	(325.8)	(111)	-1.3%
Net change in establishment expenses <sup>(3)</sup>	313	478	918.6	1,402.8	791	9.4%
Net change in fixed assets <sup>(4)</sup>	1,184	1,733	3,474.7	5,085.8	2,917	34.7%
Increase (reduction) In participations and other Long-term financial assets	411	1,224	1,206.2	3,592.1	1,635	19.4%
Reduction in long-term bank liabilities	0	0	0.0	0.0	0	0.0%
Reduction in short-term bank liabilities	1,427	0	4,187.8	0.0	1,427	16.9%
Dividend for distribution	1	122	2.9	358.0	123	1.5%
Dividends withheld and profits for period For share capital increase	0	0	0.0	0.0	0	0.0%
Directors' fees	0	28	0.0	82.2	28	0.3%
Profits distributable to personnel And senior executives	0	0	0.0	0.0	0	0.0%
Income tax reserve taxes. Other taxes & prior period Tax audit adjustments	74	100	217.1	293.4	174	2.0%
<b>TOTAL</b>	<b>2,894</b>	<b>5,554</b>	<b>8,493.0</b>	<b>16,299.2</b>	<b>8,448</b>	<b>100.0%</b>

Note that conversion of financial figures from GRD to Euro (€) has been done on the basis of the official exchange rate which is 1 Euro = 340.75 GRD. Further note that the figures for 2000 were readjusted for reasons of comparability due to absorption of LEONARDOS GRAPHIC ARTS S.A.

Notes:

(1) Provisions	= Liabilities account 'Provisions for contingencies and expenses' - Liabilities account 'Provisions for contingencies and expenses' at the beginning of the period + Assets accounts 'Provisions' at the end of the period - Assets accounts 'Provisions' at the beginning of the period
(2) Increase / reduction in long-term liabilities Bank liabilities	= long-term liabilities at the end of the period - long-term liabilities at the beginning of the period + long-term liabilities due during the next period (at the end of the period) - long-term liabilities due during the next year (at the beginning of the period)
(3) Net change in establishment expenses	= Undepreciated value of establishment expenses at the end of the period - Undepreciated value of establishment expenses at the beginning of the period + Depreciation of establishment expenses
(4) Net change in fixed assets	= Undepreciated value of fixed assets (intangible and tangible) at the end of the period - Depreciation of fixed assets for the period (intangible and tangible) + Undepreciated value of fixed assets (intangible and tangible) at the beginning of the period - Net readjustment in fixed assets (intangible and tangible)

## 5.4 GROWTH IN CONSOLIDATED TURNOVER - RESULTS

CONSOLIDATED RESULTS				
	2001 (in million GRD)	2000 (in million GRD)	2001 (in '000 Euro)	2000 (in '000 Euro)
<b>Turnover</b>	<b>6.174</b>	<b>5.757</b>	18.118,6	16.895,1
Less: cost of goods sold (before depreciation)	4.188	4.125	12.290,5	12.105,6
<b>Gross profit</b>	<b>1.986</b>	<b>1.632</b>	<b>5.828,1</b>	<b>4.789,4</b>
As a % of turnover	32,2%	28,3%	32,2%	28,3%
Other operating income	34	76	99,8	223,0
<b>Total</b>	<b>2.020</b>	<b>1.708</b>	<b>5.927,9</b>	<b>5.012,5</b>
As a % of turnover	32,7%	29,7%	32,7%	29,7%
Administrative expenses	605	368	1.775,5	1.080,0
As a % of turnover	9,8%	6,4%	9,8%	6,4%
R&D expenses	2	2	5,9	5,9
As a % of turnover	0,0%	0,0%	0,0%	0,0%
Selling expenses	400	440	1.173,9	1.291,3
As a % of turnover	6,5%	7,6%	6,5%	7,6%
<b>Operating result</b>	<b>1.013</b>	<b>898</b>	<b>2.972,9</b>	<b>2.635,4</b>
As a % of turnover	16,4%	15,6%	16,4%	15,6%
Plus: income from participations and securities	3	4	8,8	11,7

	2001 (in million GRD)	2000 (in million GRD)	2001 (in '000 Euro)	2000 (in '000 Euro)
Plus: Gains (losses) on sale of participations and securities	13	10	38,2	29,3
Less: Participation and securities value decline allowances	0	2	0,0	5,9
Plus: Extraordinary and non-operating income & profits	291	307	854,0	901,0
Less: Extraordinary and non-operating expenses, losses and provisions	10	81	29,3	237,7
<b>EBITDA</b>	<b>1.310</b>	<b>1.136</b>	<b>3.844,5</b>	<b>3.333,8</b>
<i>As a % of turnover</i>	<i>21,2%</i>	<i>19,7%</i>	<i>21,2%</i>	<i>19,7%</i>
Interest	20	35	58,7	102,7
Interest charges	243	277	713,1	812,9
<i>As a % of turnover</i>	<i>3,9%</i>	<i>4,8%</i>	<i>3,9%</i>	<i>4,8%</i>
<b>Earnings before depreciation and tax</b>	<b>1.087</b>	<b>894</b>	<b>3.190,0</b>	<b>2.623,6</b>
<i>As a % of turnover</i>	<i>17,6%</i>	<i>15,5%</i>	<i>17,6%</i>	<i>15,5%</i>
Depreciation <sup>(1)</sup>	695	439	2039,6	1.288,3
<b>Earnings before tax</b>	<b>392</b>	<b>455</b>	<b>1.150,4</b>	<b>1.335,3</b>
<i>As a % of turnover</i>	<i>6,3%</i>	<i>7,9%</i>	<i>6,3%</i>	<i>7,9%</i>
<b>Earnings before tax &amp; before gains and income from sale of participations and securities</b>	<b>374</b>	<b>443</b>	<b>1.097,6</b>	<b>1.300,1</b>
<i>As a % of turnover</i>	<i>6,1%</i>	<i>7,7%</i>	<i>6,1%</i>	<i>7,7%</i>
Less: Minority interests	123	173	361,0	507,7
<b>Group profits before tax and after minority interests</b>	<b>269</b>	<b>282</b>	<b>789,4</b>	<b>827,6</b>
<i>As a % of turnover</i>	<i>4,4%</i>	<i>4,9%</i>	<i>4,4%</i>	<i>4,9%</i>

Note that conversion of financial figures from GRD to Euro (€) has been done on the basis of the official exchange rate which is 1 Euro = 340.75 GRD.

Notes:

<sup>(1)</sup> In order to determine the gross profit and operating result depreciation has been subtracted from the cost of goods sold, administrative expenses, selling expenses and R&D expenses as follows:

<b>DISTRIBUTION OF DEPRECIATION</b>				
	2001 in Million GRD	2000 in Million GRD	2001 in '000 Euro	2000 in '000 Euro
Cost of goods sold	488	253	1,432.1	742.5
Administrative expenses	72	112	211.3	328.7
Selling expenses	25	21	73.4	61.6
R&D expenses	3	1	8.8	2.9
Depreciation not incorporated In the operating cost	107	52	314.0	152.6
<b>Total depreciation</b>	<b>695</b>	<b>439</b>	<b>2,039.6</b>	<b>1,288.3</b>

Consolidation during 2001 included the companies EUROKTISMA S.A., FOKAS BROS S.A. and PROMOCARTON S.A. in addition to PAPERPACK TSOUKARIDIS J. S.A.

Pursuant to Codified Law 2190/1920 which is harmonized with the 7th Community Directive on consolidated financial statements, the PAPERPACK - TSOUKARIDIS J. Group S.A. includes all subsidiaries in which it holds above 50% of the shares or holds between 20% and 50% while at the same time having a dominant influence over the aforementioned companies. The companies were consolidated using the total integration method. All transactions between the companies in the PAPERPACK - TSOUKARIDIS J. GROUP S.A. were crossed out during consolidation.

The main notes of the Group for the 2001 accounting period are as follows:

1. The aforementioned consolidated financial statements dated 31/12/2001 in addition to the financial statements of the parent company 'PAPERPACK-TSOUKARIDIS J. S.A.' also include those of the subsidiaries: a) 'EUROKTISMA S.A.' and b) 'FOKA BROS S.A.'.
2. On 16/5/2001 the procedures for absorption of the company 'LEONARDOS GRAPHIC ARTS S.A.' in accordance with Law 2166/1993 were completed.
3. There are no liens affecting the consolidated companies' real estate property.
4. The average number of staff employed is 195.
5. Consolidation of all companies above was done using the total integration method.
6. For reasons of comparability consolidation of the aforementioned companies during the 2000 period was also done using the same method.
7. There are no pending judicial disputes or arbitration cases against the Company or court rulings or arbitration awards which could have significant repercussions on its financial status or operation of the business.
8. The sum of 39,221,094 GRD was subtracted from the consolidated turnover and cost of goods sold which relates to intra-group transactions and the sum of 17,356,170 GRD was subtracted from the claims and liabilities which relates to intra-group claims and liabilities respectively.
9. Securities include: a) shares of companies listed on the ASE valued at their current price, namely 112,671,137 GRD, b) Mutual Fund units valued at their current price, namely 179,334,089 GRD, c) treasury stock valued at its acquisition cost, namely 500,571,973 GRD and shown in the balance sheet as 187,739,730 GRD in assets account (DIII Securities) and 312,832,243 GRD from a reduction in owners' equity.
10. The companies included in the consolidation have been audited for taxation purposes up to and including 1999 apart from the company FOKAS BROS S.A. which has been audited for taxation purposes up to and including the 2000 accounting period.
11. By means of resolution of the General Meeting of shareholders of the parent company on 05/07/2000 it was decided to list the shares of the company on the parallel market of the Athens Stock Exchange and increase its share capital by public offering and private placement for 111,000,000 GRD. 555,000 new ordinary registered shares with a nominal value of 200 GRD each were issued and a sale price of 5,500 GRD each and a premium on capital stock worth 2,941,500,000 GRD was generated which was included in the liabilities account 'Reserves and other owners' equity accounts'. Certification of the increase by the Board of Directors of the Company was done on 04/10/2000. The period for exercising the offering option was 15/09/2000-19/09/2000 and issue expenses were around 200,000,000 GRD. The total capital raised was 3,052,500,000 GRD and the date of listing of the new shares on the stock exchange was 19/10/2000. Distribution of the capital raised by the last share capital increase was completed at the end of the last quarter of 2000. The table on capital raised was published on 28/02/2001 in the newspapers "TA NEA" and "KERDOS".
12. By means of resolution of the General Meeting of shareholders of the parent Company on 29/06/2001 it was decided a) to increase the share capital by 570,741,250 GRD by capitalizing part of the premium on capital stock reserve, b) to increase the nominal value of shares in the company from 200 GRD to 340.75 GRD, c) to convert to the share capital and nominal value of shares into Euro in accordance with provisions of law 2842/2000. Certification of the increase was done by the

Company's Board of Directors on 04/07/2001. At its meeting on 26th July 2001 the Board of Directors of the ASE was informed about the aforementioned increase and conversion of share capital and nominal value of the share into Euro. As of Monday 30th July 2001 shares of the company have been traded on the Athens Stock Exchange at their new nominal value of 340.75 GRD (1.00 Euro)

13. Goodwill worth 716,832,541 GRD was generated by absorption of 'LEONARDOS GRAPHIC ARTS S.A.' and appears in the asset account CI as goodwill. This goodwill was depreciated by 143,366,508 GRD. For reasons of compatibility, the financial statements for the 2000 accounting period were readjusted due to absorption of the company "LEONARDOS S.A."
14. The last readjustment in the Company's fixed assets was carried out during the 2000 accounting period in accordance with the provisions of law 2065/1992.
15. The breakdown of sales per category of financial activity in accordance with the four digits classification of financial activity sectors in STAKOD 91 is 21.21 - manufacture of corrugated paper and cardboard and merchandise containers made of paper and cardboard, 5,746,641,477 GRD, Code 51.47 - wholesale trade in other household use items 205,256,863 GRD and code 74.40 - advertising 40,918,904 GRD.

The main comments made by the ordinary certified auditor-accounted for the 2001 accounting period were as follows:

1. The consolidated results for the period were charged with foreign exchange losses of 6,265,970 GRD which were generated by the valuation of liabilities in Euro as of 31.12.2000 in implementation of the provisions of article 7 of Law 2842/2000 which should have been charged to the expenses for the 2000 accounting period.
2. The assets account 'B. establishment expenses' includes the amount of 61,522,847 GRD which relates to the undepreciated remainder of the provision for personnel compensation for the absorbed company "Leonardos Graphic Arts S.A." which should have been charged to the results of the accounting period.
3. On the basis of the taxation provisions in article 37 of Law 2874/29.12.2000, the results of the current accounting period were charged with the sum of 42,586,191 GRD which have arisen from valuation of shares on the Athens Stock Exchange on 31.12.2000 which should have been charged to the expenses for the 2000 accounting period.
4. The goodwill generated by absorption of the subsidiary company 'Leonardos Graphic Arts S.A.' of 716,832,541 GRD was entered into the assets account 'C.I intangible assets' and the depreciation corresponding to the accounting period worth 143,366,580 GRD is shown in the balance sheet liabilities account 'Depreciation and other owners' equity accounts' as reducing the owner's equity, without an equivalent amount having been charged to the results for the period.
5. The parent company made provisions for decline in the value of securities as of 31.12.2001 worth 164,248,311 GRD which were shown in the balance sheet liabilities account 'A.II Reserves and other owners' equity accounts' as reducing the owners' equity, without having been charged to the results for the period.

According to the certificate of the certified auditor, having regard to the aforementioned remarks, as well as the notes cited by the company, the aforementioned consolidated financial statements, have been drawn up on the basis of the provisions of Codified Law 2190/1920 and depict the assets and financial standing of the Companies included in the consolidation as of 31st December 2001 as well as the results for the period ended on that date, as well as the cash flows from the activities of all companies on the basis of the relevant provisions and accounting principles which apply and which are generally accepted and which do not differ from those applied by the parent company during the previous year.

**5.5 CONSOLIDATED FINANCIAL STATEMENT****CONSOLIDATED BALANCE SHEET DATA**

<b>ASSETS</b>	<b>2001</b>	<b>2000</b>	<b>2001</b>	<b>2000</b>
	<b>(in Million GRD)</b>	<b>(in Million GRD)</b>	<b>in '000 Euro</b>	<b>in '000 Euro</b>
Establishment expenses	763	663	2,239.2	1,945.7
Less: Accumulated Depreciation	364	223	1,068.2	654.4
<b>Undepreciated establishment expenses</b>	<b>399</b>	<b>440</b>	<b>1,171.0</b>	<b>1,291.3</b>
Intangible Assets	717	717	2,104.2	2,104.2
Less: Accumulated Depreciation	143	0	419.7	0.0
Undepreciated Intangible Assets	574	717	1,684.5	2,104.2
Tangible Assets	5,514	4,834	16,182.0	14,186.3
Less: Accumulated Depreciation	1,542	1,296	4,525.3	3,803.4
Undepreciated Tangible Assets	3,972	3,538	11,656.7	10,383.0
Participations & other Long-term financial assets	426	26	1,250.3	76.3
<b>Total fixed assets</b>	<b>4,972</b>	<b>4,281</b>	<b>14,591.4</b>	<b>12,563.4</b>
Stocks	1,210	960	3,551.0	2,817.3
Receivables	2,323	2,899	6,817.3	8,507.7
Securities	566	287	1,661.0	842.3
Cash	325	622	953.8	1,825.4
<b>Current Assets</b>	<b>4,424</b>	<b>4,768</b>	<b>12,983.1</b>	<b>13,992.6</b>
<b>Transit debit balances</b>	<b>15</b>	<b>69</b>	<b>44.0</b>	<b>202.5</b>
<b>Total assets</b>	<b>9,810</b>	<b>9,558</b>	<b>28,789.5</b>	<b>28,049.8</b>
<i>Debit Memo Accounts</i>	<i>31</i>	<i>2,088</i>	<i>91.0</i>	<i>6,127.7</i>
<b>LIABILITIES</b>				
Share Capital	1,382	811	4,055.8	2,380.0
Premium on capital Stock	2,371	2,942	6,958.2	8,633.9
Value reserve adjustments - Investment subsidies	93	284	273.0	833.5
Reserves	458	427	1,344.1	1,253.1
Results carried forward	40	105	117.4	308.1
Consolidation differences	(929)	(563)	-2,726.3	-1,652.2
Treasury stock acquired	(311)	0	-912.7	0.0
<b>Group owners' equity</b>	<b>3,104</b>	<b>4,006</b>	<b>9,109.3</b>	<b>11,756.4</b>
Less: Minority rights	627	664	1,840.1	1,948.6
<b>Total owners' equity</b>	<b>3,731</b>	<b>4,670</b>	<b>10,949.6</b>	<b>13,705.0</b>
<b>Provisions</b>	<b>102</b>	<b>50</b>	<b>299.3</b>	<b>146.7</b>
<b>Long-term liabilities</b>	<b>3,239</b>	<b>862</b>	<b>9,505.5</b>	<b>2,529.7</b>
Suppliers	1,071	839	3,143.1	2,462.2



	2001 (in Million GRD)	2000 (in Million GRD)	2001 in '000 Euro	2000 in '000 Euro
Bills & cheques outstanding	508	474	1,490.8	1,391.0
Banks. Short-term borrowing liabilities	625	2,132	1,834.2	6,256.8
Customer down payments	42	8	123.3	23.5
Dividends payable	51	122	149.7	358.0
Current installments of long-term obligations	0	0	0.0	0.0
Insurance and pension fund dues	307	274	901.0	804.1
Sundry creditors	110	99	322.7	290.5
<b>Total short-term liabilities</b>	<b>2,714</b>	<b>3,948</b>	<b>7,964.8</b>	<b>11,586.2</b>
<b>Transit credit balances</b>	<b>24</b>	<b>28</b>	<b>70.3</b>	<b>82.2</b>
<b>Total Liabilities</b>	<b>9,810</b>	<b>9,558</b>	<b>28,789.5</b>	<b>28,049.8</b>
<i>Debit Memo Accounts</i>	<i>31</i>	<i>2,088</i>	<i>91.0</i>	<i>6,127.7</i>

Note that conversion of financial figures from GRD to Euro (€) has been done on the basis of the official exchange rate which is 1 Euro = 340.75 GRD. Further note that the figures for 2000 were readjusted so as to be comparable due to absorption of LEONARDOS GRAPHIC ARTS S.A.

Following the remarks made by the Certified Auditor - Accountant set out in the certificate below the consolidated financial statements the adjusted results and owners' equity of the Group are as follows:

<b>GROUP READJUSTED RESULTS</b>				
	2001 in Million GRD	2001 in '000 Euro	2000 in Million GRD	2000 in '000 Euro
<b>BALANCE SHEET EARNINGS BEFORE TAX</b>	<b>392</b>	<b>1,150.4</b>	<b>456</b>	<b>1,338.2</b>
<b>Plus:</b> foreign exchange gains for the 2000 accounting period Law 2842/2000	6	17.6	-3	-8.8
<b>Plus:</b> Losses from valuation of securities for the 2000 accounting period Law 2842/2000	43	126.2	-170	-498.9
<b>Less:</b> Provisions for compensation of personnel of the absorbed company LEONARDOS S.A.	62	182.0	70	205.4
<b>Less:</b> Provisions for compensation of personnel of the subsidiary company FOKAS BROS S.A.	14	41.1	0	0.0
<b>Less:</b> Depreciation of Goodwill of the absorbed company LEONARDOS S.A.	143	419.7	0	0.0
<b>Less:</b> Provisions for value decline in securities for 2001	172	504.8	0	0.0
<b>READJUSTED RESULTS BEFORE TAX</b>	<b>50</b>	<b>146.6</b>	<b>213</b>	<b>625.1</b>
<b>Less:</b> Tax audit adjustments of the subsidiary company FOKAS BROS S.A.	0	0.0	3	8.8

	2001	2001	2000	2000
	in Million GRD	in '000 Euro	in Million GRD	in '000 Euro
<b>READJUSTED RESULTS BEFORE TAX AND AFTER TAX AUDIT ADJUSTMENTS</b>	50	146.6	210	616.3
Less: Minority shareholder ratio in readjusted results before tax	109	319.9	222	651.5
<b>NET GROUP READJUSTED RESULTS BEFORE TAX</b>	-59	-173.3	-12	-35.2

<b>GROUP READJUSTED OWNERS' EQUITY</b>				
	2001	2001	2000	2000
	in Million GRD	in '000 Euro	in Million GRD	in '000 Euro
<b>OWNERS' EQUITY IN PUBLISHED BALANCE SHEET</b>	4,358	12,789.4	5,333	15,650.8
Plus: foreign exchange gains For the 2000 accounting period Law 2842/2000	6	17.6	-3	-8.8
Plus: Losses from valuation of securities For the 2000 accounting period Law 2842/2000	43	126.2	-170	-498.9
Less: Provisions for compensation of personnel of the absorbed company LEONARDOS S.A.	62	182.0	70	205.4
Less: Losses from valuation of securities of the subsidiary company FOKAS BROS S.A.	8	23.5	0	0.0
Less: Tax audit adjustments of the subsidiary company FOKAS BROS S.A.	0	0.0	3	8.8
<b>TOTAL READJUSTED OWNERS' EQUITY</b>	4,337	12,727.7	5,087	14,928.9
<b>READJUSTED MINORITY RIGHTS</b>	627	1,840.1	662	1,942.8
<b>READJUSTED GROUP OWNERS' EQUITY</b>	3,710	10,887.6	4,425	12,986.1
	2001	2001	2000	2000
	in GRD	in Euro	in GRD	in Euro
<b>READJUSTED GROUP SHARE BOOK VALUE*</b>	915	2.7	1,091	3.2

\* The readjusted book value of the Group share has been calculated on the basis of the readjusted owners' equity of the Group and the number of shares at the end of each period.

## 5.6 COMPANY RESULTS AND CONSOLIDATED RESULTS PER SHARE

### PAPERPACK - TSOUKARIDIS J. S.A.'S MAIN FINANCIAL RESULTS:

MAIN FINANCIAL RESULTS	2001 (Million GRD)	2000 (Million GRD)	2001 ('000 Euro)	2000 ('000 Euro)
Total Turnover	4,608	4,310	13,523.1	12,648.6
Gross Profit	1,452	1,209	4,261.2	3,548.1
Operating result (before depreciation)	764	635	2,242.1	1,863.5
EBITDA	1,056	855	3,099.0	2,509.2
Earnings before depreciation and tax	829	608	2,432.9	1,784.3
Profit for the period before tax	203	211	595.7	619.2
Profit after tax and Directors' fees	129	84	378.6	246.5
Profits after tax, directors' fees and prior period tax audit adjustments	129	75	378.6	220.1
Dividend	0	122	0.0	358.0
Weighted number of shares	4,055,000	3,685,000	4,055,000	3,685,000
Number of shares at year end	4,055,000	4,055,000	4,055,000	4,055,000
DATA PER SHARE <sup>(1)</sup>	2001 GRD	2000 GRD	2001 Euro	2000 Euro
Earnings before depreciation and tax	204	165	0.60	0.48
Profit for the period before tax	50	57	0.15	0.17
Profit after tax and directors' fees	32	23	0.09	0.07
Profit after tax, directors' fees and prior period tax audit adjustments	32	20	0.09	0.06
Dividend per share	0	30	0.00	0.09

Note that conversion of financial figures from GRD to Euro (€) has been done on the basis of the official exchange rate which is 1 Euro = 340.75 GRD.

Notes:

<sup>(1)</sup> Based on the weighted number of shares

### THE PAPERPACK - TSOUKARIDIS J. GROUP S.A. MAIN FINANCIAL RESULTS:

MAIN FINANCIAL RESULTS	2001 (Million GRD)	2000 (Million GRD)	2001 ('000 Euro)	2000 ('000 Euro)
Total Turnover	6,174	5,757	18,118.6	16,895.1
Gross Profit	1,986	1,632	5,828.1	4,789.4
Operating result (before depreciation)	1,013	898	2,972.9	2,635.4
EBITDA	1,310	1,136	3,844.5	3,333.8
Earnings before depreciation and tax	1,087	894	3,190.0	2,623.6
Profit for the period before tax	392	455	1,150.4	1,335.3
Profit for the period before tax & after minority rights	269	282	789.4	827.6
Weighted number of shares	4,055,000	3,685,000	4,055,000	3,685,000
Number of shares at year end	4,055,000	4,055,000	4,055,000	4,055,000

<b>DATA PER SHARE <sup>(1)</sup></b>	<b>2001 GRD</b>	<b>2000 GRD</b>	<b>2001 Euro</b>	<b>2000 Euro</b>
Earnings before depreciation and tax	268	243	0.79	0.71
Profit for the period before tax	97	123	0.28	0.36
Profit for the period before tax & after minority rights	66	77	0.19	0.22

Note that conversion of financial figures from GRD to Euro (€) has been done on the basis of the official exchange rate which is 1 Euro = 340.75 GRD.

Notes:

<sup>(1)</sup> Based on the weighted number of shares

## 5.7 INTRA-GROUP TRANSACTIONS

PAPERPACK-TSOUKARIDIS J. S.A.'s intra-group transactions on 31/12/2001 and 31/12/2000 with its subsidiaries are set out in the following tables:

<b>INTRA-GROUP TRANSACTIONS 2001 AND 2000 IN GRD</b>				
<b>TO</b>	<b>2001</b>		<b>2000</b>	
	<b>TURNOVER</b>	<b>DEBIT BALANCE</b>	<b>TURNOVER</b>	<b>DEBIT BALANCE</b>
LEONARDOS S.A. <sup>(1)</sup>	26,932,912	0	88,012,057	0
PROMOCARTON S.A. <sup>(2)</sup>	33,749,864	14,673,101	70,662,601	2,678,600
EUROKTISMA S.A. <sup>(2)</sup>	1,500,000	0	0	0
FOKAS BROS S.A. <sup>(2)</sup>	3,971,230	2,863,069	6,720,340	2,153,487
<b>TOTAL</b>	<b>66,154,006</b>	<b>17,536,170</b>	<b>165,394,998</b>	<b>4,832,087</b>
<b>FROM</b>	<b>TURNOVER</b>	<b>CREDIT BALANCE</b>	<b>TURNOVER</b>	<b>CREDIT BALANCE</b>
LEONARDOS S.A. <sup>(1)</sup>	70,845,694	0	131,057,697	20,546,270
PROMOCARTON S.A. <sup>(2)</sup>	0	0	332,000	0
<b>TOTAL</b>	<b>70,845,694</b>	<b>0</b>	<b>131,389,697</b>	<b>20,546,270</b>

<sup>(1)</sup> The sum of 97,778,606 GRD was subtracted from the turnover and cost of goods sold which relates to intra-group transactions with the absorbed company 'LEONARDOS S.A.' for the period from 1/1/2001 to 28/5/2001.

<sup>(2)</sup> The sum of 39,221,094 GRD was subtracted from the consolidated turnover and cost of goods sold which relates to intra-group transactions with the companies FOKAS BROS S.A., EUROKTISMA S.A. and PROMOCARTON S.A. while the sum of 17,356,170 GRD was subtracted from the claims and liabilities which relates to intra-group claims and liabilities in respect of the companies FOKAS BROS S.A., EUROKTISMA S.A. and PROMOCARTON S.A.

# Information relating to management, administration and supervision

## 6.1 MEMBERS OF THE BOARD OF DIRECTORS

The Board of Directors of the Company was formed as a body by means of Minutes of the Board dated 17.04.2002 and was elected in accordance with the resolution of the Ordinary General Meeting of shareholders on 29.06.1999. It consists of 7 members serving for a 3-year period ending in 2002 as follows:

NAME	POSITION ON BOARD	CAPACITY
John Tsoukaridis	Chairman & CEO	Businessman
Beatrice Tsoukaridis	Vice Chairman	Businesswoman
Stamatis Ginosatis	Member	Businessman
George Oratis	Member	Private employee
Korina Fasouli - Grafanaki	Member	Lawyer
Dimitrios Hatzis	Member	Private employee
Dimitrios Panagiotakis	Member	Private employee

It should be noted that Mr. Stamatis Ginosatis was elected in replacement of Mr. George Taniskidis who resigned. Election was effected by means of resolution of the Board of Directors of the company at its meeting on 17.04.2002. The election is valid for the remaining period in office of the Board and will be confirmed by the Ordinary General Meeting on 27/06/2002. During the 2001 accounting period fees were paid to members of the Board in accordance with the resolution of the General Meeting of Shareholders dated 29.6.2001 worth 97.5 Million GRD with the lowest fee being 6.5 Million GRD and the highest being 84.5 Million GRD

There are no other forms of transaction between members of the Board and the Company.

On 31.12.2001 the Company employed 124 people and was run by a team of experienced executives, the chief of whom are:

EXECUTIVE	POSITION IN COMPANY
John Tsoukaridis	Chairman & CEO Managing Director
Christos Tolos	Commercial & Technical Director
George Oratis	Marketing & PR Director, Member of the Board
Panikos Panagiotou	Financial Director - Cost Accounting
Nikolaos Zetos	Accounting Director
Nicolas Sitaras	Investor Relations & Finance Director
John Horianopoulos	Plant A Director
Alexandros Anastasiadis	Plant B and Purchasing Director
Nikolaos Siemos	Quality Assurance Director

## SENIOR EXECUTIVES

### John Tsoukaridis

Chairman & CEO, Managing Director

55 years old

Graduate of the Athens Economic University, Dept. of Economic and Commercial Sciences. He began his career in the family company in 1973 immediately after graduation. He undertook complete control of the commercial division of the company and managed to achieve an ongoing increase in its customer base. In 1979 he assumed the role of Managing Director of the Company.

### Christos Tolos

Commercial & Technical Director

49 years old

Graduate of the Doxiadis School and has been active in the graphics arts field for 30 consecutive years. He has worked with 'PAPERPACK - TSOUKARIDIS J. S.A.' since 1979.

### George Oratis

Marketing & PR Director, Member of the Board

28 years old

Graduate of the University of Piraeus, Business Management and Administration Dept.

He has worked with the company since 1995 and his fields of expertise are R&D, marketing, exports and public relations.

### Panikos Panagiotou

Financial Director - Cost Accounting

57 years old

Graduate of the Athens Economic University and hold of a Systems Analysis Diploma from the Greek Productivity Centre. Employed with the company since 1986 he served as Financial Manager of the company FAMOUS Ltd. from 1983 to 1986.

### Nikolaos Zetos

Accounting Director

36 years old

Graduate of the University of Piraeus, Statistics & Insurance Sciences Dept., he is a member of the Economic Chamber of Greece. He has worked for the companies AGROPLAN Ltd. and AGROCOM Ltd as head of the accounts office. He has worked with the company since 1997.

**Nicolas Sitaras**

Investor Relations & Finance Director

29 years old

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

He has been with the company since January 1999.

**John Horianopoulos**

Plant A Director

43 years old

He has 23 years experience in similar companies in the sector.

He has been with the company since 1996.

**Alexandros Anastasiadis**

Plant B and Purchasing Director

32 years old

Holder of a degree in chemical engineering from the University of Patra Polytechnic School and a Msc Degree in Chemical Engineering from the University of Florida. He has worked in similar posts in Aluminium Attica S.A. and Gr. Sarandis S.A.

He has been with the company since May 2000.

**Nikolaos Siemos**

Quality Assurance Director

53 years old

Holder of a foreman - electrician degree (equivalent to a TEI degree). He worked as production supervisor with LEGRAND (electronics materials company) in Greece from 1981 to 1996. He has also worked as production supervisor with COMPUTER SCHLUMBERGER from 1971 to 1976 and as Office Manager with SCHLUMBERGER TECHNICAL SERVICES from 1976 to 1981.

He has been with the Company since 1997.

During the 2001 accounting period, the total annual gross salaries for Company senior executives set out above (not including the Board Member, George Oratis) amounted to 109.9 Million GRD, with salary levels ranging from 6.7 Million GRD to 36.3 Million GRD per annum.

Note that in addition to the salaries referred to above no other fee, business relationship or transaction existed or exists during the past or current year between the management, administrative and supervisory bodies of the company and the company itself.

The postal address for company executives in: 10-14 Nafpliou St., Metamorfosi, Attica, GR- 14452, Greece.

Note that during the 2001 accounting period members of the Company's Board of Directors did not receive any fees from subsidiaries. For the 2002 accounting period it is expected that members of the Company's board will not receive any fees from subsidiaries.

## 6.2 PARTICIPATIONS OF MEMBERS OF THE BOARD AND SENIOR EXECUTIVES ON THE BOARDS OF OTHER COMPANIES

The members of the Board and senior executives of PAPERPACK - TSOUKARIDIS J. S.A. participate in the following companies:

PARTICIPATIONS OF MEMBERS OF THE BOARD AND SENIOR EXECUTIVES IN OTHER COMPANIES			
BOARD MEMBER OR SENIOR EXECUTIVE	COMPANY	POSITION ON BOARD	% HOLDING
John Tsoukaridis	FOKAS BROS S.A.	Member	-
	Promocarton S.A.	Chairman	50,00%
	Euroktisma S.A.	Chairman	1,00%
	Vikmar Ltd.	Administrator	33,33%
	Benmar Ltd.	Administrator	25,00%
	Gavrileidou M. & Partners Ltd.	Administrator	25,00%
	Levi M. - J. Tsoukaridis & Partners Ltd.	Administrator	25,00%
	Tsoukaridis J. & A. Ltd.	Administrator	50,00%
	Gavrileidou M. - J. Tsoukaridis & Partners Ltd.	Administrator	25,00%
	Boyiaki E. & Partners Ltd.	Joint Administrator	37,50%
	Eleni Boyiaki - J. Tsoukaridis & Partners Ltd.	Joint Administrator	37,50%
	Tsoukaridis J. & Partners Ltd.	Administrator	3,33%
	Ioannis Deimezis Ltd.	Administrator	12,50%
	Apostolatou M. & Partners Ltd.	Administrator	16,67%
Marianna Tsekou & Partners Ltd.	Member	16,00%	
Vlachos Bros S.A.	Chairman	-	
Beatrice Tsoukaridis	Apostolatou M. & Partners Ltd.	Member	16,67%
	Tsoukaridis J. & Partners Ltd.	Administrator	30,00%
	Euroktisma S.A.	Vice Chairperson	-
Stamatis Ginosatis	Sporos S.A.	Member	-
	Ilyda S.A.	-	10%
	Sporos Northern S.A.	Director	-
George Oratis	Promocarton S.A.	CEO	-
	FOKAS BROS S.A.	Member	-
Korina Fasouli - Grafanaki	Promocarton S.A.	Member	-
	Euroktisma S.A.	Member	-
	Elanius S.A.	Member	15%
	Teletel S.A.	Member	-
	FOKAS BROS S.A.	Member	-
Dimitrios Hatzis	Multimedia S.A.	Vice Chairman	-
	DOL Digital S.A.	Vice Chairman	-
	Dataforms S.A.	Member	-
	Mellon Group S.A.	Member	-
	Traana Travel S.A.	Vice Chairman	-
	Epikinoniaki Press S.A.	Member	-
	Angelidis - Georgakopoulos S.A.	Vice Chairman	-
	Idikes Press S.A.	CEO	-
	Northern Greece Press S.A.	Member	-
	IRIS S.A.	CEO	-
	Phoenix S.A.	CEO	-
	Studio ATA. S.A.	Member	-
	MC Hellas S.A.	Vice Chairman & CEO	-
	Odeon S.A.	Member	-
	In Market Place S.A.	Member	-
	Digital Press Hellas S.A.	Member	-
	Hellenic Letters S.A.	Vice Chairman	-
Ramnet S.A.	Vice Chairman	-	



<b>PARTICIPATIONS OF MEMBERS OF THE BOARD AND SENIOR EXECUTIVES IN OTHER COMPANIES</b>			
<b>BOARD MEMBER OR SENIOR EXECUTIVE</b>	<b>COMPANY</b>	<b>POSITION ON BOARD</b>	<b>% HOLDING</b>
	Ramnet Shop S.A.	Vice Chairman	-
	Net on line S.A.	Vice Chairman	-
	In Travel S.A.	Vice Chairman	-
	In Health S.A.	Member	-
	Athenaika Nea S.A.	Vice Chairman	-
	Fterotos Hermes S.A.	Chairman	-
	Action Plan S.A.	Vice Chairman	-
	Nea Aktina S.A.	Member	-
	Expo Plan S.A.	Vice Chairman & CEO	-
	Eurostar S.A.	Vice Chairman	-
	Hearst DOL Press Ltd.	Administrator	-
<b>Dimitrios Panagiotakis</b>	Phoenix S.A.	Member	-
	Idikes Press S.A.	Member	-
	Multimedia S.A.	Member	-
	Action Plan S.A.	Member	-
	Eurostar S.A.	Member	-
	DOL Digital S.A.	Member	-
	Action Plan HR S.A.	Member	-

Apart from the above companies the board members and main shareholders of the Company state that they do not participate on the Board or in the share capital of other companies by a degree greater than 10% nor do they exert influence or have any relations with other companies apart from the above and those referred to in the chapter on subsidiaries. Note that the Company's Financial Director, Mr. Panikos Panagiotou has a 40% in the company I. GOUNIS - P. PANAGIOTOU Ltd. with which the Company has dealings. Moreover, there is no business relationship, agreement, contract or transaction between the Company and companies in whose share capital or on whose Boards the Members of its Board of Directors and/or main shareholders of the Company and/or senior executive participate apart from those referred to in Chapter 7.

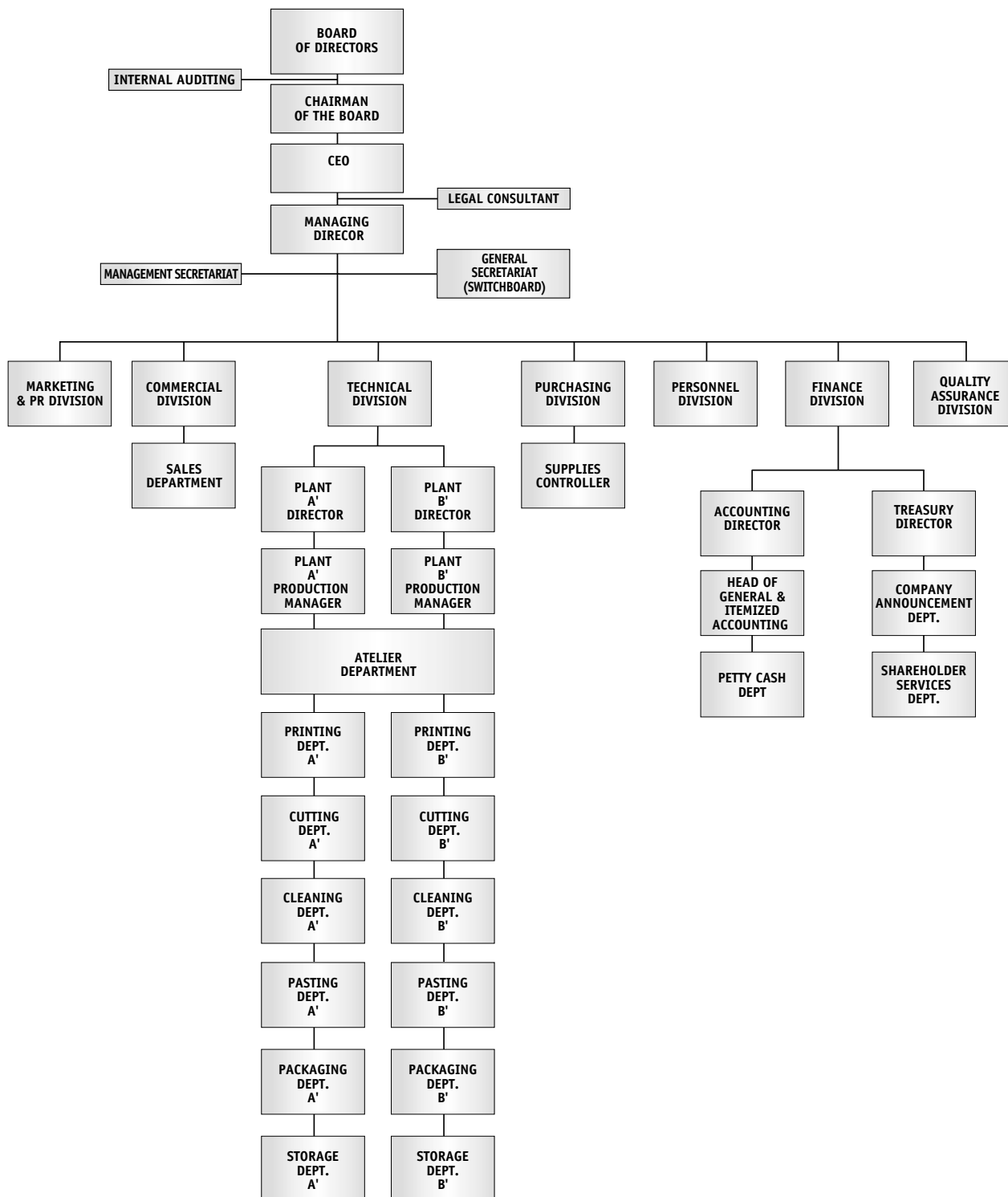
### **6.3 PERSONS OBLIGED TO NOTIFY INTENTION TO TRANSACT ON THE BASIS OF THE PROVISIONS OF ARTICLE 8 OF CAPITAL MARKET COMMISSION DECISION NO. 5/204/14.11.2000**

<b>CAPACITY</b>	<b>NAME</b>
<b>Members of the Board of Directors paid for providing services and senior executives</b>	
Chairman & CEO, Managing Director	John Tsoukaridis
Vice Chairperson of the Board, Personnel Director	Beatrice Tsoukaridis
Marketing & PR Director, Member of the Board	George Oratis
Financial Director - Cost Accounting	Panikos Panagiotou
Accounting Director	Nicolas Zetos
Investor Relations & Finance Director	Nicolas Sitaras
Certified auditor	George Paraskevopoulos
Head of internal auditing	Penelope Papamichael
Head of shareholder services	Nicolas Sitaras
Head of Company announcements	Nicolas Sitaras
<b>Shareholders with holdings above 20% in the share capital</b>	<b>LAMBRAKIS PRESS GROUP S.A.</b>
<b>Subsidiaries</b>	<b>EUROKTISMA S.A.</b>
	<b>FOKAS BROS S.A.</b>
	<b>PROMOCARTON S.A.</b>
	<b>VLACHOS BROS S.A.</b>

Note that the new Board of Directors of the Company which will be elected by resolution of the General Meeting of Shareholders on 27/06/02 will appoint a replacement for Mrs. Papamichael as head of internal auditing.

## 6.4 MEMBERS OF MANAGEMENT AND SUPERVISION BODIES

The Company's organizational chart is set out below:



## **6.5 LOANS, GUARANTEES TO MEMBERS OF MANAGEMENT, ADMINISTRATION AND SUPERVISION BODIES**

There are no loans or guarantees to members of management, administration and supervision bodies of the Company apart from those falling within its scope, falling within its day-to-day activities and which have been approved by the competent bodies.

# Companies in the Paperpack - Tsoukaridis J. S.A.

## 7.1 COMPANIES CONSOLIDATED DURING 2001

### 7.1.1 EUROKTISMA S.A.

EUROKTISMA S.A. was established in May 1999. The registered offices of the Company are in the Municipality of Athens at 16 Panepistimiou St. The Company's term is 50 years.

Its corporate scope of activities is all activities and all services relating to real estate property such as purchase, sale, development, agency, running of hotel and tourist businesses, etc. as well as participation in existing and newly established companies.

The Board of Directors of the Company was appointed by the Ordinary General Meeting of shareholders on 29/06/2001 to serve for a three-year period. It was formed into a body on 29/06/2001 by minutes to this effect as consists of the following persons:

NAME	POSITION
John Tsoukaridis	Chairman and CEO
Beatrice Tsoukaridis	Vice Chairman
Petros Tsoukaridis	Member
Aristidis Kondoangelos	Member
Korina Fassouli - Grafanaki	Member

The initial share capital (Government Gazette 2797/21.05.1999) of the Company was set at 500,000,000 GRD divided into 50,000 unregistered shares with a nominal value of 10,000 GRD each.

The Ordinary General Meeting of shareholders on 29/06/2001 (Government Gazette 9182/17.10.2001) decided to increase the share capital of the Company to 511,125,000 GRD and the nominal value of the share to 10,222.5 GRD each.

It also decided to convert the share capital and nominal value of the shares in the Company into Euro.

In this way the share capital of the Company stood at 1,500,000 Euro divided into 50,000 unregistered shares with a nominal value of 30 Euro each. The composition of the Company's share capital is as follows:

SHAREHOLDER	NO. OF SHARES	%
PAPERPACK-TSOUKARIDIS J. S.A.	49,500	99%
John Tsoukaridis	500	1%
Total	50.000	100%

The summary financial results for the period and balance sheet figures for the Company for the 2001 and 2000 accounting periods are as follows:

BALANCE SHEET ITEMS	(Million GRD)		('000 Euro)	
	31/12/2001	31/12/2000	31/12/2001	31/12/2000
<b>Assets</b>				
Undepreciated establishment expenses	9	12	26	35
Total fixed assets	471	50	1,382	147
<b>Total current assets</b>	<b>18</b>	<b>431</b>	<b>53</b>	<b>1,265</b>
Transit debit balances	0	0	0	0
<b>Total assets</b>	<b>498</b>	<b>493</b>	<b>1,461</b>	<b>1,447</b>
<b>Liabilities</b>				
Owners' equity	498	493	1,461	1,447
Provisions	0	0	0	0
Long-term liabilities	0	0	0	0
Total short-term liabilities	0	0	0	0
Transit credit balances	0	0	0	0
<b>Total Liabilities</b>	<b>498</b>	<b>493</b>	<b>1,461</b>	<b>1,447</b>
<b>RESULT ITEMS</b>	<b>(Million GRD)</b>		<b>('000 Euro)</b>	
	<b>2001</b>	<b>2000</b>	<b>2001</b>	<b>2000</b>
Turnover	0	0	0	0
Gross profit	0	0	0	0
Operating result	-3	-1	-9	-3
Earnings before tax	-7	-7	-21	-21
Earnings after tax and directors' fees	0	0	0	0

The Company did not distribute dividends for the 2001 accounting period.

Note that:

- The value of EUROKTISMA S.A. entered in PAPERPACK-TSOUKARIDIS J. S.A.'s books stands at 506,013,750 GRD.
- The third party ratio over shares of EUROKTISMA S.A. is 4,976,274 GRD.

In March 2001 the Company acquired 50% of the company PROMOCARTON S.A. for the total price of 420,000,000 GRD and participated in the share capital increase of PROMOCARTON S.A. by 1,112,500 GRD. The value of this participation entered in the books of the Company is 421,112,500 GRD and the intrinsic value is 63,750,239 GRD.

**7.1.2 PROMOCARTON S.A.**

PROMOCARTON S.A. was established in October 1998. The registered offices of the Company are in the Municipality of Metamorfoosi at 10-14 Nafpliou St. The company's term is 50 years. Its corporate scope of activities is the design and trade in supports, exhibition kiosks and paper and other shop window items, the provision of financial and business consultancy services, the preparation of studies and all manner of imports, exports, & dealerships.

The Board of Directors of the Company appointed by the Ordinary General Meeting of the Company on 30/06/2000 was formed into a body on 30/06/2000 by minutes to this effect as consists of the following persons:

<b>NAME</b>	<b>POSITION</b>
John Tsoukaridis	Chairman
Christos Tolos	Vice Chairman
George Oratis	CEO
Nikolaos Apergis	Member
Korina Fassouli - Grafanaki	Member

The initial share capital of the Company was 20,000,000 GRD divided into 2,000 shares with a nominal value of 10,000 GRD each.

By means of resolution of the Extraordinary General Meeting of shareholders on 03/07/2000 (Government Gazette 11100/4.12.2000) the share capital of the Company was increased to 100,000,000 GRD divided into 10,000 shares with a nominal value of 10,000 GRD each.

On 29/06/2001 the Ordinary General Meeting of shareholders (Government Gazette 10202/16.11.2001) decided to increase the share capital to 102,225,000 GRD and the nominal value of the share to 10,222.5 GRD each.

In this way the share capital of the Company stood at 300,000 Euro divided into 10,000 unregistered shares with a nominal value of 30 Euro each. The composition of the Company's share capital is as follows:

<b>Shareholder</b>	<b>No. of shares</b>	<b>%</b>
John Tsoukaridis	5,000	50%
EUROKTISMA S.A.	5,000	50%
<b>TOTAL</b>	<b>10,000</b>	<b>100%</b>

The summary financial results for the period and balance sheet figures for the Company for the 2001 and 2000 accounting periods are as follows:

BALANCE SHEET ITEMS	(Million GRD)		('000 Euro)	
	31/12/2001	31/12/2000	31/12/2001	31/12/2000
<b>Assets</b>				
Undepreciated establishment expenses	1	1	3	3
Total fixed assets	33	39	97	114
<b>Total current assets</b>	<b>182</b>	<b>213</b>	<b>534</b>	<b>625</b>
Transit debit balances	0	0	0	0
<b>Total assets</b>	<b>216</b>	<b>253</b>	<b>634</b>	<b>742</b>
<b>Liabilities</b>				
Owners' equity	128	120	376	352
Provisions	1	1	3	3
Long-term liabilities	0	0	0	0
Total short-term liabilities	87	132	255	387
Transit credit balances	0	0	0	0
<b>Total Liabilities</b>	<b>216</b>	<b>253</b>	<b>634</b>	<b>742</b>
<b>RESULT ITEMS</b>	<b>(Million GRD)</b>		<b>('000 Euro)</b>	
	<b>2001</b>	<b>2000</b>	<b>2001</b>	<b>2000</b>
Turnover	241	239	707	701
Gross profit	85	67	249	197
Operating result	17	26	50	76
Earnings before tax	9	26	26	76
Earnings after tax and directors' fees	5	18	15	53

The Company did not distribute dividends for the 2001 accounting period.

The third party ratio over shares of PROMOCARTON S.A. is 63,750,239 GRD

### 7.1.3. FOKAS BROS S.A.

The Company FOKAS BROS S.A. was founded in August 1996 (Government Gazette 5696/07.08.1996). The registered offices of the company are in Aspropyrgos Attica (17th Km Athens - Corinth National Road). The company's term is 99 years. Its corporate scope of activity is the manufacture and trade in packaging products and other related items.

The Board of Directors of the company was elected on 28/11/2000 by the General Meeting and formed into a body means of the minutes dated 29/11/2000. It consists of the following persons:

NAME	POSITION
Nikolaos D Fokas	Chairman and CEO
Nikolaos G. Fokas	Vice Chairman
Athanasios G. Fokas	Member
John D. Fokas	Member
John Tsoukaridis	Member
George Oratis	Member
Korina Fasouli-Grafanaki	Member

The initial share capital of the Company was 10,000,000 GRD divided into 10,000 shares with a nominal value of 1,000 GRD each. The current share capital of the company is 250,000,000 GRD divided into 250,000 shares worth 1,000 GRD each (Government Gazette 11745/22.12.2000).

The composition of the Company's share capital is as follows:

SHAREHOLDER	NO. OF SHARES	%
PAPERPACK-TSOUKARIDIS J. S.A.	87,500	35.00%
Nikolaos D. Fokas	40,625	16.25%
Nikolaos G. Fokas	40,625	16.25%
Athanasios G. Fokas	40,625	16.25%
John D. Fokas	40,625	16.25%
<b>TOTAL</b>	<b>250,000</b>	<b>100.00%</b>

The summary financial results for the period and balance sheet figures for the Company for the 2001 and 2000 accounting periods are as follows:

BALANCE SHEET ITEMS	(Million GRD)		('000 Euro)	
	31/12/2001	31/12/2000	31/12/2001	31/12/2000
<b>Assets</b>				
Undepreciated establishment expenses	1	1	3	3
Total fixed assets	547	377	1,605	1,107
<b>Total current assets</b>	<b>968</b>	<b>1,188</b>	<b>2,841</b>	<b>3,486</b>
Transit debit balances	0	8	0	23
<b>Total assets</b>	<b>1,516</b>	<b>1,574</b>	<b>4,449</b>	<b>4,619</b>
<b>Liabilities</b>				
Owners' equity	860	843	2,524	2,474
Provisions	0	0	0	0
Long-term liabilities	0	0	0	0



	(Million GRD)		('000 Euro)	
	31/12/2001	31/12/2000	31/12/2001	31/12/2000
Total short-term liabilities	656	731	1,925	2,145
Transit credit balances	0	0	0	0
Total Liabilities	1,516	1,574	4,449	4,619
RESULT ITEMS	(Million GRD)		('000 Euro)	
	2001	2000	2001	2000
Turnover	1,365	1,286	4,006	3,774
Gross profits	409	338	1,200	992
Operating results	236	239	693	701
Earnings before tax	187	226	549	660
Earnings after tax and directors' fees	67	102	197	299

During 2001 the company distributed dividends worth a total of 50,000,000 GRD.

- The value of FOKAS BROS S.A. entered in PAPERPACK-TSOUKARIDIS J. S.A.'s books is 820,000,000 GRD.
- The third party ratio over shares of FOKAS BROS S.A. is 559,298,181 GRD.

## 7.2 COMPANIES IN WHICH PAPERPACK-TSOUKARIDIS J. S.A. OWNS MORE THAN 10% OF THE SHARE CAPITAL

### 7.2.1 VLACHOS BROS S.A.

The company VLACHOS BROS S.A. was established in 1996 (Government Gazette 211/15.1.1996). The registered offices of the company are in the Municipality of Koropi. The term of the company is 50 years.

Its corporate scope of activities is industrial manufacturing and trade in packaging items.

The Board of Directors of the company was elected by the General Meeting on 17/4/2001 and formed into a body by means of minutes dated 18/4/2001 and consists of the following persons:

NAME	POSITION
John Tsoukaridis	Chairman of the Board
Nikolaos Vlachos	Vice Chairman & CEO
Dimitrios Vlachos	Member & Deputy CEO
Asimina Ginosatis	Member
Vasilios Kyrou	Member

The initial share capital of the Company was 20,000,000 GRD divided into 2,000 shares with a nominal value of 10,000 GRD each. The current share capital is 80,000,000 GRD divided into 8,000 shares with a value of 10,000 GRD each.

The composition of the Company's share capital is as follows:

SHAREHOLDER	NO. OF SHARES	%
FLEXOPACK S.A.	3,520	44.00%
PAPERPACK-TSOUKARIDIS J. S.A.	1,680	21.00%
Nikolaos Vlachos	1,428	17.85%
Dimitrios Vlachos	1,372	17.15%
<b>TOTAL</b>	<b>8,000</b>	<b>100.00%</b>

The summary financial results for the period and balance sheet figures for the Company for the 2001 and 2000 accounting periods are as follows:

	31/12/2001 (Million GRD)	31/12/2000 (Million GRD)	31/12/2001 ('000 Euro)	31/12/2000 ('000 Euro)
Total assets	1,789	1,027	5,250	3,014
Owners' equity	515	106	1,511	311
Share capital	80	52	235	153
Reserves	0,3	0,3	1	1
Turnover	2,406	1,088	7,061	3,193
Earnings before tax	51	-42	150	-123

The company did not distribute dividends for the 2001 accounting period.

*Note that:*

- The value of VLACHOS BROS S.A. entered in PAPERPACK-TSOUKARIDIS J. S.A.'s books is 400,000,160 GRD.
- The third party ratio over shares of VLACHOS BROS S.A. is 406,567,388 GRD.

# Information about the Company's prospects

## 8.1 GOALS - PROSPECTS FOR PAPERPACK-TSOUKARIDIS J. S.A.

2002 is a year during which the restructuring moves made during the previous year will begin to show on the Company's results, the main move being the absorption of the subsidiary company LEONARDOS S.A. which brought about significant economies of scale and improved organization of production of the new company which arose. Moreover, the consolidated administrative structure both on a financial and commercial level has begun to generate greater performance and smoother operations. This can be seen already from the results of the first quarter during which turnover increased by 2% and earnings before tax increased by 2.581% compared to the previous year.

The primary goal of the Company is to grow at rapid rates in two central ways: a) organic growth via ongoing investments in new, technologically improved production machinery (reducing production costs) and increasing turnover (new customers, new products, increased exports) and b) growth via acquisitions, mergers and joint ventures. The aforementioned rapid growth will aid the competitiveness and viability of the Company in the ever more challenging global environment of paper packaging which for quite some time now has shown trends of concentration in the hands of a few multinational, vertically integrated groups of companies.

Thus for the current year the bolstering of the Company's production capacity will continue with new high-tech machinery. These new investments are intended to bring about an additional reduction in production costs since new technology machinery has higher per hour production rates while also increasing the volume of production. More specifically during 2002 a state-of-the-art printing press and a high-speed cutting machine will be acquired.

Another goal of the Company for the current year is not only to maintain but also to intensify its export activities. As can be seen already from the 1st quarter of 2002 exports will account for more than 23% of turnover this year. This comes as a result of intense efforts on the part of the Company in this sector since it believes that a high degree of export activity keeps the Company alert since it receives messages and monitors trends from the global market and thus develops and adapts to modern trends in paper packaging.

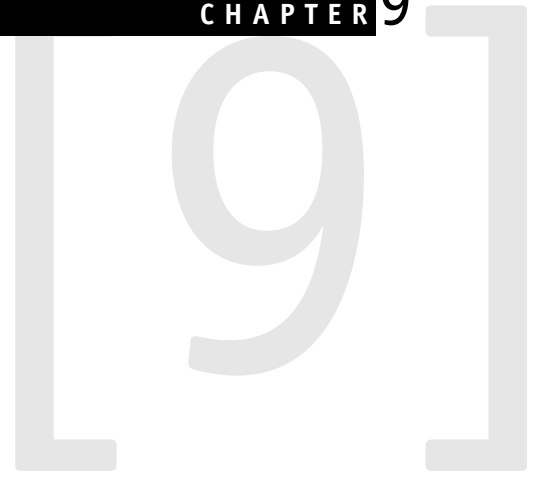
In relation to the company's general commercial policy additional emphasis is being placed on high added value products. These are packaging items which incorporate highly complex know-how in the manufacture and where there is no intense domestic competition.

In addition to products already manufactured, the Company intends to get involved in other production technologies so as to add to its range of products even more innovative products which will be channelled to the market.

In relation to possible joint ventures acquisitions and mergers the Company by already being the market leader in the carton packaging sector in Greece, closely monitors developments internationally and domestically and intends to make such moves when it considers it appropriate for its shareholders.

Finally it should be noted that the management to the company is constantly striving to generate additional share value for all its shareholders.

# Company and Group Financial Statements



Company and Group financial statements, the Board of Directors management reports on a consolidated and non-consolidated basis and the certified auditors-accountants' certificates are set out in the Annex.

# Cash flow statements



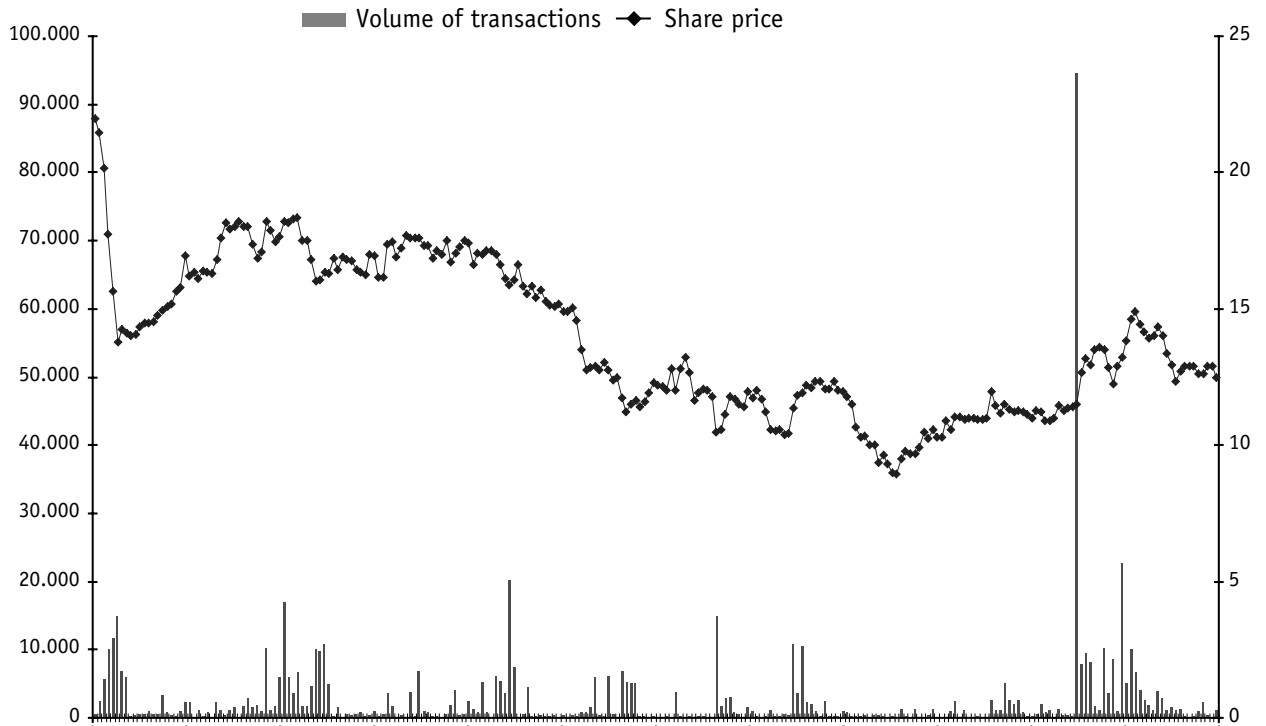
The annual cash flow statements on an ordinary and consolidated basis and the certified auditors-accountants' certificates are set out in the Annex.

# Development in stock market Price and volume of transactions For the Company share

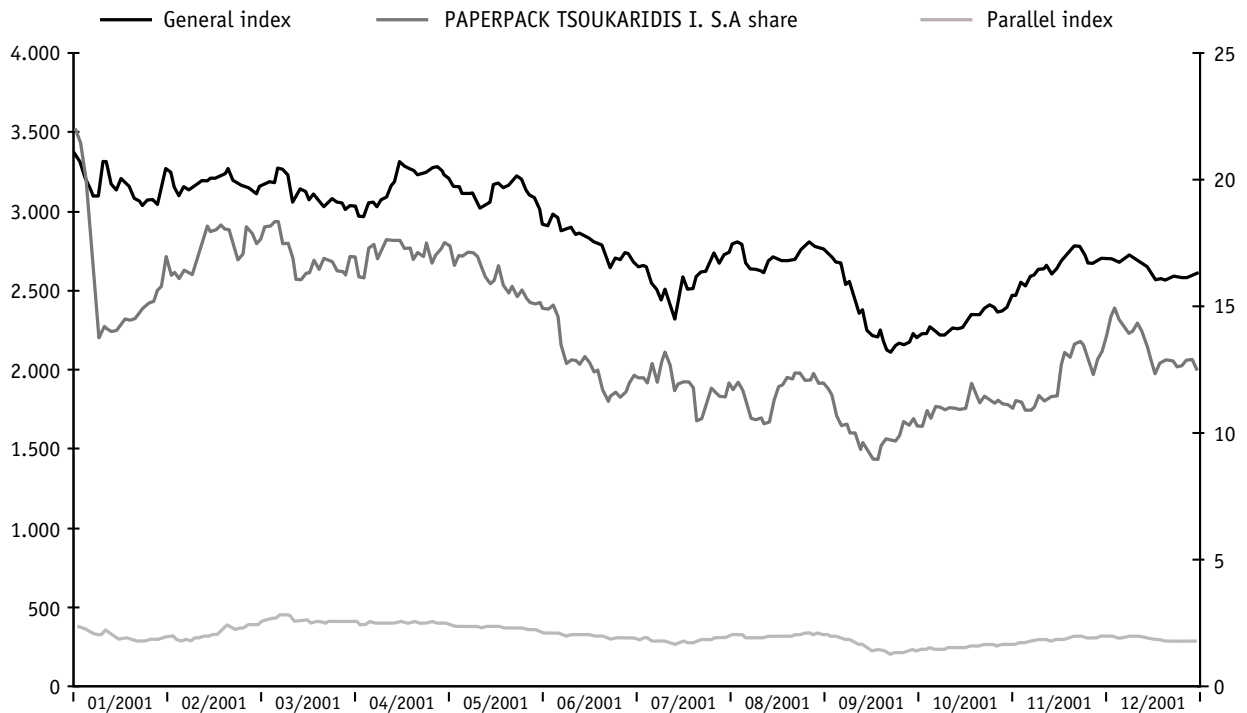
Shares of PAPERPACK - TSOUKARIDIS J. S.A. began being traded on the Athens Stock Exchange on 19/10/2000. The closing price of the share on the ASE at the last session of each month from January 2001 to December 2001, the volume of transactions and the value of the overall monthly volume of transactions are set out in the following table:

DATE	TOTAL VALUE OF TRANSACTIONS PER MONTH (IN '000 Euros)	TOTAL VOLUME OF TRANSACTIONS PER MONTH	CLOSING PRICE (IN Euros)
31/01/01	1,421,301	69,600	16.96
28/02/01	536,789	30,690	17.86
30/03/01	1,540,369	88,720	17.00
30/04/01	459,099	26,690	17.04
31/05/01	1,007,325	60,800	15.08
29/06/01	487,746	39,910	11.6
31/07/01	318,311	28,750	11.4
31/08/01	449,023	39,170	11.98
31/08/01	449,023	39,170	11.98
28/09/01	77,570	7,800	10.58
31/10/01	261,300	23,630	11.26
30/11/01	2,451,451	196,820	14.92
28/12/01	355,944	26,500	12.5

The diagram below shows the development in the price of PAPERPACK -TSOUKARIDIS J. S.A.'s share in relation to the volume of transactions involving its shares from 03/01/2001 to 28/12/2001.



The development in the price of PAPERPACK -TSOUKARIDIS J. S.A.'s share on the ASE in comparison with the performance of the General Index and the Parallel Market index is shown below:



The stock market capitalization of PAPERPACK - TSOUKARIDIS J. S.A. on 28/12/2001 was 50,687,500 Euros.

# Annex



- Financial statements of PAPERPACK-TSOUKARIDIS J. S.A. as of 31/12/2001 (including the Notes, Board of Directors Management Report, Company Auditors Report and Cash Flow Statement)
- Consolidated financial statements of PAPERPACK-TSOUKARIDIS J. S.A. as of 31/12/2001 (including the Notes, Board of Directors Management Report, Company Auditors Report and Cash Flow Statement)



# PAPERPACK®

## TSOUKARIDIS J. S.A

### Carton Packaging Industry

BALANCE SHEET DATED 31st DECEMBER 2001 - 6th accounting period (1st Jan. - 31st Dec. 2001)

Register of Companies No. 31597/06/8/96/101

#### ASSETS

	FIGURES FOR 2001		FIGURES FOR 2000		FIGURES FOR 2001 in EUR		FIGURES FOR 2000 in EUR	
	ACQUISITION VALUE	DEPRECIATION	UNDEPRECIATED VALUE	DEPRECIATION	UNDEPRECIATED VALUE IN EUR	UNDEPRECIATED VALUE IN EUR	DEPRECIATION IN EUR	NET VALUE IN EUR
<b>B</b>								
<b>1</b>	1,743,132	1,481,540	261,592	261,592	1,481,540	1,481,540	261,592	1,219,948
<b>2</b>	228,498,125	84,783,461	143,714,664	66,812,206	76,902,458	76,902,458	84,783,461	168,141,919
<b>3</b>	3,993,832,762	1,097,984,948	2,895,847,814	8,598,511,56	3,564,610,070	2,610,900,109	7,462,216,02	1,111,710,961
<b>4</b>	130,072,306	53,710,670	76,361,636	41,022,314	79,936,801	236,590,76	930,78	930,78
<b>5</b>	146,039,427	110,019,285	36,020,142	105,708,41	128,523,605	103,395,27	1,101,199,68	1,101,199,68
<b>6</b>	188,340,325	0	188,340,325	52,722,89	188,340,325	56,536,69	0	131,803,635
<b>7</b>	4,692,822,505	1,346,478,324	3,346,344,181	9,820,325,23	4,225,320,498	9,022,083,46	-915,980,76	146,500,018
<b>8</b>	5,609,655,046	1,489,844,827	3,919,810,219	11,593,478,13	4,942,153,039	3,791,107,542	429,936,36	429,936,36
<b>9</b>	1,726,013,910	5,065,337,96	1,726,013,910	3,899,134,26	1,315,000,000	3,899,134,26	0	1,315,000,000
<b>10</b>	22,803,384	66,921,16	22,803,384	67,976,14	1,338,169,002	1,338,169,002	0	1,338,169,002
<b>11</b>	17,468,817,294	5,132,259,12	12,336,558,172	3,927,128,40	15,052,892,55	15,052,892,55	0	15,052,892,55
<b>12</b>	5,666,627,468	16,835,737,25	11,172,364,713	15,052,892,55	15,052,892,55	15,052,892,55	0	15,052,892,55
<b>13</b>	188,556	360,381,381	188,556	188,556	188,556	188,556	0	188,556
<b>14</b>	624,635,906	1,057,553,58	1,833,120,78	211,867,996	569,796,507	671,789,61	547,49	671,789,61
<b>15</b>	3,985,304	1,057,553,58	1,833,120,78	6,391,392	1,672,183,44	1,672,183,44	0	1,672,183,44
<b>16</b>	999,140,147	2,802,858,83	999,140,147	2,802,858,83	786,242,451	15,052,892,55	0	786,242,451
<b>17</b>	1,079,329,038	4,922,063	1,079,329,038	1,442,213,985	4,232,469,51	1,111,139,351	3,260,863,83	3,260,863,83
<b>18</b>	208,898,022	4,922,063	208,898,022	4,922,063	4,130,623	4,130,623	12,122,15	4,130,623
<b>19</b>	799,274	209,886,266	799,274	209,886,266	316,472,242	928,756,93	0	316,472,242
<b>20</b>	8,742,149	0	8,742,149	0	6,850,000	20,102,71	0	6,850,000
<b>21</b>	41,526,851	50,189,000	147,289,80	48,347,832	297,854,235	874,119,55	0	297,854,235
<b>22</b>	2,968	2,968	2,968	2,968	107,741	316,25	0	107,741
<b>23</b>	1,707,215,882	5,010,171,33	1,707,215,882	5,010,171,33	17,386,557,212	8,096,279,42	0	17,386,557,212
<b>24</b>	259,160,237	182,000,000	68,160,237	68,160,237	68,160,237	68,160,237	0	68,160,237
<b>25</b>	188,587,829	164,248,311	24,339,518	465,497,795	1,386,103,46	1,386,103,46	0	1,386,103,46
<b>26</b>	1,386,103,46	1,386,103,46	1,386,103,46	1,386,103,46	271,558,150	796,962,48	0	271,558,150
<b>27</b>	515,710	110,586,973	324,539,81	110,586,973	324,539,81	110,586,973	0	324,539,81
<b>28</b>	111,109,483	3,272,867,467	9,605,186,96	3,272,867,467	9,605,186,96	9,605,186,96	0	9,605,186,96
<b>29</b>	3,272,867,467	9,605,186,96	9,605,186,96	9,605,186,96	9,605,186,96	9,605,186,96	0	9,605,186,96
<b>30</b>	1,707,215,882	5,010,171,33	1,707,215,882	5,010,171,33	17,386,557,212	8,096,279,42	0	17,386,557,212
<b>31</b>	259,160,237	182,000,000	68,160,237	68,160,237	68,160,237	68,160,237	0	68,160,237
<b>32</b>	188,587,829	164,248,311	24,339,518	465,497,795	1,386,103,46	1,386,103,46	0	1,386,103,46
<b>33</b>	1,386,103,46	1,386,103,46	1,386,103,46	1,386,103,46	271,558,150	796,962,48	0	271,558,150
<b>34</b>	515,710	110,586,973	324,539,81	110,586,973	324,539,81	110,586,973	0	324,539,81
<b>35</b>	111,109,483	3,272,867,467	9,605,186,96	3,272,867,467	9,605,186,96	9,605,186,96	0	9,605,186,96
<b>36</b>	3,272,867,467	9,605,186,96	9,605,186,96	9,605,186,96	9,605,186,96	9,605,186,96	0	9,605,186,96
<b>37</b>	1,707,215,882	5,010,171,33	1,707,215,882	5,010,171,33	17,386,557,212	8,096,279,42	0	17,386,557,212
<b>38</b>	259,160,237	182,000,000	68,160,237	68,160,237	68,160,237	68,160,237	0	68,160,237
<b>39</b>	188,587,829	164,248,311	24,339,518	465,497,795	1,386,103,46	1,386,103,46	0	1,386,103,46
<b>40</b>	1,386,103,46	1,386,103,46	1,386,103,46	1,386,103,46	271,558,150	796,962,48	0	271,558,150
<b>41</b>	515,710	110,586,973	324,539,81	110,586,973	324,539,81	110,586,973	0	324,539,81
<b>42</b>	111,109,483	3,272,867,467	9,605,186,96	3,272,867,467	9,605,186,96	9,605,186,96	0	9,605,186,96
<b>43</b>	3,272,867,467	9,605,186,96	9,605,186,96	9,605,186,96	9,605,186,96	9,605,186,96	0	9,605,186,96
<b>44</b>	1,707,215,882	5,010,171,33	1,707,215,882	5,010,171,33	17,386,557,212	8,096,279,42	0	17,386,557,212
<b>45</b>	259,160,237	182,000,000	68,160,237	68,160,237	68,160,237	68,160,237	0	68,160,237
<b>46</b>	188,587,829	164,248,311	24,339,518	465,497,795	1,386,103,46	1,386,103,46	0	1,386,103,46
<b>47</b>	1,386,103,46	1,386,103,46	1,386,103,46	1,386,103,46	271,558,150	796,962,48	0	271,558,150
<b>48</b>	515,710	110,586,973	324,539,81	110,586,973	324,539,81	110,586,973	0	324,539,81
<b>49</b>	111,109,483	3,272,867,467	9,605,186,96	3,272,867,467	9,605,186,96	9,605,186,96	0	9,605,186,96
<b>50</b>	3,272,867,467	9,605,186,96	9,605,186,96	9,605,186,96	9,605,186,96	9,605,186,96	0	9,605,186,96
<b>51</b>	1,707,215,882	5,010,171,33	1,707,215,882	5,010,171,33	17,386,557,212	8,096,279,42	0	17,386,557,212
<b>52</b>	259,160,237	182,000,000	68,160,237	68,160,237	68,160,237	68,160,237	0	68,160,237
<b>53</b>	188,587,829	164,248,311	24,339,518	465,497,795	1,386,103,46	1,386,103,46	0	1,386,103,46
<b>54</b>	1,386,103,46	1,386,103,46	1,386,103,46	1,386,103,46	271,558,150	796,962,48	0	271,558,150
<b>55</b>	515,710	110,586,973	324,539,81	110,586,973	324,539,81	110,586,973	0	324,539,81
<b>56</b>	111,109,483	3,272,867,467	9,605,186,96	3,272,867,467	9,605,186,96	9,605,186,96	0	9,605,186,96
<b>57</b>	3,272,867,467	9,605,186,96	9,605,186,96	9,605,186,96	9,605,186,96	9,605,186,96	0	9,605,186,96
<b>58</b>	1,707,215,882	5,010,171,33	1,707,215,882	5,010,171,33	17,386,557,212	8,096,279,42	0	17,386,557,212
<b>59</b>	259,160,237	182,000,000	68,160,237	68,160,237	68,160,237	68,160,237	0	68,160,237
<b>60</b>	188,587,829	164,248,311	24,339,518	465,497,795	1,386,103,46	1,386,103,46	0	1,386,103,46
<b>61</b>	1,386,103,46	1,386,103,46	1,386,103,46	1,386,103,46	271,558,150	796,962,48	0	271,558,150
<b>62</b>	515,710	110,586,973	324,539,81	110,586,973	324,539,81	110,586,973	0	324,539,81
<b>63</b>	111,109,483	3,272,867,467	9,605,186,96	3,272,867,467	9,605,186,96	9,605,186,96	0	9,605,186,96
<b>64</b>	3,272,867,467	9,605,186,96	9,605,186,96	9,605,186,96	9,605,186,96	9,605,186,96	0	9,605,186,96
<b>65</b>	1,707,215,882	5,010,171,33	1,707,215,882	5,010,171,33	17,386,557,212	8,096,279,42	0	17,386,557,212
<b>66</b>	259,160,237	182,000,000	68,160,237	68,160,237	68,160,237	68,160,237	0	68,160,237
<b>67</b>	188,587,829	164,248,311	24,339,518	465,497,795	1,386,103,46	1,386,103,46	0	1,386,103,46
<b>68</b>	1,386,103,46	1,386,103,46	1,386,103,46	1,386,103,46	271,558,150	796,962,48	0	271,558,150
<b>69</b>	515,710	110,586,973	324,539,81	110,586,973	324,539,81	110,586,973	0	324,539,81
<b>70</b>	111,109,483	3,272,867,467	9,605,186,96	3,272,867,467	9,605,186,96	9,605,186,96	0	9,605,186,96
<b>71</b>	3,272,867,467	9,605,186,96	9,605,186,96	9,605,186,96	9,605,186,96	9,605,186,96	0	9,605,186,96
<b>72</b>	1,707,215,882	5,010,171,33	1,707,215,882	5,010,171,33	17,386,557,212	8,096,279,42	0	17,386,557,212
<b>73</b>	259,160,237	182,000,000	68,160,237	68,160,237	68,160,237	68,160,237	0	68,160,237
<b>74</b>	188,587,829	164,248,311	24,339,518	465,497,795	1,386,103,46	1,386,103,46	0	1,386,103,46
<b>75</b>	1,386,103,46	1,386,103,46	1,386,103,46	1,386,103,46	271,558,150	796,962,48	0	271,558,150
<b>76</b>	515,710	110,586,973	324,539,81	110,586,973	324,539,81	110,586,973	0	324,539,81
<b>77</b>	111,109,483	3,272,867,467	9,605,186,96	3,272,867,467	9,605,186,96	9,605,186,96	0	9,605,186,96
<b>78</b>	3,272,867,467	9,605,186,96	9,605,186,96	9,605,186,96	9,605,186,96	9,605,186,96	0	9,605,186,96
<b>79</b>	1,707,215,882	5,010,171,33	1,707,215,882	5,010,171,33	17,386,557,212	8,096,279,42	0	17,386,557,212
<b>80</b>	259,160,237	182,000,000	68,160,237	68,160,237	68,160,237	68,160,237	0	6



**NOTES**  
**TO THE BALANCE SHEET DATED 31ST DECEMBER 2001**  
**(ON THE BASIS OF THE PROVISIONS OF CODIFIED LAW 2190/1920 AS IN FORCE)**  
**OF THE COMPANY 'PAPERPACK TSOUKARIDIS J. S.A.'**  
**REGISTER OF COMPANIES NO.: 35197/06/B/96/101**

<b>PROVISION AND SUMMARY</b>	<b>RESPONSE</b>
<b>Para. 1. Lawful drafting and structure of the financial statements. Deviations made in order to present a true picture.</b>	
(a) Article 42a(3): Deviation from the provisions regarding preparation of the annual financial statements, which was deemed necessary to present a true reflection, with absolute clarity, as required by the provision in paragraph 2 of this article.	Not applicable
(b) Article 42b(1): Deviation made from the principle of not varying the structure and presentation of the balance sheet and the profit and loss account.	Not applicable
(c) Article 42b(2): Recording of data relating to further liability accounts, in the pertinent account.	Not applicable
(d) Article 42b(3): Adjustment of the structure and titles of the accounts and Arabic numbering, when the particular nature of the company so demands.	Not applicable
(e) Article 42b(4): Abridgements of accounts in the balance sheet which correspond to Arabic numerals, to which the requirements of this provision apply.	Not applicable
(f) Article 42b(5): Readjustment of the items in the prior period in order for them to be uniform and comparable to corresponding items of the closed period.	The financial statements for 2000 were readjusted for reasons of comparability due to absorption of 'LEONARDOS GRAPHIC ARTS S.A.'.
(g) Article 43b(2): Added by Article 6 of Presidential Decree 135/1994. Parity between drachma and Euro in the case where the annual financial statements are also published in Euro.	Financial statements were also published in Euro. Exchange rate: 1 Euro = 340.75.
<b>Para. 2 Valuation of assets</b>	
(a) Article 43a(1-a): Methods of valuing assets and calculating depreciations as well as provisions for their valuations.	(1) The fixed assets were valued on the basis of their cost value or the cost of construction or the readjustment of their worth on the basis of a special law, which is increased by the value of the additions or improvement and reduced by the depreciations foreseen by the law.  (2) No case for the formation of value decline provisions existed.  (3) The stocks resulting from purchases were valued on the basis of the lowest per item price,

of the cost value and the current purchase price at the end of the accounting period.

(4) Stocks on 31.12.2001 were valued using the mean cost value on the basis of the FIFO method.

(5) Stocks resulting from production were valued at products cost value on the basis of true cost values of raw materials, ancillary materials, merchandise as above and production expenses.

(b) Article 43a(1-a): Bases for converting the value of fixed assets expressed in foreign currency (F.C.) into GRD and accounting for foreign exchange differences.

(1) The receivables and liabilities in FC were valued on the basis of the official FC prices on 31.12.2001 and foreign exchange losses of 492,578 GRD arose which were entered into the extraordinary and non-operating expenses account and foreign exchange gains of 1,353,714 GRD also arose which were entered in the extraordinary and non-operating income account due to the fact that they came from Euro area countries and foreign exchange gains of 743,785 GRD also arose which were entered in account 44.14 "Provisions for differences on the valuation of receivables and other liabilities in FC" which related to currencies outside the Euro area.

(c) Article 43(2): Deviation from the methods and fundamental principles of valuation. Application of special valuation methods.

Not applicable

(d) Article 43(7-b): Change in calculation of cost value or production cost of the stocks or transferable securities.

Not applicable

(e) Article 43(7-c): Quoting the difference between the valuation of the stocks and transferable securities, and their current purchase price, provided the difference is noteworthy.

The difference is not noteworthy

(f) Article 43(9): Analysis and explanation of the readjustments of the value of the fixed assets which occurred during the accounting period, based on a special law, and quoting the movement in the account "Readjustment value reserves".

The last readjustment to fixed assets occurred during 2000 in accordance with Law 2065/92.

### Para. 3. Fixed assets and establishment expenses

(a) Article 42e(8): Variations to fixed assets and establishment expenses

A relevant table with the information required by this provision (capitalized expenses) is set out at the end of the Annex.

(b) Article 43(5-d): Analysis of additional depreciations.

No additional depreciations were made

(c) Article 43(5e): Provisions for the value decline of tangible assets.

No provisions were formed

(d) Article 43(3e): Analysis and explanation establishment expense amounts (capitalized expenses) referring to the accounting period.

The breakdown of the amounts for this of the period is as follows:

- share capital increase expenses	6,277,955
- asset acquisition expenses	400,000
- reorganization expenses	9,992,510
- other capitalized expenses	84,583,446
- Stock Exchange listing expenses	<u>-1,660,928</u>
<b>Total</b>	<b>99,592,983</b>

(e) Article 43(3c): The amounts and accounting of the foreign exchange differences which resulted in this accounting period, during the payment (installments) and/or the valuation of loans or credits, at the end of the accounting period, used exclusively for the purchase of fixed assets.

Not applicable

(f) Article 43(4)(a) & (b) : Analysis and explanation of the items "Research and development expenses", "Licenses and industrial ownership rights" and "Goodwill".

The sum of 716,832,541 GRD relates to goodwill generated by the absorption of LEONARDOS GRAPHIC ARTS S.A. and is shown in Assets Account C1 as goodwill. Depreciation of 143,366,508 GRD was made shown as being deducted from the owners' equity in Account A.III.5. Goodwill from conversion or merger with a subsidiary or contribution in kind to another.

#### Para. 4. Participations

(a) Article 43a(1-b): Participations in the capital of other companies to a degree greater than 10%.

VLACHOS BROS S.A. - 400,000,160 GRD - 21%  
EUROKTISMA S.A. - 506,013,750 GRD - 99%  
FOKAS BROS S.A. - 820,000,000 GRD - 35%

(B) Article 43a(1-o): Preparation of consolidated financial statements, which also include the company's financial statements.

The Company has prepared consolidated financial statements for the third time which include data for its subsidiaries 'EUROKTISMA S.A.', 'FOKA BROS S.A.' and the company 'PROMOCARTON S.A.' consolidated as a subsidiary of EUROKTISMA S.A.

#### Para. 5 . Stocks

(a) Article 43a(1-k): Valuation of stocks as a deviation from the valuation rules of article 43, due to tax abatements.

Not applicable

(b) Article 43a(1-j): Differences from the valuation of current assets and the reasons for those differences.

Not applicable

#### Para. 6. Share Capital

(a) Article 43a(1-d): Categories of shares, in which the share capital is divided :

Share Capital 1,381,741,250 GRD  
divided into 4,055,000 registered shares  
with a nominal value of 340,75 GRD each.  
1. Paid-up capital 1,381,741,250

(b) Article 43a(1-c): Shares issued during the accounting period in order to increase share capital.

None issued. A share capital increase as carried out by increasing the nominal value of each share from 200 GRD to 340.75 GRD by capitalizing part of the premium on capital stock reserve.

(c) Article 43a(1-e) and 42e(10): Share certificates issued and rights incorporated therein.

Not applicable

(d) Article 43a(1-p): Acquisition of treasury stock during this accounting period.

Treasury stock worth 500,571,973 GRD were acquired of which the amount of 311,984,144 GRD was shown as being deducted from owners' equity and the sum of 188,587,829 GRD appearing in the account IV.6 "Treasury stock reserve" and relates to a reserve formed by the Company during the current period.

### Para. 7. Provisions and liabilities

(a) Article 42e(14)(d): Analysis of the account "Other provisions", if the amount is significant.

The provisions formed by the company are as follows:

(1) provisions for foreign exchange differences 743,785 GRD

(2) Provisions for bad debtors of PAPERPACK 27,928,458 GRD and

9,186,595 GRD transferred from the absorbed company.

Both had been formed in prior periods and are shown as reducing the Assets account 'Customers'.

(3) Provisions for securities value decline 164,248,311 GRD shown as reducing owners' equity.

(4) Provisions for personnel compensation 100,613,318 GRD broken down as follows:

Stock-take of PAPERPACK	
TSOUKARIDIS J. S.A.	40,097,465
Stock-take of LEONARDOS S.A.	8,080,770
Provisions for 2001	76,903,559
Provisions used	<u>-24,468,476</u>
	<b>100,613,318</b>

The figure for provisions for 2001 of 76,903,559 GRD was charged to the results for the period by 15,380,712 GRD and the sum of 61,522,847 GRD appears in the assets account 'other capitalized expenses'.

(b) Article 43a(1-g): The financial commitments stemming from contracts etc. which do not appear in the memo accounts. Obligations to pay special monthly benefits and financial commitments for affiliated companies.

Not applicable

(c) Article 43a(1-l): Probable tax dues being of significant amounts and tax dues likely to arise which are to be charged to the closed and prior accounting periods, as long as they do not appear in the liabilities or provisions.

Not applicable. The company has been audited for taxation purposes up to and including 1999. all tax audit adjustments have been entered in the relevant accounts.

(d) Article 43a(1-f): Long - term liabilities beyond 5 years.

Not applicable. Company long-term liabilities relate to a loan from the Bank of Greece worth 1,238,202,865 GRD which expires in 2004, a loan from Telesis Bank worth 1,999,594,548 GRD which expires in 2003 and rent guarantees worth 1,200,000 GRD.

(e) Article 43a(1-f): Liabilities covered by collateral security.

Not applicable

#### Para. 8 Transit balances

- Article 42e(12): Analysis of the items in the transit balances, "Prepaid" and "Accrued expenses".

a) Prepaid expenses:	
Royalties	8,617
Telephone charges	35,938
Insurance premiums	3,151,821
Merchandise warehouse fees	975,000
Taxes - duties	877,831
Rents	276,840
Other third party fees	223
Levies - contributions	359,347
<b>Total</b>	<b>5,685,617</b>
b) Purchases to be received	9,515,849
<b>Total</b>	<b>9,515,849</b>
d) Accrued Expenses:	
- Electricity	4,584,442
- Water	170,558
- Telecom	213,814
- Taxes - duties	1,217,650
- Levies - contributions	36,082
- Interested earned - due	17,731,243
	<b>23,953,789</b>

#### Para. 9. Memo Accounts

- Article 42e(11): Analysis of the memo accounts, to the extent that this obligation is not met with the information in paragraph 10 following.

Third party merchandise stored	3.015,765
Third party assets	26
Receivables from REPOS	27,911,850
<b>Total</b>	<b>30,927,641</b>

#### Para. 10 Guarantees and collateral

- Article 42e(9): Guarantees and collateral provided by the company.

Not applicable

#### Para. 11 Fees, down payments and credits to managerial staff

(a) Article 43a(1-m): Fees of the company's administrative and managerial staff members.

Directors' fees	172,500,000
Auditors' fees and expenses	5,062,500
<b>Total</b>	<b>177,562,500</b>

(b) Article 43a(1-m): Liabilities created or assumed for allowances paid to retiring administrative and managerial staff members during this accounting period.

Not applicable

(c) Article 43a(1-n): Down payments and credits to managerial staff members (members of boards of directors and administrators).

The down payments given to board members come to 1,860,861 GRD.

## Para. 12. Operating results

(a) Article 43a(1-j): Turnover per category of activity and geographic market. (The turnover is that which is defined in article 42e, paragraph 15, section a).

(1) Domestic sales of products and unfinished products	3,539,744,041
(2) Foreign sales of products and unfinished products	863,560,68
Less: returns and deductions	-88,609,876
(3) Sales of other reserves and scrap	90,833,805
Less: returns and deductions	-2,464,674
(4) Services (assembly) within Greece	302,437,497
Less: intra-group transaction with LEONARDOS S.A. eliminated	<u>-97,778,606 GRD</u>
<b>Total in GRD</b>	<b>4,607,722,871</b>

(b) Article 43a(1-i): Average number of staff employed during the accounting period and the categories thereof, with their total cost.

(1) Average number of staff	133
- Managerial staff	41
- Labourers and technical staff	92
(2) Fees and staff expenses	
- Managerial staff salaries	315,590,120
- Labourers and technical staff salaries	449,759,263
Social charges and benefits	<u>207,657,710</u>
<b>Total</b>	<b>973,007,093</b>

(c) Article 42e(15-b): Analysis of the extraordinary and non - operating expenses and income (that is, the accounts "extraordinary and non - operating income" and "extraordinary and non - operating expenses"). If the amounts of the accounts "extraordinary losses" and "extraordinary profits" are significant, in application of the provision of article 43a, paragraph 1-m, they are also to be analyzed (on the basis of accounts 81.02 and 81.03 of the General Accounting Plan).

<b>(1) Extraordinary and non-operating expenses</b>	
- tax fines and surcharges	70,108
- foreign exchange losses	2,005,175
- other extraordinary and non-operating expenses	<u>1,244,319</u>
	<b>3,319,602</b>
<b>(2) Extraordinary and non-operating income</b>	
- foreign exchange gains	3,589,935
- fixed asset investments corresponding to year	66,021,978
- other extraordinary and non-operating income	<u>5,423,287</u>
	<b>75,035,200</b>
<b>(3) Extraordinary losses</b>	
- losses from sale of transportation equipment	635,800
- losses from destruction of scrap	508,203
- other extraordinary losses	<u>2</u>
	<b>1,144,005</b>
<b>(4) Extraordinary gains</b>	
- gains from sale of machinery and technical inst.	199,282,113
- gains from sale of transportation equipment	4,508,957
- gains from sale of furniture & other equipment	<u>3,937</u>
	<b>203,795,007</b>



(d) Article 42e(15-b): Analysis of the accounts  
"Prior periods' income", "Income from prior  
periods' provisions" and "Prior periods' expenses".

Prior period expenses:	
- other prior period expenses	380,928
Prior period income:	
- other prior period income	2,079,707
- Prior period VAT settlement adjustments	<u>1,509,548</u>
<b>Total</b>	<b>3,589,255</b>

METAMORFOSI, 30TH APRIL 2002

CHAIRMAN OF THE BOARD

John Tsoukaridis  
Police ID Card  
No. I 192855

VICE CHAIRMAN

Beatrice Tsoukaridis  
Police ID Card  
No. X 317640

ACCOUNTING DIRECTOR

Nikolaos Zetos  
Police ID Card  
No. L 695273

FINANCIAL DIRECTOR

Panikos Panagiotou  
Police ID Card  
No. KA 1908

It is hereby confirmed that above notes which consist of 6 pages are those referred to in the certificate I issued on 8th May 2002.

Athens, 8th May 2002

The Certified Auditor – Accountant

GEORGE A. PARASKEVOPOULOS

ICAA (GR) No. 11851

GRANT THORNTON S.A.

CERTIFIED AUDITORS & BUSINESS CONSULTANTS

TABLE OF CHANGES IN FIXED ASSETS 1/1 – 31/12/2001										
ACCOUNT	BALANCE ON 31.12.2000 (LEONARDO S.A.)	BALANCE ON 31.12.2000 (PAPERPACK S.A.)	ADDITIONS FOR THE YEAR	DEDUCTIONS FOR THE YEAR	TOTAL ON 31.12.2001	DEPREC. 31.12.2000 (LEONARDO S.A.)	DEPREC. 31.12.2000 (PAPERPACK S.A.)	DEPREC. FOR THE YEAR	DEDUCTIONS TO DEPRECIATION	BALANCE ON 31.12.2001
<b>C. FIXED ASSETS</b>										
<b>II. Tangible assets</b>										
Plots – lots	0	8.039.560	0	0	8.039.560	0	0	0	0	8.039.560
Buildings & technical works	11.103.786	203.843.171	11.551.168	0	226.498.125	2.220.757	64.591.549	17.971.155	0	141.714.664
Machinery – technical installations & other mechanical equipment	1.202.743.798	2.361.866.272	758.037.215	328.814.523	3.993.832.762	255.921.859	697.788.102	433.056.809	288.801.822	2.895.867.814
Transportation equipment	21.834.525	101.124.590	20.579.432	13.466.241	130.072.306	12.100.482	30.921.832	17.802.752	7.114.396	53.710.670
Furniture and other equipment	28.378.875	100.146.730	17.903.832	390.000	146.039.427	21.499.922	66.000.994	22.852.306	333.937	36.020.142
Fixed assets under construction and down payments	171.139.479	15.099.712	2.101.134	0	188.340.325	0	0	0	0	188.340.325
<b>Total tangible assets</b>	<b>1.435.200,463</b>	<b>2.790.120,036</b>	<b>810.172,771</b>	<b>342.670,794</b>	<b>4.692.822,505</b>	<b>291.743,020</b>	<b>869,302,477</b>	<b>491.683,022</b>	<b>296.250,155</b>	<b>3.346.344,141</b>
<b>I. Intangible assets</b>										
Goodwill	0	0	716.832.541	0	716.832.541	0	0	143.366.508	0	573.466.033
<b>Total fixed assets</b>	<b>2.870.400,926</b>	<b>5.580.240,070</b>	<b>2.337.178,083</b>	<b>685.341,628</b>	<b>10.102.477,551</b>	<b>583.486,040</b>	<b>1.718.604,954</b>	<b>1.126.732,552</b>	<b>592.500,310</b>	<b>7.266.154,315</b>
<b>B. ESTABLISHMENT EXPENSES</b>										
Formation and set-up expenses	0	1.749.112	0	0	1.749.112	0	1.131.718	349.822	0	267.572
Other foundation expenses	77.551.006	559.284.910	101.253.911	1.660.928	736.428.899	13.449.074	198.766.498	136.666.649	0	387.546.678
<b>Total establishment expenses</b>	<b>77.551,006</b>	<b>561.034,022</b>	<b>101.253,911</b>	<b>1.660,928</b>	<b>738.178,011</b>	<b>13,449,074</b>	<b>199,898,216</b>	<b>137,016,471</b>	<b>0</b>	<b>387,814,250</b>

**REPORT**  
**OF THE BOARD OF DIRECTORS OF THE COMPANY**  
**'PAPERBACK-TSOUKARIDIS J. CARTON PACKAGING INDUSTRY S.A.'**  
**REGISTER OF COMPANIES NO.: 35197/06/B/96/101**

To the

6th Ordinary General Meeting of Shareholders of the Company

Dear Shareholders,

The balance sheet drawn up on 31/12/2001 which relates to the accounting period 01/01/2001 to 31/12/2001 and which is based on books and records of the Company and which is submitted to you for approval at this General Meeting is as follows:

**A. ASSETS**

**ESTABLISHMENT EXPENSES**

Establishment Expenses	<u><b>387,814,250</b></u>
------------------------	---------------------------

**FIXED ASSETS**

Intangible Assets	573,466,033
Tangible Assets	3,346,344,141
Participations in subsidiaries	1,726,013,910
Other long-term financial assets	<u><b>22,803,384</b></u>
Total fixed assets	<u><b>5,668,627,468</b></u>

**CURRENT ASSETS**

Stocks	989,149,147
Receivables	1,707,215,882
Securities	465,499,755
Cash	<u><b>111,102,683</b></u>
Total current assets	<u><b>3,272,967,467</b></u>

**TRANSIT DEBIT BALANCES**

Prepaid expenses	5,685,617
Other transit debit balances	9,515,849
	<u><b>15,201,466</b></u>

**TOTAL ASSETS**

**9,344,610,651**

**B. LIABILITIES**

**OWNERS' EQUITY**

Share Capital	1,381,741,250
Premium on capital stock	2,370,758,750
Reserves from value adjustments - investment subsidies	93,312,270
Reserves	458,485,162
Treasury stock acquired	<u>-311,984,144</u>
Total owners' equity	<u><b>3,992,313,288</b></u>

**PROVISIONS FOR CONTINGENCIES AND EXPENSES**

Provision for personnel compensation	100,613,318
Other Provisions	<u>743,785</u>
Total provisions	<u><b>101,357,103</b></u>
<b>LIABILITIES</b>	
Long-term liabilities	3,238,997,413
Short-term liabilities	<u>1,987,989,058</u>
Total liabilities	<u><b>5,226,986,471</b></u>
<b>TRANSIT CREDIT BALANCES</b>	
Accrued expenses	23,953,789
Total transit credit balances	<u><b>23,953,789</b></u>
<b>TOTAL LIABILITIES</b>	<u><b>9,344,610,651</b></u>

Following this the Chairman & Managing Director of the Company assured members of the Board that the Company has a strong dynamic and excellent prospects and its growth is expected to be rapid and its future bright.

### **1. DEVELOPMENT IN COMPANY ACTIVITIES**

Sales during the year increased by 298 million GRD compared to the previous year. During the year the company, just as in previous years, was profitable despite the acute competition and range of pressures squeezing companies in the sector. Profits stood at 202,913,583 GRD and profit for distribution at 195,182,520 GRD compared to 210,932,199 GRD and 222,547,111 GRD respectively for each year. The sum of 97,778,606 GRD which related to intra-group transactions with 'LEONARDOS S.A.', which was absorbed, was deducted from turnover for the period 1.1. - 31.12.2001.

### **2. COMPANY REAL ESTATE PROPERTY**

The Company's real estate property is free of all liens.

### **3. FINANCIAL POSITION OF THE COMPANY**

The true financial status of the Company is satisfactory despite the fact over the last year that the Company went ahead with acquisitions and investments. The company is in line with the picture presented in the balance sheet.

### **4. FORECAST COMPANY OPERATIONS**

Following absorption of the company 'LEONARDOS S.A.', and thanks to the economies of scale that will be achieved, it is expected that during the current year there will be a significant increase in turnover and an improvement in profits. The forecast for turnover for the 2002 accounting period is around 5 billion GRD with profits of 400 million GRD.

### **5. SIGNIFICANT COMPANY LOSSES**

Not applicable. None are forecast during the current accounting period.

### **6. OTHER SIGNIFICANT EVENTS**

- a) Absorption of the company LEONARDOS S.A. in accordance with the provisions of Law 2166/1993 and Codified Law 2190/1920 which was completed on 16.5.2001.
- b) Acquisition of 21% of the company VLACHOS BROS S.A. for the sum of 400,000,160 GRD.

The Board of Directors expressed its satisfaction which the financial results achieved and firmly believes that the best possible results will be achieved and the conditions developed for continuation of the Company's growth.

Following this, the Board of Directors having taken into account all of the above, unanimously approved the balance sheet, the income statement and the appropriation account dated 31.12.2001 and proposed that the Ordinary General Meeting approve the following allocation of profits.

Net profits at the end of the period stood at:	202,913,583
PLUS	
Balance brought forward (profits):	66,627,568
LESS	
Income tax	<u>74,358,631</u>
Profit available for distribution	<u>195,182,520</u>
Profit distribution	
a. Statutory reserve	6,594,691
2a. Treasury stock reserve	<u>188,587,829</u>
<b>Total profits for distribution</b>	<b><u>195,182,520</u></b>

Dear shareholders,

We place before you, the General Meeting of Shareholders of the Company the aforementioned summary statements, audited and we assure you that we have made every effort to achieve the Company's scope and would call upon you to approve the profit distribution and relieve both us and the auditors of all liability. These are the acts of the Management which you are called upon to decide.

The Chairman & CEO  
John Tsoukaridis

The Vice Chairman  
Beatrice Tsoukaridis

#### THE MEMBERS

True copy from the register of minutes of the Board of Directors, attested today this 30/04/2002

The Chairman & CEO  
John Tsoukaridis

It is hereby confirmed that the Board of Directors management report above which consists of three (3) pages is that referred to in the certificate I issued on 8-5-2002.

Athens, 8-5-2002  
The Certified Auditor – Accountant

GEORGE A. PARASKEVOPOULOS  
ICAA (GR) No. 11851  
GRANT THORNTON S.A.  
Certified Auditors & Business Consultants









## ANNEX

**CONSOLIDATED FINANCIAL STATEMENTS OF 'PAPERPACK-TSOUKARIDIS I. S.A.'**  
**AND ITS SUBSIDIARIES 'EUROKTISMA S.A.', 'FOKAS BROS S.A.' AND THE AFFILIATED COMPANY**  
**'PROMOCARTON S.A.' WHICH IS A SUBSIDIARY OF 'EUROKTISMA S.A.'**  
**DATED 31ST DECEMBER 2001**  
**REGISTER OF COMPANIES NO. 35197/06/B/96/101**

In accordance with the provisions of Codified Law 2190/1920 and in particular those of Article 107 and the provisions which that Article refers to, we provide the following information referred to in the consolidated financial statements:

### **1. INFORMATION RELATING TO THE COMPANIES CONSOLIDATED**

1.1 Article 107 (1b): Information on the companies consolidated using the total integration method.

NAME OF SUBSIDIARY SEAT Holding of parent company in share capital of subsidiary	EUROKTISMA S.A. 16 Panepistimiou St., Athens  99% The Company EUROKTISMA is included in the consolidation with the consolidated balance sheet drawn up with the company PROMOCARTON S.A. in which it has a 50% holding.
NAME OF SUBSIDIARY SEAT Holding of parent company in share capital of subsidiary	FOKAS BROS S.A. 17th Km Athens - Corinth National Road, Aspropyrgos 35%
NAME OF AFFILIATED COMPANY SEAT Holding of parent company in share capital of subsidiary	PROMOCARTON S.A. 10-14 Nafpliou St., Metamorfofi  0% The Company PROMOCARTON S.A. is included in the consolidation via the consolidated balance sheet prepared by EUROKTISMA S.A.
Holding of consolidated companies other than parent company or persons acting on behalf of those companies	Not applicable
Relationship requiring consolidation	a. Parent - subsidiary (article 42e(5a)) b. Single management structure (article 96(1))
1.2. Article 107 (1d): Information on companies consolidated using the net worth method	No companies were consolidated using this method.
1.3. Article 107 (1c) and Article 97: Information on companies not consolidated since they were of insignificant interest	Not applicable
1.4. Article 107 (1c) and Article 98: Information on companies not consolidated since they have different activities from other companies in the group	Not applicable

1.5. Article 90(2) and 42e(5): Information about companies in which the parent company participates but which are not characterized as subsidiaries and not included in consolidation.

The Company VLACHOS BROS S.A. in which PAPERPACK TSOUKARIDIS J. S.A. has a 21% holding was not included in the consolidation since it does not exert a dominant influence over its management.

1.6. Article 107 (1e): Information on those companies where the consolidated companies (see 1.1 above) and those excluded from consolidation (see 1.4) hold more than 10% of their capital directly or via third parties

Not applicable

1.7. Article 104 (7): Closure date

All consolidated financial statements were closed on the same date as that for the parent company, namely 31.12.2001.

1.8. Article 104 (9): Changes in the composition of all consolidated companies during 2001.

The 2001 accounting period is the third year in which consolidated financial statements have been drawn up by the Company. During the previous period the company LEONARDOS S.A. was included in the consolidation while during the current period it was absorbed by PAPERPACK TSOUKARIDIS J. S.A. The company PROMOCARTON S.A. during previous years was consolidated directly by PAPERPACK TSOUKARIDIS J. S.A. but during the current period was consolidated via consolidation of the subsidiary EUROKTISMA S.A.

1.9. Article 103(4): Accounting handling of consolidation differences.

A debit consolidation difference of 928,985,598 GRD (goodwill) arose from consolidation. The consolidation difference was shown in the consolidated balance sheet in liabilities account A.V.7 "Consolidation Differences" and no depreciation was recorded on the consolidation goodwill.

## 2. INFORMATION RELATING TO THE ASSETS

2.1. Article 105 (3) and Article 107 (1): Valuation of assets of the companies included in consolidation.

The assets of all companies included in consolidation have been valued in accordance with the valuation rules contained in Article 42 (14) and Article 43 without any deviation.

## 3. INFORMATION RELATING TO LIABILITIES AND PROVISIONS

3.1. Article 107 (1f): long-term liabilities beyond five years

Not applicable. Company long-term liabilities relate to a loan from the Bank of Greece worth 1,238,202,865 GRD which expires in 2004, a loan from Telesis Bank worth 1,999,594,548 GRD which expires in 2003 and rent guarantees worth 1,200,000 GRD.

3.2. Article 107 (1f): Liabilities covered by collateral security

Not applicable

3.3. Article 107 (1g): Liabilities undertaken and not shown in the consolidated balance sheet

Not applicable

3.4. Article 107 (1k): Possible debts of significant amounts of taxes and amounts of tax which may arise relating to the closed year or previous periods not shown in the liabilities and provisions

Not applicable

3.5. Article 104 (7): Significant facts in the period between closure of the balance sheets for the consolidated companies and the date on which the consolidated financial statements were drawn up

Not applicable

#### 4. INFORMATION ON RESULTS

##### 4.1. Article 107 (1h):

###### Breakdown of consolidated turnover

Consolidated turnover stood at 6,174,376,341 GRD mainly deriving from industrial activity and provision of services (assembly) within Greece.

21.21 Industrial Activity	5,767,919,486
21.22 Services	165,437,797
51.47 Commercial activity	200,100,154
70.40 Advertising Services	40,918,904

##### 4.2. Article 107 (1i):

###### average number of staff employed

1. The average number of personnel employed by the consolidated companies during 2001 per activity is as follows:

a. Average number of personnel 195

b. Average number of personnel per category

Managerial - Admin Staff 59

Labourers - Tech. Staff 136

Total **195**

2. Personnel salaries and expenses

- Managerial - Admin staff 422,159,719

- Labourers - Tech. Staff 618,509,183

- Social charges and benefits 284,215,458

**Total 1,324,643,623**

##### 4.3 Article 105(5): Additional Depreciation

No additional depreciation was applied and not extraordinary provisions were formed for taxation purposes during the 2001 accounting period.

##### 4.4 Article 107(1l):

Fees of members of management, directors' fees 172,500,000

Auditors' fees and expenses 5,062,500

**177,562,500**

##### 4.5 Article 107(1l): Any other information considered necessary for proper updating of shareholders and third parties.

Not applicable

## 5. DEVIATIONS FROM THE RELEVANT LEGISLATION (arts. 101-107(1) and (2))

5.1. Article 100 (5): deviations from the provisions of arts. 101-107 (1) and (2)

No deviation from these provisions was made.

5.2. Article 104 (4): Elimination of results arising from transactions between companies included in the consolidation

The following transactions were eliminated:  
The sum of 39,221,094 GRD relating to intra-group transactions was deducted from the cost of goods sold and the sum of 17,536,170 GRD relating to intra-group receivables and liabilities was deducted from receivables and liabilities.

5.3. Article 107 (1d): Other information on special provisions of the relevant legislation considered necessary for better information to interested parties about the Companies consolidated using the total integration method as well as those depicted using the net worth method

There is no need for other information.

Metamorfosi, 30th April 2001

CHAIRMAN OF THE BOARD

John Tsoukaridis  
Police ID Card  
No. I 192855

VICE CHAIRMAN

Beatrice Tsoukaridi  
Police ID Card  
No. X 317640

ACCOUNTING DIRECTOR

Nikolaos Zetos  
Police ID Card  
No. L 695273

FINANCIAL DIRECTOR

Panikos Panagiotou  
Police ID Card  
No. KA 1908

It is hereby confirmed that above notes to the consolidated financial statements which consist of four (4) pages are those referred to in the certificate I issued on 8th May 2002.

Athens, 8th May 2002  
The Certified Auditor – Accountant

George A. Paraskevopoulos  
ICAA (GR) No. 11851  
GRANT THORNTON S.A.  
Certified Auditors & Business Consultants

## CONSOLIDATED MANAGEMENT REPORT OF THE PARENT COMPANY

'PAPERBACK-TSOUKARIDIS J. CARTON PACKAGING INDUSTRY S.A.'

REGISTER OF COMPANIES NO. 35197/06/B/96/101

### AND ITS SUBSIDIARIES

'EUROKTISMA S.A.', 'FOKAS BROS S.A.'

AND

'PROMOCARTON S.A.'

AS A SUBSIDIARY OF THE SUBSIDIARY COMPANY 'EUROKTISMA S.A.'

DATED 31ST DECEMBER 2001

### TO THE ANNUAL GENERAL MEETING OF SHAREHOLDERS

Dear shareholders,

Total turnover of companies in our Group which were included in the 3rd consolidated balance sheet dated 31.12.2001 during the 2001 accounting period came to a total of six billion one hundred and seventy four million three hundred and seventy six, three hundred and forty one (6,174,376,341) GRD.

All companies in our Group included in the 3rd consolidated balance sheet dated 31.12.2001 for the year ended had overall profits of two hundred and sixty nine million one hundred and ninety eight thousand three hundred and ninety six (269,198,296) GRD.

The financial status of companies in the Group as shown in the 3rd consolidated balance sheet and other statements is satisfactory.

The financial structure of the Company compared to indices is shown below as follows:

- a) Current Assets / Total assets 45.09%.
- b) Owners' equity / Total liabilities 62.67%.
- c) Current Assets / short-term liabilities 163.00%.
- d) Owners' equity / fixed assets 75.03%.
- e) Cash / Current Assets 7.36%.
- f) Net earnings before tax / owners' equity 7.22%.

On the basis of the performance of the companies in our Group to date and given that productive investments in mechanical equipment will continue as well as acquisitions of similar enterprises in our sector, the prospects for the next year, despite difficulties in the marketplace and competition, are favourable.

More specifically, it is expected that consolidated turnover of the companies in our Group will reach 6.5 billion GRD and consolidated profits 600 million GRD.

Finally we would point out that:

1. In drawing up the consolidated financial statements the general principles set out in Codified Law 2190/1920, which are analyzed in the annex, were applied.
2. The consolidated financial statements also include the affiliated company 'PROMOCARTON S.A.' due to provisions on Article 96(1) on single management.
3. On 16.5.2001 the process of absorbing 'LEONARDOS GRAPHIC ARTS S.A.' was completed.
4. By means of resolution of the General Meeting of shareholders of the Company on 29/06/2001 it was decided a) to increase the share capital by 570,741,250 GRD by capitalizing part of the premium on capital stock reserve, b) to increase the nominal value of shares in the company from 200 GRD to 340.75 GRD, c) to convert to the share capital and nominal value of shares into Euro in accordance with provisions of law 2842/2000. Certification of the increase was done by the Company's Board of Directors on 04/07/2001. At its meeting on 26th July 2001 the Board of Directors of the ASE was informed about the aforementioned increase and conversion of share capital and nominal value of the share into Euro. As of Monday 30th July 2001 shares of the company have been traded on the Athens Stock Exchange at their new nominal value of 340.75 GRD (1.00 Euro)
5. The absorption of 'LEONARDOS S.A.' generated goodwill worth 716,832,541 GRD

6. The participations in affiliated companies which are shown in the consolidated balance sheet in assets account C.III.1 relate to the participation in 'VLACHOS BROS S.A.' (with a 21% holding), which was not consolidated due to the fact that it is not considered subsidiary. However, the provisions of Article 96(1) of Codified Law 2190/1920 on affiliated enterprises do apply to it.

These are the acts of the Management which you are called upon to decide.

The Meeting of the Board of Directors ended with the minutes being signed.

THE CHAIRMAN & CEO  
John Tsoukaridis

THE VICE CHAIRMAN  
Beatrice Tsoukaridis

The Members

True copy from the register of minutes of the Board of Directors, attested today this 30/04/2002

THE CHAIRMAN & CEO  
John Tsoukaridis

It is hereby confirmed that the Board of Directors management report above which consists of two (2) pages is that referred to in the certificate I issued on 8-5-2002.

Athens, 8-5-2002  
The Certified Auditor – Accountant

GEORGE A. PARASKEVOPOULOS  
ICAA (GR) No. 11851  
GRANT THORNTON S.A.  
Certified Auditors & Business Consultants

**CASH FLOW STATEMENT**  
**PAPERPACK - TSOUKARIDIS J. S.A. CARTON PACKAGING INDUSTRY**  
Register of Companies No 35197/06/B/96/101  
Consolidated cash flow statement for the period from 1/1-31/12/2001

	Figures for 2001 in GRD	Figures for 2000 in GRD
<b>A Cash flows from ordinary operating activities</b>		
A 100 Cash inflows		
101 Sales	6.174.376.341	5.757.111.780
102 Other operating income	34.133.558	75.875.667
103 Extraordinary and non-operating income	16.992.604	10.842.864
104 Prior period income	3.941.215	3.714.718
105 Interest (deposits, etc.)	14.285.749	34.514.078
106 Income from securities	23.949.285	4.131.216
107 Sale of securities	2.975.541.693	12.012.082.879
108 Decrease in accounts receivable	546.531.327	14.453.730
<b>Minus:</b>		
109 Purchase of securities	3.721.607.352	12.085.205.731
110 Increase of accounts receivable	0	1.099.042.206
<b>Total cash inflows (A 100)</b>	<u>6.068.144.420</u>	<u>4.728.478.995</u>
A 200 Cash outflows		
201 Cost of goods sold (less depreciation and provisions)	4.202.616.245	4.077.816.551
202 Administrative costs (expenses)	610.575.797	406.262.093
203 Research & development expenses	2.259.859	1.581.743
204 Selling expenses	403.881.077	424.497.528
205 Under-use / non-use expenses	0	0
206 Other expenses	13.041.337	80.419.591
207 Increase in stocks	249.891.688	218.086.525
208 Increase in transit debit balances	87.266	63.075.850
209 Decrease in transit credit balances	4.473.474	0
210 Decrease in short-term liabilities (other than Banks)	104.464.242	1.029.314.825
<b>Minus:</b>		
211 Decrease in stocks	0	4.625.312
212 Decrease in transit debit balances	52.882.368	0
213 Increase in transit credit balances	0	10.758.175
214 Increase in short-term liabilities (other than Banks)	445.365.945	369.480.483
<b>Total cash outflows (A 200)</b>	<u>5.093.042.672</u>	<u>5.916.190.736</u>
A 300 Taxation outflows		
301 Income tax	149.029.905	181.146.392
302 Taxes not included in operating cost	0	336.000
303 Tax audit adjustments	0	8.902.156
304 Decrease in tax - duty liabilities	14.587.088	191.444.782
<b>Minus:</b>		
305 Increase in tax - duty liabilities	47.531.467	9.883.859
<b>Total cash outflows (A 300)</b>	<u>116.085.526</u>	<u>371.945.471</u>
<b>Cash flows from ordinary operating activities (A100-A200-A300)=A</b>	<u><u>859.016.222</u></u>	<u><u>-1.559.657.212</u></u>
<b>B Cash flows from investment activities</b>		
B 100 Cash inflows		
101 Sales of intangible assets	0	0
102 Sale of tangible assets	246.129.543	603.808.818
103 Sales of equity participations and securities	0	0
104 Decrease in long-term financial assets	365.618	0
105 Income from participations and securities	0	0
106 Interest (long-term claims, etc.)	0	0
<b>Total cash inflows (B 100)</b>	<u>246.495.161</u>	<u>603.808.818</u>
B 200 Cash outflows		
201 Purchase of intangible assets	0	0
202 Purchase of tangible assets	1.037.258.287	2.431.495.437
203 Purchase of equity participations and securities	832.126.410	1.221.315.041
204 Increase in long-term receivables	210.000	3.801.361
205 Increase in establishment expenses	22.836.549	285.738.586
<b>Total cash outflows (B 200)</b>	<u>1.892.431.246</u>	<u>3.942.350.425</u>
<b>Cash flows from investment activities (B100-B200)=B</b>	<u><u>-1.645.936.085</u></u>	<u><u>-3.338.541.607</u></u>

<b>C Cash flows from financing activities</b>			
C	100	Cash inflows	
	101	Collection of share capital increase and premium on capital stock	13.350.000 3.912.500.000
	102	Collection of fixed asset investment subsidies	18.899.007 10.286.890
	103	Increase in long-term liabilities	2.377.228.865 581.768.548
	104	increase in short-term liabilities (bank accounts)	0 1.352.214.361
		<b>Total cash inflows (C 100)</b>	<b>2.409.477.872 5.856.769.799</b>
C	200	Cash outflows	
	201	Reduction (return) of share capital	0 0
	202	return of fixed asset investment subsidies	0 0
	203	Decrease in long-term liabilities	0 525.890.736
	204	Decrease in short-term liabilities (bank accounts)	1.507.421.882 2.273.929
	205	Interest paid	243.376.289 278.041.091
	206	Dividends paid	120.983.100 247.311.278
	207	Distribution of bonus to managerial staff	0 0
	208	Directors's fees from earnings for the period	48.000.000 68.800.000
		<b>Total cash outflows (C 200)</b>	<b>1.919.781.271 1.122.317.034</b>
		<b>Cash flows from financing activities (C100-C200)=C</b>	<b>489.696.601 4.734.452.765</b>
		<b>COMPANY CASH FLOWS (sum of A+B+C)</b>	<b>-297.223.262 -163.746.054</b>
		<b>Plus: cash at start of year</b>	<b>622.716.072 786.462.126</b>
		<b>CASH AT END OF YEAR</b>	<b>325.492.810 622.716.072</b>
			<b>0 0</b>

Chairman of the Board  
John Tsoukaridis  
Police ID Card No. I 192855  
Financial Director  
Panikos Panagiotou  
Police ID Card No. KA 190863

Metamorfofi, 24/5/2002

Vice Chairman  
Beatrice Tsoukaridis  
Police ID Card No. X 317640  
Accounting Director  
Nikolaos Zetos  
Police ID Card No. L 695273

**CERTIFICATE OF THE CERTIFIED AUDITOR – ACCOUNTANT**

We have audited the above Consolidated Cash Flow Statement of the company PAPERPACK – TSOUKARIDIS PAPER PACKAGING INDUSTRIES S.A. and its subsidiaries 'FOKA BROS PACKAGING ITEMS INDUSTRIAL & TRADING COMPANY S.A.', 'EUROKTISSMA ACCOMMODATION SERVICES COMPANY S.A.' & 'PROMOCARTON SHOP WINDOW DESIGN AND TRADE COMPANY S.A.' for the accounting period 1/1/2001 to 31/12/2001. It is the statement referred to in our audit certificate dated 8/5/2002 of the consolidated financial statements for that period. In our opinion the aforementioned Consolidated Cash Flow Statement fairly depicts the cash inflows and outflows from activities during the accounting period of all companies included in the consolidation as of 31/12/2001. Note 1) for reasons of comparability the cash flows for the 2000 accounting period were readjusted due to absorption of the company LEONARDOS S.A., 2) The sum of 39,221,094 GRD relating to intra-group transactions was deducted from the cost of goods sold and the sum of 17,536,170 GRD relating to intra-group receivables and liabilities was deducted from receivables and liabilities.

Metamorfofi, 29/5/2002  
The Certified Auditor – Accountant

George A. Paraskevopoulos  
ICAA (GR) No. 11851

GRANT THORNTON  
Certified Auditors & Business Consultants



