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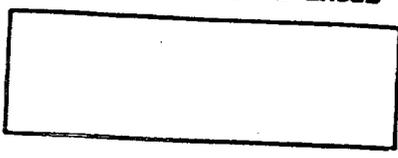


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**82- SUBMISSIONS FACING SHEET**

**Follow-Up  
Materials**

MICROFICHE CONTROL LABEL



REGISTRANT'S NAME M. J. Maullis S.A.

\*CURRENT ADDRESS \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

\*\*FORMER NAME \_\_\_\_\_

\*\*NEW ADDRESS \_\_\_\_\_

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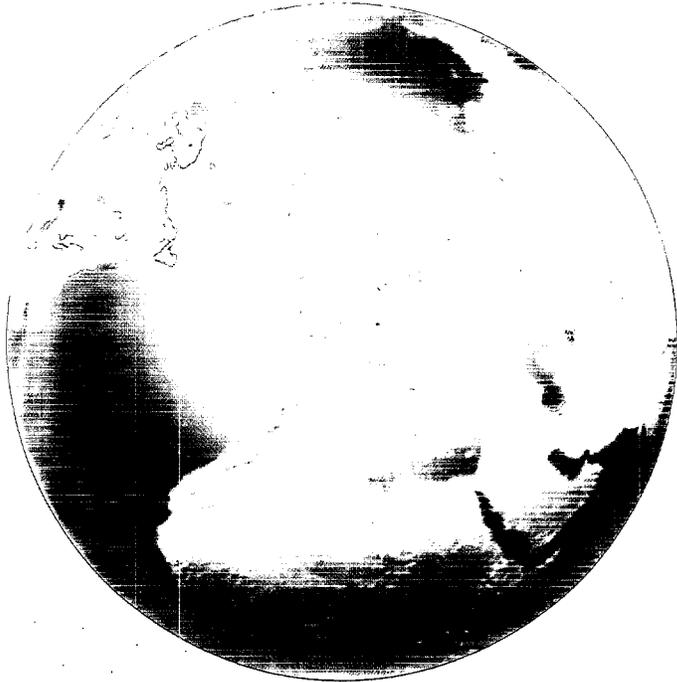
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Global Partner for "end of line" systems



**M. J. MAILLIS S.A.**  
PACKING SYSTEMS

**ANNUAL REPORT 2003**



**M. J. MAILLIS S.A.**

PACKING SYSTEMS

Global Partner for "end of line" systems

**ANNUAL REPORT 2003**

# LETTER TO THE SHAREHOLDERS

Dear Shareholders,

MJ.MAILLIS Group is the largest European Group of Companies offering complete end of line solutions (machinery, service and secondary packaging consumables) for any industrial application. The Group operates in most European countries and North America through an extensive network of subsidiary companies.

From 1998 until the first half of 2002, MJ.MAILLIS Group completed an impressive growth cycle, undertaking major capital investments, developing sales networks in Europe and the U.S. and realizing strategic acquisitions. In 1998 total turnover amounted to Euro 58 mill. while in 2002 consolidated turnover reached Euro 310 mill.

For the period 2002-2003 the Group's top priority was to complete the consolidation, integration and restructuring of companies acquired within the framework of assimilating the explosive growth that took place in the previous period. The basic parameters of this effort were the following:

- The establishment of a management structure comprised of highly qualified executives from different nationalities.
- The creation of proper infrastructure (systems, procedures).
- The promotion of the Group's new identity in the international markets, with special emphasis given to the Group's size, technologies, products and new capabilities and dynamics.
- The utilization of synergies and economies of scale, leading to significant cost reduction.

The consolidation process took place under particularly unfavorable economic conditions and severe slow down in the international markets, with evident consequences from recession, and the impact of incidents such as the September 11th terrorist attack, the war in Iraq and the significant Euro appreciation. This international negative coincidence naturally affected a primarily extrovert Group, such as MJ. MAILLIS Group, given that 97% of its sales are realized outside Greece.

More specifically, the 2003 data for MJ.MAILLIS Group were as follows :

- Consolidated Sales in the order of Euro 296.0 mill. versus sales of Euro 310.9 mill. in 2002.
- Consolidated Earnings before Taxes, Interest and Depreciation (E.B.I.T.D.A) of Euro 50.0 mill. (17% of sales) versus Euro 54.5 mill. (17.5% of sales) in the corresponding period of 2002.
- Consolidated Earnings before Taxes (E.B.T.) Euro 21.3 mill. compared to Euro 26.2 mill. in 2002.

In reality, excluding the impact from the devaluation of the dollar, the pound sterling and of several Eastern European countries' currencies,

sales would have reached the level of Euro 318 mill. The main reason for the decrease in profitability was the major exchange rate differentials, without which profitability figures would have remained at the 2002 levels.

During this difficult year MJ.MAILLIS Group realized substantial industrial investments, mainly in Italy (SIAT) and implemented major infrastructure improvements, investments in Research & Development and determined highly cost effective restructuring programs.

Additionally, the Group's integration effort has already begun to bear fruits with the apparent positive effect in production cost and expenses even in absolute terms.

The maintenance of the Group profitability ratios under these conditions should be considered successful.

MJ.MAILLIS Group in 2004 pursues a major cash flow improvement. The key objective is to gradually attain growth in the order of 15%, with the main parameters of the new growth cycle being the following:

- Exploit the Group's accumulated huge potential.
- The establishment in North America of the same operational framework as the successful structure in Europe (manufacturing of machinery, materials and a strong distribution network providing complete "end-of-line" industrial solutions)
- Potential selective acquisitions.

Initial activity in North America for the year 2004 will take place via strategic partnerships in order to save time and keep capital expenditures at low level.

The year 2004 starts differently, and MJ.MAILLIS Group is different. The Group completed its restructuring, while managed to secure its international presence and the strengthening of its competitive advantages. The Group is strong, more flexible and more competitive, while its largest and most demanding international customers place their trust in long term contracts both in Europe and North America.



Michael J. Maillis  
Chairman of the Board & CEO

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## BRIEF FINANCIAL DATA

### M.J.MAILLIS GROUP Summary Balance-Sheets

<b>M.J.MAILLIS GROUP CONSOLIDATED BALANCE-SHEETS</b>			
	<b>2003</b>	<b>2002</b>	<b>2001</b>
	(in mill. Euro)		
<b>ASSETS</b>			
Incorporation Expenses	77.2	59.2	55.6
Intangible Assets	20.2	17.7	8.4
Tangible Assets	194.9	194.4	186.8
LESS : Depreciation	129.2	113.3	88.2
NET FIXED ASSETS	163.1	158.0	162.6
Participations and Long-term Receivables	6.1	0.7	0.2
TOTAL FIXED ASSETS	169.3	158.8	162.8
CURRENT ASSETS	173.0	181.4	200.1
Transitory Asset Accounts	7.2	5.9	3.8
<b>TOTAL ASSETS</b>	<b>349.5</b>	<b>346.1</b>	<b>366.7</b>
<b>LIABILITIES</b>			
EQUITY	121.8	121.1	154.5
PROVISIONS	2.6	6.2	5.1
Long-term Liabilities	102.0	99.8	74.2
Current Liabilities	119.8	117.8	132.0
TOTAL LIABILITIES	221.8	217.6	206.2
Transitory Liability Accounts	3.3	1.2	0.9
<b>TOTAL LIABILITIES</b>	<b>349.5</b>	<b>346.1</b>	<b>366.7</b>

### Summary Profit & Loss Account & Data per Share

<b>M.J.MAILLIS GROUP PROFIT &amp; LOSS ACCOUNT</b>			
	<b>2003</b>	<b>2002</b>	<b>2001</b>
	(in mill. Euro)		
<b>TURNOVER</b>	<b>296.0</b>	<b>310.9</b>	<b>270.8</b>
Industrial Activity	245.7	242.5	201.4
Commercial Activity	50.3	68.4	69.4
Gross Profit (before depreciation)	97.3	107.9	84.0
Other Operating Income	3.4	0.9	2.0
<b>Total</b>	<b>100.7</b>	<b>108.8</b>	<b>86.0</b>
Operating Profit (before depreciation)	50.0	54.5	43.5
Earnings before Interest, Depreciation and Taxes	52.3	57.1	52.6
Earnings before Depreciation and Taxes	45.4	51.8	44.7
Pre-tax Earnings	21.3	26.1	25.9
Profit after Taxes and Board Emoluments	15.7	19.9	20.1
Profit after Taxes and Board Emoluments, after prior year			
Taxes and Minority Interests	15.7	19.8	19.8
Weighted Number of Shares	72,676,258	72,460,603	72,433,880
<b>DATA PER SHARE (amounts in Euro)</b>			
Earnings before Interest, Depreciation and Taxes	0.72	0.79	0.73
Pre-tax Earnings	0.29	0.36	0.36
Profit after Taxes and Board Emoluments	0.22	0.27	0.28
Profit after Taxes and Board Emoluments, after prior year			
Taxes and Minority Interests	0.22	0.27	0.27

## Summary Balance-Sheets of M.J.MAILLIS S.A.

BALANCE-SHEETS OF PARENT COMPANY M.J.MAILLIS S.A.			
	2003	2002	2001
			(in mill. Euro)
<b>ASSETS</b>			
Incorporation Expenses	44.6	37.0	35.3
Intangible Assets	3.7	3.2	0.9
Tangible Assets	101.3	97.9	90.5
LESS : Depreciation	76.4	63.7	48.4
NET FIXED ASSETS	73.3	74.4	78.2
Participations and Long-term Receivables	153.8	150.2	93.8
TOTAL FIXED ASSETS	227.1	224.6	172.1
CURRENT ASSETS	104.8	106.7	152.0
Transitory Asset Accounts	3.7	4.2	1.7
<b>TOTAL ASSETS</b>	<b>335.6</b>	<b>335.5</b>	<b>325.7</b>
<b>LIABILITIES</b>			
EQUITY	205.2	213.8	222.3
PROVISIONS	0.8	3.3	0.6
Long-term Liabilities	89.4	82.9	47.0
Current Liabilities	39.3	34.4	55.3
TOTAL LIABILITIES	128.6	117.3	102.3
Transitory Liability Accounts	1.0	1.1	0.6
<b>TOTAL LIABILITIES</b>	<b>335.6</b>	<b>335.5</b>	<b>325.7</b>

## Summary Operating Results & Data per Share

M.J.MAILLIS S.A. OPERATING RESULTS			
	2003	2002	2001
			(in mill. Euro)
<b>TURNOVER</b>	<b>94.9</b>	<b>93.9</b>	<b>89.5</b>
Industrial Activity	88.6	89.7	82.2
Commercial Activity	6.3	4.2	7.3
Gross Profit (before depreciation)	29.0	28.4	24.8
Other Operating Income	0.6	0.3	0.6
<b>Total</b>	<b>29.6</b>	<b>28.8</b>	<b>25.4</b>
Operating Profit (before depreciation)	16.2	15.9	13.8
Earnings before Interest, Depreciation and Taxes	12.3	21.5	19.9
Earnings before Depreciation and Taxes	8.8	19.4	19.2
Pre-tax Earnings	-4.4	4.0	5.9
Profit after Taxes and Board Emoluments	-4.4	1.4	3.8
Profit after Taxes and Board Emoluments, after prior year			
Taxes and Minority Interests	-5.5	1.4	3.8
Total Dividend (Net of Tax)	0.0	4.2	5.7
Weighted Number of Shares	72,676,258	72,460,603	72,433,880
<b>DATA PER SHARE (amounts in Euro)</b>			
Earnings before Interest, Depreciation and Taxes	0.17	0.30	0.27
Pre-tax Earnings	-0.06	0.06	0.08
Profit after Taxes and Board Emoluments	-0.06	0.02	0.05
Profit after Taxes and Board Emoluments, after prior year			
Taxes and Minority Interests	-0.08	0.02	0.05
Dividend per Share	0.00	0.06	0.08

## FINANCIAL RATIOS

M.J.MAILLIS GROUP FINANCIAL RATIOS			
	2003	2002	2001
<b>PERFORMANCE RATIOS</b>			
Turnover	-4.8%	14.8%	18.0%
Operating Profit/ EBITDA (before depreciation)	-8.3%	25.3%	13.6%
<b>PROFIT MARGIN (tot. Sales)</b>			
Gross Profit Margin (before depreciation)	32.9%	34.7%	31.0%
Operating Profit/ EBITDA (before depreciation)	16.9%	17.5%	16.1%
<b>PROFITABILITY RATIOS (before taxes)</b>			
Return on Equity - ROE (1)	17.5%	21.6%	16.8%
Return on Equity - ROE (2)	8.8%	10.8%	10.6%
<b>TURNOVER RATIOS (days)</b>			
Receivables	97	89	93
Inventories	122	123	126
Suppliers	67	63	49
<b>GEARING RATIOS</b>			
Debt / Equity (1)	1.82	1.78	1.33
Debt / Equity (2)	0.92	0.90	0.84
Bank Debt / Equity (1)	1.36	1.21	0.95
Bank Debt / Equity (2)	0.68	0.61	0.60
<b>LIQUIDITY RATIOS</b>			
Current Ratio	1.44	1.54	1.52
Special Liquidity Ratio	0.91	0.96	1.00
Quick Ratio (Acid Test)	0.12	0.19	0.36

(1) Ratios are calculated based on the Consolidated Equity of the Group as shown in the Published Balance-Sheets of the Group.

(2) According to Note no. 9 of the Published Balance-Sheet for FY 2002 and note no. 10 of the Published Balance-Sheet for FY 2003 the Consolidated Equity of M.J.MAILLIS Group would have amounted to 242 mill. Euro provided that the goodwill of the acquired companies did not appear as a negative item in equity but as an asset according to the alternative accounting approach.

**FINANCIAL RATIOS OF M.J.MAILLIS S.A.**

	2003	2002	2001
<b>PERFORMANCE RATIOS</b>			
Turnover	1.0%	5.0%	-3.1%
Operating Profit/ EBITDA (before depreciation)	2.0%	15.2%	-28.5%
<b>PROFIT MARGIN (tot. Sales)</b>			
Gross Profit Margin (before depreciation)	30.5%	30.3%	27.7%
Operating Profit/ EBITDA (before depreciation)	17.1%	16.9%	15.4%
<b>TURNOVER RATIOS (days)</b>			
Receivables	227	209	214
Inventories	79	86	96
Suppliers	68	67	67
<b>GEARING RATIOS</b>			
Debt / Equity	0.63	0.55	0.46
Bank Debt / Equity	0.55	0.45	0.37
<b>LIQUIDITY RATIOS</b>			
Current Ratio	2.67	3.10	2.75
Special Liquidity Ratio	2.34	2.64	2.48
Quick Ratio (Acid Test)	0.05	0.25	0.63



## 1. INFORMATION ON THE DRAFTING OF THE ANNUAL REPORT FOR 2003 AND THE COMPANY AUDITORS

The present Annual Report includes all information and financial data for the FY 2003 deemed necessary for an accurate valuation of the assets, the financial position, the results as well as the strategy and prospects of the Company "M.J.MAILLIS S.A. - Packing Systems" hereinafter "the Company" for investors and their investment advisors.

For more information investors may inquire at the Company offices at 5, Xenias & Charilaou Trikoupi St., 145 62 Kifissia, tel. 210 628 5000 during working days and hours.

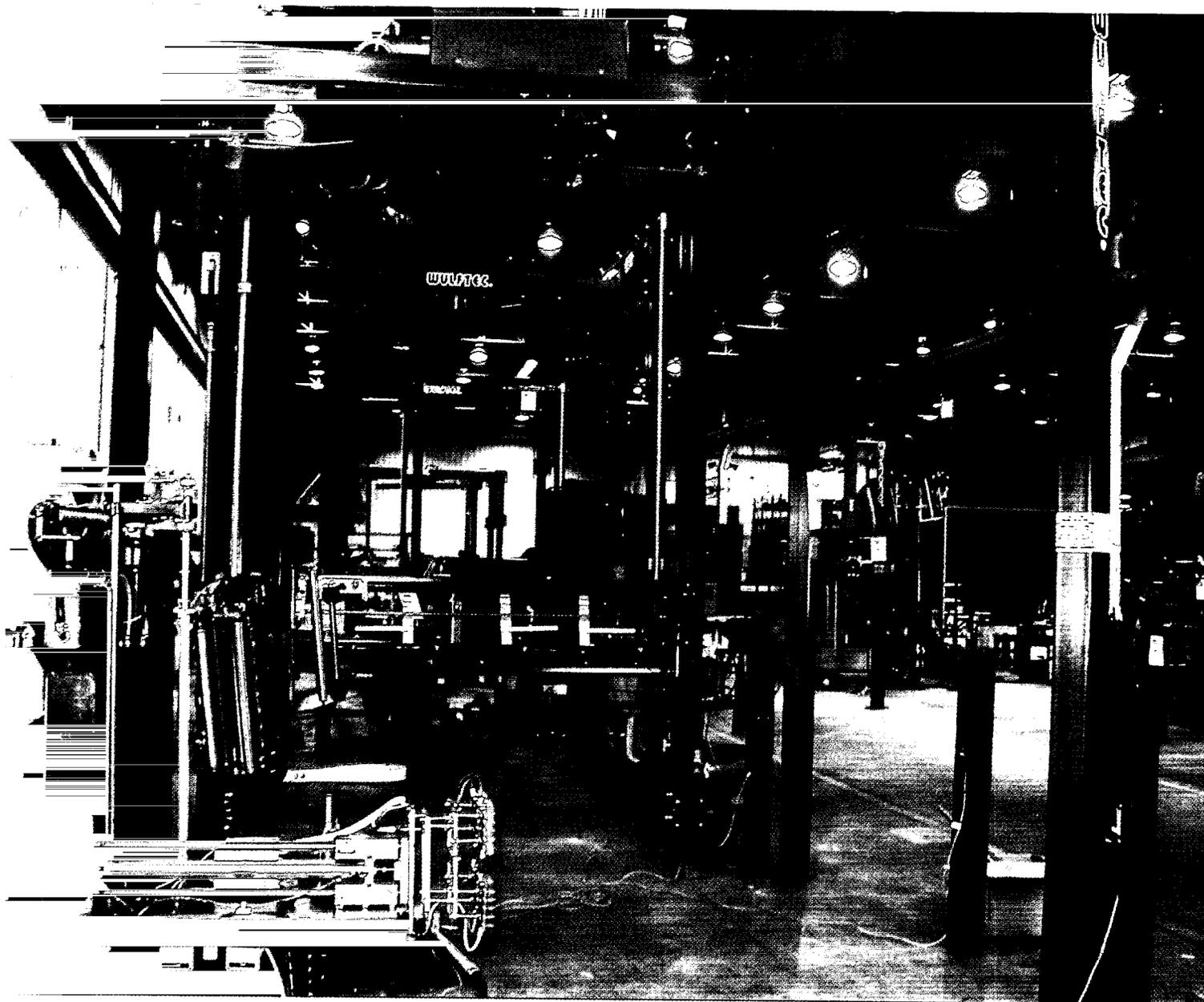
The drafting of the Annual Memorandum as well as the accuracy of the data contained herein are the responsibility of :

- Mr. Charalambos Stavrinouidakis, Vice-Chairman of the Board and Chief Financial Officer of the Group, at 5, Xenias & Charilaou Trikoupi St., 145 62 Kifissia, tel. 210 6285000.
- Mr. Petros Delis, Financial Manager for Greece, at 5, Xenias & Charilaou Trikoupi Str., 145 62 Kifissia, tel. 210 6285000.
- Mrs. Lina Dede, Investor Relations Manager, at 5, Xenias & Charilaou Trikoupi Str., 145 62 Kifissia, tel. 210 6285000.

The Board of the Company hereby declares that all its members have been advised of the contents of the present Memorandum and solemnly certify that :

- Any information or data contained herein are complete and true.
- No further data exist and no events have taken place, the withholding or omission of which could render all or part of the data and information contained in the Annual Memorandum misleading.
- There are no pending litigations or arbitrations against the Company or its subsidiaries that could have significant implications on its financial position.

The Company is audited by Certified Auditors - Accountants. The audit for the corporate financial years 2000 and 2001 for the Company and the Group was conducted by Mr. Konstantinos Kotsilinis, Certified Auditor - Accountant, Association of Certified Accountants' Membership Number 127113715 of the auditors' Company PriceWaterhouseCoopers (268, Kifissias Ave., GR-152 32 Athens) while the audit for the financial years 2002 and 2003 for the Company and the Group was conducted by Mr. Kyriakos Riris, Certified Accountant, Association of Certified Accountants' Membership Number 12111 of the auditors' Company PriceWaterhouseCoopers (268, Kifissias Ave., GR-152 32 Athens).



Wulftec Stretch Wrapping Machines

## 2.1 GENERAL INFORMATION

M.J.MALLIS S.A. was established in 1968 as a Limited Liability Company (Ltd.) and changed into a Commercial and Industrial Societe Anonyme (S.A.) in 1976. From April 2003, the registered office of the Company is in the Municipality of Kifissia, Attica, at 5, Xenias & Charilaou Trikoupi and the company is registered in the Register of Societe Anonyme Companies with registration number 2716/06/B/86/43. The life of the company has been fixed at sixty years to the year 2036. M.J.MALLIS S.A. is a Greek Societe Anonyme and is subject to the Law regarding Societe Anonymes of E.L. 2190/1920. The Company is further bound by the provisions governing listed companies as the company's shares are listed in the main market of the Athens Exchange.

The object of the Company according to article 4 of its Charter is:

- a. General trade including imports, exports and representation of foreign companies.
- b. Establishing and exploiting Industrial Units including, in particular, production facilities for all kinds of packaging strap, whether metal or plastic.
- c. Producing and trading all kinds of packaging materials and machinery as well as the corresponding raw materials, and promoting the sale of such goods by any mode or means and drafting the relevant studies.
- d. Drawing up technical studies and providing manufacturing know-how, as well as manufacturing all kinds of industrial equipment and related production lines.
- e. Establishing other companies of any form or participating in existing companies and enterprises or acquiring other companies and enterprises or cooperating with natural and legal persons sharing objects which are identical, similar, complementary or simply useful to the Company in any way, whether directly or indirectly.

The Company has two production facilities (at Inofita of Viotia and in Alexandroupoli) producing, respectively, metal and plastic strap, the former, and stretch and shrink film, the latter. Moreover, the Company has now expanded into Eastern and Western Europe and hence production is also underway in Europe and North America and specifically : in Spain (Barcelona) where plastic strapping band (PP) is produced, England where plastic strapping band (PP and PET) is produced, Romania where shrink film and packaging machines are produced, Poland where stretch film and plastic bags are produced, Germany where heads and automatic packaging machines as well as plastic strapping band (PP and PET), edgeboards and special strapping belts are produced, Italy where SIAT S.p.A. produces tape carton sealers, strapping machinery with packing stretch film, tape flexographic printers and dispensers and Columbia Srl manufactures packing tools for applications with metal and plastic strapping band. In the United States, the company operates as an integrated end of line solutions (Combi Packaging Systems). Finally, Wulftec International Inc., the Company's subsidiary recently acquired in Canada, operates as a designer, manufacturer and distributor of stretch wrapping machines.

In Greece the Company is purely exports-oriented, its exports making for 90% of its annual production (2003 data). M. J. MAILLIS S.A. has succeeded in consolidating its position in the international markets on the strength of the high quality of its products, of the powerful distribution networks it has built and maintained and of the efficient service provided to its customers.

## 2.2 BRIEF HISTORY

The milestones in the history of the Company are the following:

**1968** - The Company is established by the family of Mr. Michael J. Maillis as a Ltd. company.

**1976** - The form of the Company changes from a LTD. company to a S.A.

**1988** - The Company is presented with an award by the Chamber of Commerce and Industry of Greece for its exports achievements in the period 1985-1987.

**1993** - The Company acquired the quality assurance certificate ISO 9002 for "Packaging Steel Band Production and Trade". This certificate is valid through 21-11-1996. The Company was among the 20 first enterprises in Greece to be granted the foregoing certificate and was the first Company in the metallurgy and metal processing industry to have received such a certificate.

**1994** - The Company listed its shares in the Parallel Market of the ASE. The first two subsidiaries of MICHAEL J. MAILLIS S.A. are established in the same year; the first with a registered office in Sofia, Bulgaria (August '94) and the second in Bucharest, Romania (December '94). The object of these two companies is to develop a distribution network for Company products in the Balkans. Moreover, the Company also became a producer via M. J. Maillis Romania.

**1995** - The first subsidiary Company in Greece was established in March under the name STRAPTECH S.A., the object of which was to study, manufacture and sell automatic packaging machines and assemblies, as well as mechanical equipment for the production of band and other packaging materials.

In the same year, the Ministries for the National Economy and for Industry, Research and Technology approved the five-year business plan (1995 - 1999) to the amount of GRD 4.64 bill. which had been subject to the development law 2234/23a (GGV 195/1995) and was the biggest investment plan of the Company ever approved under that law.

**1996** - The Company was reclassified from the Parallel to the Main Market of the Athens Stock Exchange. Moreover, in the same year the Ministry for Development approved the Company's investment plan in the Industrial Zone of Alexandroupoli of a total amount of GRD 1.64 bill. subsidized at 62% for building a plastic strapping band and packaging film production plant (L. 1892/90). Moreover, the ISO 9002 quality assurance certificate was renewed for the 3-year period 1996 - 1999.

**1997** - The Company, as part of its expansion into the Balkans, established a new subsidiary Company in Poland with a registered office in Warsaw (March 1997) to market its products in that country. It also established a representative office with a registered office in Brussels with an aim to strengthening its product distribution network.

At the same time, the Company completed its investment plan (Phase A of the IND. ZO. of Alexandroupoli) two years earlier than originally scheduled, thereby marking a spectacular increase in its production capacity while expanding its product range by starting to produce and sell stretch and shrink film.

Two more Company investment plans are approved in the same year regarding the establishment of a natural gas-operated electricity co-generating unit to the amount of GRD 652 mill. at Inofita and in phase B of the investment plan in Alexandroupoli to the amount of GRD 2.5 bill. for the two-year period 1998-1999.

Moreover, in 1997 the Company raised a seven-year Bond Loan with private placement in the London market to the amount of 62 mill. DEM (GRD 9,818,568,000 at the exchange rate as at 31/12/1997) to reschedule its loan liabilities (Current - Long-term).

**1998** - A new subsidiary is established in the Czech Republic, M.J. Maillis Czech SRO with a registered office in Prague (April 1998). In that same year, MICHAEL J. MAILLIS S.A. acquired the majority of shares in the Incoplastic S.A. and Rocalu S.A. companies in Spain. Incoplastic S.A. was renamed M.J. Maillis Espana S.A. A new subsidiary is also established in Albania, M.J. Maillis Albania Ltd. Finally, the company's quality assurance system was upgraded in 1998 according to ISO 9001 with validity through 31-12-2003.

**1999** - The Company, in line with its strategic expansion, made further acquisitions in England. First, MICHAEL J. MAILLIS S.A. acquired Castlegate, which then acquired the Payne Strapping Systems Division of Bunzl. Plc. The new company created was renamed Payne Strapping Systems Ltd. Payne Strapping Systems Ltd. then merged by acquisition with Elsten Ltd. company.

M.J. Maillis France SAS is established. M.J. Maillis France SAS acquired 100% of Codami SARL and Cerbere Agravit S.A. together with the Sovarec Division of Cerbere S.A.. Codami SARL was then renamed Cerbere Sovarec S.A. and acquired the Sovarec division of Cerbere S.A.

OMS Maillis America Inc. is established through the joint venture of MICHAEL J. MAILLIS S.A. and OMS SpA. in the city of Charlotte, North Carolina.

A new subsidiary company is established in Hungary, M. J. Maillis Hungary KFT. The foregoing company acquired the Danubia Pack trademark together with some fixed assets of the company and was renamed Danubia Pack Maillis Group.

Phase B of the Alexandroupoli investment plan to the amount of GRD 2.5 bill. is completed.

In the end of 1999, the Company made the following acquisitions : Siat S.p.A. in Italy at 100% and its subsidiaries (Arte Srl, Gramegna S.p.A., Ipe CO, Combi Packaging Systems, Siat USA), Columbia S.r.l. in Italy at 60%. Siat Spa is a manufacturer of tape carton sealers, stretch strapping machines and tape flexographic printers. Columbia S.r.l. is a strapping machine manufacturer.

**2000** - In the course of the year, the Group completed a number of major strategic acquisitions.

Specifically, MICHAEL J. MAILLIS S.A. took one step further towards completing its commercial network in Europe by acquiring 100% of the Austrian company CYKLOP that was renamed CONTIPAK and is the secondary packaging Market Leader in Austria.

The acquisition of the majority interest in the Finnish company OY ASTRAP AB was also completed. The said company together with ASTRAP AB, its Swedish subsidiary at 100%, is trading secondary packaging products.

The acquisition of DF PARTNER SRO in the Czech Republic was completed in May 2000, a company marketing and trading in secondary packaging products and one of the major distributors in the Czech Republic with an extensive sales network.

The acquisition of Sander GmbH was also completed in the same month, a German company designing, manufacturing and selling automatic strapping machines, plastic band, special strapping band, edge board and airbags for product transportation by containers.

It is worth mentioning the considerable investment efforts which started in 2000 in Romania to complete a modern machine production facility based on the machine production know-how of the SIAT and SANDER Group in a lower production cost country. The plant went into operation towards the end of the first semester of 2001.

In July 2000, SIAT SPA in Italy acquired a majority interest in SICME SRL. SICME SRL is a company specializing in the production of machine parts and components.

In September 2000 M.J. MAILLIS POLAND S.P.Zo.o. acquired the business and assets of MARFLEX Sp. Z.o.o. which assigned her the right to use its trade name MARFLEX. Note that MARFLEX Sp. Z.o.o. is the biggest stretch film producer in Eastern Europe and the biggest plastic bag producer in Poland with a high standard printing capability.

The acquisition of the Swedish company Nydens Forpackings AB by Astrap AB, the Swedish subsidiary of MICHAEL J. MAILLIS S.A., trading in secondary packaging products was completed in December 2000.

The company refinanced the bond loan to the amount of 62,000,000 DEM as at 31/12/1999 with a medium-long term syndicated loan in Euros to the amount of 47 mill. maturing and repayable in 2003.

**2001** - The first round of acquisitions was completed in 2001, thereby providing integrated end of line solutions. The following strategic acquisitions were made in the course of 2001 :

In May 2001 MICHAEL J. MAILLIS S.A. acquired two Italian companies via its Italian subsidiary SIAT S.p.A.; MEGA S.r.l., a producer of high-technology automated packaging machines for special uses and TAM S.r.l., a producer of machinist products and parts operating at maximum automation.

The acquisition of United Packaging PLC via HELERO BV in England was completed in August 2001. United Packaging PLC is a leader in automated stretch wrapping and stretch film production and sales.

In November 2001, the Company proceeded via HELERO BV to acquire Samuel Strapping Systems (UK) Ltd. in England, who represented the European operations of the Canadian Company Samuel Manu-Tech Inc. Samuel Strapping Systems (UK) Ltd. is a leader in the production and distribution of heavy-duty packaging materials and machines.

It is worth noting that the public offering of the subsidiary company M.J. MAILLIS ROMANIA S.A. was successfully completed on 16/02/01. The capital raised by the company amounted to 1.46 mill. Dollars to finance its investment plan through the offer of 869,311 new shares at 45,000 ROL (USD 1.69 per share).

The new integrated information system (SAP) was also successfully completed in 2001.

**2002** - In 2002, which was a year marked by the negative economic climate, the M.J. MAILLIS GROUP achieved a growth rate in the order of 15% and a considerable improvement in its operating profit. The Group invested heavily in the development of new products (mainly machines with competitive and technological advantages) and made any necessary structural changes. The streamlining efforts of the MAILLIS Group continued and were further accelerated in the course of the year, during which several foreign subsidiaries of the Group merged (England, France, Italy, Austria) and production sites were relocated (e.g. from England to Poland, Italy, Greece). As a result of these efforts there was a significant reduction in the production and management costs, which became even more apparent in the course of the Financial Year 2003.

In terms of acquisitions, it is worth mentioning that in April 2002, the company announced the acquisition via its subsidiary EUROPACK S.A. of WULFTEC INTERNATIONAL Inc., the biggest stretch wrapping machine producer in Canada. This first acquisition in North America was the strategic step forward that enabled the MAILLIS Group to export its strong presence outside of Europe.

In April 2002, the Company also announced that its subsidiary SIAT Sp.A acquired 51% of the Dutch Packimpro VOF, which was then renamed SIAT BENELUX B.V.

Moreover, the new packaging machine production line of M.J. MAILLIS ROMANIA, a subsidiary for the Group in Romania, opened in Bucharest in May 2002. The new production line increased the annual production of this plant by 3,500 machines and machine parts, while it was built to assimilate the production capacity in plain packaging machines of the Italian and German production plants.

In June 2002, the Ordinary General Meeting of Company Shareholders deliberated and resolved inter alia the abridgment of the name of the Company from "MICHAEL J. MAILLIS S.A. - Packing Systems" to "M.J. MAILLIS S.A. - Packing Systems" and the corresponding amendment of Article 1 of the Company Articles.

In the course of the year, the Company also made an acquisition of strategic importance, buying out the Fixed Assets and the Brand Name of the Italian F.A.I. S.r.l., a company with a strong presence in the shrinking machine market of Italy and a major exporter to the European and North American markets.

At the end of the year, the Group announced its strategic participation by 30% in the share capital of the Italian 3L S.r.l., a rapidly growing manufacturer of electronic equipment and a software designer for industrial applications.

Moreover, having successfully completed in association with IBM the implementation of the project for establishing the SAP information system in Greece, M.J.MAILLIS S.A. announced the launch of this project in its Italian subsidiaries also (SIAT S.p.A., SICME Srl., MEGA Srl., TAM Srl. and COLUMBIA Srl.). This particular project is part of the efforts of the Group towards the modernization and more efficient operation of its network of subsidiaries, which the Group is also planning to later extend to other Group subsidiaries.

Note that in September 2002, in a survey conducted by Growthplus, the European association of enterprising businessmen, to provide a ranking of the 500 fastest growing businesses in Europe in 2002, in terms of growth and new job position creating potential, of the 27 Greek enterprises participating, M.J.MAILLIS S.A. was considered to be the fastest growing company in Greece, while on a European-wide level, the Company was ranked 19th. In the space of five years, M.J.MAILLIS S.A. brought its staff numbers up from 164 in 1996 to 1,976 in the end of 2001.

**2003** - In the course of 2003 which was a particularly difficult year for the world economy with visible signs of recession and with significant events such as the war in Iraq and the revaluation of the Euro, M.J.MAILLIS S.A. pursued and completed its restructuring and streamlining plan for its network of subsidiaries primarily aimed at improving substantially costs and expenses. The Company proceeded to make sizeable industrial investments, primarily in Italy (SIAT S.p.A) as well as in high-cost infrastructure and restructuring investments. More specifically :

Its subsidiary SIAT S.p.A. completed in Italy the merger by acquisition of the company's subsidiary ARTE S.r.l., under which the total assets and liabilities of ARTE S.r.l together with all the relations at law thereof were transferred to its sole shareholder SIAT S.p.a.

In the framework of the reorganization of its product marketing channels in America, the Company announced in April 2003 the establishment of a joint venture via its subsidiary WULFTEC INTERNATIONAL INC. under the name "Maillis Strapping Network Llp (MSN)".

In May 2003, the Company announced the acquisition of the remaining 40% of the share capital of its subsidiary COLUMBIA Sr.l. by its old shareholders.

In June 2003 in line with the restructuring line under way for the Company subsidiaries in Spain for the purposes of the said merger M.J.MAILLIS S.A., the sole shareholder of the company M.J.MAILLIS

ESPANA SL, participated in the increase of the share capital thereof by contributing all of the shares held by ROCALU S.L. as the sole shareholder thereof and then M.J.MAILLIS ESPANA SL proceeded to acquire by absorption ROCALU S.L. As a result of the foregoing, M.J.MAILLIS ESPANA SL is the sole operating subsidiary of M.J.MAILLIS S.A. in Spain.

In July 2003, NYDENS FORPAKINGS AB, a Swedish subsidiary of M.J.MAILLIS S.A., merged with another company subsidiary, M.J.MAILLIS SVERIGE AB. Under the said merger the total assets and liabilities of the merged NYDENS FORPAKINGS AB was transferred to M.J.MAILLIS SVERIGE AB and consequently the latter is now the sole active subsidiary of M.J.MAILLIS S.A. in Sweden.

In September 2003, the procedure for changing the name of the subsidiary of M.J.MAILLIS S.A. in Poland from "Marflex M.J.Maillis Group S.p.Zoo" to "Marflex M.J.Maillis Poland S.p.Zoo" as well as of its subsidiary in Hungary "Danubia Pack M.J.Maillis Group Kft" to "M.J.Maillis Hungary Packing Systems Ltd" was completed so that all Group companies may share the same identity.

The SAP information system was established in the Company's subsidiaries in Italy in association with IBM in October 2003. This project was carried out with a view to modernizing and streamlining the Company's subsidiary network operations by way of creating a common database, central control and reporting. On completion of this project the necessary infrastructure is now in place for adopting e-business solutions. The Company is planning to further expand the installation of the information system to other Group subsidiaries.

In 2003 the share capital increases of the subsidiaries under the name "CONTIPAK GmbH" in Austria and "M.J.MAILLIS SVERIGE AB" in Sweden were also completed.

## 2.3 COURSE OF SHARE CAPITAL

The Company's share capital amounts to Euro 55,386,094.40 divided into 72,876,440 ordinary registered shares of a nominal value of Euro 0.76 each.

The table that follows is a summary of Company share capital increases :

### TABLE OF SHARE CAPITAL INCREASES

#### Company Share Capital (Amounts in GRD)

GM or BoD Date.	GGV Number	Number of Shares	Total Number of Shares	Nominal Share Value	Share Offering Price	By Cash Payment	By Capitalization of Reserves and Fixed Asset Revaluation	Post-Increase Share Capital
1976	86/1976	13,000	13,000	1,000	1,000	13,000,000		13,000,000
28/6/1978	2983/1978	2,000	15,000	1,000	1,000	2,000,000		15,000,000
8/3/1979	540/1979	10,000	25,000	1,000	1,000	10,000,000		25,000,000
23/12/1982	622/1983	8,620	33,620	1,000	1,000	4,530	8,615,470	33,620,000
28/4/1986	2329/1986	6,150	39,770	1,000	1,000	0	6,150,000	39,770,000
15/6/1989	3415/89	55,310	95,080	1,000	1,000	4,136	55,305,864	95,080,000
15/6/1989	3415/89	100,000	195,080	1,000	1,000	100,000,000		195,080,000
17/10/1990	4297/90	235,000	430,080	1,000	1,000	235,000,000		430,080,000
30/12/1992	394/1993	12,780	442,860	1,000	1,000	1,499	12,778,501	442,860,000
29/6/1993	5770/1993	99,025	541,885	1,000	1,000	3,952	99,021,048	541,885,000
11/2/1994	1511/1994	2,167,540	2,167,540	250				541,885,000
11/2/1994	1511/1994	405,660	2,573,200	250	1,000	101,415,000		643,300,000
8/3/1995	668/1995	257,320	2,830,520	250	2,900	64,330,000		707,630,000
19/10/1995	6815/1995	2,830,520	5,661,040	250			707,630,000	1,415,260,000
2/5/1996	6208/1996	900,000	6,561,040	250	2,100	225,000,000		1,640,260,000
27/6/1997	6394/1997	1,312,208	7,873,248	250			328,052,000	1,968,312,000
29/4/1998	2235/1998	10,235,222	18,108,470	250	5,500	590,493,500	1,968,312,000	4,527,117,500
6/5/1999	2999/1999	18,108,470	36,216,940	250			4,527,117,500	9,054,235,000
15/12/1999	292/2000	18,108,470	54,325,410	250			4,527,117,500	13,581,352,500
15/12/1999	292/2000	18,108,470	72,433,880	250	2,800	4,527,117,500		18,108,470,000
<b>TOTAL</b>		<b>72,433,880</b>		<b>250</b>		<b>5,868,370,117</b>	<b>12,240,099,883</b>	<b>18,108,470,000</b>

#### Company Share Capital (Amounts in Euro)

GM or BoD Date.	GGV Number	Number of Shares	Total Number of Shares	Nominal Share Value	Share Offering Price	By Cash Payment	By Capitalization of Reserves and Fixed Asset Revaluation	Post-Increase Share Capital
		72,433,880	72,433,880			17,221,922.57	35,921,056.15	53,142,978.72
6/6/2002	6894/2002	72,433,880		0.76			1,906,770.08	55,049,748.80
24/12/2002	428/2003	213,780	72,647,660	0.76	1.00	162,472.80		55,212,221.60
3/12/2003	250/2004	228,780	72,876,440	0.76	1.00	173,872.80		
<b>TOTAL</b>		<b>72,876,440</b>		<b>0.76</b>		<b>17,558,268.17</b>	<b>37,827,826.23</b>	<b>55,386,094.40</b>

The majority of Company shares are owned by Mr. Michael Maillis and Horqueta Holdings Limited with a total share of approximately

55%. All shares carry a right of vote. The Company is a member of M.J.MAILLIS Group and is the Group's Parent Company.

## 2.4. EQUITY - BOOK VALUE OF THE COMPANY SHARE

<b>M.J.MAILLIS S.A. EQUITY</b>	<b>2003</b>
	(in mill. Euro)
Number of Shares	72,876,440
Nominal Share Value (€)	<b>0.76</b>
Share Capital	55,386,094
Share Premium Reserve	144,932,105
Other Reserves	4,837,671
Total Equity	<b>205,155,870</b>
Book Value per Share (€)	<b>2.82</b>

<b>M.J.MAILLIS GROUP EQUITY</b>	<b>2003</b>
	(in mill. Euro)
Number of Shares	72,876,440
Nominal Share Value (€)	<b>0.76</b>
Share Capital	55,386,094
Share Premium Reserve	144,932,105
Other Reserves	-78,485,156
Total Equity	<b>121,833,043</b>
Book Value per Share (€)	<b>1.67</b>

<b>M.J.MAILLIS GROUP EQUITY *</b>	<b>2003</b>
	(in mill. Euro)
Number of Shares	72,876,440
Nominal Share Value (€)	<b>0.76</b>
Share Capital	55,386,094
Share Premium Reserve	144,932,105
Other Reserves	41,909,308
Total Equity	<b>242,227,507</b>
Book Value per Share (€)	<b>3.32</b>

\* According to Note No. 10 of the Published Balance-Sheet for 2003 on the Consolidated Equity of the Group.

## 2.5 MARKET VALUATION OF SHARE

The table that follows is a summary of the key statistical data on the progress of the Company's share in the period 02/01/2003 through 31/03/2004. During the said period the mean share closing price was 3.17 Euro while the highest closing price stood at 4.24 Euro and the lowest at 2.40 Euro.

The total trading volume of the Company reached 33,317,647 shares while the total trading value amounted to 106,722,655 Euro.

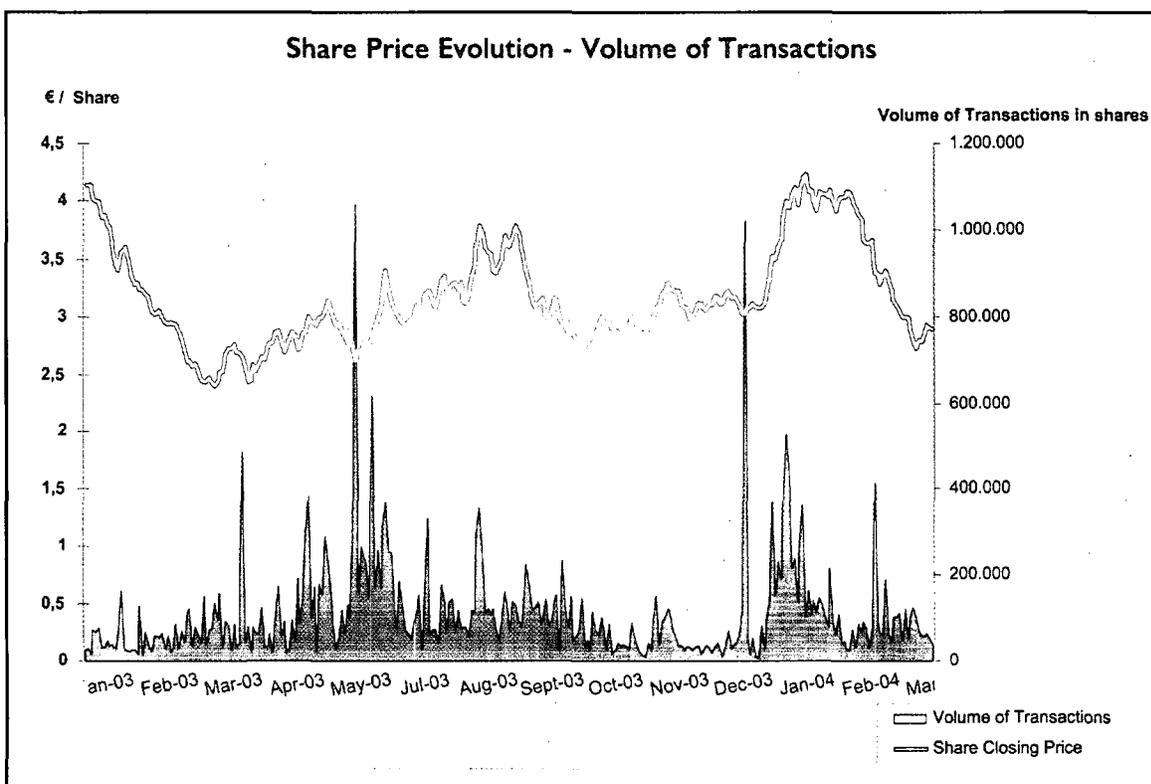
During the session of March 31st, 2004 the Company's share close at 2.89 Euro and the General Index of the Athens Exchange close at 2,370.65 units.

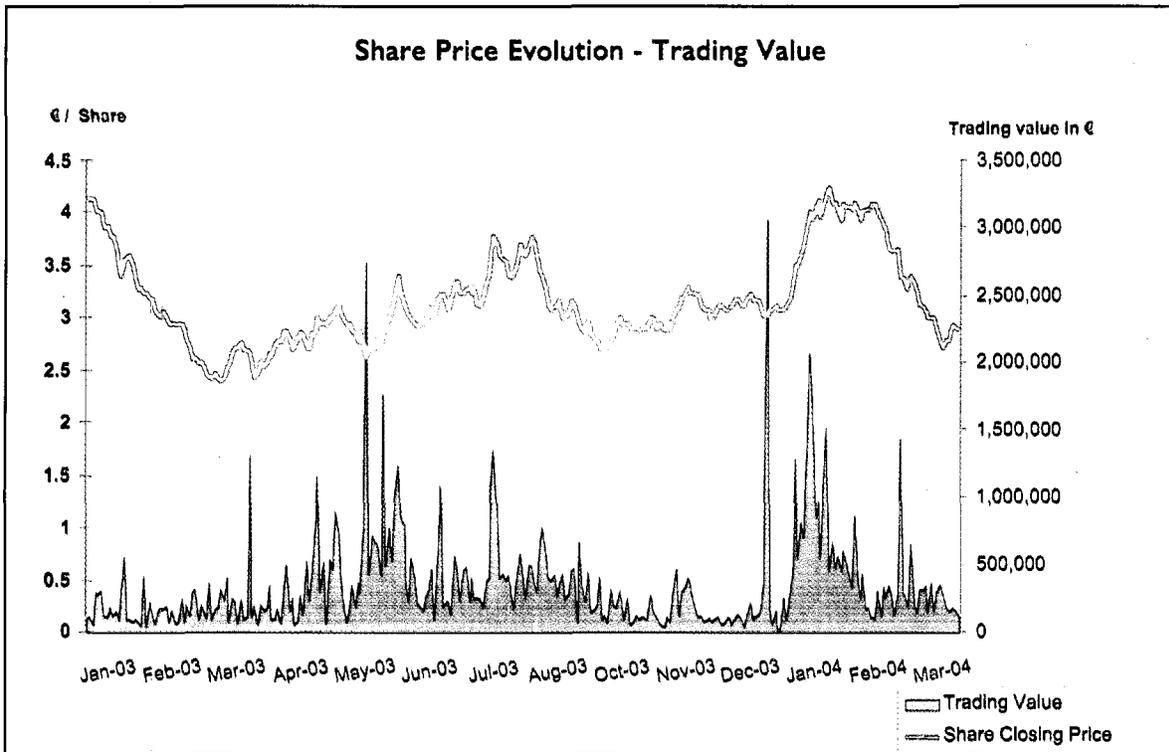
Month	Share Closing Price (€)*	Total Monthly Trading Volume (in shares)	Trading Volume as a percentage of the total S.C.	Value of Total Monthly Trading Volume (€)	General Index*	FTSE 40*	FTSE 140*	Basic Metals Index*
31/01/2003	3.24	991,293	1.36%	3,594,001	1,683.59	1,714.20	1,903.43	378.94
28/02/2003	2.59	1,085,746	1.49%	3,091,666	1,614.06	1,643.00	1,805.17	379.90
31/03/2003	2.44	1,824,511	2.50%	4,685,770	1,467.30	1,547.00	1,625.48	361.51
30/04/2003	2.71	1,318,144	1.81%	3,604,661	1,691.52	1,782.30	1,925.82	396.51
30/05/2003	2.61	4,153,503	5.70%	11,881,386	1,707.54	1,798.30	1,954.03	388.83
30/06/2003	2.98	4,142,598	5.68%	12,367,802	1,892.04	2,032.60	2,192.14	435.38
31/07/2003	3.42	2,503,360	3.43%	8,062,670	2,158.64	2,338.70	2,539.50	485.31
29/08/2003	3.30	2,956,928	4.06%	10,663,046	2,210.57	2,424.80	2,617.26	482.33
30/09/2003	2.74	2,226,709	3.06%	6,621,617	2,019.76	2,126.10	2,342.17	403.68
31/10/2003	2.89	1,038,410	1.42%	3,020,552	2,121.06	2,309.50	2,475.90	419.56
28/11/2003	3.06	1,171,630	1.61%	3,677,863	2,170.05	2,325.00	2,531.91	432.08
31/12/2003	3.12	1,812,670	2.49%	5,518,176	2,263.58	2,377.10	2,668.98	434.30
30/01/2004	4.08	4,496,152	6.17%	17,467,852	2,432.58	2,555.10	2,874.71	493.77
27/02/2004	3.66	1,470,695	2.02%	5,803,216	2,451.50	2,384.80	2,851.34	446.82
31/03/2004	2.89	2,125,298	2.92%	6,662,377	2,370.65	2,235.42	2,747.09	389.45
<b>TOTAL</b>		<b>33,317,647</b>	<b>45.72%</b>	<b>106,722,655</b>				

\* closing price on the last working day of each month

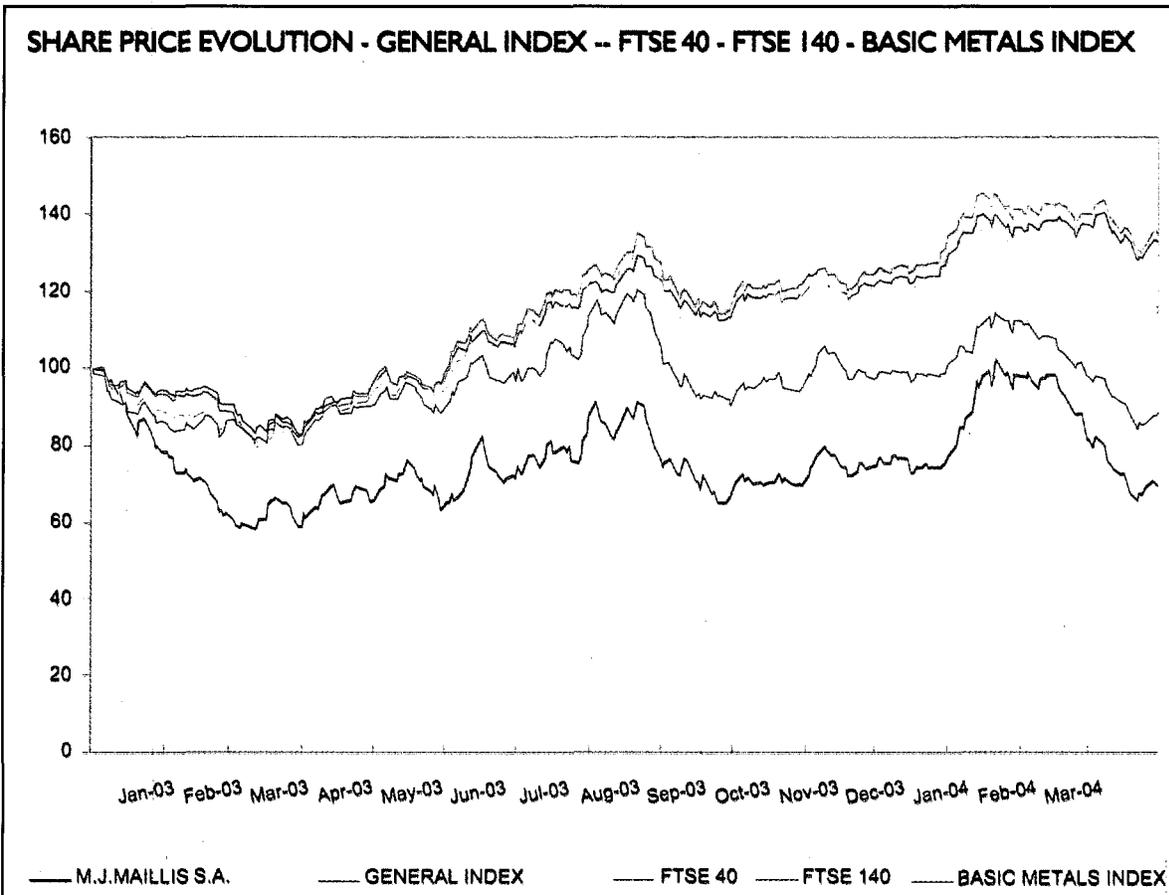
The graphs that follow track the progress of the Company's share as well as the daily trading volumes (in shares and value)

for the period 02/01/2003 - 31/03/2004.





The graph that follows charts the course of the Company's share in relation to the corresponding course of the General Index, the FTSE - Mid 40 index, the FTSE/ASE 140 index and the Basic Metals Index for the period 02/01/2003 - 31/03/2004, following a conversion with a base of 100 and the 02/01/2003 as the base date



## 2.6 SHAREHOLDER COMPOSITION

### I. FREE FLOAT

The Company share has a high free float index. The total number of Shareholders as at 31.03.2004 stood at 15,226. The table that follows shows the share float as at 31.03.2004.

	SHAREHOLDERS		SHARES	
	Number	%	Number	%
0<SHARES<=100	3,004	19.73	220,198	0.30
100<SHARES<=1,000	9,689	63.63	4,223,888	5.80
1,000<SHARES<=10,000	2,337	15.35	6,267,513	8.60
10,000<SHARES<=100,000	156	1.02	4,369,358	6.00
100,000<SHARES<=1,000,000	33	0.22	9,137,106	12.54
1,000,000<SHARES	7	0.05	48,658,377	66.77
<b>TOTAL</b>	<b>15,226</b>	<b>100.00</b>	<b>72,876,440</b>	<b>100.00</b>

### II. SHARE DISTRIBUTION AS AT 31.03.2004

The composition of company shareholders based on the shareholders' register as at 31.03.2004 is shown below :

NAME	SHARES	PERCENTAGE%
MICHAEL MAILLIS	18,890,683	25.92
HORQUETA HOLDINGS LTD	21,058,024	28.90
OTHER INVESTORS	32,927,733	45.18
<b>TOTAL</b>	<b>72,876,440</b>	<b>100.00</b>

Regarding HORQUETA HOLDINGS LIMITED, the Company is reporting the following : HORQUETA HOLDINGS LIMITED was established in 1992 with a registered office originally in Dublin, Ireland and ever since 1999 on the British Virgin Islands. HORQUETA HOLDINGS LIMITED is a Holding company, where Mr. Michael Maillis holds a majority interest and is represented by NWT MANAGEMENT S.A. Being a holding company, HORQUETA HOLDINGS LIMITED is not involved in any kind of production or commercial activity.

Over the past three years (2001 - 2003) there has been no change in the share capital composition of 3% or more.

## 2.7 ACQUISITION OF OWN SHARES

According to article 16 par. 5 and 6 of CL 2190/1920 and the resolution of the Extraordinary GM of Company Shareholders as at 21.12.2000 and the BoD resolution as at 15.01.2001, the Company was entitled to acquire Own Shares of 10% (namely 7,243,388 shares) of its total Share Capital with a view to support the market valuation of the share for the period from 30.1.2001 through 20.06.2002. The Ordinary General Meeting of Company Shareholders held on 06.06.2002 resolved the early termination of the above mentioned period by a few days and specifically it resolved the termination of the specific period on 06.06.2002. According to the foregoing in the period from 30.01.2001 through 06.06.2002 the Company acquired 1,638,850 Own shares with a mean cost value of five Euro and fifty cents (Euro 5.50), which corresponded to 2.26 % of the Company share capital. The Board of Directors advised the Shareholders at the General Shareholders Meeting of 06.06.2002 of the list of Shareholders from which the above mentioned shares have been bought.

Moreover, the Ordinary General Meeting of Shareholders of 06.06.2002 resolved that the Company shall again Acquire Own Shares in accordance with article 16 par. 5 and 6 of CL 2190/1920, with the aim of supporting the share market value by acquiring up to 7% of the total number of shares, namely up to 5,070,371 shares, within the next 12 months from the above date, at a maximum price

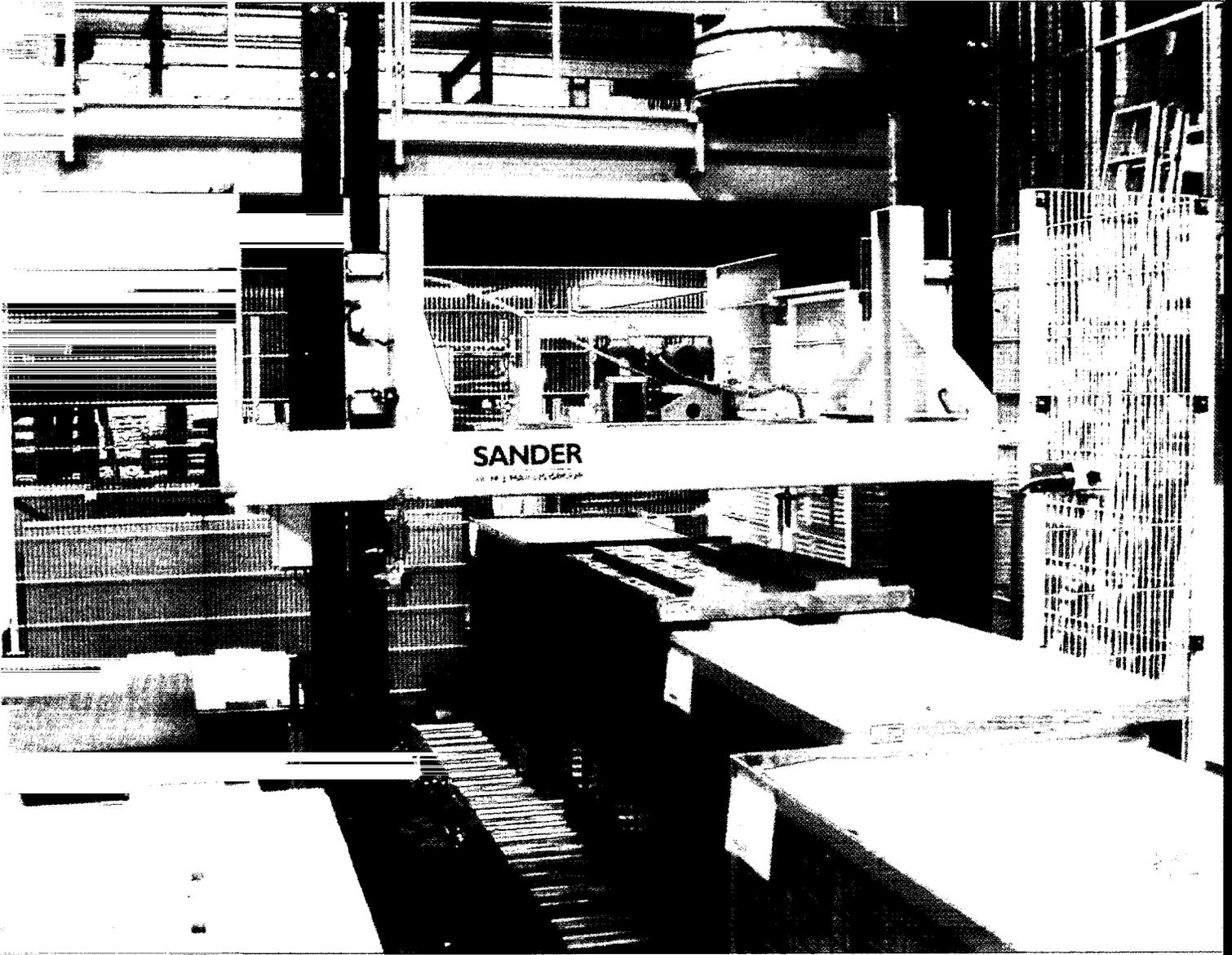
of nine Euro (Euro 9,00) and a minimum price of four Euro (Euro 4,00) per share.

At the Extraordinary General Meeting of March 31st, 2003 Company Shareholders resolved the early termination of the foregoing period for the acquisition of Own Shares and specifically resolved that the above period end on 31.03.2003. Further to the resolution as above, the Company notified that during the period from 08.07.2002 through 31.03.2003 it acquired 614,650 Own Shares corresponding to 0.84% of the total Company share capital at a mean cost value of four Euro fifty-one cents (Euro 4.51). The Chairman of the General Meeting advised the Shareholders of the list of Shareholders from which the above mentioned shares have been bought.

The Extraordinary General Meeting of Shareholders of 31.03.2003 resolved to assign a third term for the acquisition of Own Shares aiming to further support the share market value. The lowest acquisition price was set to one Euro (Euro 1.00) and the highest at nine Euro (Euro 9.00). In consequence of the above, it was resolved that the Company would acquire Own Shares up to 6.90% of the total number of shares, namely 5,012,688 shares and during the period from 14.04.2003 through 30.03.2004.

In accordance with the foregoing resolution, through 31.12.2003 the company had acquired 2,642,440 Own Shares at a mean cost value of four Euro and ninety-two cents (Euro 4.92).





**SANDER**  
AN H. M. LANG GROUP

Sander Vario Master 9460TL HV

### 3.1 OBJECT OF OPERATIONS

The main object of Company operations is the production of metal strapping steel band (strap), plastic (PET and PP) strapping band and the production of stretch and shrink film.

The term "packaging steel band" is used to describe any metal strapping band made of steel and used to close, seal and support the packaging of heavy industrial products. The European Standardization Commission C.E.N. (Comite Europeen de Normalisation) set up to establish and standardize European specifications has designated the following three types of packaging steel band :

- a. Cold-rolled, without heat treatment.
- b. Cold-rolled, with heat treatment.
- c. Cold-rolled, with strong heat treatment

and the following types of plastic band :

- a. Polypropylene plastic band (PP STRAP)
- b. Polyester plastic band (PET STRAP)
- c. Polyamide plastic band (PA STRAP)

The basic raw materials bought by the Company per product type are :

#### A) Strapping Steel Band (Metal Strap)

For Metal strap production, the Company buys Hot-rolled Steel Band. It is delivered in Coils of a maximum diameter of 2000 mm weighing 20 - 25 tons.

#### B) Plastic Strapping Band (Plastic Strap)

##### 1. Polypropylene Strap (PP)

Strap is made from Polypropylene (PP).

##### 2. Terephthalic Polyester Strap (PET)

Recycled PET is either produced from PET Bottles which are cut up and washed at the Company facilities or bought ready cut up.

#### C) Stretch Film

Stretch film is made from Linear Low Density Polyethylene (LLDPE). Three main types are used for its production, namely Butene, Exene and Octene.

#### D) Shrink Film

Shrink Film is produced from Low Density Polyethylene (LDPE).

Apart from the above products which are made in Greece, production facilities in Europe and N. America make : plastic strapping band - PP and PET - (M.J.MAILLIS (UK) LTD.), stretch film and plastic bags (M.J.MAILLIS POLAND S.P. ZOO), shrink film and packaging machines (M.J.MAILLIS ROMANIA S.A.), plastic strapping band -PP- (M.J.MAILLIS ESPANA S.L), plastic strapping band (PP and PET), edgeboards, special strapping belts, heads and automatic packaging machines (SANDER GmbH), cardboard carton sealing machines (SIAT SPA), automatic stretch wrapping machines (SIAT SPA, WULFTEC INTERNATIONAL INC.), tape flexographic printers and "dispensers" (SIAT SPA), shrinking machines (SIAT SPA),

packaging tools for metal and plastic strapping band applications (COLUMBIA SRL), packaging machine parts and spare parts (SICME SRL) while COMBI PACKAGING SYSTEMS is an integrated end of line packaging solutions assembler.

### 3.2 QUALITY CONTROL & ASSURANCE

The Quality Control and Assurance System of the M.J.MAILLIS S.A. Plant in Inofita, Viotia, which has been ISO certified for ten years (1993 - 2003), as well as the respective systems adhered to by all M.J.MAILLIS S.A. plants, serve as a warranty for the consistently high quality of the Company's products and services.

The Inofita Plant Quality System received ELOT's EN ISO 9000:2000 certification in December 2003. Following the establishment of the production units in Alexandroupoli and the beginning of plastic packaging film production (both stretch and shrink film), the Company has unfailingly focused on the production of high-quality packaging products.

Customer satisfaction is the core priority in the Company's Quality Policy platform and a commitment undertaken by every member of staff at all levels.

The Company's extensive product range allows for the selection of appropriate solutions to suit each customer's particular applications. The regular supply of technical know-how, the assessment system employed for samples of materials, and the tests to which commercial samples are submitted, all contribute towards upholding this function.

The entire organization is focused on the realization of the customer's identified and confirmed needs within the optimum time frame.

Well-founded business alliances with established foreign and domestic firms ensure a constant supply of raw and secondary materials, which are invariably subjected to thorough control.

A system of multiple checks and tests is used at each stage to monitor the production process.

Each production activity is recorded through a barcode system and all data are integrated into the Company's ERP (SAP) system, providing for full product tracking.

The quality of the end-product is checked at two levels, both in the course of production and after completion.

Total customer satisfaction in terms of individual requirements is ensured at yet a third control level whereby, apart from the thorough checking of product specifications and operation, the packaged product is checked at shipping for full compliance with safe transport specifications.

The structure of the system allows for the prompt detection of any discrepancies and identification of their causes, thus providing for immaculate product management and constant improvement through a regularly revised preventive and corrective action plan.

Continuous communication with the customer and the provision of technical solutions, advice and recommendations, through both the Company's help line and 'on-site' support, ensure that the advanced level of interaction with each customer is sustained after delivery of the product.

### 3.3 SALES

According to 2003 data, the Company exports 90% of its annual production to the European and world markets. In response to the heavy international competition, the Company has built an extensive sales network abroad.

The Company distributes its products for heavy-duty packaging

applications 66% via independent distributors of secondary packaging products and 34% via its subsidiaries.

As far as light packaging products are concerned, 85% of the Company products are sold via its subsidiaries and 15% via independent distributors.

The table below shows Company exports per geographical region as a percentage of total sales for the financial years 2001-2003.

<b>M. J. MAILLIS S.A. (SALES PER GEOGRAPHICAL REGION %)</b>			
<b>GEOGRAPHICAL REGION</b>	<b>2003</b>	<b>2002</b>	<b>2001</b>
EUROPE	79.6	77.2	74.7
AMERICA	10.2	12.4	12.4
MIDDLE EAST	3.9	3.4	5.3
FAR EAST	0.0	0.0	0.1
OTHER	6.3	7.0	7.5
<b>TOTAL</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

The Company manufactures and trades in products sold to steelworks, pipe makers, wire makers, industries making building materials, timber, aluminum, paper, food and beverages and other industries, offering them a complete end-of-line solution in secondary packaging.

As already mentioned, 90% of Company production (in volume) is exported to countries in Europe, Asia, the Middle East, America and Africa.

Respectively, 97% of M.J.MAILLIS GROUP sales are realized in the European and world markets.

### 3.4 STAFF IN EMPLOYMENT

To meet more efficiently the ever increasing needs of production, M.J.MAILLIS S.A. has employed selected managers, employees, workers and technicians while gradually upgrading its human resources by hiring expert scientists.

The mean number of Company staff over the past three years has changed as follows :

	2003	2002	2001
Administrative Staff	121	129	53
Sales Staff	18	20	18
Workers and Technicians	256	263	310
<b>Mean Number of Staff</b>	<b>395</b>	<b>412</b>	<b>381</b>

The mean number of M.J.MAILLIS GROUP staff over the past three years has changed as follows :

	2003	2002	2001
Administrative Staff	964	994	1055
Workers & Technicians	1072	1136	920
<b>Mean Number of Staff</b>	<b>2036</b>	<b>2130</b>	<b>1975</b>

The Company's staff policy aims to use human resources more efficiently while maintaining high levels of employee satisfaction. Human resources are highly valued by the company. For this reason, M.J.MAILLIS S.A. is committed to secure good working conditions for its staff while applying meritocratic criteria to staff advancement.

The table below is a breakdown of M.J.MAILLIS S.A. staff members in the past three years (based on data as at December 31st of each year) per educational level :

	2003	2002	2001
Postgraduate Degree Holders	18	20	24
University Graduates	37	34	43
Polytechnic Graduates	22	20	12
Other	307	328	322
<b>Total</b>	<b>384</b>	<b>402</b>	<b>401</b>

Expenditures per staff employment category for the period 2001 - 2003 are shown in the following table :

	2003	2002	2001
	(in mill. Euro)		
Wages	9,1	8,8	7,8
Social Security Charges and Benefits	2,1	2,0	1,8
<b>Total</b>	<b>11,2</b>	<b>10,8</b>	<b>9,6</b>

The Company holds an insurance policy contract for its staff with UNIVERSAL LIFE. The above mentioned contract provides life and private medical insurance to the company's staff members.

## 3.5 INVESTMENTS

### I. Investments for the Period 2001 - 2003

The table below shows a breakdown of Company investments in fixed assets over the past three years :

	2001	2002	2003	2004 (1st Quarter)
Share Capital Increases in Subsidiaries	40.39	56.30	3.00	
Acquisitions of Foreign Companies	0.24		2.80	
Land				
Buildings & Technical Works	0.41	0.49	0.13	
Machines, Technical Facilities and Other Mechanical Equipment	8.11	4.85	4.62	0.77
Transportation Means	0.16	-0.06	-0.13	
Furniture and Fixtures	0.19	0.22	0.18	
<b>Total</b>	<b>49.50</b>	<b>61.80</b>	<b>10.60</b>	<b>0.77</b>

(in mill. Euro)

All major investments realized by the Company in the period 2001 - 2003 are cited below :

#### 1. NATURAL GAS PROJECT

An investment totaling 1.9 mill. Euro was approved and subsidized at 35%, namely by 0.7 mill. Euro. The total cost of the investment was to the amount of 3.6 mill. Euro while the amount of the subsidy has now been collected.

#### 2. EXPANSION & UPGRADING OF STRAPPING (PET) BAND PRODUCTION LINE WITH THE ESTABLISHMENT OF A NEW PRODUCTION LINE

The size of the investment amounts to 4 mill. Euro and comes under L. 2601/98 with a subsidized interest rate at 30% for a 2.5 mill. Euro loan and the creation of a tax-free reserve. The starting date for the investment was 28/12/1999 and the end date was 31/11/2002. The investment was completed on 6/11/2002 with a total final cost of 3.9 mill. Euro..

#### 3. EXPANSION & UPGRADING OF STRAPPING PET (PP) BAND PRODUCTION LINE WITH THE ESTABLISHMENT OF A NEW PRODUCTION LINE :

The size of the investment amounts to 3.6 mill. Euro and comes under L. 2601/98 with a subsidized interest rate at 30% for a 2.5 mill. Euro loan. The starting date for the investment was 01/01/2001 and the end date is 31/12/2005. Through 31/12/2002 the cost of the investment stood at 5.6 mill. Euro.

### 4. EXPANSION AND UPGRADING OF OTHER PRODUCTION UNITS

During the last three years, investments in the enhancement of Steel Strap production capacity and quality have been in the region of two million Euro (2 mill. Euro). The Company has further undertaken a 0.7 million Euro investment in fixed infrastructure works and engineering equipment in the Inofita plant pertaining to staff health and safety, fire prevention and safety, energy saving and environmental protection works.

Investments of 1.1 million Euro were also undertaken for the Alexandroupoli stretch film and shrink film plant, pertaining to the enhancement of production and the improvement of product quality.

#### II. 2004 - 2005 investment plan

In anticipation of the higher growth rates in global markets, the Company intends to pursue an investment plan over the next two years involving, among other goals, the enhancement of its production capacity, the improvement of quality and productivity, environmental protection, and staff health and safety.

Investment plans for the Inofita industrial plant include:

- Installation of a new production line for polyester strap (PET), amounting to approximately 2.5 million Euro.
- Upgrading of the metal strap production process through the introduction of automated systems, amounting to approximately 400 thousand Euros.
- Staff health and safety improvement works.
- Fire safety system improvements.

Investment plans for the Alexandroupoli industrial plant include:

- Expansion and upgrading of production line II for plastic stretch film for the on-line production of plastic stretch film hand rolls, amounting to approximately 800 thousand Euros.
- Increase of the production capacity of production line III for plastic stretch film and enhancement of the productivity of the other lines, amounting to approximately 200 thousand Euros.
- Staff health and safety improvement works.

### 3.6 RESEARCH & DEVELOPMENT

In the course of the past year, M.J. MAILLIS Group consistent with its dedication to continuous improvement, proceeded to considerable investments in the development of new products (primarily in the technologically demanding sector of strapping machines) and the reorganization and automation of major parts of the Group's production units in Italy, Germany and the United Kingdom.

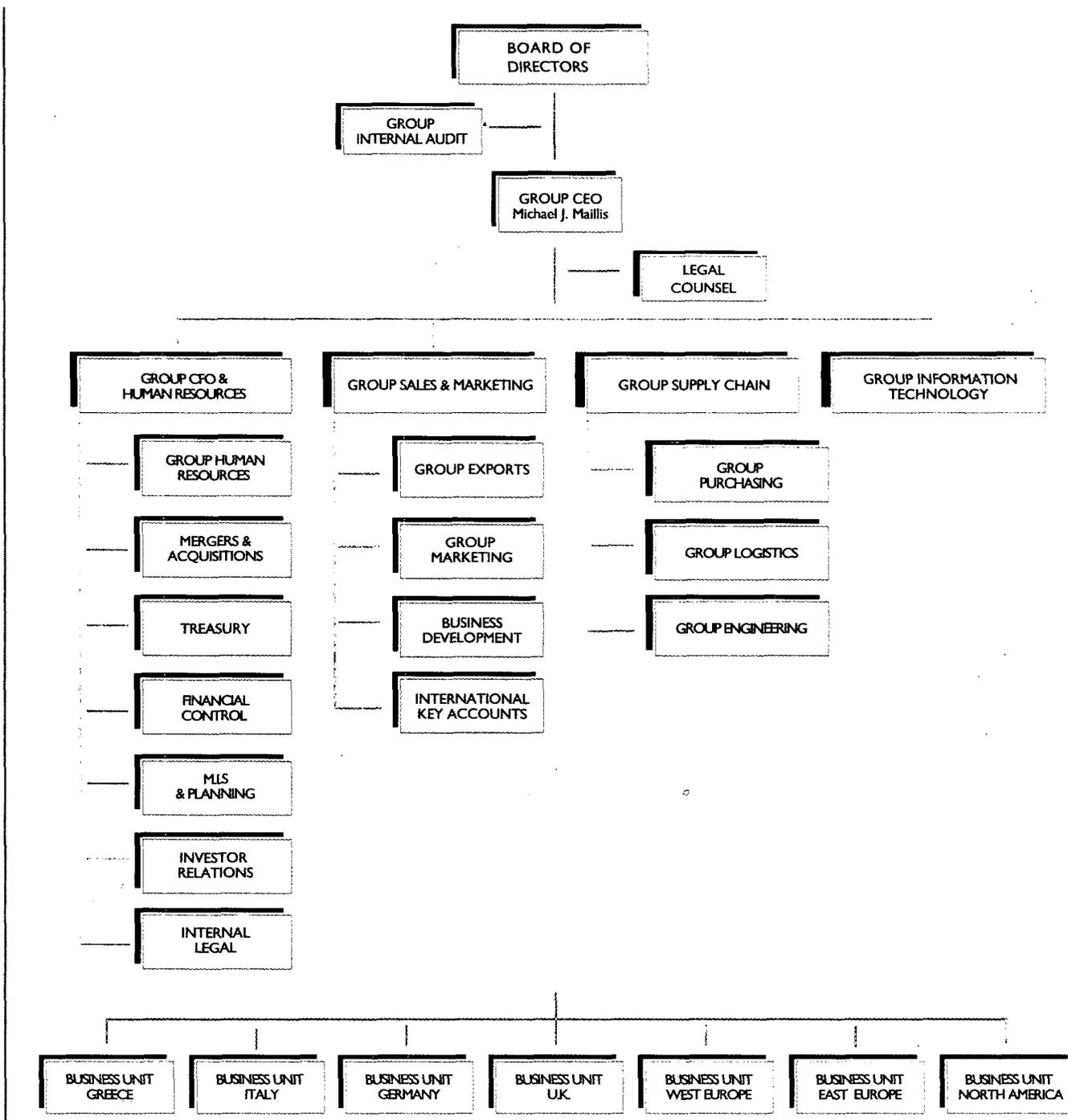
Through these investments, the Group aspires to attain a further growth in its sales figures and profitability ratios.



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### 4.1 ORGANIZATIONAL STRUCTURE OF THE GROUP

The organizational structure of M.J.MALLIS Group is depicted in the following organization chart :



## 4.2 BOARD OF DIRECTORS

According to article 9 of the Charter, the Company is managed by a Board of Directors consisting of a minimum of three (3) and a maximum of seven (7) members.

The present Board of Directors has five members and was elected by resolution of the Ordinary General Meeting of Shareholders on 06/06/2002 for a term ending at the time of the Ordinary General Meeting of Shareholders to be held in 2006. At the meeting held on 26/05/2003 the Board of Directors of the Company appointed its executive and non-executive members and the Ordinary General Meeting of Shareholders of 28/05/2003 appointed the independent members of the Board of Directors subject to the provisions of L. 3016/2002 on Corporate Governance.

Further to the above, the Board of Directors of the Company is composed of :

Michael J. Maillis,	Chairman of the Board and CEO
Charalambos Stavrinoudakis,	Vice-Chairman of the Board
Michael Panagis,	Member
Sotirios Orestides,	Independent non-executive Member
Pier Matteo Guella,	Independent non-executive Member

The curricula vitae of the members of the Board of Directors of the company are as follows :

### Executive Members of the Board of Directors

- Michael J. Maillis

Chairman of the Board of Directors, Group Managing Director and Chief Executive Officer. An Iron Metallurgy Engineer with past experience in German Steelworks having specialized in the development of new steel types.

- Charalambos Stavrinoudakis

Vice-Chairman of the Board of Directors & Group CFO and Human Resources Director. A graduate of the Athens Higher School of Economics and Commerce holding an MBA from the Athens Higher School of Economics and Commerce and the Erasmus University, Rotterdam. A former executive at Shell-Hellas S.A. and Shell International, London.

- Michael Panagis

BoD Member & Group Sales and Marketing Director. A Chemical Engineering Graduate from the Athens Technical University, with postgraduate studies in Management Science at Imperial College, London.

### Independent non-Executive Members of the Board of Directors

- Sotirios Orestides

A graduate from the Higher School of Commerce with several years of managerial experience in the Finance Departments of big companies such as Johnson & Son Ltd and Hellenic Steel. A BoD member and an associate of Solid SA.

- Pier Matteo Guella

A University graduate in Engineering and a former Sales and Commercial Manager for SIAT S.p.A. and General Manager for the same company as well as for Gramegna S.p.A through 2001.

For specific actions set out in detail in the act of the Board of Directors, the Company is represented by the following officers :  
Michael J. Maillis, Charalambos A. Stavrinoudakis, Michael N. Panagis, Paraskevi K. Botsi, Nikitas I. Glykas, Petros I.-S. Delis, Sotiris I. Leonardos, Theodoros G. Papaglastras, Georgios K. Kondylis, Nicholas B. Maroulis, Anastassios E. Petroutsas, Konstantinos D. Kostoglou, Angeliki L. Gerardou, Apostolos D. Sagiakos.

The correspondence address of the members of the Board of Directors and the Company Managers is the address of the head offices of the Company at 5, Xenias & Charilaou Trikoupi St., GR-145 62, Kifissia.

All members of the Board of Directors and all Company Managers are Greek except for Pier Matteo Guella who is an Italian national. There is no affinity up to the second line of kinship among the members of the Board of Directors or Company Managers.

### 4.3 STOCK OPTIONS OFFERED TO COMPANY STAFF AND MEMBERS OF THE BOARD OF DIRECTORS

Pursuant to the decision of 06.06.2002 of the Annual Ordinary General Meeting of the Shareholders of M.J. MAILLIS S.A., the Company has introduced a plan to offer shares to the members of the Board of Directors and to top executives of the Company and its subsidiaries by way of stock options. The maximum number of shares which may be issued under the plan may not exceed a cumulative total of 7,200,000 in the course of the next three years, until 31.12.2005. The price at which the stock option may be exercised has been set at one (1.00) Euro per share. Parties entitled to exercise such right may do so in November every year by means of the Stock Option Certificates. In December every year the Board of Directors issues shares and delivers them to any Parties that have exercised the Right, increasing the Share Capital respectively.

Subject to the above and pursuant to article 13 para 9 of Law 2190/1920 and the decision of 06.06.2002 of the Company's Shareholders' General Meeting: (a) nine (9) top management executives of the Company exercised their stock option rights and by the decision of the Company's Board of Directors of 24.12.2002 the Company's Share Capital was increased by an amount of Euro 162,472.80 which was paid in cash and 213,780 new ordinary registered shares of a nominal value of Euro 0.76 each and an exercise price of Euro 1.00 each were issued; and (b) ten (10) top management executives of the Company exercised their stock option rights and by the decision of the Company's Board of Directors of 3.12.2003 the Company's Share Capital was increased by an amount of Euro 173,872.80 which was paid in cash and 228,780 new ordinary registered shares of a nominal value of Euro 0.76 each sold and an exercise price of Euro 1.00 each were issued.

### 4.4 CORPORATE GOVERNANCE - INTERNAL CONTROL

Business world sentiment, both in Greece and worldwide, has recently been influenced in terms of the implementation of Corporate Governance, in particular as a result of the disclosure of instances of lack of transparency and the release of intentionally misleading information by major corporations with an aim to serve the interests of their management.

The Management of the Company has adopted an active policy of compliance with the principles of Corporate Governance and internationally accepted 'best practices' and has introduced an internal control system aspiring:

- To unremittingly add value to the company and the investor-shareholder.
- To equally promote the interests of all shareholders.
- To promptly and properly inform investors.
- To ensure the effective management of the Company by the members of the Board of Directors and other corporate executives in order to accomplish medium-to-long-term growth of the Company's business activity.

In June 2003, by decision of the Board of Directors, the Company's Internal Control function was accordingly restructured into an Internal Audit Department and a new Internal Auditor was appointed.

The Internal Audit Department's foremost scope is to review and assess the adequacy, effectiveness and efficiency of the internal control system, to uphold the quality of the results attained in the course of designated duties, and:

- To ensure information accuracy and integrity.
- To review systems and procedures, laws, regulations and by-laws in force and to assess compliance therewith.
- To assess asset safeguarding systems.
- To appraise the cost-effective and efficient use of resources.
- To assess whether the systems and operations in place comply with the goals set by the Company and the Group.

## 4.5 PARTICIPATIONS OF BoD MEMBERS AND PRINCIPAL SHAREHOLDERS IN THE BOARD OR / AND THE SHARE CAPITAL OF OTHER COMPANIES

The table that follows shows the participations of Board Members and of the Principal Company Shareholders (holding more than 10%

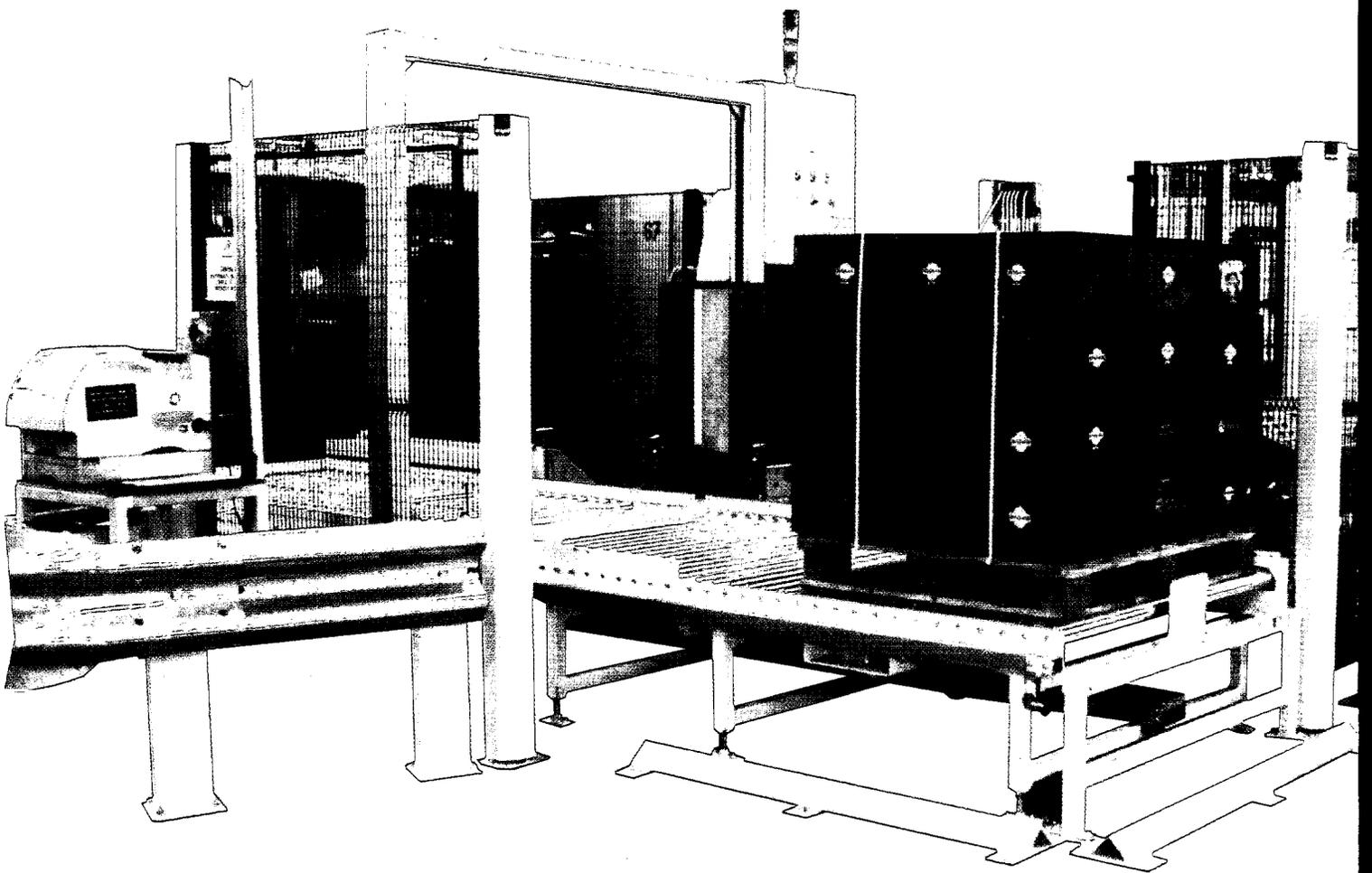
of the company's share capital) in the Management or / and the Share Capital of other companies.

Board Member or/and Principal Shareholder	Participating Company	Position held in the Board of Directors	Participation Share
Michael J. Maillis	STRAPTECH S. A.	Chairman of the Board and CEO	1.00%
	MARFLEX - M.J.MAILLIS POLAND SpZOO	Chairman of the Board	-
	M. J. MAILLIS FRANCE SAS	Administrator	-
	M. J. MAILLIS ESPANA S.L.	Chairman of the Board	-
	M. J. MAILLIS ROMANIA S.A.	Chairman of the Board	-
	M.J.MAILLIS BULGARIA EOOD	Chairman of the Board	-
	HELERO BV	Administrator	-
	M. J. MAILLIS ALBANIA LTD	Administrator	-
	EUROPACK S.A.	Chairman of the Board	-
	SIAT S.p.A	Chairman of the Board	-
	GRAMEGNA S.p.A (dormant)	Chairman of the Board	-
	SICME SRL	Chairman of the Board	-
	SIAT USA	Chairman of the Board	-
	MEGA SRL	Chairman of the Board	-
	COLUMBIA SRL	Chairman of the Board	-
	CONTIPAK GmbH	Chairman of the Board	-
	SANDER PACKAGING B.V.	Chairman of the Board	-
	M.J.MAILLIS FINLAND OY	Chairman of the Board	-
	M.J.MAILLIS SVERIGE AB	Chairman of the Board	-
	M.J.MAILLIS (U.K.) Ltd.	Chairman of the Board	-
	MAILLIS SANDER GMBH	Administrator	-
	MAILLIS HOLDING GMBH	Administrator	-
	WULFTEC INTERNATIONAL INC.	Chairman of the Board	-
WULFTEC INVESTMENT LTD	Administrator	-	
SOLID COMMUNICATION S.A.	Board Member	-	
Sotirios Orestides Horqueta Holdings Limited Pier Matteo Guella Charalambos Stavrinoudakis	SIAT USA INC	Board Member	-
	M.J.MAILLIS ROMANIA S.A	Board Member	-
	MARFLEX - M.J.MAILLIS POLAND SpZOO	Board Member	-
	EUROPACK S.A.	Board Member	-
	SIAT S.p.A.	Board Member	-
	M.J.MAILLIS ESPANA S.L.	Board Member	-
	GRAMEGNA S.p.A. (dormant)	Board Member	-
	CONTIPAK GmbH	Board Member	-
	WULFTEC INTERNATIONAL INC.	Board Member	-
	SANDER PACKAGING B.V.	Board Member	-
	M.J.MAILLIS CZECH S.R.O.	Administrator	-
	STRAPTECH S. A.	Board Member	-
	MARFLEX - M.J.MAILLIS POLAND SpZOO	Board Member	-
	M.J.MAILLIS ESPANA S.L.	Board Member	-
	M.J.MAILLIS (UK) Ltd.	Board Member	-
EUROPACK S.A.	Board Member	-	
Michael Panagis	SIAT S.p.A	Board Member	-
	COLUMBIA SRL	Board Member	-
	CONTIPACK GmbH	Board Member	-
	M.J.MAILLIS FINLAND OY	Board Member	-
	M.J.MAILLIS SVERIGE AB	Board Member	-
	SANDER PACKAGING BV	Board Member	-
	MAILLIS SANDER GMBH	Administrator	-
	MAILLIS HOLDING GMBH	Administrator	-
	WULFTEC INTERNATIONAL INC	Board Member	-
	WULFTEC INVESTMENT LTD	Administrator	-

The members of the Board of Directors declare that they do not participate in the Management or the Share Capital of other similar, complementary or competitive

companies with a share of 10% or more, nor do they exert any managerial influence or have any relation whatsoever with companies other than those listed above.





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## 5.1 PROGRESS OF THE FINANCIAL POSITION OF M.J.MAILLIS GROUP

The contents of the Consolidated Balance-Sheets of M. J. MAILLIS S.A. for the Financial Years 2001-2003 are shown in the following table :

BALANCE SHEETS	2003	2002	2001
			(in mill. Euro)
<b>ASSETS</b>			
Incorporation Expenses	77.2	59.2	55.6
Depreciation	32.3	24.6	18.4
<b>Net Incorporation Expenses</b>	<b>44.9</b>	<b>34.6</b>	<b>37.2</b>
Intangible Assets	20.2	17.7	8.4
Less Accumulated Depreciation	3.2	2.4	0.6
Tangible Assets	194.9	194.4	186.8
Less Accumulated Depreciation	93.7	86.3	69.1
<b>Net Fixed Assets</b>	<b>118.2</b>	<b>123.4</b>	<b>125.5</b>
Participating Interests in Affiliated Enterprises	0.2	0.0	0.0
Long-term Receivables	6.0	0.7	0.2
<b>Total Fixed Assets</b>	<b>124.4</b>	<b>124.1</b>	<b>125.7</b>
Inventories	64.4	68.3	68.2
Receivables	94.1	90.5	84.8
Securities	0.4	2.6	11.8
Bank & Cash	14.1	20.1	35.2
<b>Current Assets</b>	<b>173.0</b>	<b>181.5</b>	<b>200.0</b>
<b>Transitory Asset Accounts</b>	<b>7.2</b>	<b>5.9</b>	<b>3.8</b>
<b>TOTAL ASSETS</b>	<b>349.5</b>	<b>346.1</b>	<b>366.7</b>
<i>Contingent Accounts</i>	60.5	52.2	37.5
<b>LIABILITIES</b>			
Share Capital	55.4	55.2	53.1
Capital Reserves and Profit Carried Forward	66.4	65.9	101.4
<b>Total Equity</b>	<b>121.8</b>	<b>121.1</b>	<b>154.5</b>
<b>Provisions</b>	<b>2.6</b>	<b>6.2</b>	<b>5.1</b>
<b>Long-term Liabilities</b>	<b>102.0</b>	<b>99.8</b>	<b>74.2</b>
Suppliers-Notes payable	34.5	38.3	31.7
Banks, Current Liability Accounts	64.3	51.5	76.6
Dividends Payable	0.2	4.6	5.7
Social Security Contributions and Taxes	10.1	8.3	7.1
Other Current Liabilities	10.7	15.1	10.9
<b>Total Current Liabilities</b>	<b>119.8</b>	<b>117.8</b>	<b>132.0</b>
<b>Transitory Liability Accounts</b>	<b>3.3</b>	<b>1.2</b>	<b>0.9</b>
<b>Total Liabilities</b>	<b>349.5</b>	<b>346.1</b>	<b>366.7</b>
<i>Contingent Accounts</i>	60.5	52.2	37.5

## • INCORPORATION EXPENSES

A breakdown of Incorporation Expenses for the period 2001-2003 is shown in the following table (net value):

<b>INCORPORATION EXPENSES</b> (net value)	<b>2003</b>	<b>2002</b>	<b>2001</b>
			(in mill. Euro)
Formation and Preliminary Expenses	0.4	0.3	0.3
Exchange Differences from Loans for Fixed Asset Acquisition	0.4	0.6	1.1
Pre-Operating Loan Interest	6.9	5.4	5.2
Other Incorporation Expenses	37.2	28.3	30.6
<b>Total</b>	<b>44.9</b>	<b>34.6</b>	<b>37.2</b>

## • EQUITY

The Consolidated Equity of MJ. MAILLIS Group appears to have dropped by 120.4 mill. Euro due to the accounting approach of the goodwill of the acquired companies as a negative item in equity. If this item appeared under Assets, which is the alternative approach, the amount of Equity would have reached Euro 242.2 mill.

## 5.2 CONSOLIDATED TURNOVER - PROFIT AND LOSS ACCOUNT FOR M.J.MAILLIS GROUP

The Turnover and Profit and Loss Account of the Company for the Years 2001 - 2003 on a Consolidated basis are shown in the following summary table :

PROFIT AND LOSS ACCOUNT	2003	2002	2001
	(in mill. Euro)		
Turnover from			
Industrial Activity	245.7	242.5	201.4
Commercial Activity	50.3	68.4	69.4
<b>Total Turnover</b>	<b>296.0</b>	<b>310.9</b>	<b>270.8</b>
Less : Cost of Goods Sold	198.7	203.0	186.8
<b>Gross profit <sup>(1)</sup></b>	<b>97.3</b>	<b>107.9</b>	<b>84.0</b>
(% of sales)	32.9%	34.7%	31.0%
Other Operating Income	3.4	0.9	2.0
<b>Total Gross Profit</b>	<b>100.7</b>	<b>108.8</b>	<b>86.0</b>
(% of sales)	34.0%	35.0%	31.8%
Administrative Expenses	14.9	15.6	12.9
(% of sales)	5.0%	5.0%	4.8%
Appropriation Expenses	35.8	38.7	29.6
(% of sales)	12.1%	12.4%	10.9%
<b>Operating Profit <sup>(1)</sup></b>	<b>50.0</b>	<b>54.5</b>	<b>43.5</b>
(% of sales)	16.9%	17.5%	16.1%
Plus Extraordinary and non-Operating Income	15.8	11.3	14.4
Less Extraordinary and non-Operating Expenses	13.5	8.7	5.3
<b>Earnings before Interest, Depreciation and Taxes</b>	<b>52.3</b>	<b>57.1</b>	<b>52.6</b>
(% of sales)	17.7%	18.4%	19.4%
Credit Interest	1.5	2.9	1.3
Profit from Sale of Participations & Securities	0.5	0.0	0.0
Debit Interest	8.9	8.2	9.2
(% of sales)	3.0%	2.6%	3.4%
<b>Earnings before Depreciation and Taxes</b>	<b>45.4</b>	<b>51.8</b>	<b>44.7</b>
(% of sales)	15.3%	16.7%	16.5%
Depreciation	24.1	25.7	18.8
<b>Pre-tax Earnings</b>	<b>21.3</b>	<b>26.1</b>	<b>25.9</b>
(% of sales)	7.2%	8.4%	9.6%
Income Tax	5.6	6.2	5.8
<b>Profit after Taxes</b>	<b>15.7</b>	<b>19.9</b>	<b>20.1</b>
(% of sales)	5.3%	6.4%	7.4%
Differences from Previous Years' Tax Audits & Other Taxes not Incorporated into the Operating Cost	0.0	0.0	0.0
Share of Minority Interests	0.1	0.1	0.1
<b>Profit after Taxes, Taxes from Previous Years'</b>			
<b>Audits &amp; Minority Interests</b>	<b>15.7</b>	<b>19.8</b>	<b>19.8</b>
(% of Sales)	5.3%	6.4%	7.2%

<b>DATA PER SHARE (amounts in Euro)</b>	<b>2003</b>	<b>2002</b>	<b>2001</b>
Earnings before Interest, Depreciation and Taxes	0.72	0.79	0.73
Pre-tax Earnings	0.29	0.36	0.36
Profit after Taxes and Board Emoluments	0.22	0.27	0.28
Profit after Taxes and Board Emoluments, Taxes from Previous Years' Audits & Minority Interests	0.22	0.27	0.27

Note :

(1) Depreciation has been deducted from the Cost of Goods Sold, from Administrative Expenses and from Appropriation Expenses when calculating the Gross Profit and the Operating Profit in the Profit and Loss Account as follows :

<b>BREAKDOWN OF DEPRECIATION</b>	<b>2003</b>	<b>2002</b>	<b>2001</b>
			(in mill. Euro)
Cost of Goods Sold	14.6	15.8	10.2
Administrative Expenses	8.9	9.1	5.3
Appropriation Expenses	0.6	0.8	3.3
<b>Total</b>	<b>24.1</b>	<b>25.7</b>	<b>18.8</b>

The Company has drawn up Consolidated Financial Statements for the Financial Years 2001, 2002 and 2003 and apart from M.J.MAILLIS S.A., these include the following companies :

**In FY 2001 the following were consolidated :** (Companies directly participating) STRAPTECH S.A., M.J. MAILLIS BULGARIA EOOD, M.J. MAILLIS ROMANIA S.A., HELERO BV, M.J. MAILLIS FRANCE SAS, MARFLEX M.J. MAILLIS GROUP SpZOO, M.J. MAILLIS ESPANA S.A., ROCALU S.A., M.J. MAILLIS CZECH SRO, M.J. MAILLIS ALBANIA LTD, DANUBIA PACK M.J. MAILLIS GROUP KFT, EUROPACK S.A., COLUMBIA SRL, CONTIPAK GMBH, OY ASTRAP AB, M.J. MAILLIS SVERIGE AB, MAILLIS HOLDING GMBH (Companies indirectly participating) PAYNE STRAPPING SYSTEMS LTD, UNITED PACKAGING PLC, SAMUEL STRAPPING SYSTEMS LTD, CERBERE SOVAREC S.A., CERBERE AGRAVIT S.A., SIAT SPA, ARTE SRL, GRAMEGNA SPA, SICME SRL, IPE CORPORATION, COMBI PACKAGING SYSTEMS, MEGA SRL, TAM SRL, SIAT USA, CONTIPAK GMBH & CO KG, NYDENS FORPACKINGS AB, MAILLIS SANDER GMBH, SANDER GMBH & CO KG, SANDER NV.

**In FY 2002 the following were consolidated :** (Companies directly participating) STRAPTECH S.A., M.J.MAILLIS BULGARIA EOOD, M.J.MAILLIS ROMANIA S.A., HELERO BV, M.J.MAILLIS FRANCE SAS, MARFLEX M.J.MAILLIS GROUP SpZoo, M.J.MAILLIS ESPANA SL, ROCALU SL, M.J.MAILLIS CZECH SRO, M.J.MAILLIS ALBANIA LTD, DANUBIA PACK M.J.MAILLIS GROUP KFT, EUROPACK S.A., COLUMBIA Srl, CONTIPAK GMBH, M.J.MAILLIS FINLAND OY, M.J.MAILLIS SVERIGE AB, M.J.MAILLIS HOLDING GMBH, SANDER B.V.

(Companies indirectly participating) M.J.MAILLIS (U.K.) LTD, SIAT SPA, GRAMEGNA SPA, SICME SRL, SIAT BENELUX B.V., IPE CORPORATION, COMBI PACKAGING SYSTEMS, MEGA SRL, TAM SRL, SIAT USA, M.J.MAILLIS SANDER GMBH, SANDER GMBH & CO KG, SANDER N.V, WULFTEC INTERNATIONAL INC.

The Financial Years 2001 and 2002 were consolidated by the total consolidation method according to the provisions of articles 90 through 109 of C.L. 2190/1920 on societate anonime companies.

**In FY 2003 the following were consolidated :** (Companies directly participating) STRAPTECH S.A., M.J.MAILLIS BULGARIA EOOD, M.J.MAILLIS ROMANIA S.A., HELERO B.V., M.J.MAILLIS FRANCE SAS, MARFLEX M.J.MAILLIS POLAND SpZoo, M.J.MAILLIS ESPANA SL., M.J.MAILLIS CZECH SRO, M.J.MAILLIS ALBANIA LTD, EUROPACK S.A., COLUMBIA SRL, M.J.MAILLIS HUNGARY KFT, CONTIPAK GMBH, M.J.MAILLIS FINLAND OY, M.J.MAILLIS SVERIGE AB, M.J.MAILLIS HOLDING GMBH, SANDER PACKAGING B.V.

(Companies indirectly participating) M.J.MAILLIS (UK) LTD, SIAT SPA, SICME SRL, SIAT BENELUX B.V., COMBI PACKAGING SYSTEMS, MEGA SRL, TAM SRL, SIAT USA, MAILLIS SANDER GMBH, SANDER GMBH & CO KG, SANDER N.V, WULFTEC INTERNATIONAL INC., MAILLIS STRAPPING NETWORK LLP.

FY 2003 was consolidated by the total consolidation method according to the provisions of articles 90 through 109 of C.L. 2190/1920 on societate anonime companies, except for COMBI PACKAGING SYSTEMS which is a joint venture and MAILLIS STRAPPING NETWORK LLP which was consolidated using the equity method.

Note that the Company has been drawing up Consolidated Financial Statements since FY 1996.

## • OTHER OPERATING INCOME

A breakdown of the "Other Operating Income" account for the Financial Years 2003, 2002 as well as for 2001 is shown below :

OTHER OPERATING INCOME	2003	2002	2001
			(in mill. Euro)
Manpower Employment Organisation Subsidies	-	-	0.2
Interest Rate Subsidies	0.6	0.1	-
Provision of Services to Third Parties	0.2	0.2	0.4
Procurements	0.5	0.1	0.3
Turnover Allowances	2.1	0.5	1.1
<b>TOTAL</b>	<b>3.4</b>	<b>0.9</b>	<b>2.0</b>

## • EXTRAORDINARY AND NON-OPERATING RESULTS

The table below is a breakdown of Extraordinary and Non-Operating Income and Expenses as well as of Extraordinary Profit and Loss for the years 2003, 2002 and 2001 :

EXTRAORDINARY AND NON-OPERATING INCOME	2003	2002	2001
			(in mill. Euro)
Exchange Differences (Credit)	6.5	8.8	10.0
Fixed Asset Investment Subsidies corresponding to the year	3.0	2.2	2.3
Subsidies	0.5	0.0	0.0
Extraordinary Income	5.4	0.0	1.5
Other Income	0.4	0.3	0.6
<b>Total (A)</b>	<b>15.8</b>	<b>11.3</b>	<b>14.4</b>

EXTRAORDINARY AND NON-OPERATING EXPENSES	2003	2002	2001
			(in mill. Euro)
Exchange Differences (Debit)	10.6	6.1	2.1
Depreciation of Exchange Differences	0.5	0.5	0.5
Extraordinary Loss	0.3	0.1	1.3
Expenses from Previous Years	0.3	0.2	0.2
Provisions for Contingencies	0.0	0.3	0.7
Other Expenses	1.8	1.5	0.5
<b>Total (B)</b>	<b>13.5</b>	<b>8.7</b>	<b>5.3</b>
<b>EXTRAORDINARY AND NON-OPERATING EXPENSES (A-B)</b>	<b>2.3</b>	<b>2.6</b>	<b>9.1</b>

## • FINANCIAL EXPENSES

The Financial Expenses of the Group in the course of the previous three years were as follows :

FINANCIAL EXPENSES	2003	2002	2001
			(in mill. Euro)
Interest on Long-Term Loans	3.8	2.8	2.6
Interest on Short-Term Loans	2.6	2.3	3.4
Other Finance Expenses	1.9	2.3	2.0
<b>Total</b>	<b>8.3</b>	<b>7.4</b>	<b>8.0</b>

## 5.3 PROGRESS IN THE FINANCIAL POSITION OF M.J.MAILLIS S.A.

BALANCE-SHEETS	2003	2002	2001
			(in mill. euro)
<b>ASSETS</b>			
Incorporation Expenses	44.6	37.0	35.3
Depreciation	27.0	20.9	15.1
Net Incorporation Expenses	<b>17.6</b>	<b>16.1</b>	<b>20.2</b>
Intangible Assets	3.7	3.2	0.9
Less Accumulated Depreciation	0.5	0.3	0.1
Tangible Assets	101.3	97.9	90.5
Less Accumulated Depreciation	48.9	42.5	33.2
Net Fixed Assets	<b>55.6</b>	<b>58.3</b>	<b>58.1</b>
Participating Interests in Affiliated Enterprises	153.7	150.0	93.7
Long-term Receivables	0.1	0.1	0.1
Total Fixed Assets	<b>209.4</b>	<b>208.4</b>	<b>151.9</b>
Inventories	12.9	15.7	15.1
Receivables	89.8	82.4	102.0
Securities	0.0	2.3	10.6
Bank & Cash	2.1	6.3	24.3
<b>Current Assets</b>	<b>104.8</b>	<b>106.7</b>	<b>152.0</b>
<b>Transitory Asset Accounts</b>	<b>3.7</b>	<b>4.2</b>	<b>1.6</b>
<b>TOTAL ASSETS</b>	<b>335.5</b>	<b>335.4</b>	<b>325.7</b>
<i>Contingent Accounts</i>	56.2	28.2	29.9
<b>LIABILITIES</b>			
Share Capital	55.4	55.2	53.1
Capital Reserves and Profit, Carried Forward	149.8	158.6	169.2
<b>Total Equity</b>	<b>205.2</b>	<b>213.8</b>	<b>222.3</b>
<b>Provisions</b>	<b>0.8</b>	<b>3.3</b>	<b>0.6</b>
<b>Long-term Liabilities</b>	<b>89.4</b>	<b>82.9</b>	<b>47.0</b>
Suppliers-Notes payable	12.7	12.0	12.0
Banks, Current Liability Accounts	24.2	14.2	34.5
Dividends Payable	0.5	4.6	5.7
Social Security Contributions and Taxes	1.5	2.9	2.5
Other Current Liabilities	0.3	0.6	0.5
<b>Total Current Liabilities</b>	<b>39.2</b>	<b>34.3</b>	<b>55.2</b>
<b>Transitory Liability Accounts</b>	<b>0.9</b>	<b>1.1</b>	<b>0.6</b>
<b>TOTAL LIABILITIES</b>	<b>335.5</b>	<b>335.4</b>	<b>325.7</b>
<i>Contingent Accounts</i>	56.2	28.2	29.9

## • INCORPORATION EXPENSES

A breakdown of Incorporation Expenses for the period 2001-2003 is shown in the following table (net value) :

INCORPORATION EXPENSES (net value)	2003	2002	2001
			(in mill. Euro)
Formation and Preliminary Expenses	0.2	0.2	0.2
Foreign Exchange Differences from Loans for Fixed Asset Acquisition	0.4	0.6	1.1
Pre-operating Loan Interest	6.9	5.3	5.2
Other Incorporation Expenses	10.1	9.9	13.7
<b>Total</b>	<b>17.6</b>	<b>16.0</b>	<b>20.2</b>

## • ASSETS UNDER CONSTRUCTION

Assets Under Construction amounted to Euro 6.9 mill. on 31/12/2003 against 13.0 mill. Euro on 31/12/2002. This drop is mainly due to the transfer of projects completed within 2003, from the specific account to another fixed asset category as envisaged after these projects become operative.

## • PARTICIPATIONS

Participations amounted to 155.8 mill. Euro on 31/12/2003 against 150.0 mill. Euro on 31/12/2002 marking an increase to the order of 2.5%. This increase is due both to the increase in the share capital of the subsidiaries CONTIPAK GMBH and M.J. MAILLIS SVERIGE AB, as well as to the increase of the parent company's participation share in COLUMBIA SRL. The following table is a breakdown of company participations for the FY's 2003, 2002 and 2001.

Breakdown of Participations	31/12/2003		31/12/2002		31/12/2001	
	Participation %	Cost Value (in mill. Euro)	Participation %	Cost Value (in mill. Euro)	Participation %	Cost Value (in mill. Euro)
<b>Company</b>						
M.J.MAILLIS BULGARIA EOOD	100.00%	0.3	100.00%	0.3	100.00%	0.3
M.J.MAILLIS ROMANIA S.A.	81.70%	2.7	81.70%	2.7	81.00%	2.7
STRAPTECH S. A.	99.00%	4.9	99.00%	4.9	99.00%	4.9
MARFLEX M.J.MAILLIS						
POLAND Sp.ZOO	100.00%	21.3	100.00%	21.3	100.00%	8.8
M.J.MAILLIS FRANCE S.A.S.	99.96%	5.3	99.96%	5.3	99.96%	1.1
M.J.MAILLIS ESPANA S.L.	100.00%	4.6	100.00%	3.5	100.00%	3.5
M.J.MAILLIS HUNGARY						
PACKING SYSTEMS LTD	100.00%	2.1	100.00%	2.1	100.00%	2.1
ROCALU S.L.	-	-	100.00%	1.1	100.00%	1.1
HELERO BV	100.00%	27.5	100.00%	27.5	100.00%	10.8
EUROPACK SA	100.00%	50.2	100.00%	50.2	100.00%	29.6
CONTIPAK GMBH	100.00%	3.3	100.00%	1.3	100.00%	1.2
COLUMBIA SRL	100.00%	5.8	60.00%	3.0	60.00%	2.7
M.J. MAILLIS FINLAND OY	100.00%	1.9	100.00%	1.9	100.00%	0.5
M.J.MAILLIS CZECH SRO	100.00%	2.0	100.00%	2.0	100.00%	2.0
MAILLIS HOLDING GMBH	100.00%	21.3	100.00%	21.3	100.00%	21.3
M.J.MAILLIS SVERIGE AB	100.00%	1.9	100.00%	0.8	100.00%	0.0
OMS MAILLIS AMERICA INC	-	-	33.33%	0.2	33.33%	0.2
M.J.MAILLIS ALBANIA LTD	100.00%	0.1	100.00%	0.1	100.00%	0.1
SANDER PACKAGING BV	100.00%	0.7	100.00%	0.7	100.00%	0.7
<b>TOTAL</b>		<b>155.8</b>		<b>150.0</b>		<b>93.7</b>

• RESERVES

The reserve account amounted to Euro 12.9 mill. on 31/12/2003 against Euro 15.7 mill. on 31/12/2002 marking a significant drop in the order of 18%. Note that Company Reserve Valuation is based on the mean monthly weighted cost:

• RECEIVABLES

Company Receivables as at 31/12/2003 amounted to Euro 89.8 mill. against Euro 82.4 mill. on 31/12/2002 marking an increase in the order of 9%. The table below shows in detail Company Receivables as at 31/12/2003

BREAKDOWN OF RECEIVABLES	2003	2002
		(in mill. Euro)
<b>Customers</b>		
Domestic	0.8	0.8
Abroad	13.9	17.1
Subsidiaries	46.6	34.9
	<b>61.3</b>	<b>52.8</b>
<b>Cheques Receivable</b>	<b>0.7</b>	<b>0.1</b>
<b>Current Receivables</b>		
<b>From Affiliated Companies</b>		
M.J.MAILLIS ROMANIA S.A.	0.3	0.3
M.J.MAILLIS FRANCE S.A.S.	-	0.2
HELERO BV	4.1	5.5
EUROPACK S.A.	6.6	5.1
CONTIPAK GMBH	-	2.0
COLUMBIA SRL	0.2	0.1
M.J. MAILLIS FINLAND OY	0.2	0.2
MAILLIS HOLDING GMBH	1.6	1.6
M.J. MAILLIS ALBANIA LTD	-	0.1
M.J.MAILLIS BULGARIA EOOD	-	0.4
SIAT SPA	9.0	11.0
M.J.MAILLIS ESPANA S.L.	1.5	-
	<b>23.5</b>	<b>26.5</b>
<b>Doubtful Debtors - Customers in Litigation</b>	<b>1.8</b>	<b>1.2</b>
<b>Sundry Debtors</b>	<b>0.1</b>	<b>0.1</b>
<b>Greek State</b>		
Income Tax Advances	0.9	0.9
Withholding Income Tax	0.3	0.1
<b>VAT Receivable</b>	<b>1.2</b>	<b>0.6</b>
	<b>2.4</b>	<b>1.6</b>
<b>Prepayments and Appropriation Account</b>	<b>-</b>	<b>0.1</b>
<b>Total</b>	<b>89.8</b>	<b>82.4</b>

• LONG-TERM LIABILITIES

Company Long-Term Liabilities as at 31/12/2003 amounted to Euro 89.3 mill. and consisted of two middle-long-term syndicated loans. The Long-Term Liabilities of the Company as at 31/12/2002 amounted to 82.9 mill. Euro.

• CURRENT LIABILITIES TO BANKS

Current Liabilities to Banks as at 31/12/2003 amounted to 24.2 mill. Euro against 14.2 mill. Euro as at 31/12/2002. Current Liabilities to Banks are shown in detail below per Bank and currency for the Financial Years 2003, 2002 and 2001.

BANKS / CURRENCY	31/12/2003			31/12/2002			31/12/2001		
	EURO	EURO	USD	TOTAL	EURO	USD	TOTAL		
NATIONAL BANK OF GREECE	0.5				8.5		8.5		
EFG EUROBANK ERGASIAS	3.6				1.1	2.0	3.1		
CITIBANK					2.8	5.2	8.0		
ABN-AMRO BANK	2.9	1.0	0.9	1.9	0.9		0.9		
BNP	2.6	4.0		4.0	6.0	3.1	9.1		
ALPHA BANK	3.8	4.3		4.3	1.8		1.8		
SAN PAOLO IMI	9.2	4.0		4.0	2.0	1.1	3.1		
PIRAEUS BANK	1.0								
COMMERCIAL BANK	0.6								
<b>TOTAL</b>	<b>24.2</b>	<b>13.3</b>	<b>0.9</b>	<b>14.2</b>	<b>23.1</b>	<b>11.4</b>	<b>34.5</b>		

## 5.4 TURNOVER - PROFIT & LOSS ACCOUNT FOR M.J.MAILLIS S.A.

The Turnover and Profit and Loss Account of the Company for the previous three years are shown in the following table

PROFIT AND LOSS ACCOUNT	2003	2002	2001
			(in mill. Euro)
Turnover from			
Industrial Activity	88.6	89.7	82.2
Commercial Activity	6.3	4.2	7.3
<b>Total Turnover</b>	<b>94.9</b>	<b>93.9</b>	<b>89.5</b>
Less : Cost of Goods Sold	65.9	65.4	64.7
<b>Gross profit(I)</b>	<b>29.0</b>	<b>28.4</b>	<b>24.8</b>
(% of sales)	30.5%	30.3%	27.7%
Other Operating Income	0.6	0.3	0.6
<b>Total Gross Profit</b>	<b>29.6</b>	<b>28.8</b>	<b>25.4</b>
(% of sales)	31.2%	30.6%	28.4%
Administrative Expenses	5.1	3.4	2.8
(% of sales)	5.4%	3.6%	3.1%
Appropriation Expenses	8.3	9.5	8.8
(% of sales)	8.7%	10.1%	9.8%
<b>Operating Profit(I)</b>	<b>16.2</b>	<b>15.9</b>	<b>13.8</b>
(% of sales)	17.1%	16.9%	15.4%
Plus Income from Participations	0.3	1.6	1.4
Plus Profit from Sale of Participations - Securities	0.2	0.1	0.0
Plus Extraordinary and Non-operating Income	3.3	6.7	6.9
Less Extraordinary and Non-operating Expenses	7.7	2.9	2.2
<b>Earnings before Interest, Depreciation and Taxes</b>	<b>12.3</b>	<b>21.5</b>	<b>19.9</b>
(% of Sales)	13.0%	22.8%	22.2%
Credit Interest	1.9	1.7	2.2
Provision for deval. of Participations & Securities	0.3	0.5	0.3
Loss from Sale of Participations & Securities	0.3	0.3	0.3
Debit Interest	4.8	3.0	2.3
(% of Sales)	5.1%	3.2%	2.6%
<b>Earnings before Depreciation and Taxes</b>	<b>8.8</b>	<b>19.4</b>	<b>19.2</b>
(% of Sales)	9.3%	20.6%	21.5%
Depreciation	13.2	15.3	13.3
<b>Pre-tax Earnings</b>	<b>-4.4</b>	<b>4.0</b>	<b>5.9</b>
(% of Sales)	-4.6%	4.3%	6.6%
Tax for the year	0.0	2.6	2.1
Board Emoluments	0.0	0.0	0.0
<b>Profit after Taxes and Board Emoluments</b>	<b>-4.4</b>	<b>1.4</b>	<b>3.8</b>
(% of Sales)	-4.7%	1.5%	4.2%
Taxes from Previous Years' Tax Audits	1.1	0.0	0.0
<b>Profit after Taxes, Taxes from Previous Years' Audit and Board Emoluments</b>	<b>-5.5</b>	<b>1.4</b>	<b>3.8</b>
(% of Sales)	-5.8%	1.5%	4.2%

<b>DATA PER SHARE (in Euro)</b>	<b>2003</b>	<b>2002</b>	<b>2001</b>
Earnings before Interest, Depreciation and Taxes	0.17	0.30	0.27
Pre-tax Earnings	-0.06	0.06	0.08
Profit after Taxes and Board Emoluments	-0.06	0.02	0.05
Profit after Taxes and Board Emoluments and Taxes for the Year	-0.08	0.02	0.05
Dividend per Share	0.00	0.06	0.08

Note :

(1) Depreciation has been deducted from the Cost of Goods Sold, from Administrative Expenses and from Appropriation Expenses when calculating the Gross Profit and the Operating Profit in the Profit and Loss Account, as follows :

<b>BREAKDOWN OF DEPRECIATION</b>	<b>2003</b>	<b>2002</b>	<b>2001</b>
			(in mill. Euro)
Cost of Goods Sold	6.7	9.1	8.9
Administrative Expenses	6.5	6.2	4.4
Appropriation Expenses	0.0	0.0	0.0
<b>Total</b>	<b>13.2</b>	<b>15.3</b>	<b>13.3</b>

#### • TURNOVER

The Turnover was Euro 94.92 mill. in 2003 against Euro 93.97 mill. in 2002, marking a marginal increase of 1%.

#### • COST OF GOODS SOLD

The table below is a breakdown of the Cost of Goods Sold for the Financial Years 2003, 2002 and 2001 :

<b>BREAKDOWN OF COST OF GOODS SOLD</b>	<b>2003</b>	<b>2002</b>	<b>2001</b>
			(in mill. Euro)
Raw-Sec.packag. Mat. consumption	52.5	53.1	52.1
Consumption of Parts & Consumables	1.6	2.5	3.2
Expenditures (Direct Wages)	7.6	8.6	9.0
General Expenditures	12.7	14.9	15.2
	74.4	79.1	79.5
Less : Own Fixed Asset Production	3.7	5.3	9.1
Plus : Change in Inventory Products	1.7	0.5	0.3
Cost of Products Sold	72.4	74.3	70.7
Cost of Goods Sold	0.2	0.3	2.9
Cost of Goods Sold by M.J.MAILLIS S.A.	72.6	74.6	73.6
Less : Depreciation	6.7	9.1	8.9
<b>Cost of Goods Sold (before Depreciation)</b>	<b>65.9</b>	<b>65.5</b>	<b>64.7</b>

#### • GROSS PROFIT MARGIN

The Gross Profit Margin (before Depreciation) amounted to 31% in 2003 against 30% in 2002 and 28% in 2001. This increase was a result both of the streamlining of production processes and the rationalization of the cost structure

## • OTHER OPERATING INCOME

A breakdown of the "Other Operating Income" account for the FY's 2003, 2002 and 2001 is shown below :

OTHER OPERATING INCOME	2003	2002	2001
Manpower Employment Organization Subsidies	-	-	0.2
Interest Rate Subsidies	0.6	0.1	-
Provision of Services to Third Parties	-	0.2	0.4
<b>TOTAL</b>	<b>0.6</b>	<b>0.3</b>	<b>0.6</b>

## • INCOME FROM PARTICIPATIONS

Income from participations in FY 2003 stood at 0.3 mill. Euro against 1.6 mill. Euro in FY 2002 and consist of dividends from the subsidiaries companies.

SUBSIDIARIES	2003	2002
		(in thous. Euro)
EUROPACK S.A.		1,000
M.J.MAILLIS BULGARIA EOOD		406
M.J.MAILLIS ROMANIA S.A.		146
M.J.MAILLIS ALBANIA LTD		50
COLUMBIA SRL	250	
<b>TOTAL</b>	<b>250</b>	<b>1,602</b>

## • APPROPRIATION EXPENSES

Appropriation Expenses were 8.3 mill. Euro in 2003 against 9.5 mill. Euro in 2002, marking a drop of 12.6%.

## • EXTRAORDINARY AND NON-OPERATING RESULTS

The following table is a breakdown of Extraordinary and Non-operating Income and Expenses as well as of Extraordinary Profit and Loss for the Financial Years 2003, 2002 and 2001:

EXTRAORDINARY AND NON-OPERATING INCOME	2003	2002	2001
			(in mill. Euro)
Foreign Exchange Differences (Credit)	1.5	4.5	4.5
Fixed Asset Subsidies Corresponding to the FY	1.5	2.2	2.3
Other Income	0.3	0.0	0.1
<b>Total (A)</b>	<b>3.3</b>	<b>6.7</b>	<b>6.9</b>

## EXTRAORDINARY AND NON-OPERATING EXPENSES

Foreign Exchange Differences (Debit)	6.9	1.8	1.3
Depreciation of Foreign Exchange Differences	0.5	0.5	0.5
Extraordinary Loss	0.1	0.1	0.0
Expenses from Previous Financial Years	0.1	0.1	0.1
Provisions for Contingencies	0.0	0.3	0.3
Other Expenses	0.1	0.1	0.0
<b>Total (B)</b>	<b>7.7</b>	<b>2.9</b>	<b>2.2</b>

## EXTRAORDINARY AND NON-OPERATING RESULTS (A-B)

	<b>-4.4</b>	<b>3.8</b>	<b>4.7</b>
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Credit Exchange Differences in 2003 to the amount of Euro 6.9 mill. resulted from : a) the collection and valuation of Receivables from

Customers and Accounts Abroad, b) the settlement and valuation of Foreign Liabilities, c) the Exchange Difference from Deposits in foreign currencies.

## • FINANCIAL EXPENSES

The Financial Expenses of the Company in the course of the past three years were as follows :

FINANCIAL EXPENSES	2003	2002	2001
			(in mill. Euro)
Long-Term Loan Interest	3.5	2.2	0.4
Short-Term Loan Interest	1.1	0.5	1.6
Other Finance Expenses	0.2	0.3	0.3
<b>Total</b>	<b>4.8</b>	<b>3.0</b>	<b>2.3</b>

## • APPROPRIATION OF PROFIT BEFORE DEPRECIATION

Profit Before Depreciation for the Financial Years 2003, 2002 and 2001 was appropriated as follows :

APPROPRIATION OF PROFIT BEFORE DEPRECIATION	2003	2002	2001
			(in mill. Euro)
<b>PROFIT</b>			
Earnings before Taxes and Depreciation	8.8	19.3	19.2
Profit Carried Forward from Previous Years	-	0.1	2.2
Reserves for Distribution	1.8	2.9	-
<b>Total</b>	<b>10.6</b>	<b>22.3</b>	<b>21.4</b>
<b>APPROPRIATION OF PROFIT</b>			
Total Depreciation	13.2	15.3	13.3
Statutory Reserve	-	0.1	0.2
Income Tax & Other non-Incorporated Taxes	-	2.6	2.1
Discrepancies from Tax Audit of Previous Years	1.1	-	-
Board Emoluments	-	0.0	0.0
First Dividend	-	2.2	2.1
Additional Dividend	-	2.1	3.6
Profit Carried Forward	-3.7	0.0	0.1
<b>Total</b>	<b>10.6</b>	<b>22.3</b>	<b>21.4</b>

## 5.5 SOURCES AND USES OF FUNDS

The Sources and Uses of M.J.MAILLIS GROUP Funds for the period 2001-2003 were as follows :

SOURCES AND USES OF GROUP FUNDS	2003	2002	2001
			(in mill. Euro)
<b>Sources of Funds</b>			
Depreciation	24.1	25.7	18.8
Net Book Value	0.1	-3.0	-4.4
Provisions	-3.6	1.1	1.7
Long-Term Liabilities	2.2	25.6	-9.3
Current Liabilities	2.0	-14.2	28.8
Transitory Liability Accounts	2.1	0.2	0.2
<b>TOTAL</b>	<b>26.9</b>	<b>35.4</b>	<b>35.8</b>
<b>Uses of Funds</b>			
Investments	11.2	16.9	30.2
Incorporation Expenses	18.0	3.7	10.7
Participations and Long-Term Receivables	4.8	31.3	41.0
Inventories	-3.9	0.1	7.8
Receivables	3.7	5.6	7.7
Securities	-2.2	-9.2	9.2
Bank & Cash	-6.0	-15.1	-70.4
Transitory Asset Accounts	1.3	2.1	-0.4
<b>TOTAL</b>	<b>26.9</b>	<b>35.4</b>	<b>35.8</b>

The Sources and Uses of M.J.MAILLIS S.A. Funds, respectively, for the same period were as follows :

<b>SOURCES AND USES OF M.J.MAILLIS S.A. FUNDS</b>	<b>2003</b>	<b>2002</b>	<b>2001</b>
			(in mill. Euro)
<b>Sources of Funds</b>			
Depreciation	13.2	15.3	13.3
Net Book Value	-8.7	-8.5	-8.4
Provisions	-2.5	2.7	0.3
Long-Term Liabilities	6.4	35.9	-2.3
Current Liabilities	4.8	-20.9	2.8
Transitory Liability Accounts	-0.2	0.5	-0.1
<b>TOTAL</b>	<b>13.0</b>	<b>25.1</b>	<b>5.7</b>
<b>Uses of Funds</b>			
Investments	4.0	9.6	14.9
Incorporation Expenses	7.6	1.7	6.7
Participations and Long-Term Receivables	3.7	56.3	41.0
Inventories	-2.8	0.7	-4.1
Receivables	7.4	-19.6	3.7
Securities	-2.3	-8.2	7.4
Bank & Cash	-4.2	-18.0	-63.7
Transitory Asset Accounts	-0.4	2.5	-0.2
<b>TOTAL</b>	<b>13.0</b>	<b>25.1</b>	<b>5.7</b>

## 5.6 DIVIDEND POLICY

In the past three years, Company dividends were distributed as follows :

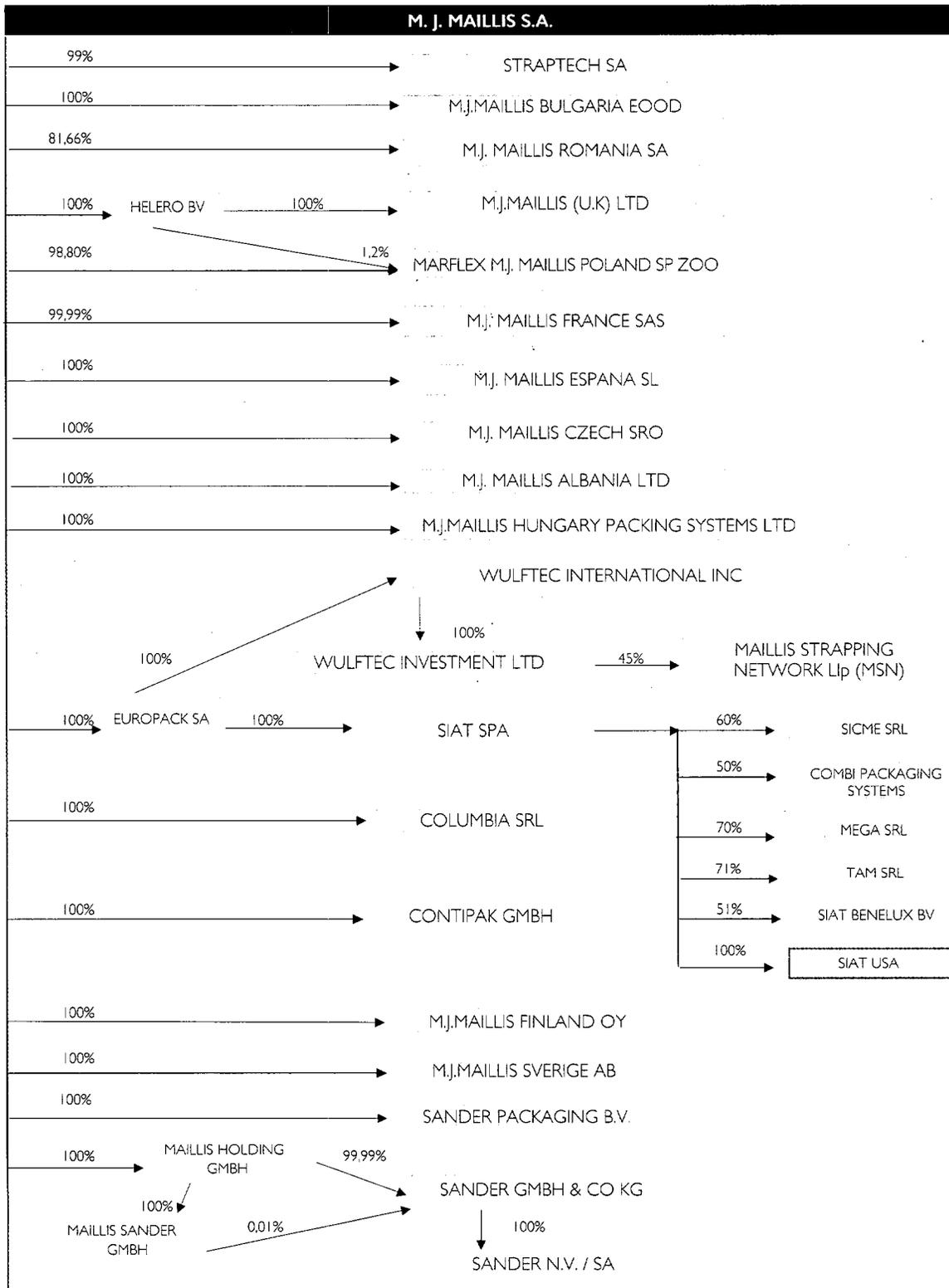
	2003	2002	2001
			(in mill. Euro)
Profit after Taxes	-4.4	2.4	3.8
Reserves for Distribution	0.7	1.9	2.1
Total Dividend	0.0	4.2	5.7
Dividend per Share (Euro)	0.00	0.06	0.08
Dividend Yield	0.00%	2.30%	1.10%

Overall, the dividend policy followed by M.J.MAILLIS S.A. has been a conservative policy in line with the extensive investment efforts of the previous years. In the past two years, the company tried to distribute a higher dividend because of the poor stock market performance and the suspension of the company's intensive investment plan.

## 5.7 AFFILIATED COMPANIES

### 5.7.1 COMPANIES AFFILIATED WITH M.J.MAILLIS S.A.

The following chart shows all affiliated companies with M.J.MAILLIS S.A.



## 5.7.2 SUBSIDIARY COMPANIES

### 1. STRAPTECH S.A.

(99.00% participation share)

The company was established on 21.3.1995 and has a registered office in Kifissia, at 227, Kifissias Ave., Postcode 145 61. The company has two plants in the IND.ZO. of Alexandroupoli and branches in Salonica and Inofita, Viotia.

STRAPTECH S.A. has the object of producing and trading edgeboards, tapes and paper rolls as well as promoting the products of the parent company and its subsidiaries in the Greek market.

The share capital of STRAPTECH S.A. is currently to the amount of Euro 5,224,400 divided into 7,060,000 shares.

STRAPTECH S.A. has the following shareholder composition :

- M.J.MAILLIS S.A. 99.00%
- Michael J. Maillis 1.00%

STRAPTECH S.A. appeared in the company books in the participations' account on 31/12/2003 with a cost value of Euro 4.9 mill.

### 2. M.J.MAILLIS BULGARIA EOOD

(100.00% participation share)

M.J.MAILLIS BULGARIA EOOD was established on 1.3.1994 and has a registered office in Sofia, Bulgaria. The object of the company is to market the products of the parent company and its subsidiaries in the Bulgarian market. The Company actually went into business after the first semester of 1995.

The share capital of the company is currently to the amount of 47,545,000 BGN divided into 47,545 shares.

M.J.MAILLIS BULGARIA EOOD has the following shareholder composition :

- M.J.MAILLIS S.A. 100.00%

M.J.MAILLIS BULGARIA EOOD appeared in the company books in the participations' account on 31/12/2003 with a cost value of Euro 0.3 mill.

### 3. M.J. MAILLIS ROMANIA S.A.

(81.667% participation share)

M.J. MAILLIS ROMANIA S.A. was established on 1.2.1994 and has a registered office in Bucharest, Romania. The object of the company is to market the products of the parent company and its subsidiaries in the Romanian market while ever since 1999 M.J. MAILLIS ROMANIA S.A. operates an industrial unit producing shrink film and printing plastic tapes. M.J. MAILLIS ROMANIA S.A. went into business in August 1995.

The share capital of the company is currently to the amount of 104,317,280,000 Lei divided into 10,431,728 shares.

M.J. MAILLIS ROMANIA S.A. has the following shareholder composition :

- M.J.MAILLIS S.A. 81.66%
- M.J. MAILLIS ROMANIA S.A. is listed in the Bucharest Stock Exchange and the remaining 18.34% of its share capital corresponds to the company's free float.

M.J.MAILLIS ROMANIA S.A. appeared in the company books in the participations' account on 31/12/2003 with a cost value of Euro 2.7 mill.

### 4. HELERO BV

(100.00% participation share)

HELERO BV was acquired on 09.04.1999 with a registered office in Amsterdam, the Netherlands. The object of HELERO BV is holding shares in other companies, buying-out other companies and trading.

The share capital of HELERO BV is currently to the amount of Euro 10,807,782 divided into 216,155,640 shares.

HELERO BV has the following shareholder composition :

- M.J.MAILLIS S.A. 100.00%

HELERO BV appeared in the company books in the participations' account on 31/12/2003 with a cost value of Euro 27.5 mill.

### 5. MARFLEX - M.J. MAILLIS POLAND SP.ZO.O.

(98.80% participation share)

MARFLEX - M.J. MAILLIS POLAND S.P.Z.o.o. was originally established in March 1997. In September 2000 M.J.MAILLIS POLAND S.P.Z.o.o. acquired the business and assets of MARFLEX S.P.Z.o.o. who assigned her the right to use MARFLEX in her trade name. M.J. MAILLIS POLAND S.P.Z.o.o. was then renamed MARFLEX - M.J. MAILLIS GROUP S.P.Z.OO.

The name of the company changed to MARFLEX - M.J.MAILLIS POLAND SP. ZOO in 2003.

The registered office of MARFLEX - M.J.MAILLIS POLAND SP. ZOO is in Warsaw, Poland.

The object of MARFLEX - M.J.MAILLIS POLAND SP. ZOO is to market the products of the parent company and its subsidiaries in the Polish market. Note that the said company is the leader in the production and sale of stretch film products and plastic bags in the Polish market.

The share capital of MARFLEX - M.J.MAILLIS POLAND SP. ZOO is currently to the amount of 78,226,250 PLN divided into 1,564,525 shares.

MARFLEX - M.J.MAILLIS POLAND SP. ZOO has the following shareholder composition :

- M.J.MAILLIS S.A. 98.80%
- HELERO B.V. 1.20%

MARFLEX - M.J.MAILLIS POLAND S.P.ZOO appeared in the company books in the participations' account on 31/12/2003 with a cost value of 21.3 mill. Euro.

#### **6. M.J. MAILLIS FRANCE S.A.S.** (99.998% participation share)

M.J. MAILLIS FRANCE S.A.S. was established in February 1999 with a registered office in Suassi of Montmorency, France. The registered office of the company later relocated to CERGY PONTOISE, FRANCE. M.J. MAILLIS FRANCE S.A.S. was originally a holding company.

Currently M.J. MAILLIS FRANCE S.A.S. is promoting and trading in products manufactured by companies belonging to the Group in the French market.

The share capital of the company is to the amount of Euro 2,100,300 divided into 140,020 shares.

M.J.MAILLIS FRANCE S.A.S. has the following shareholder composition :

- M.J.MAILLIS S.A. 99.998%
- STRAPTECH S.A. 0.001%.

M.J.MAILLIS FRANCE S.A.S. appeared in the company books in the participations' account on 31/12/2003 with a cost value of 5.3 mill. Euro.

#### **7. M.J. MAILLIS ESPANA S.L.** (100.00% participation share)

The company was originally established in 1983 under the name INCOPLASTIC S.A. with a registered office in Barcelona, Spain. M.J.MAILLIS S.A. took control of the company on 01.07.1998. On 28.05.1999 the company was renamed M.J. MAILLIS ESPANA S.A. The object of M.J. MAILLIS ESPANA S.L. is to trade and market its own products and those of the parent company and its subsidiaries in the Spanish market as well as to produce secondary packaging materials.

The merger of ROCALU S.L., a subsidiary of M.J.MAILLIS S.A. was completed in 2003. For the purposes of the merger, M.J. MAILLIS ESPANA S.L. increased its share capital and the parent company M.J.MAILLIS S.A. participated in the increase of the share capital of M.J.MAILLIS S.L. by contributing all its shares held with ROCALU S.L., as the sole shareholder. Then followed the merger by acquisition of ROCALU S.L. by M.J.MAILLIS ESPANA S.L.

The post-merger share capital of the company is to the amount of Euro 3,060,509.89 divided into 509,236.25 shares.

M.J.MAILLIS ESPANA S.L. has the following shareholder composition :

- M.J.MAILLIS S.A. 100.00%

M.J.MAILLIS ESPANA S.L. appeared in the company books in the participations' account on 31/12/2003 with a cost value of 4.6 mill. Euro.

#### **8. M.J. MAILLIS CZECH SRO** (100.00% participation share)

M.J. MAILLIS CZECH SRO was established on 01.03.1998 with a registered office in Prague, the Czech Republic and a branch in Slovakia. The object of the company is to market the products of the parent company and its subsidiaries in the markets of the Czech Republic and Slovakia.

The share capital of the company is currently to the amount of 68,600,000 CZK.

M.J. MAILLIS CZECH SRO has the following shareholder composition :

- M.J.MAILLIS S.A. 100.00%

M.J. MAILLIS CZECH SRO appeared in the company books in the participations' account on 31/12/2003 with a cost value of 2.0 mill. Euro.

#### **9. M.J. MAILLIS ALBANIA LTD** (100.00% participation share)

M.J. MAILLIS ALBANIA LTD was established on 25.11.1998 with a registered office in Tirana, Albania. The object of the company is to market the products of the parent company and its subsidiaries in the Albanian market.

The share capital of the Company is currently to the amount of 7,100,000 LEK.

M.J. MAILLIS ALBANIA LTD has the following shareholder composition :

- M.J.MAILLIS S.A. 100.00%

M.J. MAILLIS ALBANIA LTD appeared in the company books in the participations' account on 31/12/2003 with a cost value of 0.1 mill. Euro.

#### **10. M.J.MAILLIS HUNGARY PACKING SYSTEMS LTD** (100.00% participation share)

The company was established on 26.01.1999 under the name M.J. MAILLIS HUNGARY KFT with a registered office in Budapest, Hungary. The object of the company is to trade and market the products of the parent company and its subsidiaries in the Hungarian market.

In 1999 M.J. MAILLIS HUNGARY KFT acquired the trademark of Danubia Pack together with some fixed assets of the company and was renamed "Danubia Pack Maillis Group KFT".

The name of the company changed to "M.J.MAILLIS HUNGARY PACKING SYSTEMS LTD" in 2003.

The share capital of M.J.MAILLIS HUNGARY PACKING SYSTEMS LTD is to the amount of 562,190,000 HUF.

M.J.MAILLIS HUNGARY PACKING SYSTEMS LTD has the following shareholder composition :

- M.J.MAILLIS S.A. 100.00%

M.J.MAILLIS HUNGARY PACKING SYSTEMS LTD appeared in the company books in the participations' account on 31/12/2003 with a cost value of 2.1 mill. Euro.

#### **11. EUROPACK S.A.**

(100.00% participation share)

EUROPACK S.A. was acquired in 2000 with a registered office in Luxembourg. The object of EUROPACK S.A. is participation in other companies, acquisitions and trading.

The share capital of EUROPACK S.A. is currently to the amount of 20,810,002.20 Euro divided into 8,003,847 shares.

EUROPACK S.A. has the following shareholder composition :

- M.J.MAILLIS S.A. 100.00%

EUROPACK S.A. appeared in the company books in the participations' account on 31/12/2003 with a cost value of 50.2 mill. Euro.

#### **12. COLUMBIA SRL**

(100.00% participation share)

In 1999 M.J.MAILLIS S.A. acquired a 60% interest in COLUMBIA SRL and in May 2003 acquired the remaining 40% of the company's share capital. COLUMBIA SRL has a registered office in Milan, Italy and is a producer of strapping machines and tools for metal and plastic strapping band.

The share capital of COLUMBIA SRL is currently to the amount of Euro 520,000.

COLUMBIA SRL has the following shareholder composition :

- M.J.MAILLIS S.A. 100.00%

COLUMBIA SRL appeared in the company books in the participations' account on 31/12/2003 with a cost value of 5.8 mill. Euro.

#### **13. CONTIPAK GmbH**

(100.00% participation share)

CONTIPAK GmbH was acquired in 2000 with a registered office in Vienna, Austria. Company objects include participations in other companies, acquisitions and trade.

The share capital of CONTIPAK GmbH is currently to the amount of 2,036,336.42 Euro.

CONTIPAK GmbH has the following shareholder composition :

- M.J.MAILLIS S.A. 100.00%

CONTIPAK GmbH appeared in the company books in the

participations' account on 31/12/2003 with a cost value of 3.3 mill. Euro.

#### **14. M.J.MAILLIS FINLAND OY**

(100.00% participation share)

M.J.MAILLIS FINLAND OY was acquired on 30.3.2000 with a registered office in Vantaa, Finland. The object of the company is to trade in secondary packaging products and systems (strapping bands, packaging film, automated packaging lines, packaging machines, etc.).

The share capital of M.J.MAILLIS FINLAND OY is to the amount of 1,000,000 Euro divided into 1,000 shares.

M.J.MAILLIS FINLAND OY has the following shareholder composition :

- M.J.MAILLIS S.A. 100.00%

M.J.MAILLIS FINLAND OY appeared in the company books in the participations' account on 31/12/2003 with a cost value of 1.9 mill. Euro.

#### **15. M.J. MAILLIS SVERIGE AB**

(100.00% participation share)

M.J.MAILLIS SVERIGE AB was acquired on 12.04.2000 and has a registered office in Stockholm, Sweden. The object of the company is to trade in secondary packaging products and systems (strapping bands, packaging film, automated packaging lines, packaging machines, etc.).

The share capital of M.J.MAILLIS SVERIGE AB is currently to the amount of 700,000 SEK divided into 7,000 shares.

M.J.MAILLIS SVERIGE AB has the following shareholder composition:

- M.J.MAILLIS S.A. 100.00%

M.J.MAILLIS SVERIGE AB appeared in the company books in the participations' account on 31/12/2003 with a cost value of 1.9 mill. Euro.

#### **16. SANDER PACKAGING B.V.**

(100.00% participation share)

SANDER PACKAGING B.V. was established in 2000 with a registered office in Leusden, the Netherlands. The object of the company is to promote the products of the parent company and its subsidiaries. The establishment of this company was deemed necessary to further strengthen the commercial network of M.J.MAILLIS S.A. in the Netherlands.

The share capital of SANDER PACKAGING B.V. is to the amount of Euro 18,300 divided into 183 shares.

SANDER PACKAGING B.V. has the following shareholder composition :

- M.J.MAILLIS S.A. 100.00%

SANDER PACKAGING B.V. appeared in the company books in the participations' account on 31/12/2003 with a cost value of 0.7 mill. Euro.

## 17. MAILLIS HOLDING GmbH

(100.00% participation share)

MAILLIS HOLDING GmbH was acquired in 2000 with a registered office in Wupertal, Germany. Company objects include participations in other companies, acquisitions and trade.

The share capital of MAILLIS HOLDING GmbH is currently to the amount of Euro 21,300,000.

MAILLIS HOLDING GmbH has the following shareholder composition :

- M.J.MAILLIS S.A. 100.00%

MAILLIS HOLDING GmbH appeared in the company books in the participations' account on 31/12/2003 with a cost value of 21.3 mill.

## 5.7.3 SUBSIDIARIES OF SUBSIDIARY COMPANIES

### 1. M.J.MAILLIS (U.K.) LTD

(100.00% participation share via HELERO B.V.)

M.J.MAILLIS (U.K.) LTD. is the only legal entity of the Group in U.K. following the merger of the corporate activities of Payne Strapping Systems Ltd., United Packaging Plc. and Samuel Strapping Systems Ltd. (a new legal entity which emerged after Samuel Strapping Systems Ltd was renamed).

The registered office of the company is in Nottingham, United Kingdom. The object of the company is the production and distribution of industrial packaging materials and machines. The company holds a significant market share in U.K. and is a major exporter to Europe.

The share capital of M.J.MAILLIS (U.K.) LTD. is currently to the amount of 11,776,070 GBP divided into 11,776,070 shares.

M.J.MAILLIS (U.K.) LTD. has the following shareholder composition :

- HELERO B.V. 100.00%

### 2. WULFTEC INTERNATIONAL INC

(100.00% participation share via EUROPACK S.A.)

WULFTEC INTERNATIONAL INC was acquired in April 2002. The registered office of the company is in Ayer's Cliff, Quebec.

WULFTEC INTERNATIONAL INC is the biggest stretch wrapping machine manufacturer in Canada and the third biggest in the N. American market. The company is a designer, manufacturer and distributor of high-quality stretch wrapping machines to clients all over the world.

The share capital of WULFTEC INTERNATIONAL INC is currently to the amount of 16.424.112 CAD.

WULFTEC INTERNATIONAL INC has the following shareholder composition :

- EUROPACK S.A. 100.00%

### 3. WULFTEC INVESTMENT LTD

(100.00% participation share via WULFTEC INTERNATIONAL INC)

WULFTEC INVESTMENT LTD was established in January 2003 with a registered office in Delaware, America and is a holding company.

The share capital of WULFTEC INVESTMENT LTD stands at 100 USD.

WULFTEC INVESTMENT LTD has the following shareholder composition :

- WULFTEC INTERNATIONAL INC 100.00%

### 4. MAILLIS STRAPPING NETWORK LLP (MSN)

(40.00% participation share via WULFTEC INVESTMENT LTD)

MAILLIS STRAPPING NETWORK LLP (MSN) was established in 2003 with a registered office in Marietta in the State of Georgia, US. The object of the company is to market packaging materials and machines.

The share capital of MAILLIS STRAPPING NETWORK LLP (MSN) stands at 165,000 USD.

MAILLIS STRAPPING NETWORK LLP (MSN) has the following shareholder composition :

- WULFTEC INVESTMENT LTD 45.00%
- Specialized Packaging Inc 55.00 %

### 5. SIAT S.p.A.

(100.00% participation share via EUROPACK S.A.)

SIAT S.p.A. was acquired in 2000 via EUROPACK S.A. The SIAT S.p.A. Group of Companies consists of the following companies:

- SIAT S.P.A., holding company controlled at 100.00% via EUROPACK S.A.
- GRAMEGNA S.p.A, a subsidiary company controlled at 100.00% by SIAT S.p.A. (dormant)
- I.P.E. CORPORATION, a subsidiary company controlled at 100.00% by SIAT S.p.A. (dormant)
- SICME SRL, a subsidiary company controlled at 60.00% by SIAT S.p.A.
- COMBI PACKAGING SYSTEMS LLC, a subsidiary company controlled at 50.00% by SIAT S.p.A.
- SIAT USA INC., a subsidiary company controlled at 100.00% by SIAT S.p.A.
- TAM S.r.l., a subsidiary company controlled at 71.00% by SIAT S.p.A.
- MEGA S.r.l., a subsidiary company controlled at 70.00% by SIAT S.p.A.
- SIAT BENELUX, a subsidiary company controlled at 51.00% by SIAT S.p.A.

The registered office of the company is in Como, Italy. SIAT S.p.A is a producer of tape carton sealers, stretch strapping machines and tape flexographic printers.

The share capital of SIAT S.p.A currently stands at Euro 1,560,000.00 divided into 3,000,000 shares.

The shareholder composition of SIAT S.p.A. is the following :

- EUROPACK S.A. 100.00%

#### *Information on the Company merged with Siat S.p.A*

##### **a. GRAMEGNA S.p.A. (dormant)**

(100.00% participation share via SIAT S.p.A.)

The company was established in 1937 and acquired in 2000 via SIAT S.p.A. The company's registered office is in Milan, Italy. Gramegna S.p.A is a producer and trader of machine parts and packaging machines.

In 2003 all the assets and liabilities of the subsidiary Gramegna S.p.A. as well as all of its relations at law were transferred to SIAT S.p.A., the subsidiary of M.J.MAILLIS S.A. in Italy. Gramegna S.p.A. thereafter became dormant.

The share capital of Gramegna S.p.A stands at Euro 520,000.00 divided into 1,000,000 shares.

Gramegna S.p.A has the following shareholder composition :

- SIAT S.p.A 100.00%

##### **6. I.P.E. CORPORATION (dormant)**

(100.00% participation share via SIAT S.p.A.)

I.P.E. CORPORATION was established in 1988 and acquired in 2000 via SIAT S.p.A and has a registered office in Dover, Delaware, US. I.P.E. CORPORATION is a machine assembler for SIAT S.p.A.

On 31 December 2001, COMBI PACKAGING SYSTEMS, also a subsidiary of the Group via SIAT S.p.A. acquired the fixed assets of IPE CORPORATION. Following the foregoing acquisition of its fixed assets, IPE ceased to operate.

The share capital of I.P.E. CORPORATION stands at 12.50 U.S \$ divided into 12.5 shares.

I.P.E. CORPORATION has the following shareholder composition :

- SIAT S.p.A 100.00%

##### **7. SICME SRL**

(60.00% participation share via SIAT S.p.A.)

The company was established in 1984 and was acquired in 2000 via SIAT S.p.A and has a registered office in Varese, Italy. SICME SRL is a packaging machine parts manufacturer.

The share capital of SICME SRL stands at 52,000.00 Euro divided into 1,000,000 shares.

SICME SRL has the following shareholder composition :

- SIAT S.p.A 60.00%

- Giancarlo Macchi 20.00%
- Giovanna Gottardello 20.00%

##### **8. COMBI PACKAGING SYSTEMS LLC**

(50.00% participation share via SIAT S.p.A.)

COMBI PACKAGING SYSTEMS LLC was established in 1999 and was acquired in 2000 via SIAT S.p.A and has a registered office in Canton, Ohio, US.

COMBI PACKAGING SYSTEMS LLC is an adjusted packaging line producer.

The share capital of COMBI PACKAGING SYSTEMS LLC currently stands at 30,000 U.S.

##### **9. SIAT U.S.A. INC**

(100.00% participation share via SIAT S.p.A.)

SIAT U.S.A. INC was established in 1999 and acquired in 2000 via SIAT S.p.A and has a registered office in Dover, Delaware, USA. SIAT USA is a non-operating company established to protect the SIAT tradename in the United States of America.

The share capital of SIAT U.S.A. INC currently stands at 10.00 U.S.D. and is divided into 10 shares.

SIAT U.S.A. INC has the following shareholder composition :

- SIAT S.p.A 100.00%

##### **10. TAM S.r.l.**

(71.00% participation share SIAT S.p.A.)

TAM S.r.l. was established in 1988 and acquired in 2001 via SIAT S.p.A. with a registered office in Marcallo con Casone, Milan, Italy. TAM S.r.l. is a producer of machinist products and spare parts and is operating at maximum automation.

The share capital of TAM S.r.l. currently stands at 49,400.00 Euro divided into 95,000 shares.

TAM S.r.l. has the following shareholder composition :

- Siat S.p.A. 71.0%
- Maurizio Turina 29.0%

##### **11. MEGA S.R.L.**

(70.00% participation share via SIAT S.p.A.)

Mega S.r.l. was established in 1993 and was acquired in 2001 with a registered office in Gamoblo (Pavia), Italy.

Mega S.r.l. is a producer of high-technology automated packaging machines for special uses.

The share capital of Mega S.r.l. is currently to the amount of Euro 103,480.00.

Mega S.r.l. has the following shareholder composition :

- Siat S.p.A. 70.0%

- Pier Luigi Galli 29.0%
- Nicola Cardana 1.0%

## 12. SIAT BENELUX

(51.00% participation share via SIAT S.p.A.)

SIAT BENELUX was acquired in 2002 via SIAT S.p.A. and has a registered office in Wvaalwijk, the Netherlands.

The share capital of SIAT BENELUX is to the amount of Euro 20,000 divided into 20,000 shares.

SIAT BENELUX has the following shareholder composition :

- Siat S.p.A. 51.0%
- Mr. Van Mook 24.5%
- Ms Moreau 24.5 %

## 13. MAILLIS SANDER GMBH

(100.00% participation share via MAILLIS HOLDING GmbH)

MAILLIS SANDER GMBH was acquired in 2000 with a registered office in Wuppertal, Germany. Company objects include participations in other companies, acquisitions and trade.

The share capital of MAILLIS SANDER GMBH stands at 25,000 Euro.

MAILLIS SANDER GMBH has the following shareholder composition :

- MAILLIS HOLDING GmbH 100.00%

## 14. SANDER GmbH & Co KG

(99.98% participation share via MAILLIS HOLDING GMBH and minor interest of MAILLIS SANDER GMBH)

SANDER GmbH & Co KG was established in 1996 and acquired in 2000. The registered office of the company is in Wuppertal, Germany.

SANDER GmbH & Co KG manufactures and trades in heads and automated packaging machines, as well as PP and Pet, edgeboards and special strapping belts.

The share capital of the company stands at 2,000,000 DM divided into 100 shares.

SANDER GmbH & Co KG has the following shareholder composition :

- MAILLIS HOLDING GmbH 99.98%
- MAILLIS SANDER GmbH 0.02%

## 15. SANDER N.V./ S.A.

(100.00% participation share via SANDER GmbH & Co KG)

SANDER N.V./S.A. was acquired in 2000 and is based in Belgium. Company objects include participations in other companies, acquisitions and trade.

The share capital of SANDER N.V./S.A. stands at Euro 25,000.

The company has the following shareholder composition :

- SANDER GmbH & Co KG 100.00%

## 5.7.4 COMPANIES PARTICIPATING IN M.J.MAILLIS S.A.

### I. HORQUETA HOLDINGS LIMITED

HORQUETA HOLDINGS LIMITED was established in 1992 with a registered office in Dublin, Ireland which ever since 1999 moved to the British Virgin Islands.

HORQUETA HOLDINGS LIMITED is a Holdings company, in which Mr. Michael Maillis holds a majority interest, and is represented by NWT MANAGEMENT S.A.

Being a holdings company, HORQUETA HOLDINGS LIMITED LIMITED is not involved in any kind of production or commercial activity.

## 6.1 PROGRESS OF THE AFFAIRS OF M.J.MAILLIS S.A. AND OF THE GROUP

M.J.MAILLIS S.A. having followed a remarkable growth course, has finally grown to develop a powerful Group of Companies in the industrial packaging sector both in Europe and America.

The Group has brought up its scale from 58 million Euros in 1998 to 310 million Euros in 2002. Consolidation and integration was clearly in demand to provide an appropriate structure for the new, much larger international organization. In 2002 and 2003 considerable efforts were made in this direction and the results can well be seen in the Group's operation and cost structure.

The rationalization process coincided with an exceptionally difficult year (2003), marked by a global recession, significant developments - including the war in Iraq - and, last but not least, the considerable revaluation of the Euro.

The effects, however, both in terms of production costs and in terms of expenses may already be seen.

In 2004 the Company and the Group are entering in a new growth cycle, aiming - at the same time - to considerably enhance liquidity.

The main growth drivers are:

- The utilization of the accumulated potential which has been fully assimilated by the Group.
- The development of operations in North America comparable to the successful European platform (production of secondary packaging machines and materials and a dynamic distribution network to provide complete end of line industrial solutions)
- Potential Selective Acquisitions

## 6.2 M.J.MAILLIS S.A. AND GROUP STRATEGIC GOALS, PROSPECTS & OBJECTIVES

The Company and Group's primary strategic goals, prospects and objectives include:

### Substantial Organic Growth

Over the next few years the Company intends to accomplish substantial organic growth.

The Group's organic growth is primarily anticipated to be seen in North America and Eastern Europe. Machines, plastic strapping band and film are to be the leading products in this development.

This organic growth is not to be founded on a potential recovery of global markets but on the dynamics which the Group has established with the following core features:

- The development of a fully integrated Group of Companies
- A universal corporate identity
- A comprehensive range of products marketed by all commercial units of the Group worldwide
- High-quality products

- The provision of complete solutions globally, rendering the M.J.MAILLIS Group the optimum supplier of major multinational corporations

### Cash Flow Improvement

Both M.J.MAILLIS S.A. and the Group are already implementing a significant plan to improve cash flow, with clearly defined steps within a specified time-schedule. The foremost considerations consist in substantial working capital improvement (reduction), non-distribution of dividends, regulated capital spending and enhanced profitability.

The first moves in North America in 2004 involve strategic partnerships and alliances in order to save considerable time and adhere to a low capital spending budget.

### Comprehensive Sales Strategy

A comprehensive sales strategy is to be implemented based on a per-customer profitability approach and the employment of modern techniques, including telesales and e-business.

### Streamlining and Rationalization of the Companies within the Group

The plan of consistent optimization and rationalization is targeting a more efficient operation and reduction of costs for the companies within the Group, both in Greece and throughout Europe. The main parameters in this approach involve the rationalization of production, the reduction of production and distribution costs as well as the reduction of administrative costs through the development of integrated operations.

### Research and Development

The Company invariably strives to employ state-of-the-art technology and to supply high-quality products, promoting innovative ideas and focusing on the production of new, competitive packaging materials, the improvement of production methods, and the use of recycled raw materials which are also substantially reducing production cost.

### Realization of Potential Strategic Acquisitions

A target has been set for the realization of selective strategic acquisitions, which will produce immediate results and valuable synergies.

The beginning of the year has been excellent, with the Company attaining record sales in March, and there are strong indicators that 2004 shall be the most productive year in its history.

The M.J.MAILLIS Group is stronger than ever, recording very promising figures in the first few months of the year. The solid foundation laid and developed over the past years is beginning to bear fruits, with the prerequisites for a new growth cycle already in place. And this cycle is now under way.

# APPENDIX

## APPENDIX I

### EXPLANATION OF FINANCIAL RATIOS

#### PERFORMANCE RATIOS (%)

Turnover Ratio = (Current Year Turnover / Prior Year Turnover) - 1

Operating Profit (EBITDA) = [Current Year Operating Profit (before depreciation) / Prior Year Operating Profit (before depreciation)] - 1

#### PROFIT MARGIN (total sales)

Gross Profit = Current Year Gross Profit (before depreciation) / Current Year Total Turnover

Operating Profit (EBITDA) = Current Year Operating Profit (before depreciation) / Current Year Total Turnover

#### PROFITABILITY RATIOS (before tax) (%)

Return on Equity (ROE) = Current Year Profits Before Tax / Current Year Equity

#### TURNOVER RATIOS (days)

Inventories = [Current Year Average Inventories / Current Year Cost of Sales (before Depreciation)] x 365

Receivables = [(Current Year Customers, Bills & Notes Receivable, Notes & Cheques in delay / Current Year Turnover)] x 365

Suppliers = [(Current Year Suppliers, Notes & Cheques Payable / Current Year Cost of Sales (before Depreciation))] x 365

#### GEARING RATIOS (:1)

Debt / Equity = (Long-Term Liabilities + Short-Term Liabilities) / Total Equity

Bank Debt / Equity = (Long-Term Bank Debt + Short-Term Bank Debt + Current portion of Long-Term Debt) / Total Equity

#### LIQUIDITY RATIOS (:1)

Current Ratio = Current Assets / Total Current Liabilities

Special Liquidity Ratio = (Current Assets - Inventory) / Total Current Liabilities

Quick Ratio (Acid Test) = (Securities + Cash in Hand & Cash at Bank) / Total Current Liabilities

## APPENDIX 2

### FINANCIAL STATEMENTS

- FINANCIAL STATEMENTS FOR FY 2003
- ACCOUNTING STATEMENTS 30/09/2003
- ACCOUNTING STATEMENTS 30/06/2003
- ACCOUNTING STATEMENTS 31/03/2003
- TABLES ON THE APPROPRIATION OF FUNDS RAISED
- ANNEX TO THE CONSOLIDATED FINANCIAL STATEMENTS OF M.J.MAILLIS S.A  
AND OF THE AFFILIATED COMPANIES THERETO FOR FY 2003
- DIRECTORS' REPORT OF THE BOARD OF M.J.MAILLIS S.A TO THE ORDINARY GENERAL MEETING  
ON THE CONSOLIDATED FINANCIAL STATEMENTS FOR FY 2003
- ANNEX TO THE FINANCIAL STATEMENTS OF M.J.MAILLIS S.A FOR FY 2003
- DIRECTORS' REPORT OF THE BOARD OF M.J.MAILLIS S.A TO THE ORDINARY GENERAL MEETING
- CONSOLIDATED CASH FLOW STATEMENT FOR FY 2003
- CASH FLOW STATEMENT OF M.J.MAILLIS S.A FOR FY 2003

**8th CONSOLIDATED BALANCE SHEET AS AT DECEMBER 31, 2003**  
**(JANUARY 1 - DECEMBER 31, 2003)**  
**ATHENS P.C.S.A REGISTER No 2716/06/B/86/43**

ASSETS	2003			2002		
	Acc/Cost	Revaluation	Net Value	Acc/Cost	Revaluation	Net Value
<b>B. PRE OPERATING COSTS</b>						
1. Formation expenses	805.790	394.872	411.118	684.927	308.508	356.419
2. Exchange differences from loans	2,417.705	2,030.041	387.564	2,417.705	1,791.029	626.676
3. Pre operating interest	14,775.857	7,874.412	6,901.445	11,467.286	6,078.348	5,378.918
4. Other pre operating expenses	59,204.886	22,006.333	37,198.553	44,697.224	28,286.520	16,410.705
<b>Total:</b>	<b>77,204,917</b>	<b>32,305,458</b>	<b>44,899,459</b>	<b>59,297,126</b>	<b>34,586,600</b>	<b>24,710,524</b>
<b>C. FIXED ASSETS</b>						
<b>I. Intangible Assets</b>						
1. Research and development cost	18,306.224	3,129.227	15,175.997	15,401.107	2,277.979	13,123.128
2. Licenses Fees	1,777.567	—	1,777.567	114.357	—	106.871
4. Advances for the purchase of fixed assets	1,777.975	—	1,777.975	2,199.141	—	2,199.141
<b>Total:</b>	<b>20,861,766</b>	<b>3,229,213</b>	<b>18,632,553</b>	<b>17,714,605</b>	<b>2,378,120</b>	<b>15,336,485</b>
<b>II. Tangible Assets</b>						
1. Land	3,372.548	—	3,372.548	2,285.717	—	2,285.717
2. Buildings	47,381.477	19,791.459	27,589.958	46,532.449	13,969.973	32,562.476
4. Machinery	21,493.412	64,194.183	85,687.595	114,772.357	60,538.091	54,233.266
5. Mobile equipment	3,032.286	1,686.761	1,345.525	3,074.892	1,838.599	1,435.993
6. Furniture and fixtures	13,037.123	7,983.741	5,053.382	13,921.660	10,320.458	3,601.102
7. Advances & fixed assets under construction	7,595.585	—	7,595.585	13,844.040	—	13,844.040
<b>Total Fixed Assets (C1+C2)</b>	<b>104,812,411</b>	<b>93,666,174</b>	<b>101,246,371</b>	<b>104,430,815</b>	<b>88,956,218</b>	<b>100,092,566</b>
<b>III. Financial Assets</b>						
1. Participation in subsidiaries	—	—	—	—	—	—
7. Other long term financial assets	—	—	—	—	—	—
<b>Total Long Term Assets (C1+C2+C3)</b>	<b>104,812,411</b>	<b>93,666,174</b>	<b>101,246,371</b>	<b>104,430,815</b>	<b>88,956,218</b>	<b>100,092,566</b>
<b>D. CURRENT ASSETS</b>						
<b>I. Inventories</b>						
1. Merchandise	—	—	—	—	—	—
2. Finished & semi-finished goods	—	—	—	—	—	—
4. Raw and auxiliary materials - consumables - spare parts - packing materials	—	—	—	—	—	—
5. Advances to suppliers	—	—	—	—	—	—
<b>II. Receivables</b>						
1. Customers	—	—	—	—	—	—
2. Bills receivable	—	—	—	—	—	—
- On hand	—	—	—	—	—	—
- In Banks for collection	—	—	—	—	—	—
3a. Notes receivable (checks)	—	—	—	—	—	—
3b. Delayed notes (checks)	—	—	—	—	—	—
10. Doubtful/contested trade and other debtors	—	—	—	—	—	—
11. Other debtors	—	—	—	—	—	—
11a. Greek state	—	—	—	—	—	—
12. Advances and Other Credits	—	—	—	—	—	—
<b>III. Investments</b>						
3. Other investments	—	—	—	—	—	—
<b>IV. Cash</b>						
1. Cash in hand	—	—	—	—	—	—
3. Cash at banks	—	—	—	—	—	—
Blocked deposits	—	—	—	—	—	—
<b>Total Current Assets (D1+D2+D3+D4)</b>	<b>172,018,231</b>	<b>172,018,231</b>	<b>172,018,231</b>	<b>181,329,237</b>	<b>181,329,237</b>	<b>181,329,237</b>
<b>E. PREPAYMENTS AND ACCRUED INCOME</b>						
1. Prepaid expenses	—	—	—	—	—	—
2. Accrued income	—	—	—	—	—	—
3. Other transit debit balances	—	—	—	—	—	—
<b>GRAND TOTAL ASSETS (A+B+C+D+E)</b>	<b>349,516,981</b>	<b>349,516,981</b>	<b>349,516,981</b>	<b>349,516,981</b>	<b>349,516,981</b>	<b>349,516,981</b>
<b>MEMO ACCOUNTS</b>						
2. Guarantees	—	—	—	—	—	—
3. Forward agreements	—	—	—	—	—	—
4. Other debit memo accounts	—	—	—	—	—	—

**PROFIT AND LOSS AT DECEMBER 31, 2003**  
**(JANUARY 1 - DECEMBER 31, 2003)**

	2003		2002	
	2003	2002	2002	2001
<b>I. OPERATING RESULTS</b>				
Turnover (net sales)	295,969,286	295,969,286	310,878,616	310,878,616
Less: Cost of sales	213,332,050	213,332,050	218,704,082	218,704,082
Gross margin profit	82,637,236	82,637,236	92,174,534	92,174,534
Plus: Other operating income	3,379,931	3,379,931	818,818	818,818
<b>Total</b>	<b>86,017,167</b>	<b>86,017,167</b>	<b>93,004,378</b>	<b>93,004,378</b>
Less: 1. Administrative expenses	23,778,536	23,778,536	24,686,321	24,686,321
2. Distribution expenses	36,356,950	36,356,950	39,458,587	39,458,587
Subtotal profit	25,881,681	25,881,681	28,859,470	28,859,470
Plus: 3. Profit on sale of participations and securities or other holdings	481,308	481,308	75,364	75,364
4. Interest and other similar income	1,517,059	1,517,059	2,791,708	2,791,708
Less: 1. Participations and securities value decline allowances	256,312	256,312	507,907	507,907
2. Loss from sale of bonds	325,078	325,078	325,078	325,078
3. Interest & other similar expenses	8,323,125	8,904,513	7,583,600	8,218,483
<b>Total Operating results (profits)</b>	<b>18,976,583</b>	<b>18,976,583</b>	<b>23,496,537</b>	<b>23,496,537</b>
<b>II. PLUS: EXTRAORDINARY RESULTS</b>				
1. Extraordinary non-operating income	10,409,458	10,409,458	11,261,670	11,261,670
2. Extraordinary profit	303,874	303,874	134,517	134,517
3. Prior year profits	18,180	18,180	58,127	58,127
Less:				
1. Extraordinary and non-operating expenses	12,913,890	12,913,890	8,114,082	8,114,082
2. Prior year expenses	278,973	278,973	209,464	209,464
4. Doubtful debts	—	13,496,527	2,336,333	250,000
<b>Total operating &amp; non-operating results</b>	<b>24,090,257</b>	<b>24,090,257</b>	<b>25,890,381</b>	<b>25,890,381</b>
Less: Total depreciation	24,090,257	24,090,257	25,890,381	25,890,381
Less: Depreciation charged to operation cost	—	—	—	—
<b>NET PROFIT BEFORE TAXES</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>
Less: Share of minority interest on net profit before taxes	125,306	125,306	318,010	318,010
<b>CONSOLIDATED NET PROFIT BEFORE TAXES</b>	<b>21,187,610</b>	<b>21,187,610</b>	<b>25,839,415</b>	<b>25,839,415</b>
Less: Income tax	5,907,453	5,907,453	6,222,653	6,222,653
Other taxes not included in operation costs	5,405,244	5,405,244	134,517	134,517
<b>NET PROFIT AFTER INCOME TAXES AND SHARE OF MINORITY INTEREST</b>	<b>15,874,913</b>	<b>15,874,913</b>	<b>19,482,245</b>	<b>19,482,245</b>

CAPITAL AND LIABILITIES	2003		2002	
	2003	2002	2002	2001
<b>A. CAPITAL &amp; RESERVES</b>				
1. Share Capital (72,876,440 shares per value 0.76 euro)	55,386,094	55,386,094	55,386,094	55,386,094
1. Paid	—	—	—	—
<b>II. Share Premium Reserve</b>	<b>144,832,105</b>	<b>144,832,105</b>	<b>144,832,105</b>	<b>144,832,105</b>
<b>III. Differences of revaluation:</b>				
1. Revaluation reserve	862,273	862,273	1,404,400	1,404,400
2. Investment subsidies	7,583,024	7,583,024	10,499,200	10,499,200
<b>IV. Reserves</b>				
1. Statutory reserve	4,139,959	4,139,959	4,833,000	4,833,000
2. Extraordinary reserve	1,546,114	1,546,114	1,546,114	1,546,114
3. Tax-free reserves (under special laws)	14,726,225	14,726,225	14,910,000	14,910,000
<b>Own shares in hand</b>	<b>(13,046,912)</b>	<b>(13,046,912)</b>	<b>(11,184,800)</b>	<b>(11,184,800)</b>
Goodwill on acquisition of subsidiaries	(120,394,464)	(120,394,464)	(121,023,000)	(121,023,000)
<b>V. Retained profits</b>				
Carried forward	25,542,340	25,542,340	14,863,000	14,863,000
Minority interest	1,511,459	1,511,459	5,028,000	5,028,000
Exchange differences from translation at subsidia	27,164	27,164	(189,000)	(189,000)
<b>Total Capital and Reserves (A1+A2+AV+AV)</b>	<b>121,833,043</b>	<b>121,833,043</b>	<b>121,085,000</b>	<b>121,085,000</b>
<b>B. PROVISIONS FOR RISKS AND EXPENSES</b>				
2. Other provisions	2,599,314	2,599,314	6,191,000	6,191,000
<b>C. LIABILITIES</b>				
<b>I. Long Term</b>				
1. Debenture loan	89,357,823	89,357,823	82,868,000	82,868,000
2. Bank loans	689,651	689,651	4,107,000	4,107,000
3. Other long term liabilities	101,983,834	101,983,834	99,766,000	99,766,000
<b>II. Short Term</b>				
1. Suppliers	30,796,825	30,796,825	36,487,000	36,487,000
2. Notes payable	3,720,351	3,720,351	1,857,000	1,857,000
3. Bank loans	61,885,581	61,885,581	48,895,000	48,895,000
4. Customer's advances	1,497,194	1,497,194	1,718,000	1,718,000
5. Taxes-duties payable	6,555,325	6,555,325	6,599,000	6,599,000
6. Contributions payable	1,546,114	1,546,114	1,507,000	1,507,000
7. Current portion of long term debt	2,457,401	2,457,401	2,760,000	2,760,000
10. Dividends payable	203,897	203,897	4,646,000	4,646,000
11. Other creditors	9,175,221	9,175,221	13,376,000	13,376,000
2. Other provisions	215,833,000	215,833,000	173,823,000	173,823,000
<b>Total Liabilities (C1+C2)</b>	<b>349,516,981</b>	<b>349,516,981</b>	<b>349,516,981</b>	<b>349,516,981</b>
<b>D. ACCRUALS &amp; DEFERRED INCOME</b>				
1. Deferred revenue	2,871,054	2,871,054	842,000	842,000
3. Other accruals	3,275,963	3,275,963	1,190,000	1,190,000

**NOTES:**

- The companies included in the above consolidation are the following:
  - M.J.MAILLIS S.A. (parent company)
  - Directly controlled companies: STRAPTECH S.A. (99.0%), M.J.MAILLIS BULGARIA (100%), M.J.MAILLIS ROMANIA S.A. (81.7%), HELERO BV (100%), M.J.MAILLIS FRANCE SAS (99.99%), MARFLEX M.J.MAILLIS POLAND SPZOO (100%), M.J.MAILLIS ESPANA SL (100%), M.J.MAILLIS CZECH SRO (100%), M.J.MAILLIS ALBANIA LTD (100%), EUROPACK SA (100%), COLUMBIA SRL (100%), M.J.MAILLIS HUNGARY KFT (100%), CONTIPAK GMBH (100%), OJ M.J.MAILLIS FINLAND AB (100%), M.J.MAILLIS SVEN AB (100%), M.J.MAILLIS HOLDING GMBH (100%), SANDER PACKAGING B.V. (100%), Indirectly controlled companies: M.J.MAILLIS U.K. LTD (100%), SIAT SPA (100%), SICME SRL (60%), SIAT BENEUX (51%), COMBI PACKAGING SYSTEMS (50%), M.S. SRL (70%), TAM SRL (71%), SIAT USA (100%), MAILLIS SANDER GMBH (100%), SANDER GMBH & CO KG (100%), SANDER NV (100%), WULFTECH INTERNATIONAL INC (100%), MAILLIS STRAPPING NETWORK LLP (45%).
- The above mentioned companies have been consolidated according to the full consolidated method as provided by the articles 90 to 109 of CL 2190/1920 "Referring to Companies except from Combi Packaging Systems which has been consolidated as a joint venture of MailLis Strapping Network which has been consolidated according to the Equity Method."
- As at 31 December, 2003 no encumbrances exist on company's fixed assets.
- The result included in the consolidated profit and loss account, which relate to all subsidiaries registered outside the Euro Zone, has been translated at the average exchange rate of the period 01/01 - 31/12/2003.
- In connection to the continued and Intensified Group optimization plan (amounting to 8 mil in the prior year) and in relation to the significant investment in the machines production sector, in the current year an amount of € 4 mil has been invested in research and development of new products and the expansion of commercial network. These investments are shown in the assets side of the balance sheet in accounts B. Other Pre Operating Expenses\* and C1 - Research and Development Costs\*.
- The latest revaluation of land and buildings of the parent company was carried out at 31 December 2002 in accordance with Law 2095/92 as amended by the article 20 of Law 2449/00.
- The number of employees of the Group as at 31 December, 2003 was 2,036.
- The group, consistently, followed the fundamental accounting principles used in financial statements of year 2002.
- All accrued expenses up to 31/12/2003, have been provided for.
- The depreciation expense for the period 01/01-31/12/2003 of M.J.MAILLIS SA and its subsidiary STRAPTECH SA was calculated based on the depreciation rates provided by Law 299/2003 and amounted to € 14,826,809. The respective income from the depreciation of investment subsidies amounted to € 1,857,854. If the depreciation expense for the period 01/01-31/12/2003 was calculated based on the depreciation rates provided by Law 100/1996, it would have amounted to € 17,531,950 and the respective income from the depreciation of investment subsidies would have amounted to € 2,478,830.
- The consolidated Equity of M.J.MAILLIS Group is shown decreased by € 120 mil due to the fact that Goodwill arising from acquisitions, is shown as a deduction from Equity. Goodwill was shown in the assets side of the balance sheet, as the allowed alternative method, in accordance with the requirements set out by CL 2190/1920 and reflect the Group's analysis of turnover by STAKOD S.A. as follows: a) CODE 292.9 : € 113,945,131 CODE 252.2 : € 107,761,382 c) CODE 271.0 : € 66,888,984 d) CODE 212.1 : € 7,373,779

Athens, February 24, 2004

<b>CHAIRMAN OF THE BOARD OF DIRECTORS AND MANAGING DIRECTOR</b>	<b>CHIEF FINANCIAL OFFICER &amp; MEMBER OF THE BOARD OF DIRECTORS</b>	<b>GROUP FINANCIAL CONTROLLER</b>	<b>THE CHIEF ACCOUNTANT</b>
MICHAEL J. MAILLIS 028206	CHARALABOS A. STAVRINOUDAKIS X 208184	SPYROS I. LEONARDOS B 328521	NIKOLAOS B. MAROULIS E.C.G. 9997046628 - A' CLASS

**Certified Auditor's Audit Certificate**  
**Direct Translation**

To the Shareholders of "Michael J. Maillis AEBE - Packaging Systems" and its subsidiaries

I have audited the above Consolidated Financial Statements, comprising the consolidated balance sheet and income statement and the related Notes to the Consolidated Financial Statements of "Michael J. Maillis AEBE - Packaging Systems", together with its subsidiary companies, for the year ended 31 December, 2003. My audit was carried out in accordance with the provisions of article 108 of CL 2190/1920 "Referring to Companies" and the auditing procedures, which I considered appropriate for the consolidation, based on the principles and auditing standards followed by the Institute of Certified Auditors Accountants. I have confirmed that the contents of the Directors' Report to the Annual General Meeting, in accordance with the above Consolidated Financial Statements. The scope of my audit did not include the

**37th FINANCIAL YEAR (JANUARY 1 - DECEMBER 31, 2003)**  
**ATHENS P.C.S.A. REGISTER NO 2716/06/B/86/43**

ASSETS	2003			2002			CAPITAL AND LIABILITIES	
	Acc/Cont	Deprec/Don	Net Value	Acc/Cont	Deprec/Don	Net Value	2003	2002
<b>B. PRE OPERATING COSTS</b>							<b>A. CAPITAL AND RESERVES</b>	
1. Formation expenses	547.062	299.202	247.860	418.125	241.312	176.813	1. Share Capital	(72.878.440 shares per value 0,76 euro)
2. Exchange differences from loans	2.417.705	2.030.041	387.664	2.417.705	1.791.029	626.676	II. Share Premium reserve	55.386.094
3. Pre operating interest	14.670.708	7.799.773	6.870.935	11.352.118	6.024.739	5.327.378	III. Difference of revaluation-investment subsidiaries	124.937.165
4. Other pre operating expenses	27.000.838	16.858.613	10.142.025	22.837.227	12.890.777	9.945.750	IV. Reserves	4.737.356
Total	46.636.113	26.987.628	17.646.484	37.026.577	20.947.857	18.977.617	1. Statutory reserve	—
<b>C. FIXED ASSETS</b>							4. Extraordinary reserve	13.796
<b>I. Intangible Assets</b>							5. Tax-free reserves (under special laws)	16.855.705
1. Research and development costs	1.834.351	372.801	1.461.550	905.667	193.512	712.155	Own shares in hand	(13.046.912)
2. Goodwill	1.177.571	109.986	1.067.585	1.144.357	106.871	1.037.485	V. Results carried forward	(9.722.274)
3. Advances for the purchase of fixed assets	1.777.791	—	1.777.791	2.198.957	—	2.198.957	Total Capital and Reserves (A+II+III+IV+V)	205.155.870
Total	3.729.699	482.787	3.246.912	3.248.981	300.383	2.948.598	<b>B. PROVISIONS FOR RISKS &amp; EXPENSES</b>	822.417
<b>II. Tangible Assets</b>							<b>C. LIABILITIES</b>	
1. Land	1.301.675	—	1.301.675	1.301.675	—	1.301.675	<b>I. Long Term</b>	
2. Buildings	20.382.885	6.641.899	13.741.166	19.126.091	7.694.404	11.426.687	1. Bank loans	69.357.823
3. Machinery	66.925.070	37.196.044	29.730.026	60.725.038	31.999.332	28.725.706	2. Short term	8.952.906
4. Mobile equipment	992.118	688.031	304.087	1.117.685	401.987	716.798	1. Suppliers	3.720.351
5. Furniture and fixtures	4.763.575	2.406.166	2.357.409	2.604.652	2.045.428	559.234	2. Notes payable	1.553.373
6. Advances & fixed assets under construction	6.930.038	—	6.930.038	12.978.559	—	12.978.559	3. Bank loans	24.180.000
Total	101.296.558	48.921.940	52.376.419	97.853.920	42.460.952	55.393.856	4. Customer's advances	19.822.965
<b>III. Financial Assets</b>							5. Taxes - duties payable	1.022.863
1. Participating in affiliated companies	—	—	—	—	—	—	6. Contributions payable	456.093
7. Other long term financial assets	—	—	—	—	—	—	10. Dividends payable	456.108
Total	105.026.058	49.404.727	52.376.419	101.072.920	42.761.345	55.393.856	11. Other creditors	307.407
<b>Total Long Term Assets (C I + C II + C III)</b>							Total Liabilities (C I + C II)	39.267.550
<b>D. CURRENT ASSETS</b>							<b>D. ACCRUALS AND DEFERRED INCOME</b>	128.515.374
<b>I. Inventories</b>							2. Accrued expenses	802.764
1. Merchandise	1.301.675	—	1.301.675	1.301.675	—	1.301.675	3. Other accruals	165.010
2. Finished & semi-finished goods	3.231.858	—	3.231.858	3.231.858	—	3.231.858	Total	1.105.211
3. Raw and auxiliary materials - cons/bles spare parts-packing materials	8.118.403	—	8.118.403	8.118.403	—	8.118.403		
4. Advances to suppliers	1.463.815	—	1.463.815	1.463.815	—	1.463.815		
Total	12.914.751	—	12,914,751	12,914,751	—	12,914,751		
<b>II. Receivables</b>								
1. Customers	61.334.142	—	61,334,142	61,334,142	—	61,334,142		
3a. Notes receivable (checks)	715.593	—	715,593	715,593	—	715,593		
5. Receivables from affiliated companies	23.481.974	—	23,481,974	23,481,974	—	23,481,974		
10. Doubtful - contested trade and other debtors	1.752.897	—	1,752,897	1,752,897	—	1,752,897		
11. Other debtors	30.019	—	30,019	30,019	—	30,019		
11a. Greek State	2.428.846	—	2,428,846	2,428,846	—	2,428,846		
12. Advances and other credits	44.377	—	44,377	44,377	—	44,377		
Total	89.790.548	—	89,790,548	89,790,548	—	89,790,548		
<b>III. Investments</b>								
3. Other investments	—	—	—	—	—	—		
<b>IV. Cash</b>								
1. Cash in hand	16.475	—	16,475	16,475	—	16,475		
3. Cash at banks	2.014.498	—	2,014,498	2,014,498	—	2,014,498		
8. Blocked deposits	29.348	—	29,348	29,348	—	29,348		
Total	2.060.322	—	2,060,322	2,060,322	—	2,060,322		
<b>Total Current Assets (D I + D II + D III)</b>								
<b>E. PREPAYMENTS AND ACCRUED INCOME</b>								
1. Prepaid expenses	206.728	—	206,728	206,728	—	206,728		
2. Accrued income	1.658.652	—	1,658,652	1,658,652	—	1,658,652		
3. Other transit debit balances	1.817.727	—	1,817,727	1,817,727	—	1,817,727		
Total	3.683.107	—	3,683,107	3,683,107	—	3,683,107		
<b>GRAND TOTAL - ASSETS (B+C+D+E)</b>							<b>GRAND TOTAL - CAPITAL AND LIABILITIES (A+B+C+D)</b>	
<b>MEMO ACCOUNTS</b>							<b>MEMO ACCOUNTS</b>	
2. Guarantees	6.195.290	—	6,195,290	6,195,290	—	6,195,290	2. Guarantees	6.195.290
3. Forward agreements	9.900.000	—	9,900,000	9,900,000	—	9,900,000	3. Forward agreements	14.151.114
4. Other debit memo accounts	40.079.182	—	40,079,182	40,079,182	—	40,079,182	4. Other credit memo accounts	13.997.578
	56.174.472	—	56,174,472	56,174,472	—	56,174,472		56.174.472

**NOTES:**

- 1) Net Fixed Asset Investments increased approximately € 3.950.000 in the period of 1 January to 31 December 2003.
- 2) The company has been tax audited up to the year ended 31 December, 2001.
- 3) The Equity participation in affiliated companies amounting approximately 153.7 million eur is stated at cost. Had the above valuation been made at the equity method, as provided for in law 2190/1920, the relevant amount would have been approximately 121.9 million eur.
- 4) Encumbrances on the company's fixed assets as at 31 December, 2003 not exist.
- 5) The previous fixed assets revaluation of land and buildings was carried out at 31 December, 2000, in accordance with law 2065/92 as amended by article 20 of law 2443/96.
- 6) The number of employees of the company as at 31 December, 2003 was 384.
- 7) The company has made the necessary provisions for accrued expenses as at 31 December, 2003.
- 8) The company consistently followed the fundamental accounting principles used in financial statements for the 2002 year.
- 9) The depreciation charge for the period 1/1-31/12/2003 was calculated based on the depreciation rates provided by Law 299/2003 and amounted to € 13.228.500 compared to € 15.321.323 for the period 1/1-31/12/2002 and is accordingly allocated as follows: € 8.710.947 to production cost compared to € 9.115.367, € 8.508.005 to administration expenses compared to € 8.179.433 and € 9.648 to selling expenses compared to € 26.523. The respective income from the depreciation of investment subsidiaries amounted to € 1.485.573, if the depreciation expense for the period 01/01 - 31/12/2003 was calculated based on the depreciation rates provided by Law 100/1998, it would have amounted to € 15.473.000 and the respective income from the depreciation of investment subsidiaries would have amounted to € 1.965.882.
- 10) The analysis of turnover by STAKOD 03 is the following: a) CODE 271.0 = 52.773.664 b) CODE 252.2 = 42.142.030.

I. OPERATING RESULTS	2003		2002	
	2003	2002	2003	2002
Turnover (net sales)	94.915.694	94.915.694	93.968.146	93.968.146
Less: Cost of sales	72.845.555	72.845.555	72.638.781	72.638.781
Gross margin profit	22.070.139	22.070.139	21.329.365	21.329.365
Plus: Other operating income	825.794	825.794	305.620	305.620
Total	22.896.933	22.896.933	19.634.985	19.634.985
Less: 1. Administrative expenses	11.602.852	11.602.852	9.558.559	9.558.559
3. Distribution expenses	8.282.160	8.282.160	9.502.831	9.502.831
Subtotal profit	3.011.921	3.011.921	573.595	573.595
Plus: 1. Income from participating interest	250.000	250.000	1.625.542	1.625.542
3. Profit on sale of participations & securities	230.040	230.040	49.731	49.731
4. Interest and other similar income	1.896.020	1.896.020	1.691.800	1.691.800
Less: 1. Participations and securities value decline allowances	256.312	256.312	507.907	507.907
2. Participations & securities expenses and losses	325.076	325.076	325.076	325.076
3. Interest and other similar expenses	4.608.102	4.608.102	2.989.947	2.989.947
Total operating results (profits)	5.389.490	5.389.490	3.802.930	3.802.930
<b>II. PLUS EXTRAORDINARY RESULTS</b>				
1. Extraordinary and non operating income	3.005.178	3.005.178	6.682.498	6.682.498
2. Extraordinary profits	285.260	285.260	7.337	7.337
3. Prior years profits	8.700	8.700	57.337	57.337
Less: 1. Extraordinary and non operating expenses	7.503.996	7.503.996	2.389.285	2.389.285
2. Extraordinary loss	79.508	79.508	104.517	104.517
3. Prior year expenses	140.997	140.997	131.776	131.776
4. Doubtful debts	—	—	250.000	250.000
Total operating & non-operating results	13.228.600	13,228,600	2.856.579	2,856,579
Less: Total depreciation	—	—	15.321.323	15,321,323
Less: Depreciation charged to operation cost	—	—	—	—
<b>NET (LOSS/PROFIT) BEFORE TAXES</b>	13.228.600	13,228,600	4.029.130	4,029,130

APPROPRIATION ACCOUNT	2003		2002	
	2003	2002	2003	2002
Net (losses/profits) for the year	(4.426.874)	(4.426.874)	4.029.130	4.029.130
Plus: Prior year retained profits	—	—	58.970	58.970
Less: Prior period tax audit adjustments	1.081.484	1.081.484	—	—
Plus: Reserves distributable	1.782.136	1.782.136	2.902.349	2.902.349
Total	(3.716.232)	(3.716.232)	7.000.450	7.000.450
Less: 1. Income taxes	—	—	2.600.436	2.600.436
2. Other not charged to the operating cost taxes	8.042	8.042	5.668	5.668
Distributable losses/profit	(3.722.274)	(3.722.274)	4.394.346	4.394.346
Distribution as follows:				
1. Statutory reserve	—	—	130.947	130.947
2. First dividend	—	—	2.153.277	2.153.277
3. Additional dividend	—	—	2.080.102	2.080.102
7. Board of Directors fees	—	—	30.000	30.000
8. Losses carried forward	(3.722.274)	(3.722.274)	—	—
Total	(3.722.274)	(3.722.274)	4.394.346	4.394.346

Kifisia, February 24, 2004

CHAIRMAN OF THE BOARD OF DIRECTORS AND MANAGING DIRECTOR: **MICHAEL J. MAILLIS**

CHIEF FINANCIAL OFFICER AND MEMBER OF THE BOARD OF DIRECTORS: **CHARALAMBOS A. STAVRINOUDAKIS**

FINANCIAL MANAGER OF GREECE: **PETER J. JORDIS**

THE CHIEF ACCOUNTANT: **NIKOLAOS B. MAROULIS**

**Certified Auditor's Audit Certificate**  
**Direct Translation**  
**To the Shareholders of "Michael J Maillis AEBE - Packaging Systems"**

I have audited the above Financial Statements and the Notes to the Financial Statements of "Michael J Maillis AEBE - Packaging Systems" for the year ended 31 December 2003. My audit was carried out in accordance with the provisions of article 37 of CL 2190/1920 "Referring to Companies" and the auditing procedures, which I considered appropriate, based on the principles and auditing standards followed by the Institute of Certified Auditors Accountants. All books and records maintained by the Company have been made available to me and I have been given all the information and explanations which I have requested for the purposes of the audit. The Company's accounts have been prepared in accordance with Greek Generally Accepted Accounting Principles. There has been no change in the stock valuation principles compared to the prior year and the production cost is calculated in accordance with the generally accepted cost accounting principles. I have agreed the contents of the Directors' Report to the Annual General Meeting of the Shareholders with the Financial Statements. The Attachment contains the information required by paragraph 1 of article 43a of CL 2190/1920. The following matters were noted as a result of the audit: 1. The company has included in account C "Investments and other long-term receivables" an amount of € 153.733.000 relating to investments in subsidiaries, that were valued at acquisition cost and not in accordance with paragraph 6 of article 43 of CL 2190/1920, which requires the valuation at the lower value between acquisition cost and net equity. Had the Company followed the requirements set out by CL 2190/1920 the above value of Investments would have been decreased by € 31.787.000 and this amount would have been expensed in previous years' results. 2. The company's receivables include long outstanding receivables amounting to € 1.200.000. The company has not created any provision for a part or the whole of this amount. 3. The company has included approximately € 2.905.000 in account B4 "Other Setup Expenses". This amount relates to the net book value of losses incurred from the disposal and year-end valuation of investments listed on the Athens Stock Exchange, of which approximately € 1.871.000 have been expensed in prior years and approximately € 581.000 have been expensed in the current year results. If the Company had followed the requirements set out by CL 2190/1920, the full amount would have been expensed in prior years. 4. Based on interpretation No 205/1988 of the full session of the State Legal Council, the company has not raised a provision for retirement settlement, as none of the employees will obtain pension rights before the end of the forthcoming year. If the Company had raised a provision in accordance with article 42e of CL 2190/1920 for compensation for employee terminations, the provision would have amounted to approximately € 527.000, of which approximately € 553.000 relates to prior years and approximately € 84.000 relates to current year results. 5. The years 2002 to 2003 have not been audited by the tax authorities and therefore the tax liabilities of the company have not yet been finalised. In my opinion, the aforementioned Financial Statements are in agreement with the books and records of the company and together with the Attachment, present, subject to the matters mentioned above and the notes appearing on the face of the financial statements, the company's assets and financial position as at 31 December 2003 and the results for the financial year then ended, in accordance with the current legislation and Greek Generally Accepted Accounting Principles, which do not differ from those which the company had applied in the previous year.

**CONSOLIDATED SUMMARISED BALANCE SHEET AS AT 30 SEPTEMBER 2003 ATHENS P.C.S.A. 2716/06/B/86/43 (AMOUNTS IN EURO)**

	30/09/2003	30/09/2002		30/09/2003	30/09/2002
<b>ASSETS</b>			<b>CAPITAL AND LIABILITIES</b>		
<b>B. PRE OPERATING COSTS</b>			<b>A. CAPITAL &amp; RESERVES</b>		
Acquisition Cost	67.850.551	60.671.578	Share Capital (72.647.660 sh. X 0,76 euro)	55.212.222	55.049.749
Less: Depreciation until 30/09/2003	29.172.437	23.189.444	Share premium reserve	144.877.197	144.825.890
Net Value	<u>38.678.114</u>	<u>37.482.134</u>	Differences of revaluation-investment subsidies	8.255.892	10.703.544
<b>C. FIXED ASSETS</b>			Reserves	21.703.657	32.303.434
Acquisition Cost	227.150.486	208.587.168	Own shares in hand	(13.033.262)	(9.745.396)
Less: Depreciation until 30/09/2003	104.628.601	89.488.428	Retained Profits	12.947.200	3.531.109
Net Value	122.521.885	119.098.740	Exchange differences from translation of subsidiaries	(6)	(1.572.131)
Participation and other logn term acquisitions	747.687	215.513	Profit 1/1-30/9/2003	17.026.400	19.537.430
Total Fixed Assets	<u>123.269.572</u>	<u>119.314.253</u>	Goodwill on acquisition of subsidiaries	(118.339.234)	(117.464.693)
<b>D. CURRENT ASSETS</b>			Minority interests	1.553.506	4.523.480
Inventories	67.945.447	73.862.721	Total Capital & Reserves	<u>130.203.572</u>	<u>141.692.416</u>
Receivables	90.987.468	85.763.304	<b>B. PROVISIONS FOR RISK &amp; EXPENSES</b>	<u>6.858.765</u>	<u>2.656.252</u>
Securities	1.685.042	2.869.920	<b>C. LIABILITIES</b>		
Cash	18.822.723	22.416.808	Long-term Liabilities	94.486.428	110.160.644
Total Current Assets	<u>179.440.680</u>	<u>184.912.753</u>	Short-term Liabilities	113.313.459	92.285.497
<b>E. PREPAYMENTS &amp; ACCRUED INCOME</b>	<u>8.753.606</u>	<u>8.432.775</u>	Total Liabilities	<u>207.799.887</u>	<u>202.446.141</u>
<b>GRAND TOTAL ASSETS</b>	<u>350.141.972</u>	<u>350.141.915</u>	<b>D. ACCRUALS &amp; DEFERRED INCOME</b>	<u>5.279.748</u>	<u>3.347.106</u>
			<b>GRAND TOTAL CAPITAL AND LIABILITIES</b>	<u>350.141.972</u>	<u>350.141.915</u>

**NOTES:**

- The companies included in the above consolidation are the following: a) M.J.MAILLIS S.A. (parent company) b) Directly controlled Companies STRAPTECH S.A. (99, 0%), M.J.MAILLIS BULGARIA EOOD (100%), M.J.MAILLIS ROMANIA S.A. (81, 7%), HELERO BV (100%), M.J.MAILLIS FRANCE SAS (99.99%), MARFLEX M.J.MAILLIS POLAND SPZOO (100%), M.J.MAILLIS ESPAN SL (100%), M.J.MAILLIS CZECH SRO (100%), M.J.MAILLIS ALBANIA LTD (100%), EUROPACK SA (100%), COLUMBIA SRL (100%), M.J.MAILLIS HUNGARY KFT (100%), CONTIPAK MB (100%), OY M.J.MAILLIS FINLAND AB (100%), M.J.MAILLIS SVERIGE AB (100%), M.J.MAILLIS HOLDING GMBH (100%), SANDER B.V.(100%), c) indirectly controlled Companies M.J.MAILLIS U.K. LTD (100%), SIAT SPA (100%), SICME SRL (60%), SIAT BENELUX (51%), COMBI PACKAGING SYSTEMS (50%), MEGA SRL (70%), TAM SRL (71%), SIAT USA (100%), M.J.MAILLIS SANDER GMBH (100%), SANDER GMBH & CO KG (100%), SANDER NV (100%), WULFTEC INTERNATIONAL INC (100%), MAILLIS STRAPPING NETWORK LLP (45%). The above mentioned companies have been consolidated according to the full consolidation method as provided by the articles 90 to 109 of CL 2190/1920 "Referring to Companies", except from Combi Packaging Systems which has been consolidated as a joint venture and Maillis Strapping Network which has been consolidated according to the Equity Method
- As at 30 September, 2003 no encumbrances exist on company's fixed assets.
- The result included in the consolidated profit and loss account, which relate to subsidiaries registered in Eastern Europe, has been translated at the average exchange rate of the period 01/0 - 30/09/2003.
- The latest revaluation of land and buildings of the parent company was carried out at 31 December 2000, in accordance with law 2065/92 as amended by the article 20 of law 2443/96.
- The number of employees of the Group as at 30 June, 2003 was 2.015.
- The group, consistently, followed the fundamental accounting principles used in the financial statements of year 2002.
- All accrued expenses up to 30/09/2003, have been provided for.
- The consolidated Equity of M.J.MAILLIS Group appears decreased by Euros 118 mil. due to the fact that Goodwill, arising from acquisitions, is shown as a deduction from Equity. If Goodwill was presented in the assets side of the balance sheet, as the allowed alternative permits, consolidated Equity would amount to Euros 248 mil.

**CONSOLIDATED SUMMARISED PROFIT AND LOSS ACCOUNT FOR 30 SEPTEMBER 2003 (JANUARY 1- SEPTEMBER 30, 2003)**

	01/01/2003-30/09/2003	01/01/2002-30/09/2002
<b>I. OPERATING RESULTS</b>		
Turnover (net sales)	224.779.233	226.963.878
Less: Cost of Sales	161.567.361	159.813.254
Gross margin (profits)	63.211.872	67.150.624
Plus: Other operating income	2.044.732	617.096
Total	65.256.604	67.767.720
Less: 1. Administrative expenses	18.293.857	17.930.146
3. Distribution expenses	27.552.822	28.597.449
Subtotal profit	19.409.925	21.240.125
Plus: 3. Profit from sale of bonds	67.030	73.301
4. Interest & other similar income	1.237.294	1.304.324
Less:		
1. Participation and securities value decline allowances	192.234	192.234
2. Expenses and losses from participations and securities	243.807	243.807
3. Interest & other similar expenses	6.381.428	(6.817.469)
Total operating results (profits)	13.896.780	16.660.842
<b>II. PLUS: EXTRAORDINARY RESULTS</b>		
1. Extraordinary and non - operating income	8.486.745	9.290.525
2. Extraordinary profits	482.772	3.435
3. Prior year income	10.385	58.035
Less:		
1. Extraordinary and non-operating expenses	5.410.599	5.982.031
2. Extraordinary loss	227.164	815
3. Prior year expenses	218.688	(5.856.451)
Total operating & non-operating results	17.020.231	19.855.146
<b>LESS:</b>		
Total depreciation	19.405.789	18.789.831
Less: Depreciation charged to operation cost	19.405.789	18.789.831
<b>NET PROFIT BEFORE TAXES</b>	17.020.231	19.855.146
<b>LESS:</b>		
Share of minority interest	(6.169)	317.716
<b>NET PROFIT BEFORE TAXES AND AFTER MINORITY INTEREST</b>	<u>17.026.400</u>	<u>19.537.430</u>

Kifisia, November 24, 2003

CHAIRMAN OF THE BOARD OF DIRECTORS  
AND MANAGING DIRECTOR

CHIEF FINANCIAL OFFICER  
& MEMBER OF THE BOARD OF DIRECTORS

GROUP FINANCIAL CONTROLLER

ACCOUNTING MANAGER






MICHAEL J. MAILLIS  
ID. No Φ 020206

CHARALAMBOS STAVRINOUDAKIS  
ID. No Σ 208194

SOTIRIOS I. LEONARDOΣ  
ID. No Π 325521

NIKOLAOS V. MAROULIS  
R. No 9997046629 - A' CLASS

KRONOS S.A.

**SUMMARISED BALANCE SHEET AS AT 30 SEPTEMBER 2003 ATHENS P.C.S.A. 2716/06/B/86/43 (AMOUNTS IN EURO)**

<b>ASSETS</b>	<b>30/09/2003</b>	<b>30/09/2002</b>	<b>CAPITAL AND LIABILITIES</b>	<b>30/09/2003</b>	<b>30/09/2002</b>
<b>B. PRE OPERATING COSTS</b>			<b>A. CAPITAL &amp; RESERVES</b>		
Acquisition Cost	42.933.601	38.079.898	Share Capital		
Less: Depreciation until 30/09/2003	25.536.105	19.483.298	(72.647.660 sh. X 0,76 euro)	55.212.222	55.049.749
Net Value	<u>17.397.496</u>	<u>18.596.600</u>	Share premium reserve	144.877.197	144.825.890
<b>C. FIXED ASSETS</b>			Differences of revaluation--		
Acquisition Cost	101.634.531	94.722.695	Investment subsidies	4.748.517	6.784.378
Less: Depreciation until 30/09/2003	49.342.100	40.675.529	Reserves	18.661.636	21.433.039
Net Value	52.292.431	54.047.166	Own shares in hand	(13.033.262)	(9.745.396)
Participation and other long term acquisitions	150.703.576	141.867.268	Retained Profits	(1.081.494)	68.970
Total Fixed Assets	<u>202.996.007</u>	<u>195.914.434</u>	Profit 1/1-30/9/2003	386.440	2.115.156
<b>D. CURRENT ASSETS</b>			Total Capital & Reserves	<u>209.771.256</u>	<u>220.531.786</u>
Inventories	14.227.805	21.446.125	<b>B. PROVISIONS FOR RISK</b>	<u>4.276.840</u>	<u>571.481</u>
Receivables	93.662.471	83.952.263	<b>C. LIABILITIES</b>		
Securities	1.251.150	1.502.745	Long-term Liabilities	82.869.152	89.357.823
Cash	5.121.767	6.071.844	Short - term Liabilities	43.712.180	19.691.672
Total Current Assets	<u>114.263.193</u>	<u>112.972.977</u>	Total Liabilities	<u>126.581.332</u>	<u>109.049.495</u>
<b>E. PREPAYMENTS &amp; ACCRUED INCOME</b>	<u>7.439.421</u>	<u>5.821.836</u>	<b>D. ACCRUALS &amp; DEFERRED INCOME</b>	<u>1.466.689</u>	<u>3.153.085</u>
<b>GRAND TOTAL ASSETS</b>	<u><u>342.096.117</u></u>	<u><u>333.305.847</u></u>	<b>GRAND TOTAL CAPITAL AND LIABILITIES</b>	<u><u>342.096.117</u></u>	<u><u>333.305.847</u></u>

- NOTES:**
- 1) Net Fixed Asset investments increased approximately 3.900.000 eur in the period of 1 January to September 2003.
  - 2) The company has been tax audited up to the year ended 31 December, 2001.
  - 3) Encumbrances on the company/ s fixed assets as at 30 September, 2003 not exist.
  - 4) The previous fixed assets revaluation of land and buildings was carried out at 31 December, 2000, in accordance with law 2065/92 as amended by article 20 of law 2443/96.
  - 5) The number of employees of the company as at 30 September, 2003 was 387.
  - 6) The company has made the necessary provisions for accrued expenses as at 30 September, 2003.
  - 7) The company consistently followed the fundamental accounting principles used in financial statements for the 2002 year.
  - 8) The depreciation charge for the period 1/1-30/09/2003 amounted eur 11.627.667 compared to eur 11.703.607 for the period 1/1-30/09/2002 and is accordingly allocated as follows: eur 6.661.139 to production cost compared to eur 7.047.849, eur 4.958.085 to administration expenses compared to eur 4.634.671 and eur 8.443 to selling expenses compared to eur 21.087.

**SUMMARISED PROFIT AND LOSS ACCOUNT FOR 30 SEPTEMBER 2003 (JANUARY 1 - SEPTEMBER 30, 2003)**

	<b>01/01/2003-30/09/2003</b>	<b>01/01/2002-30/09/2002</b>
<b>I. OPERATING RESULTS</b>		
Turnover (net sales)	70.331.219	70.651.858
Less: Cost of Sales	<u>54.983.630</u>	<u>54.601.505</u>
Gross margin (profits)	15.347.589	16.050.353
Plus: Other operating income	616.557	210.567
Total	<u>15.964.146</u>	<u>16.260.920</u>
Less: 1. Administrative expenses	8.410.898	7.540.074
3. Distribution expenses	<u>6.033.311</u>	<u>7.242.990</u>
Subtotal profit	1.519.937	1.477.856
Plus: 3. Profit from sale of bonds	65.762	73.210
4. Interest & other similar income	<u>1.374.404</u>	<u>1.487.966</u>
Less:		
1. Participation and securities value decline allowances	192.234	192.234
2. Expenses and losses from participations and securities	243.807	243.807
3. Interest & other similar expenses	<u>3.153.318</u>	<u>(2.515.511)</u>
Total operating results	<u>(629.256)</u>	<u>523.521</u>
<b>II. PLUS: EXTRAORDINARY RESULTS</b>		
1. Extraordinary and non-operation income	2.656.018	3.046.839
2. Extraordinary profits	251.759	2.935
3. Income prior period	<u>6.036</u>	<u>56.762</u>
Less:		
1. Extraordinary and non-operating expenses	1.682.711	1.414.261
2. Extraordinary loss	79.487	815
3. Prior year expenses	<u>135.919</u>	<u>99.824</u>
Total operating & non-operating results	<u>386.440</u>	<u>2.115.156</u>
<b>LESS:</b>		
Total depreciation	11.627.667	11.703.607
Less: Depreciation charged to operation cost	<u>11.627.667</u>	<u>11.703.607</u>
<b>NET PROFIT BEFORE TAXES</b>	<u><u>386.440</u></u>	<u><u>2.115.156</u></u>

Kifisia, November 24, 2003

CHAIRMAN OF THE BOARD OF DIRECTORS  
AND MANAGING DIRECTOR

CHIEF FINANCIAL OFFICER  
& MEMBER OF THE BOARD OF DIRECTORS

FINANCIAL MANAGER

ACCOUNTING MANAGER

  
MICHAEL J. MAILLIS  
ID. No Φ 020206

  
CHARALAMBOS STAVRINOUDAKIS  
ID. No Σ 208194

  
PETROS I. DELIS  
ID. No P 578226

  
NIKOLAOS V. MAROULIS  
R. No 9997046629 - A' CLASS

KRONOS S.A.

	30/06/2003	30/06/2002
<b>ASSETS</b>		
<b>B. PRE OPERATING COSTS</b>		
Acquisition Cost	66.934.796	56.250.366
Less: Depreciation until 30/06/2003	28.162.922	21.243.312
Net Value	38.771.874	35.007.054
<b>C. FIXED ASSETS</b>		
Acquisition Cost	223.194.306	207.415.626
Less: Depreciation until 30/06/2003	101.028.432	79.192.723
Net Value	122.165.874	128.222.903
Participation and other long term acquisitions	714.908	215.513
Total Fixed Assets	122.880.782	128.438.416
<b>D. CURRENT ASSETS</b>		
Inventories	71.065.465	66.448.569
Receivables	93.400.739	91.553.389
Securities	1.995.943	2.344.691
Cash	20.219.432	32.826.996
Total Current Assets	186.681.599	193.173.644
<b>E. PREPAYMENTS &amp; ACCRUED INCOME</b>		
	7.890.090	6.219.299
<b>GRAND TOTAL ASSETS</b>	<b>356.224.345</b>	<b>362.838.413</b>

	30/06/2003	30/06/2002
<b>CAPITAL AND LIABILITIES</b>		
<b>A. CAPITAL &amp; RESERVES</b>		
Share Capital (72.647.660 sh. X 0,76 euro)	55.212.222	55.049.749
Share premium reserve	144.877.197	144.825.890
Differences of revaluation-Investment subsidies	10.375.136	11.372.210
Reserves	21.854.229	32.276.994
Own shares in hand	(11.987.803)	(9.050.506)
Retained Profits	12.737.985	3.531.109
Exchange differences from translation of subsidiaries	6	(778.140)
Profit 1/1-30/06/2003	11.147.993	13.650.858
Goodwill on acquisition of subsidiaries	(119.887.599)	(111.352.969)
Minority interests	1.787.341	3.192.897
Total Capital & Reserves	126.316.707	142.718.092
<b>B. PROVISIONS FOR RISK &amp; EXPENSES</b>		
	7.254.846	4.062.943
<b>C. LIABILITIES</b>		
Long-term Liabilities	95.754.284	113.574.965
Short-term Liabilities	121.389.676	95.692.391
Total Liabilities	217.143.960	209.267.356
<b>D. ACCRUALS &amp; DEFERRED INCOME</b>		
	5.508.832	6.790.022
<b>GRAND TOTAL CAPITAL AND LIABILITIES</b>	<b>356.224.345</b>	<b>362.838.413</b>

**NOTES:**

- The companies included in the above consolidation are the following: a) **M.J.MAILLIS S.A. (parent company):** b) **Directly controlled Companies:** STRAPTECH S.A. (99.0%), M.J.MAILLIS BULGARIA EOOD (100%), M.J.MAILLIS ROMANIA S.A. (81.7%), HELERO BV (100%), M.J.MAILLIS FRANCE SAS (99.99%), MARFLEX M.J.MAILLIS GROUP SPZOO (100%), M.J.MAILLIS ESPANA SL (100%), M.J.MAILLIS CZECH SRO (100%), M.J.MAILLIS ALBANIA LTD (100%), DANUBIA PACK M.J.MAILLIS GROUP KFT (100%), EUROPACK SA (100%), COLUMBIA 100%, COLUMBIA SRL (100%), CONTIPAK GMBH (100%), OY M.J.MAILLIS FINLAND AB (100%), M.J.MAILLIS SVERIGE AB (100%), M.J.MAILLIS HOLDING GMBH (100%), SANDER B.V.(100%), c) **Indirectly controlled Companies:** M.J.MAILLIS U.K. LTD (100%), SIAT SPA (100%), SICME SRL (60%), SIAT BENELUX (51%), COMBI PACKAGING SYSTEMS (50%), MEGA SRL (70%), TAM SRL (71%), SIAT USA (100%), M.J.MAILLIS SANDER GMBH (100%), SANDER GMBH & CO/IG (100%), SANDER NV (100%), WULFTEC INTERNATIONAL INC (100%), MAILLIS STRAPPING NETWORK LLP (45%). The above mentioned companies have been consolidated according to the full consolidation method as provided by the articles 90 to 109 of CL 2190/1920 "Referring to Companies", except from Combi Packaging Systems which has been consolidated as a joint venture and Maillis Strapping Network which has been consolidated according to the Equity Method
- As at 30 June, 2003 no encumbrances exist on company's fixed assets.
- The result included in the consolidated profit and loss account, which relate to subsidiaries registered in Eastern Europe, has been translated at the average exchange rate of the period 01/01 - 30/06/2003.
- The latest revaluation of land and buildings of the parent company was carried out at 31 December 2000, in accordance with law 2065/92 as amended by the article 20 of law 2443/96.
- The number of employees of the Group as at 30 June, 2003 was 2,027.
- The group, consistently, followed the fundamental accounting principles used in the financial statements of year 2002.
- The consolidated Equity of M.J.MAILLIS Group appears decreased by Euros 120 mil. due to the fact that Goodwill, arising from acquisitions, is shown as a deduction from Equity. If Goodwill was presented in the assets side of the balance sheet, as the allowed alternative permits, consolidated Equity would amount to Euros 246 mil.

**CONSOLIDATED SUMMARISED PROFIT AND LOSS ACCOUNT FOR THE PERIOD 1 JANUARY - 30 JUNE 2003**

	01/01/2003-30/06/2003	01/01/2002-30/06/2002
<b>I. OPERATING RESULTS</b>		
Turnover (net sales)	146.532.622	147.494.160
Less: Cost of Sales	104.992.428	103.745.710
Gross margin (profits)	41.540.194	43.748.450
Plus: Other operating income	1.116.307	328.101
Total	42.656.501	44.076.551
Less: 1. Administrative expenses	12.327.972	11.037.980
3. Distribution expenses	18.416.492	18.524.668
Subtotal profit	11.912.037	29.562.648
Plus: 3. Profit from sale of bonds	66.462	49.822
4. Interest & other similar income	1.203.704	1.419.964
1.469.786		
Less:		
1. Participation and securities value decline allowances	128.156	128.156
2. Expenses and losses from participations and securities	162.538	162.538
3. Interest & other similar expenses	4.306.610	4.459.209
Total operating results (profits)	4.597.304	4.749.903
	8.584.899	11.233.786
<b>II. PLUS: EXTRAORDINARY RESULTS</b>		
1. Extraordinary and non-operating income	6.104.385	6.258.689
2. Extraordinary profits	294.208	2.966
3. Prior year income	60.179	57.033
6.318.688		
Less:		
1. Extraordinary and non-operating expenses	3.684.616	3.596.066
2. Extraordinary loss	79.426	0
3. Prior year expenses	162.949	116.887
3.926.991		
Total operating & non-operating results	11.116.680	13.839.521
<b>LESS:</b>		
Total depreciation	13.257.444	12.545.521
Less: Depreciation charged to operation cost	13.257.444	0
0		
<b>NET PROFIT BEFORE TAXES</b>	<b>11.116.680</b>	<b>13.839.521</b>
<b>LESS:</b>		
Share of minority interest	(31.313)	188.663
<b>NET PROFIT BEFORE TAXES AND AFTER MINORITY INTEREST</b>	<b>11.147.993</b>	<b>13.650.858</b>

Kifisia, August 25, 2003

CHAIRMAN OF THE BOARD OF DIRECTORS AND MANAGING DIRECTOR

CHIEF FINANCIAL OFFICER & MEMBER OF THE BOARD OF DIRECTORS

GROUP FINANCIAL CONTROLLER

ACCOUNTING MANAGER

MICHAEL J. MAILLIS  
ID. No Π 060206

CHARALAMBOS STAVRINOUDAKIS  
ID. No Σ 208194

SOTIRIOS I. LEONARDOS  
ID. No Π 325521

NIKOLAOS V. MAROULIS  
ID. No Π 717325

**CERTIFIED AUDITOR'S AUDIT REPORT**

To the shareholders of 'MICHAEL J MAILLIS AEBE - Packing Systems'

We have carried out the audit which is required under the provisions of article 6 of PD 360/1985, as amended by article 90 of L 2533/1997, in compliance with the rules and regulations that govern audit procedures set by the Greek association of chartered certified accountants, SOEL, and applying the procedures we believe are appropriate in order to verify that the abridged financial statements of 'MJ MAILLIS AEBE - Packing Systems', for the period from 1 January 2003 to 30 June 2003, do not contain errors or omissions which materially affect the consolidated asset structure and the financial position of the company, as well as the consolidated operating results of the parent company and its subsidiaries that are included in the consolidation. The scope of the audit did not include the subsidiary companies representing 17% of the consolidated assets and 30% of the consolidated turnover. The financial statements of the above subsidiaries have been audited by other certified auditors, on whose audit certificates we have placed reliance in order to express the opinion that follows. Unaudited financial statements are included in the consolidation, representing in total 15% and 1% of the consolidated assets and turnover respectively. These subsidiaries are immaterial to the Group figures and have not been audited. The following matters were noted as a result of the audit: 1. Based on interpretation No 205/1988 of the full session of the State Legal Council, the companies that are included in the consolidation have not raised a provision for retirement settlement, as none of the employees will obtain pension rights before the end of the forthcoming year. Had the Companies raised a provision in accordance with article 42e of CL 2190/1920 for compensation for employee terminations, the provision would have amounted to € 627,144, of which € 604,000 approximately should have been charged to the operating results of the previous years and € 23,144 should have been charged to the operating results of the period ending 30 June 2003. 2. The parent company has included € 2,908,000 in account B "Pre-Operating Expenses". This amount relates to the net book value of losses incurred from the disposal and year-end re-valuation of investments listed on the Athens Stock Exchange, of which € 1,671,000 have been charged to the operating results of previous years, and € 290,000 have been charged to the operating results of the period ending 30 June 2003. Had the Company followed the requirements set out by CL 2190/1920 the total amount would have been expensed in previous years. 3. The parent company has included in account C "Fixed assets" a net book value of € 7,200,000, relating to amounts paid in previous years for the reorganization, and business development of the subsidiaries of the Group. This amount was not expensed in previous years' results, and it is equally amortized over a five year period. 4. Among the receivables of the parent company are included delayed receivables amounting to € 800,000. The company has not created any provision for a part or the whole of this amount. In our opinion, the aforementioned consolidated Financial Statements are in agreement with the CL 2190/1920, subject to the matters mentioned above and the notes appearing on the face of the financial statements, they do not contain errors or omissions which would materially affect the consolidated asset structure and the financial position of the group of companies at 30 June 2003 and the consolidated results before tax for the period then ended, based on the relevant legislation and the accounting standards and procedures applied by the parent company which are generally accepted and do not differ from those applied in the previous period.

Athens, August 26, 2003  
Certified Auditor- Accountant

PRICEWATERHOUSECOOPERS

KYRIAKOS RIRIS  
Reg No 12111

ASSETS		CAPITAL AND LIABILITIES	
<b>B. PRE OPERATING COSTS</b>			
Acquisition Cost	42.792.927	37.857.196	
Less: Depreciation until 30/06/2003	24.030.276	18.018.762	
Net Value	18.762.651	19.838.434	
<b>C. FIXED ASSETS</b>			
Acquisition Cost	99.612.066	95.226.038	
Less: Depreciation until 30/06/2003	46.992.892	38.239.649	
Net Value	52.619.174	56.986.389	
Participation and other long term acquisitions	150.709.446	125.340.474	
Total Fixed Assets	203.328.620	182.326.863	
<b>D. CURRENT ASSETS</b>			
Inventories	18.175.219	16.305.742	
Receivables	94.516.789	98.296.277	
Securities	1.516.150	1.502.745	
Cash	7.239.944	13.197.920	
Total Current Assets	121.448.102	129.302.684	
<b>E. PREPAYMENTS &amp; ACCRUED INCOME</b>			
	5.580.959	3.578.149	
<b>GRAND TOTAL ASSETS</b>	<b>349.120.332</b>	<b>335.046.130</b>	
<b>A. CAPITAL &amp; RESERVES</b>			
Share Capital			(72.647.660 sh. X 0,76 euro)
		55.212.222	55.049.749
Share premium reserve		144.877.197	144.825.890
Differences of revaluation--investent subsidíes		5.239.988	7.329.353
Reserves		18.661.636	21.433.039
Own shares in hand		(11.987.803)	(9.050.506)
Retained Profits		(1.081.494)	68.970
Profit 1/1-30/6/2003		169.094	1.701.817
Total Capital & Reserves		211.090.840	221.358.312
<b>B. PROVISIONS FOR RISK</b>			
<b>C. LIABILITIES</b>			
Long-term Liabilities		82.669.152	89.357.623
Short-term Liabilities		50.128.099	17.388.188
Total Liabilities		132.997.251	106.746.011
<b>D. ACCRUALS &amp; DEFERRED INCOME</b>			
		755.401	6.370.326
<b>GRAND TOTAL CAPITAL AND LIABILITIES</b>	<b>349.120.332</b>	<b>335.046.130</b>	

- NOTES:**
- 1) Net Fixed Asset investments increased approximately 2.200.000 eur in the period of 1 January to 30 June 2003.
  - 2) The company has been tax audited up to the year ended 31 December, 2001.
  - 3) Encumbrances on the company's fixed assets as at 30 June, 2003 not exist.
  - 4) The previous fixed assets revaluation of land and buildings was carried out at 31 December, 2000, in accordance with law 2065/92 as amended by article 20 of law 2443/96.
  - 5) The number of employees of the company at 30 June, 2003 were 387.
  - 6) The company has made the necessary provisions for accrued expenses as at 30 June, 2003.
  - 7) The company consistently followed the fundamental accounting principles used in financial statements of year 2002.
  - 8) The depreciation charge for the period 1/1-30/06/2003 amounted eur 7.760.651 compared to eur 7.795.217 for the period 1/1-30/06/2002 and is accordingly allocated as follows: eur 4.440.142 to production cost compared to eur 4.690.385, eur 3.314.391 to administration expenses compared to eur 3.090.488 and eur 6.118 to selling expenses compared to eur 14.344.

**SUMMARISED PROFIT AND LOSS ACCOUNT FOR THE PERIOD 1 JANUARY - 30 JUNE 2003**

	01/01/2003-30/06/2003	01/01/2002-30/06/2002
<b>I. OPERATING RESULTS</b>		
Turnover (net sales)	45.443.962	46.325.007
Less: Cost of Sales	35.731.803	35.697.035
Gross margin (profits)	9.712.159	10.627.972
Plus: Other operating income	614.750	210.566
Total	10.326.909	10.838.538
Less:		
1. Administrative expenses	5.597.057	5.104.769
3. Distribution expenses	3.969.532	4.685.386
Subtotal profit	770.320	1.048.383
Plus:		
3. Profit from sale of bonds	65.260	49.731
4. Interest & other similar income	1.059.553	795.604
Less:		
1. Participation and securities value decline allowances	128.156	128.156
2. Expenses and losses from participations and securities	162.538	162.538
3. Interest & other similar expenses	2.234.010	1.204.886
Total operating results	(629.571)	398.138
<b>II. PLUS: EXTRAORDINARY RESULTS</b>		
1. Extraordinary and non-operation income	2.068.669	2.167.787
2. Extraordinary profits	251.130	2.935
3. Income prior period	5.830	56.762
Less:		
1. Extraordinary and non-operating expenses	1.345.686	860.237
2. Extraordinary loss	79.426	0
3. Prior year expenses	101.852	63.568
Total operating & non-operating results	169.094	1.701.817
<b>LESS:</b>		
Total depreciation	7.760.651	7.795.217
Less: Depreciation charged to operation cost	7.760.651	7.795.217
<b>NET PROFIT BEFORE TAXES</b>	<b>169.094</b>	<b>1.701.817</b>

Kifisia, August 25, 2003

CHAIRMAN OF THE BOARD OF DIRECTORS  
AND MANAGING DIRECTOR

CHIEF FINANCIAL OFFICER  
& MEMBER OF THE BOARD OF DIRECTORS

FINANCIAL MANAGER

ACCOUNTING MANAGER

MICHAEL J. MAILLIS  
ID. No P 020206

CHARALAMBOS STAVRINOUDAKIS  
ID. No Σ 208194

PETROS I. DELIS  
ID. No P 578226

NIKOLAOS V. MAROULIS  
ID. No Π 717325

**AUDIT REPORT OF CERTIFIED AUDITOR  
To the Board of Directors of 'MICHAEL J MAILLIS AEBE - Packing Systems'**

We have carried out the audit which is required under the provisions of article 6 of PD 360/1985, as amended by article 90 of L 2533/1997, and in compliance with the audit rules and regulations set by the Greek Association of Chartered Certified Accountants (SOEL) and applying the procedures we believe are appropriate in order to verify that the abridged financial statements of "MJ MAILLIS AEBE - Packing Systems", for the period from 1 January 2003 to 30 June 2003, do not contain errors or omissions which materially affect the asset structure and the financial position of the company, as well as the operating results included therein. All books and records maintained by the Company have been made available to us and we have been given all the information and explanations, which we have requested for the purposes of the audit. The Company's accounts have been prepared in accordance with Greek Generally Accepted Accounting Principles. There has been no change in the stock valuation principles compared to the prior year and the production cost is calculated in accordance with the generally accepted cost accounting principles. The following matters were noted as a result of the audit: 1. Based on interpretation No 205/1988 of the full session of the State Legal Council, the company has not raised a provision for retirement settlement, as none of the employees will obtain pension rights before the end of the forthcoming year. Had the Company raised a provision in accordance with article 42e of CL 2190/1920 for compensation for employee terminations, the provision would have amounted to € 570.761, of which € 553.716 approximately should have been charged to the operating results of the previous years and € 17.045 should have been charged to the operating results of the period ending 30 June 2003. 2. The company has included € 2.906.000 in account B "Pre-Operating Expenses". This amount relates to the net book value of losses incurred from the disposal and year-end re-valuation of investments listed on the Athens Stock Exchange, of which € 1.671.000 approximately have been charged to the operating results of previous years and € 290.000 approximately have been charged to the operating results of the period ending 30 June 2003. Had the Company followed the requirements set out by CL 2190/1920 the total amount would have been expensed in previous years. 3. The company has included in account C "Investments and other long-term receivables" an amount of € 150.709.000 relating to investments in subsidiaries, that were valued at acquisition cost and not in accordance with paragraph 5 of article 43 of CL2190/1920, which requires the valuation at the lower value between acquisition cost and net equity. Had the Company followed the requirements set out by CL2190/1920 the above value of investments would have been decreased by € 40.263.000 and this amount would have been expensed in previous years' results. 4. Among the receivables of the company, delayed receivables amounting to € 800.000 approximately, are included. The company has not created any provision for the whole of this amount. In our opinion, the aforementioned Financial Statements are in agreement with the books and records of the company, subject to the matters mentioned above and the notes appearing on the face of the financial statements, they do not contain errors or omissions which would materially affect the asset structure and the financial position of the company at 30 June 2003 and the results before tax for the period then ended, based on the relevant legislation and the accounting standards and procedures applied by the company which have been generally accepted and do not differ from those applied in the previous financial year.

Athens, August 26, 2003  
Certified Auditor- Accountant

PRICEWATERHOUSECOOPERS

KYRIAKOS RIRIS  
Reg No 12111

<b>ASSETS</b>	<b>31/03/2003</b>	<b>31/03/2002</b>	<b>CAPITAL AND LIABILITIES</b>	<b>31/03/2003</b>	<b>31/03/2002</b>
<b>B. PRE OPERATING COSTS</b>			<b>A. CAPITAL &amp; RESERVES</b>		
Acquisition Cost	61.119.074	60.056.726	Share Capital (72.647.660 sh. X 0,76)	55.212.222	53.142.979
Less: Depreciation until 31/03/2003	26.850.103	20.338.725	Share premium reserve	144.877.197	145.334.489
Net Value	<u>34.268.971</u>	<u>39.718.001</u>	Differences of revaluation-Investment subsidies	11.536.421	11.998.891
<b>C. FIXED ASSETS</b>			Reserves	22.145.180	32.581.794
Acquisition Cost	218.083.393	202.886.726	Own shares in hand	(11.834.218)	(8.192.335)
Less: Depreciation until 31/03/2003	92.550.477	77.748.977	Retained Profits	13.240.710	5.862.117
Net Value	125.532.916	125.137.749	Exchange differences from translation of subsidiaries	(5)	104.915
Participation and other long term acquisitions	900.172	215.513	Profit 31/03/2003	5.504.112	7.399.906
Total Fixed Assets	<u>126.433.088</u>	<u>125.353.262</u>	Goodwill on acquisition of subsidiaries	(120.855.102)	(90.560.991)
<b>D. CURRENT ASSETS</b>			Minority interests	2.496.723	2.884.478
Inventories	71.724.071	61.733.988	Total Capital & Reserves	<u>122.323.240</u>	<u>160.556.243</u>
Receivables	89.694.422	92.202.678	<b>B. PROVISIONS FOR RISK &amp; EXPENSES</b>	<u>6.839.650</u>	<u>2.739.709</u>
Securities	1.567.389	5.408.363	<b>C. LIABILITIES</b>		
Cash	16.099.985	47.058.834	Long-term Liabilities	97.085.959	75.995.477
Total Current Assets	<u>179.085.867</u>	<u>206.403.863</u>	Short-term Liabilities	115.064.059	132.160.221
<b>E. PREPAYMENTS &amp; ACCRUED INCOME</b>	<u>6.316.490</u>	<u>5.388.743</u>	Total Liabilities	<u>212.150.018</u>	<u>208.155.698</u>
<b>GRAND TOTAL ASSETS</b>	<u>346.104.416</u>	<u>376.863.869</u>	<b>D. ACCRUALS &amp; DEFERRED INCOME</b>	<u>4.791.508</u>	<u>5.412.219</u>
			<b>GRAND TOTAL CAPITAL AND LIABILITIES</b>	<u>346.104.416</u>	<u>376.863.869</u>

**NOTES:** 1. The companies included in the above consolidation are the following: **A) M.J.MAILLIS S.A. (parent company)** B) **Directly controlled Companies** STRAPTECH S.A. (99,0%), M.J.MAILLIS BULGARIA EOOD (100%), M.J.MAILLIS ROMANIA S.A. (81,7%), HELERO BV (100%), M.J.MAILLIS FRANCE SAS (99,99%), MARFLX M.J.MAILLIS GROUP SPZOO (100%), M.J.MAILLIS ESPANA SL (100%), M.J.MAILLIS CZECH SRO (100%), M.J.MAILLIS ALBANIA LTD (100%), DANUBIA PACK M.J.MAILLIS GROUP KFT (100%), EUROPACK SA (100%), COLUMBIA SRL (60%), CONTIPAK GMBH (100%), OY M.J.MAILLIS FINLAND AB (100%), M.J.MAILLIS SVERIGE AB (100%), M.J.MAILLIS HOLDING GMBH (100%), SANDER B.V.(100%) **C) Indirectly controlled Companies** M.J.MAILLIS U.K. LTD (100%), SIAT SPA (100%), GRAMEGNA SPA (100%), SICME SRL (60%), SIAT BENELUX (51%), COMBI PACKAGING SYSTEMS (50%), MEGA SRL (70%), TAM SRL (71%), SIAT USA (100%), M.J.MAILLIS SANDER GMBH (100%), SANDER GMBH & CO KG (100%), SANDER NV (100%), WULFTEC INTERNATIONAL INC (100%), MAILLIS STRAPPING NETWORK LLP (45%). The above mentioned companies have been consolidated according to the full consolidation method as provided by the articles 90 to 109 of CL 2190/1920 "Referring to Companies", except from Combi Packaging Systems which has been consolidated as a joint venture and Maillis Strapping Network which has been consolidated according to the Equity Method

2. As at 31 March, 2003 no encumbrances exist on company's fixed assets.

3. The result included in the consolidated profit and loss account, which relate to subsidiaries registered in Eastern Europe, has been translated at the average exchange rate of the period 01/01 - 31/03/2003.

4. The latest revaluation of land and buildings of the parent company was carried out at 31 December 2000, in accordance with law 2065/92 as amended by the article 20 of law 2443/96.

5. The number of employees of the Group as at 31 March, 2003 was 2.037.

6. The group, consistently, followed the fundamental accounting principles used in the financial statements of year 2002.

7. The consolidated Equity of M.J.MAILLIS Group appears decreased by Euros 121 mil. due to the fact that Goodwill, arising from acquisitions, is shown as a deduction from Equity. If Goodwill was presented in the assets side of the balance sheet, as the allowed alternative permits, consolidated Equity would amount to Euros 243 mil.

**CONSOLIDATED SUMMARISED PROFIT AND LOSS ACCOUNT FOR THE PERIOD 1 JANUARY - 31 MARCH 2003**

	<b>31/03/2003</b>	<b>31/03/2002</b>
<b>I. OPERATING RESULTS</b>		
Turnover (net sales)	77.567.230	77.156.932
Less: Cost of Sales	55.672.343	54.369.149
Gross margin profit	21.894.887	22.787.783
Plus: Other operating income	575.477	153.226
Total	22.470.364	22.941.009
Less: 1. Administrative expenses	6.132.491	5.767.633
3. Distribution expenses	9.536.007	9.451.726
Subtotal profit	6.801.866	15.219.359
Plus: 3. Profit from sale of bonds	0	99
4. Interest & other similar inc.	1.016.874	776.661
Less:		
1. Participation and securities value decline allowances	64.078	64.078
2. Expenses and losses from participations and securities	81.269	81.269
3. Interest & other similar exp.	2.105.249	1.876.789
Total operating results (profits)	5.568.145	(2.022.136)
<b>II. PLUS: EXTRAORDINARY RESULTS</b>		
1. Extraordinary and non - operating income	2.018.193	2.065.359
2. Prior year profits	143.550	2.935
3. Prior year income	4.363	49.617
Total	2.166.126	2.117.911
Less:		
1. Extraordinary and non-operating expenses	2.060.199	1.028.134
3. Prior year expenses	65.926	110.712
Total operating & non-operating results	5.608.146	(1.138.846)
<b>LESS:</b>		
Total depreciation	6.929.338	6.035.079
Less: Depreciation charged to operation cost	6.929.338	6.035.079
<b>NET PROFIT BEFORE TAXES</b>	<u>5.608.146</u>	<u>7.455.339</u>
Less: Share of minority interest	104.034	55.435
<b>NET PROFIT BEFORE TAXES AND AFTER MINORITY INTEREST</b>	<u>5.504.112</u>	<u>7.399.904</u>

Marousi, May 26, 2003

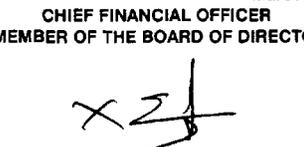
**CHAIRMAN OF THE BOARD OF DIRECTORS  
AND MANAGING DIRECTOR**

**CHIEF FINANCIAL OFFICER  
& MEMBER OF THE BOARD OF DIRECTORS**

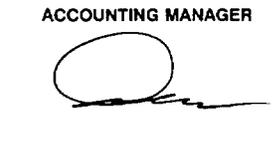
**GROUP FINANCIAL CONTROLLER**

**ACCOUNTING MANAGER**

  
MICHAEL J. MAILLIS  
ID. No Φ 022026

  
CHARALAMBOS STAVRINOUDAKIS  
ID. No Σ 208194

  
SOTIRIOS I. LEONARDOS  
ID. No Π 325521

  
NIKOLAOS V. MAROULIS  
Reg. No 9997046629 - A' CLASS

KRONOS S.A.

**SUMMARISED BALANCE SHEET AS AT 31 MARCH 2003 ATHENS P.C.S.A. 2716/06/B/86/43 (AMOUNTS IN EURO)**

ASSETS	31/03/2003	31/03/2002	CAPITAL AND LIABILITIES	31/03/2003	31/03/2002
<b>B. PRE OPERATING COSTS</b>			<b>A. CAPITAL &amp; RESERVES</b>		
Acquisition Cost	38.220.000	35.610.524	Share Capital		
Less: Depreciation until 31/03/2003	22.529.044	16.790.300	(72.647.660 sh. X 0,76 euro)	55.212.222	53.142.979
Net Value	15.690.956	18.820.224	Share premium reserve	144.877.197	145.334.489
<b>C. FIXED ASSETS</b>			Differences of revaluation-		
Acquisition Cost	101.441.543	94.497.836	Investment subsidiaries	5.731.458	9.235.822
Less: Depreciation until 31/03/2003	44.837.183	35.808.870	Reserves	18.661.636	21.433.038
Net Value	56.604.360	58.688.966	Own shares in hand	(11.834.218)	(8.192.335)
Participation and other long term acquisitions	150.169.763	106.831.346	Retained Profits	(1.081.494)	68.970
Total Fixed Assets	206.774.123	165.520.312	Profit 1/1-31/3/2003	110.801	667.837
<b>D. CURRENT ASSETS</b>			Total Capital & Reserves	211.677.602	221.690.800
Inventories	16.785.217	13.215.280	<b>B. PROVISIONS FOR RISK</b>	3.319.208	571.481
Receivables	90.834.456	98.137.575	<b>C. LIABILITIES</b>		
Securities	1.245.665	4.550.756	Long-term Liabilities	82.869.152	49.494.497
Cash	6.422.931	33.284.009	Short - term Liabilities	42.124.042	60.194.206
Total Current Assets	115.288.269	149.187.620	Total Liabilities	124.993.194	109.688.703
<b>E. PREPAYMENTS &amp; ACCRUED INCOME</b>	4.053.439	3.237.674	<b>D. ACCRUALS &amp; DEFERRED INCOME</b>	1.816.783	4.814.846
<b>GRAND TOTAL ASSETS</b>	341.806.787	336.765.830	<b>GRAND TOTAL CAPITAL AND LIABILITIES</b>	341.806.787	336.765.830

- NOTES:**
- 1) Net Fixed Asset investments increased approximately 1.020.000 eur in the period of 1 January to March 2003.
  - 2) The company has been tax audited up to the year ended 31 December, 2001.
  - 3) Encumbrances on the company/ s fixed assets as at 31 March, 2003 not exist.
  - 4) The previous fixed assets revaluation of land and buildings was carried out at 31 December, 2000, in accordance with law 2065/92 as amended by article 20 of law 2443/96.
  - 5) The number of employees of the company at 31 March, 2003 were 402.
  - 6) The company has made the necessary provisions for accrued expenses and accrued income as at 31 March 2003.
  - 7) The company consistently followed the fundamental accounting principles used in financial statements for the 2002 year.
  - 8) The depreciation charge for the period 1/1-31/3/2003 amounted eur 4.061.307 compared to eur 4.135.976 for the period 1/1-31/3/2002 and is accordingly allocated as follows: eur 2.384.136 to production cost compared to eur 2.347.086, eur 1.674.068 to administration expenses compared to eur 1.781.546 and eur 3.103 to selling expenses compared to eur 7.344.

**SUMMARISED FORIT AND LOSS ACCOUNT FOR THE PERIOD 1 JANUARY - 31 MARCH 2003**

	01/01/2003-31/03/2003	01/01/2002-31/03/2002
<b>I. OPERATING RESULTS</b>		
Turnover (net sales)	22.900.988	21.917.732
Less: Cost of Sales	18.305.222	17.042.967
Gross margin profit or (loss)	4.595.766	4.874.765
Plus: Other operating income	309.105	91.052
Total	4.904.871	4.965.817
Less: 1. Administrative expenses	2.768.708	2.386.019
3. Distribution expenses	1.987.778	4.756.486
Subtotal profit or (loss)	148.385	2.325.857
Plus: 3. Profit from sale of bonds	0	99
4. Interest & other similar inc.	786.659	786.659
Less:		
1. Participation and securities value decline allowances	64.078	704.529
2. Expenses and losses from participations and securities	81.269	64.078
3. Interest & other similar exp.	781.853	81.269
Total operating results (profits)	7.844	592.302
<b>II. PLUS: EXTRAORDINARY RESULTS</b>		
1. Extraordinary and non-operation income	654.222	(737.649)
2. Prior year profits	143.550	220.920
3. Income prior period	781	
Less:		
1. Extraordinary and non-operating expenses	653.894	825.862
3. Prior year expenses	41.702	2.935
Total operating & non-operating results	110.801	36.756
<b>LESS:</b>		
Total depreciation	4.061.307	4.135.976
Less: Depreciation charged to operation cost	4.061.307	4.135.976
<b>NET PROFIT BEFORE TAXES</b>	110.801	667.837

Marousi, May 26, 2003

CHAIRMAN OF THE BOARD OF DIRECTORS  
AND MANAGING DIRECTOR

CHIEF FINANCIAL OFFICER  
& MEMBER OF THE BOARD OF DIRECTORS

FINANCIAL MANAGER

ACCOUNTING MANAGER

MICHAEL J. MAILLIS  
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ID. No Z 208194

PETROS I. DELIS  
ID. No P 578226

NIKOLAOS V. MAROULIS  
Reg. No 9997046629-A' CLASS

KRONOS S.A.

TABLE ON THE USE OF CAPITAL AS AT 31/12/2003 RAISED FROM THE INCREASE OF THE SHARE CAPITAL OF THE COMPANY

The 1st Repeat Extraordinary General Meeting of company shareholders as at 15 December 1999 resolved to increase the share capital by cash payment of GRD 50.7 bill. (148.79 mill. Euro) by the issue of 18,108,470 new ordinary unregistered shares of a nominal value of GRD 250 (0.7337 Euro) and an offering price of GRD 2,800 (8.217 Euro) each. The term for exercising the right of participation in the foregoing increase was from 13/4/2000 to 12/5/2000. The company Board certified the payment of the share capital increase on 15/5/2000. The newly issued shares were listed in the Stock Exchange on 29/5/2000 based on the resolution of 25/5/2000 of the Stock Exchange Board.

USE OF CAPITAL RAISED FROM THE SHARE CAPITAL INCREASE BY CASH PAYMENT

(Amounts in mill. Euro)	Use of Income from the Issue According to the Prospectus			Capital used 1/9-31/12/03	Capital used by 31/12/03
	TOTAL	2000	2001		
<b>A. Company Acquisitions</b>	<b>117.39</b>	<b>76.30</b>	<b>41.09</b>	<b>0.00</b>	<b>132.29</b>
A.1. Loan Repayment (Bridge Financing)	38.15	38.15	0.00	0.00	38.62
A.2. Company acquisitions	79.24	38.15	41.09	0.00	93.67
<b>B. Investments in fixed assets and mechanical equipment</b>	<b>26.41</b>	<b>11.74</b>	<b>14.67</b>	<b>0.00</b>	<b>10.57</b>
<b>C. Working Capital Aid</b>	<b>4.26</b>	<b>4.26</b>	<b>0.00</b>	<b>0.00</b>	<b>3.96</b>
<b>D. Issue expenses</b>	<b>0.73</b>	<b>0.73</b>	<b>0.00</b>	<b>0.00</b>	<b>0.73</b>
<b>Total Capital Used</b>	<b>148.79</b>	<b>93.03</b>	<b>55.76</b>	<b>0.00</b>	<b>147.55</b>
Unused Capital	0.00	0.00	0.00	1.24	1.24
<b>Total Capital</b>	<b>148.79</b>	<b>93.03</b>	<b>55.76</b>		<b>148.79</b>

The data shown above point to the delay in the schedule of implementation of announced investments in fixed assets and mechanical equipment: Specific acquisitions were delayed due to the longer period of evaluation and negotiation as well as to the co-examination of the international economic slowdown.

The investments envisaged in the prospectus were co-assessed in the context of a streamlining study for the production plants of the group further to the completion of specific acquisitions in 2000 and 2001. The conclusions of this study, which has been completed, regard strapping plastic band and film. More specifically, the acquisitions of Sander GmbH in Germany, which has installed (PET) plastic strapping band production, of Marflex in Poland and of United packaging PLC in Gr. Britain, which have installed (PET) plastic strapping band, film and Blown/Shrink film production plants. In the light of these acquisitions the current needs in (PET) plastic strapping band and film are met, as a result of which, investments originally incorporated into the prospectus being now differentiated, as shown in the table that follows.

(Amounts in mill. Euro)	Use of funds according to the prospectus	Use of funds by 31/12/2003
- Metal strapping band	2.35	2.17
- (PET) Plastic strapping band	4.40	0.69
- Stretch film	10.86	2.97
- Shrink film	4.70	0.46
- Other investments		
(PP) Plastic strapping band	4.10	1.34
Other investments		2.94
<b>TOTAL</b>	<b>26.41</b>	<b>10.57</b>

The discrepancy resulting from the afore-mentioned investment plan was fed into company acquisitions and into further strengthening the network of subsidiary companies through Share Capital increases by resolution of the company Board. The unused capital in the amount of 1.24 mill. Euro has been invested in finance/banking products which will be used for the acquisition of the remaining 40% of the Share Capital of Columbia SRL, according to the terms of the Acquisition Agreement of 19/5/2003, totalling € 2.8 mill.

Table (A) below shows all companies acquired and the capital used for the acquisition of each company and table (B) shows the capital used for participation in share capital increases of the subsidiaries.

A. ACQUISITIONS	mill. €	B. PARTICIPATION IN SHARE CAPITAL INCREASES	mill. €
SIAT Loan Repayment (Bridge finance)	38.62		
SANDER GMBH	16.58	M.J.MAILLIS ESPANA	1.35
MARFLEX SPZOO	5.05*	M.J.MAILLIS CZECH SRO	2.00
NYDENS FORPACKING AB	0.18	SANDER PACKAGING B.V.	0.67
SANDER BV	0.03	M.J.MAILLIS FRANCE SAS	1.09
EUROPACK SA	2.91	MARFLEX M.J.MAILLIS GROUP SPZOO	16.19
UNITED PACKAGING PLC	6.16	M.J.MAILLIS HUNGARY KFT	1.29
SAMUEL STRAPPING SYSTEMS (UK) LTD	16.46	SANDER MAILLIS HOLDING GMBH	4.40
OY ASTRAP AB	0.23	M.J.MAILLIS ALBANIA	0.06
WULFTEC INTERNATIONAL INC	16.50	M.J.MAILLIS SVERIGE AB	0.82
COLUMBIA SRL	0.70	OY ASTRAP AB	1.00
<b>Total amount of acquisitions</b>	<b>64.80</b>	<b>Total capital increases</b>	<b>28.87</b>

\* The total acquisition value was approximately 17.5 mill Euro of which the amount of 12.45 mill. Euro was covered by bank loans.

Kifissia, February 24 2004

THE CHAIRMAN OF THE BOARD & CEO	THE GROUP FINANCIAL MANAGER & BOARD MEMBER	THE FINANCIAL MANAGER FOR GREECE	THE CHIEF ACCOUNTANT
M.J.MAILLIS I.C.N. Φ 020206	HARALAMBOS STAVRINOUDAKIS I.C.N Σ 208194	PETROS DELIS I.C.N P 578226	NIC.V.MAROULIS A' Class Reg. No 9997046629

**CERTIFICATE OF CERTIFIED AUDITOR ON THE USE OF CAPITAL RAISED FROM THE SHARE CAPITAL INCREASE OF THE COMPANY M. J. MAILLIS SA - PACKING SYSTEMS**

The audit conducted on the books and records of the company M. J. MAILLIS SA - PACKING SYSTEMS showed that the capital raised by the company's share capital increase, realized according to the resolution of the Extraordinary General Meeting of shareholders of 15 December 1999 and approved by the Board of Directors of the Athens Stock Exchange amounted to € 148,055,759 (GRD 50,450,000,000). The aforementioned share capital increase was completed on May 15th, 2000. The table below shows the use made of the capital raised as well as that envisaged in the corresponding Prospectus.

Increase in equity	Use of raised capital made in the period 16 May 2000 - 31 December 2003	Envisaged use according to the Prospectus for the period 2000 - 2001
	Euro	Euro
(a) Company acquisitions	132.29 mill.	117.39 mill.
(b) Investments in fixed assets and mechanical equipment	10.57 mill.	26.41 mill.
(c) Working capital aid	3.96 mill.	4.26 mill.
(d) Current placements	1.24 mill.	
<b>Total</b>	<b>148.06 mill.</b>	<b>148.06 mill.</b>

Athens, 26 February 2004  
THE CHARTERED AUDITOR - ACCOUNTANT  
KYRIAKOS RIRIS  
ACA RN 12111

**PRICEWATERHOUSECOOPERS** 

Auditors' Societe Anonyme  
Certified Auditors

TABLE ON THE USE OF CAPITAL AS AT 30/09/2003 RAISED FROM THE INCREASE OF THE SHARE CAPITAL OF THE COMPANY

The 1st Repeat Extraordinary General Meeting of company shareholders as at 15 December 1999 resolved to increase the share capital by cash payment of GRD 50.7 billi (148.79 mill. Euro) by the issue of 18,108,470 new ordinary unregistered shares of a nominal value of GRD 250 (0.7337 Euro) and an offering price of GRD 2,800 (8.217 Euro) each. The term for exercising the right of participation in the foregoing increase lasted from 13/4/2000 to 12/5/2000. The payment of the share capital increase was certified by the company Board on 15/5/2000. The newly issued shares were listed in the Stock Exchange on 29/5/2000 based on the resolution of 25/5/2000 of the Stock Exchange Board.

USE OF CAPITAL RAISED FROM THE SHARE CAPITAL INCREASE BY CASH PAYMENT

(Amounts in mill. Euro)	Use of Income from the Issue According to the Prospectus			Capital used 1/7/03-30/09/03	Capital used by 30/09/03
	TOTAL	2000	2001		
<b>A. Company Acquisitions</b>	<b>117.39</b>	<b>76.30</b>	<b>41.09</b>	<b>0.00</b>	<b>132.29</b>
A.1. Loan Repayment (Bridge Financing)	38.15	38.15	0.00	0.00	38.62
A.2. Company acquisitions	79.24	38.15	41.09	0.00	93.67
<b>B. Investments in fixed assets and mechanical equipment</b>	<b>26.41</b>	<b>11.74</b>	<b>14.67</b>	<b>0.00</b>	<b>10.57</b>
<b>C. Working capital aid</b>	<b>4.26</b>	<b>4.26</b>	<b>0.00</b>	<b>0.00</b>	<b>3.96</b>
<b>D. Issue expenses</b>	<b>0.73</b>	<b>0.73</b>	<b>0.00</b>	<b>0.00</b>	<b>0.73</b>
<b>Total Capital Used</b>	<b>148.79</b>	<b>93.03</b>	<b>55.76</b>	<b>0.00</b>	<b>147.55</b>
Unused Capital	0.00	0.00	0.00	1.24	1.24
<b>Total Capital</b>	<b>148.79</b>	<b>93.03</b>	<b>55.76</b>		<b>148.79</b>

The data shown above point to the delay in the schedule of implementation of announced investments in fixed assets and mechanical equipment. Specific acquisitions were delayed due to the longer period of evaluation and negotiation as well as to the co-examination of the international economic slowdown.

The investments envisaged in the prospectus were co-assessed in the context of a streamlining study for the production plants of the group further to the completion of specific acquisitions in 2000 and 2001. The conclusions of this study, which has been completed, regard strapping plastic band and film.

More specifically, the acquisitions of Sander GmbH in Germany, which has installed (PET) plastic strapping band production, of Marflex in Poland and of United packaging PLC in Gr. Britain, which have installed (PET) plastic strapping band, film and Blown/Shrink film production plants. In the light of these acquisitions the current needs in (PET) plastic strapping band and film are met, as a result of which, investments originally incorporated into the prospectus being now differentiated, as shown in the table that follows.

(Amounts in mill. Euro)	USE OF FUNDS ACCORDING TO THE PROSPECTUS	USE OF FUNDS BY 30/9/2003
- Metal strapping band	2.35	2.17
- (PET) Plastic strapping band	4.40	0.69
- Stretch film	10.86	2.97
- Shrink film	4.70	0.46
- Other investments		
(PP) Plastic strapping band	4.10	1.34
Other investments		2.94
<b>TOTAL</b>	<b>26.41</b>	<b>10.57</b>

The discrepancy resulting from the afore-mentioned investment plan was fed into company acquisitions and into further strengthening the network of subsidiary companies through Share Capital increases by resolution of the company Board.

The unused capital in the amount of 1.24 mill. Euro has been invested in a time deposit account in Royal Bank, which will be used for the acquisition of the remaining 40% of the Share Capital of Columbia SRL, according to the terms of the Acquisition Agreement of 19/5/2003, totalling € 2.8 mill.

Table (A) below shows all companies acquired and the capital used for the acquisition of each company and table (B) shows the capital used for participation in share capital increases of the subsidiaries.

A. ACQUISITIONS	mill. €	B. PARTICIPATION IN SHARE CAPITAL INCREASES	mill. €
SIAT Loan Repayment (Bridge finance)	38.62	M.J.MAILLIS ESPANA	1.35
SANDER GMBH	16.58	M.J.MAILLIS CZECH SRO	2.00
MARFLEX SPZOO	5.05*	SANDER PACKAGING B.V.	0.67
NYDENS FORPACKING AB	0.18	M.J.MAILLIS FRANCE SAS	1.09
SANDER BV	0.03	MARFLEX M.J.MAILLIS GROUP SPZOO	16.19
EUROPACK S.A	2.91	M.J.MAILLIS HUNGARY KFT	1.29
UNITED PACKAGING PLC	6.16	SANDER MAILLIS HOLDING GMBH	4.40
SAMUEL STRAPPING SYSTEMS (UK) LTD	16.46	M.J.MAILLIS ALBANIA	0.06
OY ASTRAP AB	0.23	M.J.MAILLIS SVERIGE AB	0.82
WULFTEC INTERNATIONAL INC	16.50	OY ASTRAP AB	1.00
COLUMBIA SRL	0.70	<b>Total capital increases</b>	<b>28.87</b>
<b>Total amount of acquisitions</b>	<b>64.80</b>		

\* Total acquisition value amounted to € 17.5 mill. approximately from which, € 12.45 mill. was covered by bank loans.

Kifissia, 24 November 2003

THE CHAIRMAN OF THE BOARD & CEO	THE GROUP FINANCIAL MANAGER & BOARD MEMBER	THE FINANCIAL MANAGER FOR GREECE	THE CHIEF ACCOUNTANT
M.J.MAILLIS I.C.N Φ 020206	HARALAMBOS STAVRINOUDAKIS I.C.N Σ 208194	PETROS DELIS I.C.N P 578226	NIC.V.MAROULIS A' Class Reg. No 9997046629

**CERTIFICATE OF CERTIFIED AUDITOR ON THE USE OF CAPITAL RAISED FROM THE SHARE CAPITAL INCREASE OF THE COMPANY  
M. J. MAILLIS SA - PACKING SYSTEMS**

The audit conducted on the books and records of the company M. J. MAILLIS SA - PACKING SYSTEMS showed that the capital raised by the company's share capital increase, realized according to the resolution of the Extraordinary General Meeting of shareholders of 15 December 1999 and approved by the Board of Directors of the Athens Stock Exchange amounted to GRD 50,450,000,000. The afore-mentioned share capital increase was completed on 15 May 2000. The table below shows the use made of the capital raised as well as that envisaged in the corresponding Prospectus.

Increase of equity	Use of raised capital made in the period 16 May 2000 - 30 September 2003	Envisaged use according to the Prospectus for the period 2000 - 2001
	Euro	Euro
(a) Company acquisitions	132.29 mill.	117.39 mill.
(b) Investments in fixed assets and mechanical equipment	10.57 mill.	26.41 mill.
(c) Working capital aid	3.96 mill.	4.26 mill.
(d) Current placements	1.24 mill.	
<b>Total</b>	<b>148.06 mill.</b>	<b>148.06 mill.</b>

Athens, 25 November 2003  
THE CHARTERED AUDITOR - ACCOUNTANT

KYRIAKOS RIRIS  
ACA RN 12111

**PRICEWATERHOUSECOOPERS** 

Auditors' Societe Anonyme  
Certified Auditors

TABLE ON THE USE OF CAPITAL AS AT 30/06/2003 RAISED FROM THE INCREASE OF THE SHARE CAPITAL OF THE COMPANY

The 1st Repeat Extraordinary General Meeting of company shareholders as at 15 December 1999 resolved to increase the share capital by cash payment of GRD 50.7 bill. (148.79 mill. Euro) by the issue of 18,108,470 new ordinary unregistered shares of a nominal value of GRD 250 (0.7337 Euro) and an offering price of GRD 2,800 (8,217 Euro) each. The term for exercising the right of participation in the foregoing increase lasted from 13/4/2000 to 12/5/2000. The payment of the share capital increase was certified by the company Board on 15/5/2000. The newly issued shares were listed in the Stock Exchange on 29/5/2000 based on the resolution of 25/5/2000 of the Stock Exchange Board.

USE OF CAPITAL RAISED FROM THE SHARE CAPITAL INCREASE BY CASH PAYMENT

(Amounts in mill. Euro)	Use of Income from the Issue According to the Prospectus			Capital used 1/4/03-30/06/03	Capital used by 30/06/03
	TOTAL	2000	2001		
<b>A. Company Acquisitions</b>	<b>117.39</b>	<b>76.30</b>	<b>41.09</b>	<b>0.00</b>	<b>132.29</b>
A.1. Loan Repayment					
(Bridge Financing)	38.15	38.15	0.00	0.00	38.62
A.2. Company acquisitions	79.24	38.15	41.09	0.52	93.67
<b>B. Investments in fixed assets and mechanical equipment</b>	<b>26.41</b>	<b>11.74</b>	<b>14.67</b>	<b>0.00</b>	<b>10.57</b>
C. Working capital aid	4.26	4.26	0.00	0.00	3.96
D. Issue expenses	0.73	0.73	0.00	0.00	0.73
<b>Total Capital Used</b>	<b>148.79</b>	<b>93.03</b>	<b>55.76</b>	<b>0.52</b>	<b>147.55</b>
Unused Capital	0.00	0.00	0.00	1.24	1.24
<b>Total Capital</b>	<b>148.79</b>	<b>93.03</b>	<b>55.76</b>		<b>148.79</b>

The data shown above point to the delay in the schedule of implementation of announced investments in fixed assets and mechanical equipment. Specific acquisitions were delayed due to the longer period of evaluation and negotiation as well as to the co-examination of the international economic slowdown.

The investments envisaged in the prospectus were co-assessed in the context of a streamlining study for the production plants of the group further to the completion of specific acquisitions in 2000 and 2001. The conclusions of this study, which has been completed, regard strapping plastic band and film.

More specifically, the acquisitions of Sander GmbH in Germany, which has installed (PET) plastic strapping band production, of Marflex in Poland and of United packaging PLC in Gr. Britain, which have installed (PET) plastic strapping band, film and Blown/Shrink film production plants. In the light of these acquisitions the current needs in (PET) plastic strapping band and film are met, as a result of which, investments originally incorporated into the prospectus being now differentiated, as shown in the table that follows.

(Amounts in mill. Euro)	USE OF FUNDS ACCORDING TO THE PROSPECTUS	USE OF FUNDS BY 30/6/2003
- Metal strapping band	2.35	2.17
- (PET) Plastic strapping band	4.40	0.69
- Stretch film	10.86	2.97
- Shrink film	4.70	0.46
- Other investments		
(PP) Plastic strapping band	4.10	1.34
Other investments		2.94
<b>TOTAL</b>	<b>26.41</b>	<b>10.57</b>

The discrepancy resulting from the afore-mentioned investment plan was fed into company acquisitions and into further strengthening the network of subsidiary companies through Share Capital increases by resolution of the company Board.

The unused capital in the amount of 1.24 mill. Euro has been invested in a time deposit account in Royal Bank, which will be used for the acquisition of the remaining 40% of the Share Capital of Columbia SRL, according to the terms of the Acquisition Agreement of 19/5/2003, totalling € 2.8 mill.

Table (A) below shows all companies acquired and the capital used for the acquisition of each company and table (B) shows the capital used for participation in share capital increases of the subsidiaries.

A. ACQUISITIONS	mill. €	B. PARTICIPATION IN SHARE CAPITAL INCREASES	mill. €
SIAT Loan Repayment (Bridge finance)	38.62		
SANDER GMBH	16.58	M.J.MAILLIS ESPANA	135
MARFLEX SPZOO	5.05*	M.J.MAILLIS CZECH SRO	2.00
NYDENS FORPACKING AB	0.18	SANDER PACKAGING B.V.	0.67
SANDER BV	0.03	M.J.MAILLIS FRANCE SAS	1.09
EUROPACK	2.91	MARFLEX M.J.MAILLIS GROUP SPZOO	16.19
UNITED PACKAGING PLC	6.16	M.J.MAILLIS HUNGARY KFT	1.29
SAMUEL STRAPPING SYSTEMS (UK) LTD	16.46	SANDER MAILLIS HOLDING GMBH	4.40
OY ASTRAP AB	0.23	M.J.MAILLIS ALBANIA	0.06
WULFTEC INTERNATIONAL INC	16.50	M.J.MAILLIS SVERIGE AB	0.82
COLUMBIA SRL	0.70	OY ASTRAP AB	1.00
<b>Total amount of acquisitions</b>	<b>64.80</b>	<b>Total capital increases</b>	<b>28.87</b>

\* Total acquisition value amounted to € 17.5 mill. approximately from which, € 12.45 mill. was covered by bank loans.

Kifissia, 25 August 2003

THE CHAIRMAN OF THE  
BOARD & CEO

THE GROUP FINANCIAL  
MANAGER & BOARD  
MEMBER

THE FINANCIAL MANAGER  
FOR GREECE

THE CHIEF ACCOUNTANT

M.J.MAILLIS  
I.C.N Φ 020206

HARALAMBOS STAVRINOUDAKIS  
I.C.N Σ 208194

PETROS DELIS  
I.C.N P 578226

NIC.V.MAROULIS  
A' Class Reg. No 9997046629

**CERTIFICATE OF CERTIFIED AUDITOR ON THE USE OF CAPITAL RAISED FROM THE SHARE CAPITAL INCREASE OF THE COMPANY  
M. J. MAILLIS SA - PACKING SYSTEMS**

The audit conducted on the books and records of the company M. J. MAILLIS SA - PACKING SYSTEMS showed that the capital raised by the company's share capital increase, realized according to the resolution of the Extraordinary General Meeting of shareholders of 15 December 1999 and approved by the Board of Directors of the Athens Stock Exchange amounted to GRD 50,450,000,000. The afore-mentioned share capital increase was completed on 15 May 2000. The table below shows the use made of the capital raised as well as that envisaged in the corresponding Prospectus.

Increase of equity	Use of raised capital made in the period	Envisaged use according to the
	16 May 2000 - 30 June 2003	Prospectus for the period 2000 - 2001
	Euro	Euro
(a) Company acquisitions	132.29 mill.	117.39 mill.
(b) Investments in fixed assets and mechanical equipment	10.57 mill.	26.41 mill.
(c) Working capital aid	3.96 mill.	4.26 mill.
(d) Current placements	1.24 mill.	
<b>Total</b>	<b>148.06 mill.</b>	<b>148.06 mill.</b>

Athens, 26 August 2003

THE CHARTERED AUDITOR - ACCOUNTANT

KYRIAKOS RIRIS  
ACA RN 12111

**PRICEWATERHOUSECOOPERS** 

Auditors' Societe Anonyme  
Certified Auditors

TABLE ON THE USE OF CAPITAL AS AT 31/03/2003 RAISED FROM THE INCREASE OF THE SHARE CAPITAL OF THE COMPANY

The 1st Repeat Extraordinary General Meeting of company shareholders as at 15 December 1999 resolved to increase the share capital by cash payment of GRD 50.7 bill. (148.79 mill. Euro) by the issue of 18,108,470 new ordinary unregistered shares of a nominal value of GRD 250 (0.7337 Euro) and an offering price of GRD 2,800 (8,217 Euro) each. The term for exercising the right of participation in the foregoing increase lasted from 13/4/2000 to 12/5/2000. The payment of the share capital increase was certified by the company Board on 15/5/2000. The newly issued shares were listed in the Stock Exchange on 29/5/2000 based on the resolution of 25/5/2000 of the Stock Exchange Board.

USE OF CAPITAL RAISED FROM THE SHARE CAPITAL INCREASE BY CASH PAYMENT

(Amounts in mill. Euro)	Use of Income from the Issue According to the Prospectus			Capital used 1/1/03-31/03/03	Capital used by 31/03/03
	TOTAL	2000	2001		
<b>A. Company Acquisitions</b>	<b>117.39</b>	<b>76.30</b>	<b>41.09</b>	<b>0.00</b>	<b>131.77</b>
A.1. Loan Repayment (Bridge Financing)	38.15	38.15	0.00	0.00	38.62
A.2. Company acquisitions	79.24	38.15	41.09	0.00	93.15
<b>B. Investments in fixed assets and mechanical equipment</b>	<b>26.41</b>	<b>11.74</b>	<b>14.67</b>	<b>0.00</b>	<b>10.57</b>
<b>C. Working capital aid</b>	<b>4.26</b>	<b>4.26</b>	<b>0.00</b>	<b>0.00</b>	<b>3.96</b>
<b>D. Issue expenses</b>	<b>0.73</b>	<b>0.73</b>	<b>0.00</b>	<b>0.00</b>	<b>0.73</b>
<b>Total Capital Used</b>	<b>148.79</b>	<b>93.03</b>	<b>55.76</b>	<b>0.00</b>	<b>147.03</b>
Unused Capital	0.00	0.00	0.00	1.76	1.76
<b>Total Capital</b>	<b>148.79</b>	<b>93.03</b>	<b>55.76</b>		<b>148.79</b>

The data shown above point to the delay in the schedule of implementation of announced investments in fixed assets and mechanical equipment. Specific acquisitions were delayed due to the longer period of evaluation and negotiation as well as to the co-examination of the international economic slowdown.

The investments envisaged in the prospectus were co-assessed in the context of a streamlining study for the production plants of the group further to the completion of specific acquisitions in 2000 and 2001, also taking into consideration the current demand data. The conclusions of this study, which has been completed, regard strapping plastic band and film.

More specifically, the acquisitions of Sander GmbH in Germany, which has installed (PET) plastic strapping band production, of Marflex in Poland and of United packaging PLC in Gr. Britain, which have installed (PET) plastic strapping band, film and Blown/Shrink film production plants. In the light of these acquisitions the current needs in (PET) plastic strapping band and film are met, as a result of which, investments originally incorporated into the prospectus being now differentiated, as shown in the table that follows.

(Amounts in mill. Euro)	USE OF FUNDS ACCORDING TO THE PROSPECTUS		USE OF FUNDS BY 31/3/2003
- Metal strapping band	2.35		2.17
- (PET) Plastic strapping band	4.40		0.69
- Stretch film	10.86		2.97
- Shrink film	4.70		0.46
- Other investments			
(PP) Plastic strapping band	4.10		1.34
Other investments			2.94
<b>TOTAL</b>	<b>26.41</b>		<b>10.57</b>

The discrepancy resulting from the afore-mentioned investment plan was fed into company acquisitions and into further strengthening the network of subsidiary companies through Share Capital increases by resolution of the company Board.

The unused capital in the amount of 1.76 mill. Euro has been invested in finance banking products (mainly in SWAP deposits).

Table (A) below shows all companies acquired and the capital used for the acquisition of each company and table (B) shows the capital used for participation in share capital increases of the subsidiaries.

A. ACQUISITIONS	mill. €	B. PARTICIPATION IN SHARE CAPITAL INCREASES	mill. €
SIAT Loan Repayment (Bridge finance)	38.62	M.J.MAILLIS ESPANA	1.35
SANDER GMBH	16.58	M.J.MAILLIS CZECH SRO	2.00
MARFLEX SPZOO	5.05*	SANDER PACKAGING B.V.	0.67
NYDENS FORPACKING AB	0.18	M.J.MAILLIS FRANCE SAS	1.09
SANDER BV	0.03	MARFLEX M.J.MAILLIS GROUP SPZOO	16.19
EUROPACK	2.91	M.J.MAILLIS HUNGARY KFT	1.29
UNITED PACKAGING PLC	6.16	SANDER MAILLIS HOLDING GMBH	4.40
SAMUEL STRAPPING SYSTEMS (UK) LTD	16.46	M.J.MAILLIS ALBANIA	0.06
OY ASTRAP AB	0.23	M.J.MAILLIS SVERIGE AB	0.82
OMS MAILLIS AMERICA INC.	0.18	OY ASTRAP AB	1.00
WULFTEC INTERNATIONAL INC	16.50	<b>Total capital increases</b>	<b>28.87</b>
<b>Total amount of acquisitions</b>	<b>64.28</b>		

\* Total acquisition value amounted to € 17.5 mill. approximately from which, € 12.45 mill. was covered by bank loans.

Kifissia, 26 May 2003

THE CHAIRMAN OF THE BOARD & CEO

THE GROUP FINANCIAL MANAGER & BOARD MEMBER

THE FINANCIAL MANAGER FOR GREECE

THE CHIEF ACCOUNTANT

M.J.MAILLIS  
I.C.N Φ 020206

HARALAMBOS STAVRINOUDAKIS  
I.C.N Σ 208194

PETROS DELIS  
I.C.N P 578226

NIC.V.MAROULIS  
A' Class Reg. No 9997046629

**CERTIFICATE OF CERTIFIED AUDITOR ON THE USE OF CAPITAL RAISED FROM THE SHARE CAPITAL INCREASE OF THE COMPANY M. J. MAILLIS SA - PACKING SYSTEMS**

The audit conducted on the books and records of the company M. J. MAILLIS SA - PACKING SYSTEMS showed that the capital raised by the company's share capital increase, realized according to the resolution of the Extraordinary General Meeting of shareholders of 15 December 1999 and approved by the Board of Directors of the Athens Stock Exchange amounted to GRD 50,450,000,000. The afore-mentioned share capital increase was completed on 15 May 2000. The table below shows the use made of the capital raised as well as that envisaged in the corresponding Prospectus.

Increase of equity	Use of raised capital made in the period 16 May 2000 - 31 March 2003	Envisaged use according to the Prospectus for the period 2000 - 2001
	Euro	Euro
(a) Company acquisitions	131.77 mill.	117.39 mill.
(b) Investments in fixed assets and mechanical equipment	10.57 mill.	26.41 mill.
(c) Working capital aid	3.96 mill.	4.26 mill.
(d) Current placements	1.76 mill.	
<b>Total</b>	<b>148.06 mill.</b>	<b>148.06 mill.</b>

Athens, 27 May 2003

THE CHARTERED AUDITOR - ACCOUNTANT

KYRIAKOS RIRIS  
ACA RN 12111

**PRICEWATERHOUSECOOPERS** 

Auditors' Societe Anonyme  
Certified Auditors

## ANNEX

TO THE CONSOLIDATED FINANCIAL STATEMENTS OF M.J.MAILLIS S. A. AND ITS AFFILIATED COMPANIES STRAPTECH S. A, M.J.MAILLIS BULGARIA EOOD, M.J.MAILLIS ROMANIA S.A, HELERO BV, M.J.MAILLIS FRANCE SAS, MARFLEX M.J.MAILLIS POLAND SPZOO, M.J.MAILLIS ESPANA SL, M.J.MAILLIS CZECH SRO, M.J.MAILLIS ALBANIA LTD, M.J.MAILLIS HUNGARY KFT, EUROPACK S. A., COLUMBIA SRL, CONTIPAK MBH, M.J.MAILLIS FINLAND OY, M.J.MAILLIS SVERIGE AB, MAILLIS HOLDING GMBH, SANDER PACKAGING BV, SIAT SPA, SICME SRL, COMBI PACKAGING SYSTEMS, MEGA SRL, TAM SRL, SIAT USA, SIAT BENELUX, MAILLIS SANDER GMBH, SANDER GMBH & CO KG, SANDER NV, WULFTEC INTERNATIONAL INC, M.J.MAILLIS UK LTD, MAILLIS STRAPPING NETWORK LLP AS AT DECEMBER 31<sup>st</sup> 2003.

### I. INFORMATION ON THE COMPANIES INCLUDED IN THE CONSOLIDATION

I.I Article 107, para 1b: Information on the companies included in the consolidation under the "total incorporation" method.

Name	Registered office	Participating interest of holding company in the capital of the Subsidiary	Participating interest of the companies included in the consolidation other than the holding company or of persons acting on behalf thereof	Relationship dictating the consolidation : a) Relationship between holding - subsidiary companies (art. 42e para 5a) b) Single management or same administration, etc.
1. STRAPTECH SA	Greece	99,00%	Nil	A
2. M.J.MAILLIS BULGARIA EOOD	Bulgaria	100,00%	Nil	A
3. M.J.MAILLIS ROMANIA SA	Romania	81,67%	Nil	A
4. HELERO BV	Netherlands	100,00%	Nil	A
5. MARFLEX M.J.MAILLIS POLAND SPZOO	Poland	100,00%	Nil	A
6. M.J.MAILLIS ESPANA SL	Spain	100,00%	Nil	A
7. M.J.MAILLIS CZECH SRO	Czech Republic	100,00%	Nil	A
8. M.J.MAILLIS ALBANIA	Albania	100,00%	Nil	A
9. M.J.MAILLIS HUNGARY KFT	Hungary	100,00%	Nil	A
10. EUROPACK SA	Luxembourg	100,00%	Nil	A
11. COLUMBIA SRL	Italy	100,00%	Nil	A
12. CONTIPAK GMBH	Austria	100,00%	Nil	A
13. M.J.MAILLIS FINLAND OY	Finland	100,00%	Nil	A
14. M.J.MAILLIS SVERIGE AB	Sweden	100,00%	Nil	A
15. MAILLIS HOLDING GMBH	Germany	100,00%	Nil	A
16. M.J.MAILLIS UK LTD	UK	100,00%	Nil	A
17. SIAT SPA	Italy	100,00%	Nil	A
18. SICME SRL	Italy	60,00%	Nil	A
19. COMBI PACKAGING SYSTEMS	USA	50,00%	Nil	A
20. MEGA SRL	Italy	70,00%	Nil	A
21. TAM SRL	Italy	71,00%	Nil	A
22. SIAT BENELUX	Netherlands	51,00%	Nil	A
23. SIAT USA	USA	100,00%	Nil	A
24. SANDER PACKAGING B.V.	Netherlands	100,00%	Nil	A
25. WULFTEC INTERNATIONAL INC	Canada	100,00%	Nil	A
26. MAILLIS SANDER MBH	Germany	100,00%	Nil	A
27. SANDER GMBH & CO KG	Germany	100,00%	Nil	A
28. SANDER NV	Belgium	100,00%	Nil	A
29. M.J.MAILLIS FRANCE SAS	France	99,99%	Nil	A
30. MAILLIS STRAPPING NETWORK	USA	45,00%	Nil	A

According to German law regarding societe anonyme companies (Article 264 b HGB), Sander GmbH & Co. KG-Wuppertal, Maillis Holding GmbH-Wuppertal, Maillis Sander Verwaltungsgesellschaft mbH-Wuppertal are not required to draw up, audit or publish annual financial statements (Balance-sheet, profit and loss statement and notes on the Balance-sheet).

**1.2 Article 107, para 1 d:** Information on the companies incorporated by the "net worth" method.  
MAILLIS STRAPPING NETWORK LLP with a registered office in the US and a capital of Euro 208.695 owned at 45% by the Group's subsidiary Wulfec International Inc.

**1.3 Article 107, para 1 c and 97:** Information on the companies not merged for being deemed of secondary interest.  
**Not applicable.**

**1.4 Article 107, para 1 c and 98:** Information on the companies not merged, for carrying on business other than that of the other companies of the Group.

There were no companies which did not merge for carrying on business other than that of the other companies of the Group.

**1.5 Article 107, para 1 e:** Information on the companies where the merging companies (see para 1.1 above) and the companies exempt from the merger (see para 1.4 above) own directly or via third parties a total share of more than 10% of their capital.

**There were no such companies.**

**1.6 Article 104, para 7:** Closing date

The closing date for all consolidated financial statements is the closing date of the parent company, 31.12.2003.

**1.7 Article 104, para 9:** Changes in the composition of all merged enterprises in the course of the financial year 2003.

In the course of the financial year 2003 M.J.MAILLIS Group acquired the remaining 40% interest in COLUMBIA SRL  
GRAMEGNA SPA merged with SIAT SPA.  
M.J.MAILLIS ESPANA SL merged with ROCALU SL.

## 2. INFORMATION ON COMPANY ASSETS

**2.1 Article 105, para 3 and article 107, para 1:** The assets of the enterprises consolidated have been valued according to the valuation regulations of article 42e, para 14 and of article 43 with no derogation. All assets and liabilities, save for the share capital, were valued at the rate as of 31/12/2003. The share capital of the subsidiaries was valued at the rate as at the initial offsetting date. The operating results were valued at the mean rate for the year 2003.

**2.2 Article 107, para 1 jc:** Advances and credits to Board members.  
**None.**

## 3. INFORMATION ON COMPANY LIABILITIES AND PROVISIONS

**3.1 Article 107, para 1 a:** The Group has made no provision for compensating retiring staff members in the order of Euro 706,000 based on opinion 205/88 of the plenary of the Legal Consultants to the Management and on article 10 of L. 2065/92, for no staff member could establish a right to pension through the end of the following financial year.

**3.2 Article 107, para 1 a:** To cover any loss from doubtful debts, the group has made provision in the order of Euro 2,332,000.

**3.3 Article 107, para 1 f:** Long-term liabilities of more than 5 years.

- a) M.J.MAILLIS UK 500,000 Euro
- b) SANDER GMBH & CO KG 1,278,230 Euro

**3.4 Article 107, para 1 f:** Liabilities covered by collateral security.  
**None.**

**3.5 Article 107, para g:** Assumed liabilities not shown in the consolidated Balance-Sheet.  
**None.**

**3.6 Article 107, para 1 ja:** Any substantial tax amounts due and owing and tax amounts that may arise and be charged to the financial year ending and to previous financial years not appearing under liabilities and provisions.  
Of the companies constituting the consolidated Balance-Sheet, the parent company M.J. MAILLIS S.A has been audited for taxation through to the accounting year 2001.

Of the subsidiaries :

- a) M.J.MAILLIS BULGARIA EOOD has been tax audited through FY 2000.
- b) M.J.MAILLIS ROMANIA SA has been tax audited through FY 2001.
- c) STRAPTECH SA has been tax audited through FY 1999.
- d) M.J.MAILLIS ESPANA SL has been tax audited through FY 1998.
- e) MARFLEX M.J.MAILLIS POLAND Sp Zoo, has not been tax audited from its establishment in 1997 to date
- f) M.J.MAILLIS ALBANIA LTD has not been tax audited from its establishment in 1999 to date
- g) SANDER GMBH & CO KG has been tax audited through FY 1997.
- h) M.J.MAILLIS FRANCE SAS has not been tax audited from its establishment in 1998 to date.
- i) SIAT SPA has been tax audited through FY 2002.
- j) CONTIPAK MBH has been tax audited through FY 1999.
- ja) M.J. MAILLIS HUNGARY KFT has been tax audited through FY 2002.
- jb) M.J.MAILLIS CZECH SRO has been tax audited through FY 1998.
- jc) SANDER NV has been tax audited through FY 1999.
- jd) WULFTEC INTERNATIONAL INC. has been tax audited through FY 1998.
- je) M.J. MAILLIS SVERIGE AB has been tax audited through FY 2002.
- jf) COLUMBIA SRL has been tax audited through FY 2002.
- gj) SANDER PACKAGING BV has not been tax audited from its establishment to date.

#### 4. INFORMATION ON THE OPERATING RESULTS

4.1 Article 107, para 1 h: The consolidated turnover is to the amount of Euro 295,969,286 and is broken down per category of activity and geographical area as follows :

Industrial activity			
- domestic	Euro	9,826,180	
- abroad	Euro	235,828,327	245,654,507
Commercial activity			
- domestic	Euro	1,509,443	
- abroad	Euro	48,805,336	50,314,779
			<u>295,969,286</u>

4.2 Article 107, para 1 i: The mean number of staff employed in the course of the financial year 2003 by the merged enterprises per category is as follows :

-Salaried	964
-Wage-earners	1,072
	<u>2,036</u>

Wages and other personnel expenses amounted to Euro 48,753,962.

4.3 Article 105, para 5: No additional depreciation was calculated by the merged companies and no extraordinary provisions were made for taxation purposes.

4.4 Article 107, para 1 jb: The amounts paid in the course of the financial year as emoluments to members of management, administrative and overseeing boards of the holding company for the performance of their duties, both in the holding as well as in the affiliated enterprises, together with any liabilities for the compensation thereof due to retirement are the following :

- Board member salaries and emoluments Euro 375,886.44

No other amounts, other than the above, were given in any form to members of the Board of M.J. MAILLIS S. A.

## 5. DEROGATIONS FROM APPLICABLE LAW

(Articles 101 through 107, para's 1 and 2)

### 5.1 Article 100 para 5: Derogations from the provisions of articles 101 through 107, (para's 1 & 2).

The true picture of the structure of assets, of the financial standing and of the operating results of the merged enterprises to the effect of para 3 of article 100 has called for the following derogations :

- According to the provisions of article 103, para 3, the total positive and negative consolidation differences, if in the red, appears in the category "other intangible assets" and if in the black, in the category "equity" of the consolidated balance-sheet. The merger of M.J. MAILLIS SA with the companies mentioned in para 1.1 by the total incorporation method resulted in debit "consolidation differences" which, for the purposes of presenting the financial statements more accurately, were included in the liabilities of the consolidated balance-sheet, were deducted from equity and were included under the distinctive title "consolidation differences".

### BREAKDOWN OF CONSOLIDATION DIFFERENCES AS AT 31/12/2003

Name	Consolidation Differences
STRAPTECH SA	-249,838
M.J.MAILLIS BULGARIA EOOD	301,045
M.J.MAILLIS ROMANIA SA	-826,137
HELERO BV	16,356,662
M.J.MAILLIS FRANCE SAS	7,131,407
MARFLEX M.J.MAILLIS POLAND SPZOO	9,840,212
M.J.MAILLIS ESPANA SL	3,383,418
M.J.MAILLIS CZECH SRO	567,481
M.J.MAILLIS ALBANIA LTD	-709
M.J.MAILLIS HUNGARY KFT	176,818
EUROPACK SA	52,981,569
COLUMBIA SRL	2,112,434
CONTIPAK MBH	2,331,813
M.J.MAILLIS FINLAND OY	1,863,795
M.J.MAILLIS SVERIGE AB	1,079,756
MAILLIS HOLDING GMBH	23,344,688
SANDER PACKAGING BV	49
<b>TOTAL</b>	<b>120,394,464</b>

### 5.2 Article 104, para 4: writing off the (profit or loss) results arising from transactions between the merged companies.

The results arising from transactions between the companies merged have been written off.

### 5.3 Article 107 para 1 d: Other information on special provisions of applicable law considered necessary for providing more complete information to interested parties with regard to the companies merged by the "total incorporation" method, as well as for those shown by the "net worth" method.

#### Capital Increases :

In the course of the current financial year 2003 the following companies increased their share capital.

Name	Amount Increased (EURO)
CONTIPAK GMBH	2,000,000
M.J.MAILLIS SVERIGE AB	776,053
M.J. MAILLIS SA	173,872
<b>TOTAL</b>	<b>2,949,925</b>

No further relevant information is required beyond the above.

Athens, 24 February 2004

M.J.MALLIS  
CHAIRMAN OF THE  
BOARD & CEO

I.C.N Φ 020206

CHAR.STAVRINOUDAKIS  
GROUP FINANCIAL  
MANAGER & BOARD  
MEMBER

I.C.N Σ 208194

SOT.I.LEONARDOS  
GROUP ACCOUNTING  
SERVICES MANAGER

I.C.N Π 325521

NIK.V.MAROULIS  
ACCOUNTS DEPT.  
MANAGER

R.N. 9997046629

### CERTIFICATION

It is hereby certified that the foregoing annex consisting of (6) pages is the annex cited in the audit certificate of the consolidated financial statements issued and dated 26/2/2004.

Athens, 26 February 2004

THE CERTIFIED AUDITOR - ACCOUNTANT

KYRIAKOS RIRIS  
CABRN 12111

**PRICEWATERHOUSECOOPERS** 

DIRECTORS' REPORT OF THE BOARD OF DIRECTORS OF M.J.MAILLIS S.A.  
TO THE ORDINARY GENERAL MEETING ON THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR FY 2003

Dear Shareholders,

According to article 107 para 3 of C.L. 2190/1920, as superseded by article 35 of P.D. 409/86, we are submitting to your General Meeting the annexed consolidated financial statements of the company for the financial year from 1-1-2003 through 31-12-2003 together with our remarks thereon and kindly ask that you approve them.

I. BALANCE-SHEET

		Amounts in thous. Euro	
		<u>2003</u>	<u>2002</u>
ASSETS			
Assets amount to		349,517	346,081
LIABILITIES			
Liabilities amount to			
Equity		121,833	121,085
Provisions and Liabilities		<u>227,684</u>	<u>224,996</u>
		<u>349,517</u>	<u>346,081</u>
BREAKDOWN OF ASSETS			
B. Formation expenses	77,204		59,237
Less : Depreciation	<u>32,305</u>	44,899	<u>24,589</u> 34,648
C. Fixed assets	221,260		212,887
Less : Depreciation	<u>96,905</u>	124,355	<u>88,753</u> 124,134
D. Current assets (less bank & cash)		158,888	161,327
Bank & cash		14,130	20,066
E. Transitory asset accounts		7,245	5,906
		349,517	346,081
Liabilities are broken down into :			
A. EQUITY			
I. Paid-up share capital		55,386	55,212
II. Share premium		144,932	144,877
III. Reval. Discr. Investment Subsidies		8,265	11,905
IV. Reserves			
1. Statutory reserve	4,140		4,833
2. Sundry reserves	<u>15,470</u>	19,610	<u>16,673</u> 21,506
Own Shares		-13,047	-11,185
Consolidation Discrepancies		-120,394	-121,033
V. Profit carried forward		<u>27,081</u>	<u>19,803</u>
Total equity		<u>121,833</u>	<u>121,085</u>
B. PROVISIONS FOR CONTINGENCIES & EXPENSES			
		2,586	6,191
C. LIABILITIES			
I. Long-term		101,984	99,767
II. Current		<u>119,838</u>	<u>117,847</u>
		<u>221,822</u>	<u>217,614</u>
D. TRANSITORY LIABILITY ACCOUNTS			
		<u>3,276</u>	<u>1,191</u>
TOTAL LIABILITIES		<u>349,517</u>	<u>346,081</u>

## 2. PROFIT & LOSS ACCOUNT STATEMENT

A. TURNOVER (*)	Amounts in thous. Euro	
	2003	2002
Sale of Products- Goods & Services	295,969	310,880
LESS : COST OF GOODS SOLD	<u>213,331</u>	<u>218,794</u>
GROSS OPERATING PROFIT	<u>82,638</u>	<u>92,086</u>
NET PROFIT FOR THE YEAR BEFORE TAXES	<u>21,313</u>	<u>26,157</u>

Of the above mentioned sales 97% regard sales made outside of Greece.

### NOTE

1) Depreciation amounted to Euro 24,090,257 which was fully incorporated into the operating cost.

2) At the end of the accounting period 2003, there were no encumbrances on the fixed assets of the company.

## 3. RATIOS

	Amounts in thous. Euro	
	2003	2002
<b>a. Asset Consolidation Ratio</b>		
Fixed assets	<u>124,355</u>	<u>124,134</u>
Total assets	<u>349,517</u> 35.58%	<u>346,081</u> 35.87%
Current Assets	<u>173,018</u>	<u>181,392</u>
Total assets	<u>349,517</u> 49.50%	<u>346,081</u> 52.41%
<b>b. Gearing Ratio</b>		
Equity	<u>121,833</u>	<u>121,085</u>
Total Liabilities	<u>225,098</u> 54.12%	<u>218,805</u> 55.34%
<b>c. Fixed Asset Cover Ratio</b>		
Equity	<u>121,833</u>	<u>121,085</u>
Total Fixed Assets	<u>124,355</u> 97.97%	<u>124,134</u> 97.54%
<b>d. Current Liabilities Cover Ratio</b>		
Current Assets	<u>173,018</u>	<u>181,392</u>
Current Liabilities	<u>119,838</u> 144.38%	<u>117,847</u> 153.92%
<b>e. Gross Profit on Sales Ratio</b>		
Gross profit	<u>82,638</u>	<u>92,086</u>
Sales	<u>295,969</u> 27.90%	<u>310,880</u> 29.6%
<b>f. Gross Profit on Cost of Goods Sold Ratio</b>		
Gross profit	<u>82,638</u>	<u>92,086</u>
Cost of goods sold	<u>213,331</u> 38.74%	<u>218,794</u> 42.09%
<b>g. Equity Recycling Ratio</b>		
Sales	<u>295,969</u>	<u>310,880</u>
Equity	<u>121,833</u> 242.93%	<u>121,085</u> 256.75%
<b>h. Gross Profit before Depreciation on sales Ratio</b>		
Gross profit	<u>106,728</u>	<u>117,776</u>
Sales	<u>295,969</u> 36.06%	<u>310,880</u> 37.88%
<b>i. Mean term for the collection of debts ratio (DSO)</b>		
Amounts Due from Customers X 360	<u>76,317</u>	<u>74,407</u>
Sales	<u>295,969</u> 93	<u>310,880</u> 86
<b>j. Inventory Turnover Ratio</b>		
Cost of Invent. Sold	<u>213,331</u>	<u>218,794</u>
Inventories 31/12	<u>64,371</u> 3.31	<u>68,278</u> 3.20

#### 4. Progress of company operations - Company progress forecast

The main facts about the business and the results of the Group for the financial year 2003 are as follows :

Consolidated Group sales 296 mill. EURO against 310.9 mill. EURO for the year 2002

Consolidated earnings before taxes, interest and depreciation (E.B.I.T.D.A) 50 mill. EURO against 54,4 mill. EURO for the year 2002 corresponding to 17% of sales.

Consolidated pre-tax earnings 21.3 mill. EURO against 26.2 mill. EURO in 2002.

2003 was an especially difficult year for the world Economy marked by the recession and important incidents such as the war in Iraq and, of course, the significant revaluation of the Euro. It was only logical for the negative economic climate to affect a chiefly exports-oriented Group like M.J.Maillis. Besides, as it is known 97% of M.J.MAILLIS Group operations are carried out outside Greece.

In fact, if we exclude the impact of the extensive devaluation of the dollar in the same period, of the Pound sterling as well as of several currencies of Eastern Countries, sales would have reached the level of 318 mill. Euro. The main effect on profits was the result of significant foreign exchange differences in the absence of which, profitability ratios would have remained unchanged from 2002 levels.

During this difficult year the Group materialized substantial industrial investments, mainly in Italy (SIAT), as well as highly cost effective investments in infrastructure and reorganization.

At the same time, efforts to streamline the Group have already been paying off with an obvious reduction in cost and expenses even in absolute terms.

#### B) PROGRESS OF OPERATIONS ENVISAGED FOR 2004

A new growth cycle began in 2004 for both the Company and the Group aiming to substantially improve liquidity. The key drivers of this new growth cycle are the following :

- Exploit the Group's accumulated huge potential.
- The establishment in North America of the same operational framework as the successful structure in Europe (manufacturing of machinery, materials and a strong distribution network providing complete "end-of-line" industrial solutions)
- Selective acquisitions

In the period from the beginning of 2004 to date no significant events took place that should have impacted company operations or finances.

Athens, 24 February 2004

CHAIRMAN OF THE BOARD & CEO  
M.J.MAILLIS

THE GROUP FINANCIAL MANAGER  
& BOARD MEMBER  
CHAR. STAVRINOUDAKIS

GROUP ACCOUNTING  
SERVICES MANAGER  
SOT. I. LEONARDOS

CHIEF  
ACCOUNTANT  
NIC. V. MAROULIS

ID CARD NO. Φ 020206

ID CARD NO. Σ 208194

ID CARD NO. Π 325521

R.N 9997046629

#### CERTIFICATION

It is certified that the foregoing Directors' Report consisting of (3) pages is the report cited in the consolidated financial statements' audit certificate granted by myself and dated 26/02/2004.

Athens, 26 February 2004

THE CHARTERED AUDITOR - ACCOUNTANT

KYRIAKOS RIRIS  
ACA RN 12111

**PRICEWATERHOUSECOOPERS** 

AUDITORS SOCIETE ANONYME

ANNEX

TO THE BALANCE-SHEET AS AT 31 DECEMBER 2003 AND  
OF THE PROFIT AND LOSS STATEMENT I.I.2003-31.12.2003  
(Based on the provisions of E. L. 2190/1920, as applicable)

FULL ANNEX

§ 1. Legal drawing up and structure of financial statements. Derogations made in the interests of giving a true picture

- (a) **Article 42a para 3:** Derogation from the relevant provisions on drawing up the annual financial statements deemed necessary for showing, in absolute clarity, the true picture required under the provisions of para 2 of the present article.  
None.
- (b) **Article 42b para 1:** Derogation from the principle of the unchanging structure and form of presentation of the balance-sheet and of the "profit and loss" statement.  
None.
- (c) **Article 42b para 2:** Entering in the appropriate account data relating to several special accounts.  
Not applicable.
- (d) **Article 42b para 3:** Adjustment to the structure and titles of accounts with Arabic numerals, when required by the special nature of the business.  
Not applicable.
- (e) **Article 42b para 4:** Abridged accounts of the balance-sheet corresponding to Arabic numerals, for which the requirements of the present article are met.  
None.
- (f) **Article 42b para 5:** Revised line items from the previous financial year to make them similar and comparable to the corresponding line items of the ending financial year.  
Not required.
- (g) **Article 43b para 2 added to article 6, P.D. 325/1994:** Drachma - Euro parity if the annual financial statements were also published in Euro. The annual financial statements were issued in Euros only.

§ 2. Valuation of assets

- (a) **Article 43a para 1-a:** Methods of valuation of assets and calculation of depreciation and of provisions for their devaluation.
  - (1) **Fixed assets** were valued at their cost value or at their cost of own construction or at their revaluated cost based on L. 1249/1982, Ministerial decree E. 2665/84/1998 and L. 2065/92, increased by the value of additions and improvements and decreased by the depreciation envisaged by law.
  - (2) There was no need to form devaluation provisions.
  - (3) **Securities** were valued at cost value or market price, the lowest of the two for each type. The market price considered was the mean net value in the last month of the financial year.
  - (4) **Holdings** in affiliated enterprises have been valued at cost value.
  - (5) **Inventories arising from acquisition's** (merchandise, raw and auxiliary materials, packaging materials, consumables and fixed asset parts) were valued at cost value, market price at year-end or net realizable value, whichever was lowest for each type. The cost value was determined on the basis of the mean monthly weighted price.
  - (6) **Inventories arising from own production**, as well as waste and by-products, were valued at their production cost, reproduction

cost at year-end or at their net realizable value, whichever was lowest for each type.

- (b) **Article 43a para 1-a:** Conversion basis into Euros of assets denominated in foreign currencies (F.C.) and accounting of exchange differences.
- (l) **Receivables and liabilities in F.C.** were valued on the basis of the official F.C. rate as at 31/12/2003 resulting into exchange differences. The accounting thereof was : entering exchange differences per foreign currency in the account 44.14 "Provisions for exchange differences resulting from the valuation of receivables and liabilities". Following the set-off of debit and credit exchange differences for each currency, the debit balances in the amount of Euro 5,410,862.78 were carried over to the Profit & Loss Statement while the above account remained in credit with Euro 935.93.
- (c) **Article 43 para 2:** Derogation from the methods and basic principles of valuation. Application of special valuation methods.  
Not applicable.
- (d) **Article 43 para 7-b:** Change in the method of calculation of the cost value or the production cost of inventories or securities.  
None.
- (e) **Article 43 para 7-c:** Presentation of the difference between the valuation value of inventories and securities and their current market price, if significant.  
Not significant.
- (f) **Article 43 para 9:** Breakdown and analysis of the revaluation of fixed assets carried out in the course of the financial year on the basis of a special law and presentation of the statement of the "Revaluation differences" account.  
None.

§ 3. Fixed assets and formation expenses

- (a) **Article 42e para 8:** Changes in fixed assets of (multiple-year depreciation) formation expenses.  
The relevant multiple-column tables containing the information required by law are shown below.

**MULTIPLE-YEAR DEPRECIATION**

Category	Description of fixed	Depr. Ratio	Year acquired	Accum. Cost 3/1/2/2002	Increases 2003	Accum. Cost 3/1/2/2003	Accum. Depreciation 2003	Accum. Depreciation 3/1/2/2003	Net Balance 3/1/2/2003
160100	INDUSTRIAL RIGHTS	20%	1993	4,548.54		4,548.54		-4,548.54	0.00
		20%	1994	2,201.03		2,201.03		-2,201.03	0.00
		20%	1995	88,816.19		88,816.19		-88,816.19	0.00
		20%	1996	987.79		987.79		-987.79	0.00
		20%	1997	2,230.37		2,230.37		-2,230.37	0.00
		20%	1998	5,693.32		5,693.32	-1,138.66	-5,693.31	0.01
		20%	1999	3,022.74		3,022.74	-604.55	-2,418.20	604.54
		20%	2000	2,024.94		2,024.94	-404.99	-1,214.97	809.97
		20%	2001	4,402.05		4,402.05	-880.41	-1,760.82	2,641.23
		20%	2002	429.60		429.60	-85.92	-114.56	315.04
161000	FORMATION AND ESTABLISHM.	20%	2003	3,200.00	3,200.00	3,200.00		-440.21	3,200.00
		20%	1993	440.21		440.21		-440.21	0.00
		20%	1994	11,167.99		11,167.99		-11,167.99	0.00
		20%	1995	2,606.73		2,606.73		-2,606.73	0.00
		20%	1996	980.46		980.46		-980.46	0.00
		20%	1997	113,479.04		113,479.04		-113,479.04	0.00
		20%	1998	88,826.16		88,826.16	-17,765.23	-88,826.15	0.01
		20%	1999	20,879.35		20,879.35	-4,175.87	-16,703.49	4,175.86
		20%	2000	13,206.16		13,206.16	-2,641.23	-7,923.69	5,282.47
		20%	2001	118,833.93		118,833.93	-23,766.79	-47,533.58	71,300.35
		20%	2002	47,705.07	101,755.63	149,460.70	-9,541.01	-9,541.01	139,919.69
		20%	2003	27,181.10	27,181.10	27,181.10		-2,641.23	27,181.10
161200	OTHER EXPENSES	20%	1994	2,641.23		2,641.23		-2,641.23	0.00
		20%	1995	1,173.88		1,173.88		-1,173.88	0.00
		20%	1997	5,404.49		5,404.49		-5,404.49	0.00
		20%	1999	47,233.26		47,233.26	-9,446.65	-37,786.60	9,446.66
		20%	2001	779,691.03		779,691.03	-155,938.21	-311,876.42	467,814.61
		20%	2002	662,411.19	592,888.48	662,411.19	-13,904.54	-13,904.54	648,492.65
		20%	2003	335,795.45	335,795.45	335,795.45		-9,254.89	335,795.45
161300	CAP. INCREASES & BOND LOAN ISSUE	20%	1994	96,254.89		96,254.89		-96,254.89	0.00
		20%	1995	75,762.24		75,762.24		-75,762.24	0.00
		20%	1996	326,420.83		326,420.83		-326,420.83	0.00
		20%	1997	627,533.47		627,533.47		-627,533.47	0.00
		20%	1998	460,262.44		460,262.44	-92,052.48	-460,262.43	0.01
		20%	1999	494,620.54		494,620.54	-98,924.11	-395,696.43	98,924.11
		20%	2000	820,947.28		820,947.28	-164,189.46	-492,568.38	328,378.90
		20%	2001	168,186.00		168,186.00	-33,637.20	-67,274.40	100,911.60
		20%	2002	7,492.88	1,897.29	9,390.17	-1,498.58	-1,498.58	7,891.59
161400	ASSET EXPENSES	20%	2003	860.64	860.64	860.64		-2,897.75	860.64
		20%	1993	2,897.75		2,897.75		-2,897.75	0.00
		20%	1994	469.55		469.55		-469.55	0.00
		20%	1995	39,158.83		39,158.83		-39,158.83	0.00
		20%	1996	22,477.92		22,477.92		-22,477.92	0.00
		20%	1997	648.39		648.39		-648.39	0.00
		20%	1998	10,171.23		10,171.23		-10,171.23	0.00

161500	EXCH. DIFFER	20%	2002	9,026.01	9,026.01	0.00	-1,805.20	-1,805.20	7,220.81
	FIXED ASSET	20%	1996	14,231.30	14,231.30	0.00	-14,231.30	-14,231.30	0.00
		20%	1997	78,884.95	78,884.95	0.00	-78,884.94	-78,884.94	0.01
		20%	1998	1,355,430.08	1,355,430.08	-1,310,249.08	-45,180.99	-1,355,430.07	0.01
		20%	2000	969,158.30	969,158.30	-387,663.32	-193,831.66	-581,494.98	387,663.32
161700	REORG	20%	1994	17,484.43	17,484.43	-17,484.43	-17,484.43	-17,484.43	0.00
	EXPENSES	20%	1995	33,933.99	33,933.99	-33,933.99	-33,933.99	-33,933.99	0.00
		20%	1996	329,215.67	329,215.67	-329,215.66	-329,215.66	-329,215.66	0.01
		20%	1997	460,997.47	460,997.47	-460,997.47	-460,997.47	-460,997.47	0.00
		20%	1998	810,268.06	810,268.06	-648,214.45	-162,053.60	-810,268.05	0.01
		20%	1999	608,108.87	608,108.87	-364,865.32	-121,621.77	-486,487.09	121,621.78
		20%	2000	1,026,089.49	1,026,089.49	-410,435.80	-205,217.90	-615,653.70	410,435.79
		20%	2001	1,522,359.03	1,522,359.03	-304,471.81	-304,471.81	-608,943.62	913,415.41
		20%	2002	497,801.11	497,801.11	-23.48	-99,560.20	-99,583.68	596,728.08
		20%	2003	83,267.21	83,267.21	-23,674.56	-9,469.83	-33,144.39	83,267.21
161701	PC	24%	2000	39,457.61	39,457.61	-23,674.56	-9,469.83	-33,144.39	6,313.22
	PROGRAMMES	24%	2002	158,643.28	158,643.28	2,000.00	-37,594.39	-37,594.39	121,048.89
		24%	2003	3,094,046.50	3,094,046.50	3,094,046.50	-37,594.39	-37,594.39	3,094,046.50
161800	CONSTRUCTION	20%	1987	57,955.36	57,955.36	-57,955.36	-57,955.36	-57,955.36	0.00
	PERIOD INTEREST	20%	1988	4,961.69	4,961.69	-4,961.69	-4,961.69	-4,961.69	0.00
		20%	1989	35,990.22	35,990.22	-35,990.22	-35,990.22	-35,990.22	0.00
		20%	1990	65,921.34	65,921.34	-65,921.34	-65,921.34	-65,921.34	0.00
		20%	1994	136,294.12	136,294.12	-136,294.12	-136,294.12	-136,294.12	0.00
		20%	1995	490,155.39	490,155.39	-490,155.39	-490,155.39	-490,155.39	0.00
		20%	1996	833,520.30	833,520.30	-833,520.30	-833,520.30	-833,520.30	0.00
		20%	1997	852,153.11	852,153.11	-852,153.11	-852,153.11	-852,153.11	0.00
		20%	1998	1,846,499.43	1,846,499.43	-1,477,199.55	-369,299.87	-1,846,499.42	0.01
		20%	1999	1,602,174.09	1,602,174.09	-961,304.45	-320,434.82	-1,281,739.27	320,434.82
		20%	2000	1,731,265.02	1,731,265.02	-692,506.00	-346,253.00	-1,038,759.00	692,506.02
		20%	2001	2,083,888.85	2,083,888.85	-416,777.77	-416,777.77	-833,555.54	1,250,333.31
		20%	2002	1,611,338.87	1,611,338.87	3,318,590.21	-322,267.78	-322,267.78	4,607,661.30
		20%	1994	16,410.86	16,410.86	-16,410.86	-16,410.86	-16,410.86	0.00
161900	OTHER	20%	1995	4,914.37	4,914.37	-4,914.37	-4,914.37	-4,914.37	0.00
	EXPENSES	20%	1996	176,859.59	176,859.59	-176,859.59	-176,859.59	-176,859.59	0.00
		20%	1997	1,119,983.59	1,119,983.59	-1,119,983.59	-1,119,983.59	-1,119,983.59	0.01
		20%	1998	2,070,618.23	2,070,618.23	-1,724,612.32	-346,005.85	-2,070,618.17	0.06
		20%	1999	2,372,880.84	2,372,880.84	-1,423,728.49	-474,576.16	-1,898,304.65	474,576.19
		20%	2000	6,129,572.55	6,129,572.55	-2,960,497.59	-1,225,914.51	-4,186,412.10	1,943,160.45
		20%	2001	2,801,944.16	2,801,944.16	-633,109.70	-560,388.83	-1,193,498.53	1,608,445.63
		20%	2002	107,636.78	107,636.78	25,109.72	-21,527.37	-21,527.37	111,219.13
		20%	2003	102,975.49	102,975.49	102,975.49	-21,527.37	-21,527.37	102,975.49
169800	ADVANCES ON	20%	1998	48,885.52	48,885.52	48,885.52	48,885.52	48,885.52	48,885.52
	ACQUIS. OF	20%	1999	18,195.16	18,195.16	18,195.16	18,195.16	18,195.16	18,195.16
	ASSET	20%	2002	1,477,432.48	1,477,432.48	233,277.78	1,710,710.26	1,710,710.26	1,710,710.26
		20%	2003	40,244,454.63	40,244,454.63	8,121,356.15	48,365,810.78	27,470,415.65	20,895,395.13

- (b) Article 43 para 5-d: Breakdown of additional depreciation.  
None.
- (c) Article 43 para 5-e: Provisions for the devaluation of tangible fixed assets.  
None made.
- (d) Article 43 para 3-e: Breakdown and analysis of (multiple-year depreciation) formation expenses amounts for the financial year.

See breakdown per type (per account) in table form.

TABLE I

CHANGES IN THE COST VALUE OF FIXED ASSETS

DESCRIPTION	COST VALUE 31.12.2002	ADDITIONS 2003	REVALUAT. 31.12.2003	OTHER REDUCTIONS	SALES 2003	COST VALUE 31.12.2003
INDUSTRIAL PROPERTY RIGHTS	114,357	3,200				117,557
LAND	1,301,675	0	0			1,301,675
BUILDINGS - TECHNICAL WORKS	19,126,091	1,256,794	0			20,382,885
MACHINERY - TECHNICAL INSTALLATIONS AND OTHER MECHANICAL EQUIPMENT	60,725,038	6,335,253	0		135,221	66,925,070
TRANSPORTATION MEANS	1,117,895	1,143			126,920	992,118
FURNITURE AND OTHER EQUIPMENT	2,604,662	2,166,597			7,684	4,763,575
ASSETS UNDER CONSTRUCTION + ADVANCES	12,978,559	5,444,335		11,489,858		6,933,036
TOTAL	97,968,277	15,207,322	0	11,489,858	269,825	101,415,916

TABLE 2

CHANGES IN FIXED ASSET DEPRECIATION

DESCRIPTION	ACCUMULATED DEPRECIAT. 31.12.2002	DEPRECIAT. 2003	REVALUAT. 31.12.2003	OTHER INCREASES - REDUCTIONS	SALES 2003	DEPRECIATION 31.12.2003
INDUSTRIAL PROPERTY RIGHTS	106,871	3,115				109,986
LAND	0					0
BUILDINGS - TECHNICAL WORKS	7,699,404	942,295				8,641,699
MACHINERY - TECHNICAL INSTALLATIONS AND OTHER MECHANICAL EQUIPMENT	31,999,332	5,207,450			20,738	37,186,044
TRANSPORTATION MEANS	716,798	98,061			126,828	688,031
FURNITURE AND OTHER EQUIPMENT	2,045,428	366,412			5,674	2,406,166
TOTAL	42,567,833	6,617,333	0	0	153,240	49,031,925

TABLE 3

## NET VALUE OF FIXED ASSETS

DESCRIPTION	COST VALUE	DEPRECIATION	BALANCE
	31.12.2003	31.12.2003	31.12.2003
INDUSTRIAL PROPERTY RIGHTS	117,557	109,986	7,571
LAND	1,301,675	0	1,301,675
BUILDINGS - TECHNICAL WORKS	20,382,885	8,641,699	11,741,186
MACHINERY - TECHNICAL INSTALLATIONS AND OTHER MECHANICAL EQUIPMENT	66,925,070	37,186,044	29,739,026
TRANSPORTATION MEANS	992,118	688,031	304,087
FURNITURE AND OTHER EQUIPMENT	4,763,575	2,406,166	2,357,409
ASSETS UNDER CONSTRUCTION + ADVANCES	6,933,036		6,933,036
TOTAL	101,415,916	49,031,925	52,383,991

TABLE 4

## CHANGES IN THE COST VALUE OF FORMATION EXPENSES

DESCRIPTION	COST VALUE	ADDITIONS	INCREASES REDUCTIONS	BALANCE
	31.12.2002	2003	2003	31.12.2003
CONSTRUCTION PERIOD INTEREST	11,352,118	3,318,590		14,670,708
OTHER FORMATION EXPENSES	28,777,981	4,799,566		33,577,547
TOTAL	40,130,099	8,118,156	0	48,248,255

TABLE 5

## CHANGES IN FORMATION EXPENSES' DEPRECIATION

DESCRIPTION	ACCUMULATED DEPRECIAT.	DEPRECIATION	INCREASES REDUCTIONS	BALANCE
	31.12.2002	2003	2003	31.12.2003
CONSTRUCTION PERIOD INTEREST	6,024,739	1,775,034		7,799,773
OTHER FORMATION EXPENSES	15,116,630	4,444,027		19,560,657
TOTAL	21,141,369	6,219,061	0	27,360,430

TABLE 6

## NET VALUE OF FORMATION EXPENSES

DESCRIPTION	COST VALUE	DEPRECIATION	BALANCE
	31.12.2003	2003	31.12.2003
CONSTRUCTION PERIOD INTEREST	14,670,708	7,799,773	6,870,935
OTHER FORMATION EXPENSES	33,577,547	19,560,657	14,016,890
TOTAL	48,248,255	27,360,430	20,887,825

(e) Article 43 para 3-c: Exchange differences' amounts and accounting arising in the present financial year, on payment (of installments) and/or on valuation at year-end of loans or credits used solely for fixed asset acquisitions.

There were no debit exchange differences.

(f) Article 43 para 4, sections a and b: Breakdown and analysis of line items "Research and development expenses", "Concessions and industrial property rights" and "Goodwill".

## Industrial Property Rights

### Breakdown

- Business Know -How Methods LI892/90 (D.34154/NN237)	Euro	88,817
- Award of quality label (ISO 9001)	Euro	4,991
- Award of quality label (ISO 9002)	Euro	17,920
- Certification of Σ.E.K. & Σ.Y.Y structures	Euro	997
- EAOT (Greek Standardization Agency) Certification	Euro	<u>4,832</u>
	Euro	117,557

### Research and development expenses

Π.A.B.E. (Industrial Development Research Project) 1994		880
RESEARCH ON FOOD PACKAGING MATERIALS		21,952
(RETEX) PRODUCT GENERATION & DEVELOPMENT BY COMPUTER		880
(RETEX) UPGRADING OF MANAGEMENT SYSTEM		2,054
(RETEX) 1996 (Y2M4M1 & Y2M4Π12)		2,201
QUALITY CONTROL RESEARCH EXPENSES		2,323
LIQUID GAS FORMATION EXPENSES (P.L.) LI828/89		880
PET DEVELOPMENT RESEARCH EXPENSES		1,325,920
FOOD PACKAGING MATERIAL RESEARCH EXPENSES		17,608
BUSINESS-TO-BUSINESS APPLICATIONS' RESEARCH EXPENSES		20,000
STRETCH FILM LINE RESEARCH EXPENSES		43,703
METAL STRAP LINE RESEARCH EXPENSES		61,213
ATHENS UNIVERSITY RESEARCH EXPENSES		10,000
NEW MARKETS' RESEARCH EXPENSES		309,746
SURVEY ON NEW PRODUCT GENERATION		1,251
SURVEY ON ALTERNATIVE PRODUCT PROCESSING		2,900
SURVEY ON INOFITA PLANT WASTE MANAGEMENT		10,840
		<u>1,834,351</u>

### § 4. Participations

- (a) **Article 43a para 1-b:** Participating interests in the capital of other enterprises of more than 10%.  
The information required by the relevant clause are shown in the table below :

NAME	REGISTERED OFFICE	% OF CAPITAL	EQUITY	OPERATING RESULTS
M.J.MALLIS SVERIGE AB	Sweden	100.0%	211,006	-406,354
M.J.MALLIS BULGARIA EOOD	Bulgaria	100.0%	267,751	156,367
COLUMBIA SRL	Italy	100.0%	2,536,481	1,375,049
CONTIPAK GMBH	Austria	100.0%	2,581,017	-786,052
M.J.MALLIS HUNGARY KFT	Hungary	100.0%	2,066,504	95,572
EUROPACK SA	Luxembourg	100.0%	23,136,869	-597,883
HELERO BV	Netherlands	100.0%	27,897,371	665,429
M.J.MALLIS ALBANIA LTD	Albania	100.0%	340,719	186,448
M.J.MALLIS CZECH SRO	Czech Republic	100.0%	1,312,173	105,319
M.J.MALLIS ESPANA SL	Spain	100.0%	-231,771	-905,721
M.J.MALLIS FRANCE SAS	France	99.9%	1,565,496	511,603
MARFLEX M.J.MALLIS POLAND SPZOO	Poland	100.0%	18,113,860	779,668
M.J.MALLIS ROMANIA SA	Rumania	81.7%	4,490,937	674,891
M.J.MALLIS HOLDING GBMH	Germany	100.0%	22,613,823	336,949
M.J.MALLIS FINLAND OY	Finland	100.0%	-220,325	-11,000
SANDER B.V.	Netherlands	100.0%	33,523	2,470
STRAPTECH SA	Greece	99.0%	8,877,779	-1,921,373

(b) **Article 43a para I-je:** Drafting of consolidated financial statements including the financial statements of the company.

Consolidated financial statements were drawn up with the following companies :

1. M.J.MAILLIS SVERIGE AB
2. M.J.MAILLIS BULGARIA EOOD
3. COLUMBIA SRL
4. CONTIPAK GMBH
5. M.J.MAILLIS HUNGARY KFT
6. EUROPACK SA
7. HELERO BV
8. M.J.MAILLIS ALBANIA LTD
9. M.J.MAILLIS CZECH SRO
10. M.J.MAILLIS ESPANA SL
11. M.J.MAILLIS FRANCE SAS
12. MARFLEX M.J.MAILLIS POLAND SPZOO
13. M.J.MAILLIS ROMANIA SA
14. M.J.MAILLIS SANDER GMBH
15. SANDER GMBH & CO KG
16. M.J.MAILLIS FINLAND OY
17. M.J.MAILLIS UK LTD
18. WULFTEC INTERNATIONAL INC
19. SANDER NV
20. M.J.MAILLIS HOLDING GMBH
21. SIAT SPA
22. SICME SRL
23. SIAT BENELUX
24. COMBI PACKAGING SYSTEMS
25. TAM SRL
26. MEGA SRL
27. SIAT USA
28. SANDER PACKAGING B.V.
29. STRAPTECH SA
30. MAILLIS STRAPPING NETWORK LLP

#### § 5. Inventories

- (a) **Article 43a § I-ja:** Valuation of inventories by derogation from the valuation rules of article 43 for tax relief purposes.  
No derogation made.
- (b) **Article 43a § I-j:** Differences from the devaluation of current assets and reasons therefor.  
None.

#### § 6. Share capital

- (a) **Article 43a § I-d:** Classes of shares into which the share capital is divided.

The share capital of the company is divided into 72,876,440 ordinary registered shares of Euro 0.76 each.

- (b) **Article 43a § I-c:** Shares issued in the course of the financial year to increase the share capital.

228,780 ordinary registered shares were issued in the course of the financial year.

- (c) **Article 43a § I-e and 42e § 10:** Securities issued and rights incorporated therein.  
None issued.

- (d) **Article 43a § I-f:** Acquisition of own shares in the course of the present financial year:  
551,440 owned shares were acquired in the current financial year against payment of Euro 1,861,976.85.

§ 7. Provisions and liabilities

(a) Article 42 e § 14, sect. d: Breakdown of "Other provisions" account.

The balance of Euro 822,417.32 in this account regards :

Provisions for doubtful debts	Euro	821,481.38
Provisions for total diff. from valuation of receivables & liabilities	Euro	935.93
<b>TOTAL</b>	<b>Euro</b>	<b>822,417.32</b>

(b) Article 43a § 1-g: The financial commitments from contracts, etc. not shown in the contingent accounts. Liabilities for the payment of special monthly provisions and financial commitments for affiliated enterprises.  
None.

(c) Article 43a § 1-jb: Contingent debts of substantial tax amounts and tax amounts that may arise and be charged to the financial year ending and to previous financial years, if not shown under the obligations or provisions.  
The company has been tax audited through the financial year 2001.

(d) Article 43a § 1-f: Long-term liabilities of more than 5 years.  
None.

(e) Article 43a § 1-g: Liabilities covered by collateral security.  
See article 42e § 9 below.

§ 8. Transitory Accounts

Article 42e § 12: Breakdown of line items in the transitory "Deferred income" and "Accrued expenses" accounts.

**PREPAID EXPENSES**

PREPAID PREMIUMS	Euro	114,482.17	
PREPAID COMMISSIONS ON LETTERS OF GUARANTEE	Euro	5,356.98	
SOFTWARE USE RIGHTS	Euro	30,398.08	
ROAD DUTIES OF TRANSPORT MEANS	Euro	1,428.00	
PREPAID CONTRIBUTIONS	Euro	27,601.25	
PREPAID MAINTENANCE	Euro	4,566.11	
COURSE FEES FINANCED BY OAEA (MANPOWER EMPLOYMENT ORGANIZATION)	Euro	22,895.33	<b>206,727.92</b>

**DEFERRED INCOME**

INCOME FROM FOREIGN EXCHANGE FUTURES	Euro	268,977.10	
INCOME FROM INTEREST	Euro	134,100.37	
INCOME FROM LOAN INTEREST SUBSIDY	Euro	310,698.60	
INCOME FROM OAEA COURSES	Euro	228,200.98	
INCOME FROM TURNOVER CREDIT	Euro	716,655.24	<b>1,658,652.29</b>

ACQUISITIONS AWAITING DELIVERY	Euro	1,754,537.60	1,754,537.60
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Grand total of transitory asset accounts	Euro	<u>3,619,917.81</u>	
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#### TRANSITORY LIABILITY ACCOUNTS

ELECTRICITY	Euro	143,444.11	
TELECOMMUNICATIONS	Euro	16,077.13	
SUNDRY EXPENSES	Euro	4,804.48	
ACCRUED FREIGHT	Euro	168,705.36	
INTEREST FROM BANKS	Euro	453,935.92	
NATURAL GAS	Euro	13,121.39	800,088.39

#### PURCHASES AWAITING SETTLEMENT

(MERCHANDISE, RAW & AUXILIARY MATERIALS,  
PACKAGING MATERIALS etc.)

Euro	167,685.75	167,685.75
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Grand total of transitory liability accounts			<u>967,774.14</u>
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#### § 9. Contingent accounts

Article 42e § II: Breakdown of contingent accounts, insofar as such requirement is not included in the information contained in the following paragraph 10.

#### Breakdown of contingent accounts (less guarantees and collateral security)

A) SUNDRY DEBIT INFORMATION ACCOUNTS	Currency	Amount
Fixed investm. subs. I.1262/82 (MIP)	Euro	403,457.15
Fixed investm. subs. I.1892/90 (SC 34154/NN237)	Euro	1,174,247.98
Business Plan Subsidy for 1995	Euro	848,241.82
Business Plan Subsidy for 1996	Euro	1,503,011.59
Alex. subs. 1997 (ΔΙΠΑ/3953/NN89855/N.1892/90)	Euro	1,790,403.52
Subsidy 1997	Euro	1,010,216.29
Alex. subs.1998 (ΔΙΠΑ/3953/NN89855N.1892/90)	Euro	243,853.26
ΕΦΕΠΕ energy plan subsidy audit for the year 1998	Euro	214,007.29
Subs. I.1892 (SC 64153/NN722) Alex. Phase b	Euro	909,757.89
Business Plan Subsidies for the years '98-'99	Euro	1,404,484.81
Subs. I.1892/90 (ΔΙΠΑ/3953/NN 8855)	Euro	1,689,903.32
Subs. I.1892/90 2000 (SC64153/NN722) Alex. Phase b	Euro	1,819,515.77
Health & safety plan subsidy	Euro	88,041.09
Tax-free reserve I.1892/90 for the year 1993	Euro	1,507.32
Tax-free reserve I.1892/90 on δ. acc. for the year 1996	Euro	57,826.27
Tax-free reserve επ.λ. for the year 1997 subs. I.1892/90	Euro	61,552.89
Tax-free reserve L.1892/90 for the year 1998	Euro	643,904.38
Tax-free credit L.1892/90 for the year 1999	Euro	10,709.09
USD advance purchase agreement with HSBC Bank	Euro	2,000,000.00
USD advance purchase agreement with ABN AMRO Bank	Euro	4,000,000.00
USD advance purchase agreement with EFG	Euro	2,500,000.00
USD advance purchase agreement with NBG	Euro	1,400,000.00
Value of intracommunitary acquisitions	Euro	26,204,540.41

## § 10. Guarantees and collateral granted

Article 42e § 9: Guarantees and collateral granted by the company.

### Guarantees and collateral granted

	Currency	Amount
L/G TO SECURE LIABILITIES	EURO	66,950.00
L/G BY NBG TO SECURE LOAN LIABILITIES OF M.J.MAILLIS FRANCE	EURO	3,895,000.00
L/G BY CITIBANK TO SECURE LIABILITIES OF M.J.MAILLIS ESPANA	EURO	1,502,530.26
L/G BY BNP TO SECURE LIABILITIES OF M.J.MAILLIS ESPANA	EURO	480,809.68
L/G BY BNP TO SECURE LIABILITIES OF M.J.MAILLIS ROMANIA	USD	250,000.00

## § 11. Salaries, advances and credits to company officers

(a) Article 43a § 1-jc: Pay of company officers and managers.

- CEO Emoluments	78,090
- Management Pay & Board Member Emoluments	2,087,986
<b>Euro Total</b>	<b><u>2,166,076</u></b>

(b) Article 43a § 1-jc: Liabilities incurred or assumed as benefits for company managers and officers retiring in the course of the current financial year.  
None.

(c) Article 43a § 1-jd: Advances and credits granted on the basis of applicable law to company officers (board members and administrators).  
None

## § 12. Operating results

(a) Article 43a § 1-h: Turnover per category of activity and geographical market. (The turnover is taken as laid down in article 42e § 15, sect. a, namely the net amount of the turnover includes the amounts of income generated from the sale of products or from the provision of services, as part of the ordinary business of the company from which sale discounts and tax collected on behalf of the State and third parties have been deducted).

(1) Industrial activity :

- domestic Euro	9,169,942
- abroad Euro	79,399,555
<b>Euro Total</b>	<b><u>88,569,497</u></b>

(2) Commercial activity :

- domestic Euro	26,412
- abroad Euro	6,319,785
<b>Euro Total</b>	<b><u>6,346,197</u></b>

<b>Euro Total</b>	<b><u>94,915,694</u></b>
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(b) Article 43a § 1-i: Mean number of staff in employment in the course of the financial year and categories thereof, together with their total cost. Note that, "Administrative staff (employees)" includes staff members paid on a monthly basis and wage-earning "workers & technicians".

(1) Mean number of staff  
395 persons

(2) Mean number of staff per category :

- Administrative staff	121
- Workers & Technicians in production	256
- Sales staff	18
<b>Total</b>	<b>395</b>

(3) Staff wages and expenses :

	Wages	Social security contributions & benefits	TOTAL
- Administrative staff	5,403,285	1,058,989	6,462,274
- Workers & Technicians in Production	3,168,121	927,009	4,095,130
- Sales staff	543,238	77,176	620,414
<b>Total</b>	<b>9,114,644</b>	<b>2,063,174</b>	<b>11,177,818</b>

(c) Article 42e § 15-b: Breakdown of extraordinary and non-operating expenses and income (namely of the "extraordinary and non-operating expenses" and of the "extraordinary and non-operating income" accounts).

(1) Extraordinary and non-operating expenses

- Tax penalties and surcharges	Euro	3,174.02
- Social security fund contribution surcharges	Euro	6,960.92
- Forfeitures - penalty clauses	Euro	37,185.42
- Exchange differences	Euro	7,417,179.66
- Other	Euro	39,495.93
<b>Euro Total</b>		<b>7,503,995.95</b>

(2) Extraordinary and non-operating income:

- Exchange differences	Euro	1,506,536.56
- Fixed invest. subs. corresponding to the year	Euro	1,485,573.26
- Other	Euro	13,065.69
<b>Euro Total</b>		<b>3,005,175.51</b>

(3) Extraordinary loss

- Loss from sale of intangible assets	Euro	78,252.22
- Loss from the sale of furniture and other equipm.	Euro	1,194.95
- Loss from the sale of transport. means	Euro	61.01
<b>Euro Total</b>		<b>79,508.18</b>

(4) Extraordinary profit

- Profit from the sale of machinery	Euro	245,166.77
- Profit from the sale of transport means	Euro	18,746.46
- Profit from the sale of furniture and other equipm.	Euro	1,347.24
<b>Euro Total</b>		<b>265,260.47</b>

(d) Article 42e § 15-b: Breakdown of the "Income carried forward from previous years", of the "Income from provisions for previous years" and of the "Expenses carried forward from previous years" accounts.

(1) Income carried forward from previous years

- Credit differences of transit. Acc. 560I	Euro	7.20
- Other income carried forward from previous years	Euro	8,693.20
<b>Euro Total</b>	<b>Euro</b>	<b>8,700.40</b>

(2) Expenses carried forward from previous years

- Debit differences of transit. Acc. 360I	Euro	496.23
- Debit differences of transit. Acc. 560I	Euro	13,254.11
- Other expenses carried forward from previous yrs	Euro	127,246.43
<b>Euro Total</b>		<b>140,996.77</b>

(3) Provisions for contingencies

None made.

(e) Article 43a § 1-jg: Any other information required under special laws as applicable.

Depreciation for the year 2003 were calculated with the ratios stipulated by P.D. 299/2003 while in Previous years the ratios used were those stipulated by P.D. 100/1998.

(f) Article 43a § 1-jg: Any other information deemed necessary for the purposes of providing shareholders and third parties with more complete information and of presenting an accurate picture of the assets, the financial standing, and the profit and loss statement data of the company.

None.

Athens, February 24 2004

THE CHAIRMAN  
OF THE BOARD & CEO

MICHAEL J. MAILLIS  
I.C.N Φ020206

THE GROUP FINANCIAL  
MANAGER AND  
BOARD MEMBER

H.A STAVRINOUDAKIS  
I.C.N Σ208194

THE FINANCIAL  
MANAGER  
FOR GREECE

P.I. DELIS  
I.C.N P578226

THE CHIEF  
ACCOUNTANT

NV. MAROULIS  
A class Reg. No. 9997046629

It is hereby certified that the foregoing annex consisting of 14 pages is the annex mentioned  
in the audit certificate issued on 26/02/2004.

Athens, 26 February 2004

THE CERTIFIED AUDITOR - ACCOUNTANT

KYRIAKOS RIRIS  
C.AAA R.N 12711

**PRICEWATERHOUSECOOPERS** 

DIRECTORS' REPORT OF THE BOARD OF DIRECTORS OF M.J.MAILLIS S.A.  
TO THE ORDINARY GENERAL MEETING

Dear shareholders,

According to article 43a para 3 of law 409/86 of C.L. 2190/1920, as superseded by article 35 of P.D. 409/86, we are submitting to your General Meeting the annexed financial statements of the company for the financial year from 1-1-2003 through 31-12-2003 together with our remarks thereon and kindly ask you to approve them.

	<u>Amounts in thous. Euro</u>		<u>Amounts in thous. Euro</u>	
	2003		2002	
<b>I. BALANCE-SHEET</b>				
<b>ASSETS</b>				
Assets amount to		335,561		325,495
<b>LIABILITIES</b>				
Liabilities amount to				
-Equity		205,156		213,789
-Provisions and Liabilities		<u>130,405</u>		<u>121,706</u>
Total		<u><u>335,561</u></u>		<u><u>335,495</u></u>
<b>BREAKDOWN OF ASSETS</b>				
A. Formation expenses	44,636		37,025	
Less : Depreciation	<u>26,988</u>	17,648	<u>20,948</u>	16,077
B. Fixed assets	258,843		251,243	
Less : Depreciation	<u>49,405</u>	209,438	<u>42,761</u>	208,482
C. Current assets (less bank & cash)		102,732		100,455
D. Bank & cash		2,060		6,282
E. Transitory asset accounts		<u>3,683</u>		<u>4,198</u>
		<u><u>335,561</u></u>		<u><u>335,494</u></u>
Liabilities are broken down into :				
<b>A. EQUITY</b>				
I. Paid-up share capital		55,386		55,212
II. Share premium		144,932		144,877
III. Reval. Discr. Investment				
Subsidies		4,737		6,223
IV. Reserve				
1. Statutory reserve			1,792	
2. Sundry reserves	<u>16,870</u>	16,870	<u>16,870</u>	18,662
Own Shares		-13,047		-11,185
V. Profit carried forward		<u>-3,722</u>		<u></u>
Total equity		<u><u>205,156</u></u>		<u><u>213,789</u></u>
<b>B. PROVISIONS FOR CONTINGENCIES &amp; EXPENSES</b>				
		822		3,319
<b>C. LIABILITIES</b>				
I. Long-term		89,358		82,869
II. Short-term		<u>39,257</u>		<u>34,412</u>
		<u><u>128,615</u></u>		<u><u>117,281</u></u>
<b>D. TRANSITORY LIABILITY ACCOUNTS</b>				
		<u><u>968</u></u>		<u><u>1,105</u></u>
<b>TOTAL LIABILITIES</b>		<u><u>335,561</u></u>		<u><u>335,494</u></u>

## 2. PROFIT & LOSS ACCOUNT STATEMENT

A. TURNOVER (*)	<u>Amounts in thous. Euro</u> 2003	<u>Amounts in thous. Euro</u> 2002
Sale of Products - Goods & Services	94,916	93,968
LESS : COST OF GOODS SOLD	72,646	74,639
GROSS OPERATING PROFIT	22,270	19,329
NET EARNINGS FOR THE YEAR BEFORE TAXES	-4,427	4,029

(\*) Of the foregoing sales, the Euro amount of 85,719,340 regards sales abroad. Special expenses were incurred for these sales according to article 31 para 2 of L. 2238/94 Euro 481,597.

3. SPECIAL BREAKDOWNS	<u>Amounts in thous. Euro</u> 2003	<u>Amounts in thous. Euro</u> 2002
<b>3a. FIXED ASSETS</b>		
* Land :	1,141	1,141
Plant plots of a total surface area of 68,094,211 sq.m. in the community of Inofita in the Prefecture of Viotia. Plots of the Alexandroupoli plant of a surface area of 17,003 sq.m. and 2,299 sq.m.	<u>161</u> 1,302	<u>161</u> 1,302
Buildings :		
Building installations - Plant Complex - Warehouses - Offices	20,383	19,126
LESS : Depreciation	<u>8,642</u>	<u>7,699</u>
Net Value	<u><u>11,741</u></u>	<u><u>11,427</u></u>
Machines - Technical facilities	<u>66,925</u>	<u>60,725</u>
LESS : Depreciation	<u>37,186</u>	<u>31,999</u>
Net Value	<u><u>29,739</u></u>	<u><u>28,726</u></u>

### NOTE

1) Depreciation for the financial year ending amounted to Euro 6,710,947, which was fully incorporated into the operating cost.

2) At the end of the accounting period 2003, there were no encumbrances on the fixed assets of the company.

## 4. RATIOS

	<u>Amounts in thous. Euro</u> 2003		<u>Amounts in thous. Euro</u> 2002	
<b>a. Asset Consolidation Ratio</b>				
<u>Fixed assets</u>	209,438	62.41%	<u>208,482</u>	=62.14%
Total assets	335,561		335,495	
<u>Current Assets</u>	104,792	31.23%	<u>106,737</u>	=31.81%
Total assets	335,561		335,495	
<b>b. Gearing Ratio</b>				
<u>Equity</u>	205,156	159.51%	<u>213,789</u>	=182.29%
Total Liabilities	128,615		117,281	
<b>c. Fixed asset cover ratio</b>				
<u>Equity</u>	205,156	97.96%	<u>213,789</u>	=102.55%
Total fixed assets	209,438		208,482	
<b>d. Current liabilities cover ratio</b>				
<u>Current Assets</u>	104,792	260.51%	<u>106,737</u>	=300.52%
Current Liabilities	40,225		35,517	

<b>e. Gross profit on sales ratio</b>				
<u>Gross profit</u>	<u>22,270</u>	23.46%	<u>19,329</u>	=20.57%
Sales	94,916		93,968	
<b>f. Gross profit on cost of goods sold ratio</b>				
<u>Gross profit</u>	<u>22,270</u>	30.66%	<u>19,329</u>	=25.90%
Cost of goods sold	72,646		74,639	
<b>g. Equity recycling ratio</b>				
<u>Sales</u>	<u>94,916</u>	0.5	<u>93,968</u>	= 0.4
Equity	205,156		213,789	
<b>h. Mean term for the collection of claims ratio (DSO)</b>				
<u>Amounts Due from Customers</u> X 360	<u>61,334</u>	232.6	<u>52,764</u>	=202.1 days
Sales	94,916		93,968	
<b>i. Inventory Turnover ratio</b>				
<u>Cost of Inventories Sold</u>	<u>56,044</u>	4.33	<u>74,639</u>	=4.74
Inventories 31/12	12,940		15,733	

## 5. Progress of company operations - Company progress forecast

### A) COMPANY OPERATIONS PROGRESS IN 2003

2003 was yet another difficult year marked both by an adverse international economic climate and the significant boost of the EURO parity against other strong currencies (USD, GBP), which adversely affected Greek exporters such as our company for which as it is already known 90% of its sales are realised abroad. In this same year the company put in place a plan to consolidate and assimilate the explosive growth achieved in previous years.

The **turnover** for the year ending amounted to Euro 94,915,694 against Euro 93,968,146 in the previous financial year 2002, namely increasing marginally in the order of 1%. The turnover corresponding to Industrial and Commercial activities from abroad amounted to Euro 85,719,340 against Euro 85,186,061 in the previous financial year, namely increasing marginally by 0.6%. Moreover, domestic sales in 2003 amounted to Euro 9,196,354 against Euro 8,782,085, namely increasing by 4.7%.

The **cost of goods sold** amounted to Euro 72,645,555 against Euro 74,638,761 in the previous financial year, namely posting a decrease of 2.7%.

The **gross operating profit** before depreciation amounted to 30.5% in 2003 against 30.3% in 2002.

**Administrative and appropriation expenses** before depreciation corresponded to 14.1% of the turnover against 13.68% in 2002.

**Finance charges** in 2003 amounted to Euro 5,389,490 against Euro 3,802,930 in 2002. Finance charges as a percentage of total sales was 5.68% in 2003 against 4.05% in 2002.

**Finance income** in 2003 was Euro 2,376,060 against Euro 3,366,873 in 2002 .

**Extraordinary and non-operating income and expenses** for the year 2003 in relation to 2002 were as follows :

-Income : 3,279,136 Euro in FY 2003 against 6,747,171 Euro in 2002,  
 -Expenses : 7,724,501 Euro in FY 2003 against 2,855,579 Euro in 2002.

Extraordinary and non-operating income-expenses mainly consist of debit-credit foreign exchange differences which were negatively affected by the significant boost of the EURO parity against the USD and the GBP in 2003.

### B) PROGRESS OF OPERATIONS ENVISAGED FOR 2004

2003 was an especially difficult year with obvious adverse effects in the world Economy marked by the recession and important incidents such as the war in Iraq and, of course, the significant revaluation of the Euro.

A new growth cycle began in 2004 for both the Company and the Group aiming to substantially improve liquidity. The key drivers of this new growth cycle are the following :

- Exploit the Group's accumulated huge potential.
- The establishment in North America of the same operational framework as the successful structure in Europe (manufacturing of machinery, materials and a strong distribution network providing complete "end-of-line" industrial solutions)
- Selective acquisitions

In the period from the beginning of 2004 to date no significant events took place that should have impacted company operations or finances.

Kifissia, 24 February 2004

THE  
CHAIRMAN OF THE  
BOARD & CEO

MICHAEL J. MAILLIS  
ID CARD NO. Φ 020206

THE GROUP FINANCIAL  
MANAGER & BOARD MEMBER

CHARALAMBOS A. STAVRINOUDAKIS  
ID CARD NO. Σ 208194

THE FINANCIAL MANAGER

PETROS I. DELIS  
ID CARD NO. P 578226

THE CHIEF  
ACCOUNTANT

NIKOS MAROULIS  
R.N 9997046629

#### CERTIFICATION

It is certified that the foregoing Directors' Report consisting of (4) pages is the report cited in the financial statements' audit certificate granted by myself and dated 26/02/2004

Athens, 26 February 2004

The Chartered Auditor Accountant

Kyriakos Riris

ACA RN 12111

**PRICEWATERHOUSECOOPERS** 

AUDITORS SOCIETE ANONYME

M.J. MAILLIS S.A.  
 PACKING SYSTEMS  
 5, XENIAS ST. - 145 62 KIFISSIA  
 A.Φ.Μ. (TAXPAYER ID NO.) : 094051915  
 Δ.Ο.Υ. (TAX OFFICE) : FAVE OF ATHENS  
 S.A. REG. NO. : 2716/06/B/86/43

CONSOLIDATED CASH FLOW STATEMENT  
 01/01/2003 - 31/12/2003

A/A	Breakdown	FY 2003 Amounts in thousand EUR	FY 2002 Amounts in thousand EUR
	<b>Cash Flow from Operating Activities</b>		
A 100	Cash inflow		
101	Sales	295,969	310,880
102	Other operating income	3,380	919
103	Extraordinary and non-operating income	12,162	6,176
104	Income from previous years	18	59
105	Interest Received ( from Bank deposits etc)	1,517	2,792
106	Income from securities	481	75
107	Sale of securities	1,251	9,474
108	Decrease in receivables		
	LESS:		
109	Purchase of securities	1,862	
110	Increase in receivables	3,694	5,580
	<b>Total Cash Inflow (A100)</b>	<b>309,222</b>	<b>324,795</b>
A 200	Cash outflow		
201	Cost of goods sold (less depreciation and provisions)	199,070	202,979
202	Administrative expenses	14,898	15,620
203	Research - development expenses		
204	Appropriation expenses	35,781	38,663
205	Underemployment / inactivity expenses		
206	Other expenses	9,505	8,428
207	Increase in reserves		62
208	Increase in transitory asset accounts	1,339	2,122
209	Decrease in transitory liability accounts		
210	Decrease in current liabilities (save Banks)	8,614	
	LESS:		
211	Decrease in reserves	3,906	
212	Decrease in transitory asset accounts		
213	Increase in transitory liability accounts	2,085	256
214	Increase in current liabilities (except Banks)		1,682
	<b>Total Cash Outflow (A200)</b>	<b>263,216</b>	<b>255,936</b>
A 300	Tax cash outflow		
301	Income tax	5,607	6,223
302	Taxes not incorporated in the operating cost	-	6
303	Post-audit tax differences	1,081	
304	Decrease in liabilities from taxes - duties		
	LESS:		
305	Increase in liabilities from taxes - duties	1,856	1,050
	<b>Total Tax cash outflow (A300)</b>	<b>4,832</b>	<b>5,179</b>
	<b>Cash Flow from Operating Activities</b>		
	<b>(A100 - A200 - A300) = A</b>	<b>41,174</b>	<b>63,680</b>

A/A	Breakdown	FY 2003 Amounts in thousand EUR	FY 2002 Amounts in thousand EUR
	<b>Cash Flow from Investments</b>		
B 100	Cash inflow		
101	Sale of intangible assets		
102	Sale of tangible assets	4,100	1,924
103	Sale of investments in affiliates and securities		
104	Decrease of long-term receivables		
105	Income from investments in affiliates and securities	-	
106	Interest received (long-term and other receivables)	-	
	<b>Total Cash Inflow (B100)</b>	<b>4,100</b>	<b>1,924</b>
B 200	Cash outflow		
201	Acquisition of intangible assets	2,486	44,768
202	Acquisition of tangible assets	15,526	20,881
203	Purchase of investments in affiliates and securities	157	26
204	Increase in long-term receivables	5,254	500
205	Increase in establishment expenses	18,222	3,685
	<b>Total Cash Outflow (B200)</b>	<b>41,645</b>	<b>69,860</b>
	<b>Cash Flow from Investing Activities</b>		
	<b>(B100 - B200) = B</b>	<b>-37,545</b>	<b>-67,936</b>
C	Cash Flow from Financing activities		
100	Cash inflow		
101	Proceeds from issuance of share capital and share premium	229	1,069
102	Proceeds from fixed asset subsidies	-	1,933
103	Increase in long-term liabilities		25,610
104	Increase in current liabilities (Bank accounts)	13,190	
	<b>Total Cash Inflow (C100)</b>	<b>13,419</b>	<b>28,612</b>
C 200	Cash outflow		
201	Decrease (repayment) of share capital		
202	Repayment of fixed asset subsidies		
203	Decrease in long-term liabilities	4,272	
204	Decrease in current liabilities (Bank accounts)		25,829
205	Interest paid	8,998	7,384
206	Dividends paid	7,959	5,324
207	Distribution of profits to staff		
208	Board Emoluments from profits for the year	40	30
	Decrease from Exchange Differences due to Affiliates' Accounts Conversion	1,715	960
	<b>Total Cash Outflow (C200)</b>		
	<b>Cash Flow from Financing activities</b>	<b>22,984</b>	<b>39,527</b>
	<b>(C100 - C200) = C</b>		
	<b>COMPANY CASH FLOW (algebraic sum A + B + C)</b>	<b>-9,565</b>	<b>-10,915</b>
	<b>PLUS : CASH AND CASH EQUIVALENTS BEGINNING OF PERIOD</b>	<b>-5,936</b>	<b>-15,171</b>
	<b>CASH AND CASH EQUIVALENTS AT END OF PERIOD</b>	<b>20,066</b>	<b>35,237</b>
	<b>BANK &amp; CASH AT YEAR END</b>	<b>4,130</b>	<b>20,066</b>

AUDIT CERTIFICATE OF CERTIFIED AUDITOR - ACCOUNTANT

We have audited the foregoing Consolidated Cash Flow Statement of the Societe Anonyme Company "M. J. MAILLIS SA - PACKING SYSTEMS" and its subsidiaries for the fiscal year which ended on 31 December 2003. This statement has been drawn up on the basis of the audited financial statements for the fiscal year for which our audit certificate was issued on 26 February 2004.

In our opinion, the afore-mentioned Consolidated Cash Flow Statement shows the cash inflow and outflow from the activities of all enterprises included in the consolidation of 31.12.2003.

Athens, 2 April 2004

The Chartered Auditor Accountant

KYRIAKOS RIRIS  
ACA RN 12111

**PRICEWATERHOUSECOOPERS** 

AUDITORS SOCIETE ANONYME

M.J. MAILLIS S.A.  
 PACKING SYSTEMS  
 5, XENIAS ST. - 145 62 KIFISSIA  
 Α.Φ.Μ. (TAXPAYER ID NO.) : 094051915  
 Δ.Ο.Υ. (TAX OFFICE) : FAVE OF ATHENS  
 Σ.Α. ΡΕΓ. ΝΟ. : 2716/06/Β/86/43

CASH FLOW STATEMENT  
 01/01/2003 - 31/12/2003

A/A	Breakdown	FY 2003 Amounts in thousand EUR	FY 2002 Amounts in thousand EUR
	<b>Cash Flow from Operating Activities</b>		
A 100	Cash inflow		
101	Sales	94,916	93,968
102	Other operating income	627	306
103	Extraordinary and non-operating income	1,785	1,996
104	Income from previous years	9	57
105	Interest Received ( from Bank deposits etc)	45	123
106	Income from securities	230	50
107	Sale of securities	1,251	8,555
108	Decrease in receivables		19,622
	LESS:		
109	Purchase of securities	1,862	
110	Increase in receivables	7,368	
	<b>Total Cash Inflow (A100)</b>	<b>89,633</b>	<b>124,677</b>
A 200	Cash outflow		
201	Cost of goods sold (less depreciation and provisions)	65,935	65,523
202	Administrative expenses	5,095	3,379
203	Research - development expenses		
204	Appropriation expenses	8,253	9,476
205	Underemployment / inactivity expenses		
206	Other expenses	3,733	2,606
207	Increase in reserves		673
208	Increase in transitory asset accounts		2,539
209	Decrease in transitory liability accounts	137	
210	Decrease in current liabilities (save Banks)		
	LESS:		
211	Decrease in reserves	2,792	
212	Decrease in transitory asset accounts	515	
213	Increase in transitory liability accounts		494
214	Increase in current liabilities (except Banks)	552	62
	<b>Total Cash Outflow (A200)</b>	<b>79,294</b>	<b>83,640</b>
A 300	Tax cash outflow		
301	Income tax		2,600
302	Taxes not incorporated in the operating cost	6	6
303	Post-audit tax differences	1,081	
304	Decrease in liabilities from taxes - duties	1,464	
	LESS:		
305	Increase in liabilities from taxes - duties		423
	<b>Total Tax cash outflow (A300)</b>	<b>2,551</b>	<b>2,183</b>
	<b>Cash Flow from Operating Activities</b>		
	<b>(A100 - A200 - A300) = A</b>	<b>7,788</b>	<b>38,854</b>

A/A	Breakdown	FY 2003 Amounts in thousand EUR	FY 2002 Amounts in thousand EUR
	<b>Cash Flow from Investments</b>		
B	100 Cash inflow		
	101 Sale of intangible assets		
	102 Sale of tangible assets	270	98
	103 Sale of investments in affiliates and securities	167	
	104 Decrease of long-term receivables		20
	105 Income from investments in affiliates and securities	250	1,626
	106 Interest received (long-term and other receivables)	1,851	1,569
	Total Cash Inflow (B100)	2,538	3,313
B	200 Cash outflow		
	201 Acquisition of intangible assets	511	2,271
	202 Acquisition of tangible assets	3,714	7,470
	203 Purchase of investments in affiliates and securities	3,811	56,354
	204 Increase in long-term receivables		
	205 Increase in establishment expenses	7,611	1,716
	Total Cash Outflow (B200)	15,647	67,811
	<b>Cash Flow from Investing Activities (B100 - B200) = B</b>	<b>-13,109</b>	<b>-64,498</b>
C	Cash Flow from Financing activities		
	100 Cash inflow		
	101 Proceeds from issuance of share capital and share premium	229	214
	102 Proceeds from fixed asset subsidies	-	134
	103 Increase in long-term liabilities		35,869
	104 Increase in current liabilities (Bank accounts)	9,945	
	Total Cash Inflow (C100)	10,174	36,217
C	200 Cash outflow		
	201 Decrease (repayment) of share capital		
	202 Repayment of fixed asset subsidies		
	203 Decrease in long-term liabilities		
	204 Decrease in current liabilities (Bank accounts)		20,274
	205 Interest paid	4,887	2,970
	206 Dividends paid	4,188	5,324
	207 Distribution of profits to staff		
	208 Board Emoluments from profits for the year	-	30
	Total Cash Outflow (C200)	9,075	28,598
	<b>Cash Flow from Financing activities (C100 - C200) = C</b>	<b>1,099</b>	<b>7,619</b>
	<b>COMPANY CASH FLOW (algebraic sum A + B + C)</b>	<b>-4,222</b>	<b>-18,025</b>
	<b>PLUS : CASH AND CASH EQUIVALENTS</b>		
	<b>BEGINNING OF PERIOD</b>	<b>6,282</b>	<b>24,307</b>
	<b>CASH AND CASH EQUIVALENTS AT END OF PERIOD</b>	<b>2,060</b>	<b>6,282</b>

AUDIT CERTIFICATE OF CERTIFIED AUDITOR - ACCOUNTANT

We have audited the foregoing Cash Flow Statement of the Societe Anonyme Company << M. J. MAILLIS SA - PACKING SYSTEMS >> for the fiscal year which ended on 31 December 2003. This statement has been based on the books and records kept by the company as well as on the audited financial statements for the fiscal year for which our audit certificate was issued on 26 February 2004.

In our opinion, the afore-mentioned Cash Flow Statement shows the cash inflow and outflow from the activities of the foregoing company in the course of the financial year.

Athens, 2 April 2004

The Chartered Auditor Accountant

KYRIAKOS RIRIS  
ACA RN 12111

**PRICEWATERHOUSECOOPERS** 

AUDITORS SOCIETE ANONYME



# M.J. MAILLIS GROUP OF COMPANIES

## M.J. MAILLIS SA

### HEAD OFFICE

5, Xenias & Harilaou Trikoupi str.  
145 62 Kifissia  
Athens, Greece  
TEL: 0030-210-6285000  
FAX: 0030-210-8080301  
Web-site: [www.maillis.gr](http://www.maillis.gr)

### M.J. MAILLIS S.A. film plant

Alexandroupolis industrial area  
68100 Avantas Greece  
TEL: 0030-2551-0-38080  
FAX: 0030-2551-0-81717

### M.J. MAILLIS S.A. strapping plant

Inofyta industrial area  
320 11 Inofyta Viotia Greece  
TEL: 0030-2262-0-31102  
FAX: 0030-2262-0-31400

### M.J. MAILLIS BULGARIA FOOD

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Zaharna Fabrika -  
Melnichan Kombinat  
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FAX: 0035-92-2921461,  
[bolpack@mail.netbg.com](mailto:bolpack@mail.netbg.com)

### M.J. MAILLIS CZECH S.R.O.

Sterboholska 571  
PRAHA 10 - Hostivar  
102 19 Czech Republic  
TEL: 00420-2-72011341  
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[maillis@maillis.cz](mailto:maillis@maillis.cz)

### M.J. MAILLIS CZECH S.R.O.

**SLOVAKIA branch**  
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### MAILLIS STRAPPING NETWORK LLP (MSN)

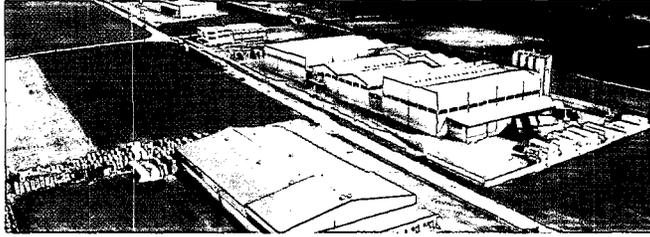
1059 Tried Court, Suite No 14  
30062 Marietta, Georgia - USA  
TEL: 001-770-425-1638  
FAX: 001-770-425-9370

### SANDER PACKAGING BV NETHERLANDS

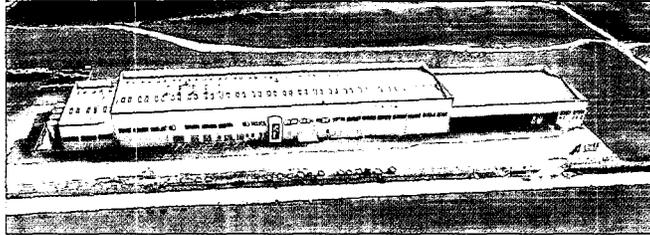
Kapelhoek 6-8  
3833 W Leusden  
TEL: 0031-334953326  
FAX: 0031-334951261  
[info@sanderpackaging.nl](mailto:info@sanderpackaging.nl)



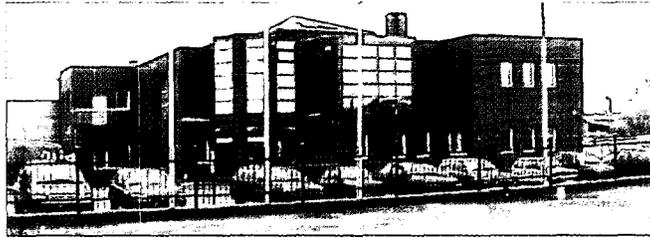
*Inofita Strapping Plant (Greece)*



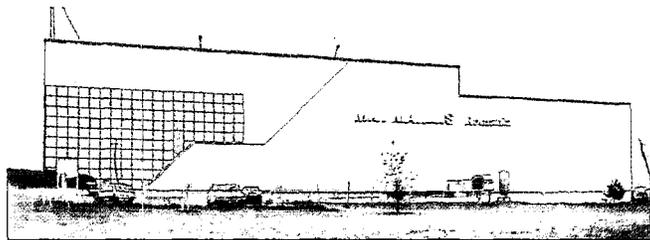
*Alexandroupolis Film & Edgeboards Plant (Greece)*



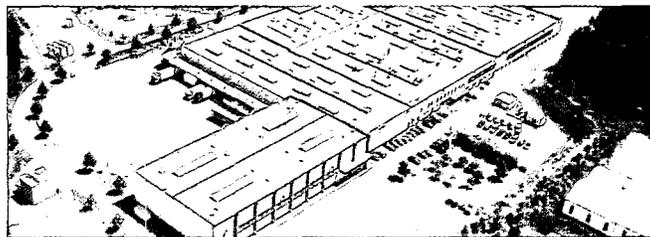
*Strapttech Tapes Plant (Greece)*



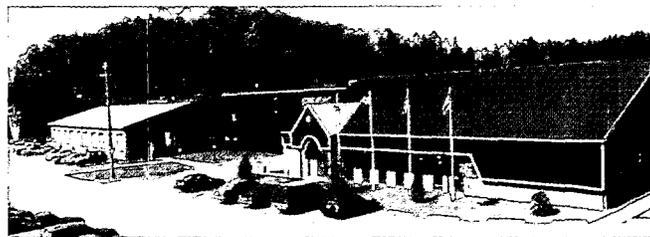
*Marflex Plant (Poland)*



*Bucharest Plant (Romania)*



*Sander Gaderoth Plant (Germany)*



*Wulftec International Inc. (Canada)*

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