

**PHILIPPOS NAKAS S.A. MUSIC HOUSE**  
**BALANCE SHEET OF 30.06.2000**  
**19TH FISCAL YEAR (JULY 1ST 1999 - JUNE 30TH 2000)**  
(Amounts in Drs.)

| ASSETS  | 30.06.2000           |                       |                          | 30.06.1999           |                       |                          | LIABILITIES   | Amounts as of<br>30.06.2000 | Amounts as of<br>30.06.1999 |
|---|----------------------|-----------------------|--------------------------|----------------------|-----------------------|--------------------------|---|-----------------------------|-----------------------------|
|   | Acquisition<br>Value | Depreciation<br>Value | Non-Depreciated<br>Value | Acquisition<br>Value | Depreciation<br>Value | Non-Depreciated<br>Value |   |                             |                             |
| <b>C. FIXED ASSETS</b>  |                      |                       |                          |                      |                       |                          | <b>A. CAPITAL AND RESERVES</b>                          |                             |                             |
| <b>I Intangible Assets</b>                                      |                      |                       |                          |                      |                       |                          | <b>I. Share capital</b>                                 |                             |                             |
| 5 Other intangible Assets                                       | 64.388.973           | 7.638.773             | 56.750.200               | 5.000.000            | 83.333                | 4.916.667                | 1. Paid up capital<br>(5060000 shares of 200 Drs. each) | 1.012.000.000               | 1.012.000.000               |
| <b>II Tangible Assets</b>                                       |                      |                       |                          |                      |                       |                          | 2. Payable capital<br>(1280000 shares of 200 Drs. each) | 256.000.000                 | 160.000.000                 |
| 1. Land   | 209.435.664          | 0                     | 209.435.664              | 209.435.664          | 0                     | 209.435.664              | <u>1.268.000.000</u>                                    | <u>1.172.000.000</u>        |                             |
| 3. Buildings and technical works                                | 1.122.185.436        | 565.437.394           | 556.748.042              | 1.077.957.860        | 501.811.236           | 576.146.624              | <b>III. Revaluation Reserves - Investment Grants</b>    |                             |                             |
| 4. Machine-Technical Installations & other mechanical equipment | 37.249.574           | 35.982.616            | 1.266.958                | 36.393.698           | 33.041.805            | 3.351.893                | 1. Reserves from value adjustments of other assets      | 0                           | 100.000                     |
| 5. Transportation equipment                                     | 82.098.427           | 64.163.362            | 17.935.065               | 73.067.927           | 57.039.345            | 16.028.582               | <u>0</u>  | <u>100.000</u>              |                             |
| 6. Furniture & fixtures   | 835.978.782          | 618.508.973           | 217.469.809              | 665.826.320          | 543.138.662           | 122.687.658              | <b>IV. Reserves</b>                                     |                             |                             |
| <b>Total Tangible &amp; Intangible Assets</b>                   | <u>2.286.947.883</u> | <u>1.284.092.345</u>  | <u>1.002.855.538</u>     | <u>2.062.681.469</u> | <u>1.135.031.048</u>  | <u>927.650.421</u>       | 1. Legal reserve  | 180.400.000                 | 155.400.000                 |
| <b>III. Financial Assets</b>                                    |                      |                       |                          |                      |                       |                          | <b>V. Results carried forward</b>                       |                             |                             |
| 2. Participating interests in affiliated undertakings           |                      |                       | 8.047.742                |                      |                       | 8.047.742                | Profit carried forward                                  | 58.537.674                  | 439.005                     |
| 7. Other financial assets                                       |                      |                       | 29.390.869               |                      |                       | 25.717.719               | <b>VI. Amounts intended to increase capital</b>         |                             |                             |
| <b>Total Fixed Assets</b>                                       |                      |                       | <u>37.438.611</u>        |                      |                       | <u>33.765.461</u>        | 1. Shareholders deposits                                | 228.000.000                 | 0                           |
|   |                      |                       | <u>1.097.044.349</u>     |                      |                       | <u>966.332.549</u>       | Total capital and reserves                              | <u>1.734.937.674</u>        | <u>1.327.939.005</u>        |
| <b>D. CURRENT ASSETS</b>  |                      |                       |                          |                      |                       |                          | <b>B. PROVISIONS FOR LIABILITIES &amp; CHARGES</b>      |                             |                             |
| <b>I. Stocks</b>  |                      |                       |                          |                      |                       |                          | 2. Other provisions                                     | 7.367.726                   | 1.497.769                   |
| 1. Merchandise  |                      |                       | 2.510.090.053            |                      |                       | 1.961.109.658            | <u>7.367.726</u>  | <u>1.497.769</u>            |                             |
| 5. Payments on account for imports                              |                      |                       | 31.128.785               |                      |                       | 11.082.074               | <b>C. CREDITORS</b>                                     |                             |                             |
|   |                      |                       | <u>2.541.218.838</u>     |                      |                       | <u>1.972.191.732</u>     | <b>I. Long-term debt</b>                                |                             |                             |
| <b>II. Debtors</b>  |                      |                       |                          |                      |                       |                          | 2. Bank loans   | 18.458.000                  | 28.174.000                  |
| 1. Trade debtors  |                      | 479.899.778           |                          | 319.136.369          |                       | 245.968.656              | <b>II. Current Liabilities</b>                          |                             |                             |
| Less: Provisions  |                      | 76.636.999            | 403.262.779              | 73.167.713           |                       |                          | 1. Suppliers  | 812.197.015                 | 435.802.308                 |
| 2. Notes receivable   |                      |                       |                          |                      |                       |                          | 2. Notes payable in foreign currency                    | 199.126.952                 | 189.470.808                 |
| - In portfolio  |                      | 6.470.344             |                          | 5.909.200            |                       |                          | 2a. Cheques payable                                     | 60.505.207                  | 81.882.977                  |
| - At banks for collection                                       |                      | 0                     | 6.470.344                | 102.000              |                       | 6.011.200                | 3. Banks  | 1.725.428.173               | 1.094.634.506               |
| 3. Notes overdue  |                      |                       | 10.727.224               |                      |                       | 11.795.825               | 4. Advances from trade debtors                          | 67.152.959                  | 37.894.612                  |
| 3a. Cheques receivable  |                      |                       |                          |                      |                       |                          | 5. Taxes - duties                                       | 368.169.590                 | 421.941.029                 |
| - In portfolio  |                      | 443.023.144           |                          | 318.966.847          |                       | 429.188.534              | 6. Social security                                      | 36.768.627                  | 35.310.120                  |
| - At banks for collection                                       |                      | 219.695.135           | 662.718.279              | 110.221.687          |                       | 51.813.459               | 10. Dividends   | 329.680.000                 | 268.180.000                 |
| 3b. Cheques overdue   |                      |                       | 47.184.234               |                      |                       | 160.000.000              | 11. Sundry creditors                                    | 402.001.352                 | 261.326.142                 |
| 4. Deferred capital   |                      |                       | 256.000.000              |                      |                       | 166.469.738              | <u>4.001.029.875</u>                                    | <u>2.826.442.502</u>        |                             |
| 11. Sundry debtors  |                      |                       | 148.347.008              |                      |                       | 125.608.085              | Total liabilities                                       | <u>4.019.487.875</u>        | <u>2.854.616.502</u>        |
| 11a. Credit cards   |                      |                       | 482.577.671              |                      |                       | 2.547.877                |   |                             |                             |
| 12. Advances to account for                                     |                      |                       | 5.071.351                |                      |                       | 1.199.403.374            |   |                             |                             |
|   |                      |                       | <u>2.022.358.890</u>     |                      |                       | <u>1.199.403.374</u>     |   |                             |                             |
| <b>IV. Cash at bank and in hand</b>                             |                      |                       |                          |                      |                       |                          |   |                             |                             |
| 1. Cash in hand   |                      |                       | 17.113.956               |                      |                       | 13.339.815               |   |                             |                             |
| 3. Sight and time deposits                                      |                      |                       | 88.087.284               |                      |                       | 41.867.415               |   |                             |                             |
|   |                      |                       | <u>105.201.240</u>       |                      |                       | <u>55.207.230</u>        |   |                             |                             |
| <b>Total Current Assets</b>                                     |                      |                       | <u>4.668.778.968</u>     |                      |                       | <u>3.226.802.336</u>     |   |                             |                             |
| <b>E. PREPAYMENTS AND ACCRUED INCOME</b>                        |                      |                       |                          |                      |                       |                          | <b>D. ACCRUALS AND DEFERRED</b>                         |                             |                             |
| 1. Deferred charges   |                      |                       | 6.802.269                |                      |                       | 7.996.251                | 1. Deferred income                                      | 186.500                     | 162.000                     |
|   |                      |                       | <u>6.802.269</u>         |                      |                       | <u>7.996.251</u>         | 2. Accrued expenses                                     | 10.645.811                  | 16.915.860                  |
| <b>TOTAL ASSETS</b>   |                      |                       | <u>5.772.625.586</u>     |                      |                       | <u>4.201.131.136</u>     | <u>10.832.311</u>                                       | <u>17.077.860</u>           |                             |
| <b>MEMO ACCOUNTS</b>  |                      |                       |                          |                      |                       |                          | <b>GRAND TOTAL LIABILITIES</b>                          | <u>5.772.625.586</u>        | <u>4.201.131.136</u>        |
| 1. Third party asset items                                      |                      | 18.276                |                          |                      |                       | 191                      | <b>MEMO ACCOUNTS</b>                                    |                             |                             |
| 2. Guarantees and real securities                               |                      |                       | 132.124.579              |                      |                       | 160.360.549              | 1. Beneficiaries of asset items                         | 18.276                      | 191                         |
|   |                      |                       | <u>132.124.579</u>       |                      |                       | <u>160.360.740</u>       | 2. Guarantees and real securities                       | 132.124.579                 | 160.360.549                 |
|   |                      |                       | <u>132.142.855</u>       |                      |                       | <u>160.360.740</u>       |   |                             |                             |

**PROFIT AND LOSS ACCOUNT**  
JUNE 30TH 2000 (JULY 1ST 1999 - JUNE 30TH 2000)

|   | 1.7.99-30.6.2000     | 1.7.98-30.6.1999     |
|---|----------------------|----------------------|
| <b>I. OPERATING RESULTS</b>                           |                      |                      |
| Net turnover (sales)                                  | 8.125.207.156        | 6.248.592.688        |
| Less: Κόστος πωλήσεων                                 | 4.809.250.784        | 3.489.875.463        |
| Gross operating results (profit)                      | 3.315.956.372        | 2.758.717.225        |
| PLUS: Other operating income                          | 133.519.015          | 98.719.129           |
| <b>Total</b>  | <u>3.449.475.387</u> | <u>2.857.436.354</u> |
| <b>LESS: 1. Administrative expenses</b>               | 181.873.940          | 224.700.096          |
| 3. Distribution costs                                 | 2.236.836.966        | 1.793.322.113        |
| Sub-total   | 1.030.764.481        | 839.414.145          |
| <b>LESS:</b>  |                      |                      |
| 4. Credit interest and similar income                 | 11.007.423           | 5.376.114            |
| <b>Less:</b>  |                      |                      |
| 3. Debit interest and similar charges                 | 211.595.690          | 265.778.046          |
| Total operating results (profit)                      | 830.176.214          | 579.012.213          |
| <b>II. LESS (or plus): Extraordinary Results</b>      |                      |                      |
| 1. Extraordinary & non-operating income               | 27.473.608           | 58.125.113           |
| 2. Extraordinary profit                               | 1.088.230            | 2.964.037            |
|   | 28.561.838           | 61.089.150           |
| <b>Less:</b>  |                      |                      |
| 1. Extraordinary & non-operating expenses             | 79.012.347           | 39.351.338           |
| 2. Extraordinary losses                               | 385.000              | 810.165              |
| 3. Prior year's expenses                              | 3.425.732            | 4.345.388            |
| 4. Provisions for extraordinary liabilities           | 10.000.000           | 54.506.891           |
| Operating & extraordinary results (profit)            | 765.914.973          | 585.594.472          |
| <b>LESS: Total value adjustments of fixed assets</b>  | 157.665.897          | 148.817.530          |
| <b>Less: Charged to the operating cost</b>            | 157.665.897          | 148.817.530          |
| <b>NET RESULTS (PROFIT) FOR THE YEAR BEFORE TAXES</b> | <u>765.914.973</u>   | <u>585.594.472</u>   |

**APPROPRIATION ACCOUNT**

|   | Amounts as of<br>1.7.99-30.6.00 | Amounts as of<br>1.7.98-30.6.99 |
|---|---------------------------------|---------------------------------|
| Net results (profit) for the year         | 765.914.973                     | 585.594.472                     |
| (+) Profit brought forward                | 439.005                         | 3.189.114                       |
| (+) Reserves for appropriation            | 0                               | 205.340.000                     |
| <b>Total</b>                              | <u>766.353.978</u>              | <u>794.123.586</u>              |
| <b>LESS: 1. Income Tax</b>                | 273.074.067                     | 239.560.965                     |
| 2. Taxes brought forward                  | 38.131.253                      | 49.607.700                      |
| 2. Other taxes                            | 1.930.984                       | 313.136.304                     |
| Profit for appropriation                  | <u>453.217.674</u>              | <u>493.959.005</u>              |
| Appropriated as under:                    |                                 |                                 |
| 1. Legal reserve                          | 25.000.000                      | 20.000.000                      |
| 2. Dividends                              | 329.680.000                     | 268.180.000                     |
| 3. B.o.D. fees                            | 40.000.000                      | 0                               |
| 3 a. Capital from extraordinary reserves  | 0                               | 92.000.000                      |
| b. Distribution of extraordinary reserves | 0                               | 113.340.000                     |
| 8 Profit carried forward                  | 58.537.674                      | 439.005                         |
|   | <u>453.217.674</u>              | <u>493.959.005</u>              |

The President of B.o.D.

Athens, October 31st, 2000  
The Vice-President of B.o.D

The Financial Manager

Konstantinos Ph. Nakas

George Ph. Nakas

Stelios D. Vasilakis



