

PHILIPPOS NAKAS S.A. MUSIC HOUSE
1st CONSOLIDATED BALANCE SHEET OF JUNE 30th 2001
(1st JULY 2000 - 30th JUNE 2001)

(Amounts in EURO)

ASSETS	Financial period 30.06.2001			LIABILITIES
	Acquisition value	Depreciation Value	Non-depreciated value	Financial Period of 30.06.2001
B. FORMATION EXPENSES				
4 Other formation expenses	<u>1.002.719,08</u>	<u>170.938,49</u>	<u>831.780,58</u>	
C. FIXED ASSETS				
I Intangible Assets				
5 Other intangible assets	<u>912.289,66</u>	<u>111.420,77</u>	<u>800.868,89</u>	
II Tangible Assets				
1. Land	1.979.268,27	0,00	1.979.268,27	
3. Buildings & technical works	3.937.649,31	1.877.666,98	2.059.982,33	
4. Machine - technical installations and other mechanical equipment	108.736,24	106.973,30	1.762,94	
5. Transportation equipment	348.591,03	199.390,56	149.200,47	
6. Furniture and fixtures	3.099.901,34	2.002.389,98	1.097.511,36	
7. Tangible assets in course of construction	<u>51.797,27</u>	<u>0,00</u>	<u>17.649.920,00</u>	
TOTAL TANGIBLE & INTANGIBLE ASSETS	<u>9.525.943,46</u>	<u>4.186.420,81</u>	<u>22.937.645,37</u>	
III. Financial Assets				
2. Participating interests in affiliated undertakings			586,94	
7. Other financial assets			<u>128.249,65</u>	
			<u>128.836,59</u>	
Total fixed assets			<u>7.101.008,71</u>	
D. CURRENT ASSETS				
I. Stocks				
1. Merchandise			9.273.702,90	
5. Payments on account for imports			<u>140.881,80</u>	
			<u>9.414.584,70</u>	
II. Debtors				
1. Trade debtors	1.958.922,61			
Less: Provisions			<u>88.502,31</u>	
2. Notes receivable:				
- in portfolio			3.521,64	
3. Notes overdue	36.336,68			
Less: Provisions			<u>36.336,68</u>	
3a. Cheques receivable:				
- in portfolio			0,00	
3b. Cheques overdue	127.689,61		2.432.834,73	
Less: Provisions			<u>127.689,61</u>	
11. Sundry debtors			344.292,29	
11a Credit cards			1.788.688,38	
12. Advances & other management accounts			<u>7.636,56</u>	
			<u>6.447.393,92</u>	
III. Investments				
1. Shares			58.458,55	
4. Bonds			<u>79.192,20</u>	
			<u>137.650,75</u>	
IV. Cash at bank and in hand				
1. Cash in hand			110.488,99	
3. Sight and time deposits			<u>392.885,24</u>	
			<u>503.374,23</u>	
Total current assets			<u>16.365.352,85</u>	
E. PREPAYMENTS AND ACCRUED INCOME				
1. Deferred charges			<u>23.489,09</u>	
GRAND TOTAL ASSETS			<u>23.627.501,40</u>	
MEMO ACCOUNTS				
1. Third party asset items			79,92	
2. Guarantees and real securities			<u>357.751,27</u>	
			<u>357.831,19</u>	
A. CAPITAL & RESERVES				
I. Share capital				
1. Paid-up capital				<u>3.721.203,23</u>
II. Shares premium account				<u>13.523.110,79</u>
III. Revaluation reserves Investment Grants				
2. Reserves from value adjustments of other assets				<u>3.320,18</u>
IV. Reserves				
1. Legal reserve				596.918,56
5. Tax-free reserves under special laws				395.050,88
				<u>991.969,44</u>
V. Results carried forward				
Profit carried forward				<u>638.231,62</u>
VII. Consolidation adjustments				
1. Consolidation account				3.562,99
2. Minority rights				82.176,94
				<u>85.739,93</u>
Total equity capital				<u>18.884.382,83</u>
B. PROVISIONS				
2. Other provisions				<u>308,27</u>
C. LIABILITIES				
II. Long-term liabilities				
1. Suppliers			1.814.885,61	
2. Notes payable in foreign currency			395.675,64	
2a Cheques payable			191.358,63	
3. Short-term bank loans			357,35	
4. Advance payment from clients			272.253,16	
5. Taxes - Duties			617.025,78	
6. Social Security contributions			124.909,44	
10. Dividends payable			355.462,61	
11. Other creditors			<u>940.056,65</u>	
Total liabilities				<u>4.711.984,86</u>
D. TRANSITORY ACCOUNTS				
2. Accrued expenses				<u>30.825,44</u>
TOTAL LIABILITIES				<u>23.627.501,40</u>
MEMO ACCOUNTS				
1. Beneficiaries of asset items				79,92
2. Guarantees and real securities				<u>357.751,27</u>
				<u>357.831,19</u>

**CONSOLIDATED PROFIT & LOSS STATEMENT
OF JUNE 30TH 2001 (1st July 2000 - 30th June 2001)**

	Financial year of 01.07.00-30.06.01	
I. Operating results		
Net turnover (sales)		25.822.207,12
Less: cost of sales		<u>15.360.603,15</u>
Gross operating results (profit)		10.461.603,97
Plus: other operating income		<u>175.304,97</u>
Total		10.636.908,94
Less: 1. Administrative expenses	742.383,94	
3. Distribution costs	<u>8.159.838,57</u>	8.902.222,51
Sub-total		1.734.686,43
Less: 3. Gains from sale of participating interests & other investments	11.991,06	
4. Credit interest & similar income	303.487,90	
Less:		
1. Depreciation reserves and expenses & losses from participations and securities	7.751,31	
3. Debit interest and similar charges	<u>218.666,31</u>	89.061,33
		1.823.747,76
Ολικά αποτελέσματα (κέρδη) εκμεταλλεύσεως		181.593,31
II. Less (or plus): Extraordinary results		
1. Extraordinary & non-operating income		9.947,74
2. Extraordinary profit		<u>137,93</u>
3. Prior year's income		191.678,99
Less:	197.423,19	
1. Extraordinary & non operat. expenses	3.643,41	
3. Prior year's expenses	<u>29.347,03</u>	-38.734,64
4. Provisions for extraordinary liabilities		1.785.013,12
Operating & extraordinary results (profit)		814.915,78
Less: Total value adjustments of fixed assets		
Less: charged to the operating cost	<u>814.915,78</u>	0,00
NET CONSOLIDATED NET RESULTS (PROFIT) OF THE GROUP		<u>1.785.013,12</u>

Athens, 31 October 2001

The President of B.o.D.

The Vice-President of B.o.D.

The Financial Manager

Konstantinos Ph. Nakas

George Ph. Nakas

Stylianos D. Vassilakis

