

# REAL ESTATE DEVELOPMENT & SERVICES S.A.

Public Companies (S.A.) Reg. Nr. 13564/06/B/86/123

3rd CONSOLIDATED BALANCE SHEET AS AT DECEMBER 31, 2002 - 3rd YEAR (01.01.2002 - 31.12.2002)



ASSETS	2002 - €			2001 - €			LIABILITIES	
	Acquisition value	Accumulated Depreciation	Net Book value	Acquisition value	Accumulated Depreciation	Net Book value	2002 - €	2001 - €
<b>B. FORMATION EXPENSES</b>								
1. Incorporation and Formation Expenses	1,680,626.00	625,497.04	1,055,128.96	638,843.32	141,226.56	497,616.76		
3. Interest of bank loans	525,462.73	210,185.10	315,277.63	0.00	0.00	0.00		
4. Other formation expenses	4,826,262.41	2,518,843.23	2,307,419.18	2,594,294.67	1,593,144.72	1,001,149.95		
	<b>7,032,351.14</b>	<b>3,354,525.37</b>	<b>3,677,825.77</b>	<b>3,233,137.99</b>	<b>1,734,371.28</b>	<b>1,498,766.71</b>		
<b>C. FIXED ASSETS</b>								
<b>I. Intangible Assets</b>								
<b>5. Other intangible Assets</b>	608,609.66	608,609.66	0.00	608,609.66	608,609.66	0.00		
<b>II. Tangible Assets</b>								
1. Land	16,007,624.05	0.00	16,007,624.05	7,057,681.03	0.00	7,057,681.03		
2. Fields	4,634,286.69	0.00	4,634,286.69	11,128,833.51	0.00	11,128,833.51		
3. Buildings and technical works	20,509,890.27	2,618,966.97	17,890,923.30	1,674,710.79	946,948.78	727,762.01		
4. Machinery, technical installations and other mechanical equipment	150,711.57	17,046.56	133,665.01	102.71	102.70	0.01		
5. Transportation equipment	2,465.15	462.21	2,002.94	2,465.15	92.44	2,372.71		
6. Furniture and fixtures	397,881.55	99,832.50	298,049.05	81,408.79	21,226.53	60,182.26		
7. Payments on account and tang. assets under construction	750,408.02	0.00	750,408.02	0.00	0.00	0.00		
	42,453,267.30	2,736,308.24	39,716,959.06	19,945,201.98	968,370.45	18,976,831.53		
<b>Total Tangible Assets (CI+CII)</b>	<b>43,061,876.96</b>	<b>3,344,917.90</b>	<b>39,716,959.06</b>	<b>20,553,811.64</b>	<b>1,576,980.11</b>	<b>18,976,831.53</b>		
<b>III. Financial Assets</b>								
7. Other long-term receivables			128,916.28			3,734.69		
			<b>128,916.28</b>			<b>3,734.69</b>		
<b>Total Fixed Assets (CI+CII+CIII)</b>			<b>39,845,875.34</b>			<b>18,980,566.22</b>		
<b>D. CURRENT ASSETS</b>								
<b>I. Inventories</b>			15,696,289.31			0.00		
3. Work in progress			<b>15,696,289.31</b>			<b>0.00</b>		
<b>II. Receivables</b>								
1. Trade debtors			479,514.93			24,941.40		
3a. Cheques receivable			233,378.53			0.00		
10. Doubtful contested trade & other debtors		2,622,279.04	0.00	2,622,279.04	0.00	0.00		
Minus : Allowances		<b>2,622,279.04</b>		<b>2,622,279.04</b>				
11. Sundry debtors			3,849,091.11			2,262,558.42		
12. Advances and credits to account for			1,488.30			3,480.24		
			<b>4,563,472.87</b>			<b>2,290,980.06</b>		
<b>III. Investments</b>								
1. Shares			24.65			24.65		
			<b>24.65</b>			<b>24.65</b>		
<b>IV. Cash at bank and in hand</b>								
1. Cash on hand			11,414.04			2,030.12		
3. Sight and time deposits			7,200,317.74			9,407,158.71		
			<b>7,211,731.78</b>			<b>9,409,188.83</b>		
<b>Total Current Assets (DI+DII+DIII+DIV)</b>			<b>27,471,518.61</b>			<b>11,700,193.54</b>		
<b>E. PREPAYMENTS AND ACCRUED INCOME</b>								
1. Prepaid expenses			4,092.18			0.00		
			<b>4,092.18</b>			<b>0.00</b>		
<b>GRAND TOTAL-ASSETS (B+C+D)</b>			<b>70,999,311.90</b>			<b>32,179,526.47</b>		
<b>MEMO. ACCOUNTS</b>								
2. Guarantees and real securities			34,720,553.38			1,361,847.46		

## INCOME STATEMENT

31st DECEMBER 2002 (1st JANUARY 2002 - 31st DECEMBER 2002)

	2002 - €		2001 - €	
<b>I. OPERATING RESULTS</b>				
Net Turnover (sales)		480,396.88		7,345.80
Minus : Cost of Sales		454,918.66		7,129.74
<b>Gross operating results (profit)</b>		25,478.22		216.06
Plus: Other operating income		996,036.30		65,088.81
<b>Total</b>		<b>1,021,514.52</b>		<b>65,304.87</b>
<b>MINUS :</b>				
1. Administrative expenses	2,761,057.30		1,682,991.78	
3. Distribution Expenses	14,585.16	2,775,642.46	0.00	1,682,991.78
<b>Sub total (loss)</b>		<b>-1,754,127.94</b>		<b>-1,617,686.91</b>
Plus :				
2. Income from other investments	247,519.92		369,342.18	
4. Credit interest and similar income	7,191.86		78,813.84	
	<b>254,711.78</b>		<b>448,156.02</b>	
Minus :				
3. Interest charges and related expenses	455,566.90	-200,855.12	1,270.62	446,885.40
<b>Total operating results (loss)</b>		<b>-1,954,983.06</b>		<b>-1,170,801.51</b>
<b>II. PLUS : EXTRAORDINARY RESULTS</b>				
1. Extraordinary and non-operating income	35,572.53		46.60	
2. Extraordinary gain	0.00		47,797.03	
3. Prior years' income	12,570.28		0.19	
4. Income from prior years' provisions	6,190.32		0.00	
	<b>54,333.13</b>		<b>47,843.82</b>	
Minus :				
1. Extraordinary and non-operating expenses	12,470.01		398,969.81	
2. Extraordinary losses	0.05		373,821.62	
3. Prior years' expenses	6,436.92	18,906.98	240.60	773,032.03
<b>Operating and extraordinary results (loss)</b>		<b>-1,919,556.91</b>		<b>-1,895,989.72</b>
LESS: Total fixed assets depreciation	1,530,475.66		738,515.34	
Minus : Depreciation integrated in the operating cost	1,530,475.66	0.00	738,515.34	0.00
<b>NET RESULTS (LOSS) FOR THE YEAR BEFORE TAXES</b>		<b>-1,919,556.91</b>		<b>-1,895,989.72</b>
Plus : 2. Other taxes not integrated into the oper. cost		-132,286.57		-120,804.83
<b>NET RESULTS (LOSS) FOR THE YEAR AFTER TAXES</b>		<b>-2,051,843.48</b>		<b>-2,016,794.55</b>
Minus : Minority shareholders' quota		-36,823.07		0.00
<b>NET CONSOLIDATED RESULTS (LOSS)</b>		<b>-2,015,020.41</b>		<b>-2,016,794.55</b>

**Notes :** 1. The consolidation as at 31/12/2002 apart from the parent company "REDS S.A." (former A.KAMBAS HOLDING & REAL ESTATE S.A.), also includes the subsidiary companies "KANTZA TRADE S.A.", "YALOU TRADE & TOURIST S.A.", "MANTINIACHI TOURIST S.A.", "P.M.S. PARKING SYSTEMS S.A." and "LOFOS PALLINI S.A." which was included in consolidation for first time during current fiscal year, also parent company participates by 67% to share capital of the aforesaid company. 2. Funds presented for the current period are not comparable to those of the previous period due to the absorption of subsidiary companies "TECHNO S.A." and "REDS S.A.", from "REDS S.A." (former A.KAMBAS HOLDING & REAL ESTATE S.A.), in accordance with the decision Nr K2- 17046/24-12-2002 of the Deputy Minister of Development. 3. Last share capital increase by cash contribution: By virtue of the General Shareholders Meeting resolution as of 23-07-2002, the company's share capital was increased by EURO 20.927.189.40. This increase was approved by decision nr K2-16326/20-12-2002 of the Deputy Minister of Development. 4. All companies were consolidated by total consolidation method in accordance with the provisions of c.L. 2190/1920. 5. The companies group properties are free from encumbrances. 6. The parent and the subsidiary companies employ 36 employees. 7. No change in the financial rules has been made as compared with those of the previous year. 8. The company has no disputes under litigation of arbitration, nor are there any court of arbitration decisions that are likely have a significant impact on the company's financial condition. 9. The debit difference of Euro K 1.624.72 which arose at the acquisition (absorption), in accordance with the provisions of L. 2166/1993, of subsidiary companies, was netted off directly with the "Share premium account", pursuant to the provisions of the Ministry of Finance Circular (POL. 1038/05.03.2003). 10. By virtue of the General Shareholders Meeting resolution as of 20-02-2003, the company's name, was changed from "A. KAMBAS HOLDING & REAL ESTATE S.A." to "REAL ESTATE DEVELOPMENT & SERVICES S.A.". The above change was approved by decision Nr K2-3082/14-03-2003 of the Deputy Minister of Development.

CHAIRMAN OF THE BOARD OF DIRECTORS

DIMITRIOS KOUTRAS  
ID Nr I-280654

Athens, 31 March 2003  
VICE- CHAIRMAN OF THE BOARD OF DIRECTORS  
& MANAGING DIRECTOR

ANASTASIOS KALLITSANTIS  
ID Nr E-434814

FINANCIAL MANAGER

ANALITI VASILIKI  
ID Nr E-013569

### AUDITOR'S REPORT

To the Shareholders of "REAL ESTATE DEVELOPMENT & SERVICES S.A." (former A KAMBAS HOLDING & REAL ESTATE S.A.) and its subsidiaries

We have audited according to the provisions of art. 108 of L. 2190/1920 the 3rd Consolidated Financial Statements, as well as the related Notes on the Accounts of "REAL ESTATE DEVELOPMENT SERVICES S.A." and its subsidiaries undertakings, for the year ended December 31, 2002. Our examination, included such auditing procedures as we considered necessary in the circumstances for the purpose of our audit, which are in conformity with the standards of auditing followed by the Institute of Certified Auditors - Accountants in Greece and lastly we verified that the Directors' consolidated report is consistent with the related Consolidated Financial Statements. We have not extended our audit to the examination of the Financial Statements of the Companies "KANTZA TRADE S.A." and "LOFOS PALLINI S.A.", which are included in the consolidation and represent totally 32,10% of consolidated total assets and turnover. Those Financial Statements were audited by other recognized Certified Auditors, on whose "Auditor's Report" we have relied on, in order to express our opinion hereof, insofar as it relates to the items included in the consolidation of the aforesaid undertakings. In our opinion, after taking into consideration our foregoing note, as well as the Company's notes the above Consolidated Financial Statements, have been prepared according to the provisions of c.L. 2190/1920 and in conformity with legal requirements and generally accepted accounting principles applied by the parent company on a basis consistent with that of the preceding year, except the company's note Nr 9, give a true and fair view of the assets, liabilities and financial position, the results of operations and the Cash Flows of all the companies which are included in the consolidation, as at 31 December, 2002.

Athens, 7 April 2003  
The Certified Public Accountant-Auditor

Ioannis L. Perros  
SOEL Reg. No. 11951  
SOL S.A. - Certified Auditors Accountants