THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt as to the action you should take, you should consult a person authorised under FSMA who specialises in advising on the acquisition of shares and other securities. The whole of this document should be read and your attention is drawn in particular to the section titled "Risk Factors" in Part II of this document.

This document is an admission document prepared in accordance with the AIM Rules, drawn up in connection with the re-admission to trading on AIM of the Shares and Warrants. This document contains no offer to the public of transferable securities within the meaning of section 102B of FSMA. This document does not comprise a prospectus for the purposes of the Prospectus Rules and a copy of it has not been, and will not be, delivered to the FSA for filing or approval. If you sell, have sold or otherwise transferred all your Shares in the Company, you should forward this document, together with the accompanying Form of Proxy, immediately to the purchaser or transferee or the agent through whom the sale or transfer was effected, for onward transmission to the purchaser or transferee. The Shares and Warrants are expected to recommence trading on the date hereof following submission of this document to AIM.

The Acquisition constitutes a reverse takeover under the AIM Rules by virtue of its size and is therefore subject to the prior approval of Shareholders at the Special General Meeting. Trading in the Shares and Warrants on AIM was suspended following the Company's announcement of the proposed Acquisition on 1 June 2006. In accordance with the AIM Rules, the Directors expect this suspension to be lifted following the publication of this document.

If the Acquisition is approved by holders of Shares at the Special General Meeting to be held on 27 June 2006, the dealing facility for the Shares and Warrants will be cancelled with effect from close of business on 27 June 2006. Application will be made for all the issued Shares and Warrants to be re-admitted to trading on AIM and such re-admission to AIM is expected to become effective on 28 June 2006.

AIM IS A MARKET DESIGNED PRIMARILY FOR EMERGING OR SMALLER COMPANIES TO WHICH A HIGHER INVESTMENT RISK TENDS TO BE ATTACHED THAN TO LARGER OR MORE ESTABLISHED COMPANIES. AIM SECURITIES ARE NOT ADMITTED TO THE OFFICIAL LIST OF THE UK LISTING AUTHORITY. A PROSPECTIVE INVESTOR SHOULD BE AWARE OF THE RISKS OF INVESTING IN SUCH COMPANIES AND SHOULD MAKE THE DECISION TO INVEST ONLY AFTER CAREFUL CONSIDERATION AND, IF APPROPRIATE, CONSULTATION WITH AN INDEPENDENT FINANCIAL ADVISER. THE LONDON STOCK EXCHANGE HAS NOT ITSELF EXAMINED OR APPROVED THE CONTENTS OF THIS DOCUMENT.

The Directors of the Company, whose names appear on page 7, accept responsibility, individually and collectively, for the information contained in this document and for compliance with the AIM Rules. To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure that such is the case), the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information. To the extent that information has been sourced from a third party, this information has been accurately reproduced and, as far as the Directors and the Company are aware, no facts have been omitted which may render the reproduced information inaccurate or misleading.

IRF EUROPEAN FINANCE INVESTMENTS LTD.

(Incorporated in Bermuda under the Companies Act 1981)

Proposed Acquisition of between 28 per cent. and 30 per cent. of Proton Investment Bank S.A.
Notice of Special General Meeting
Re-Admission to trading on AIM

Financial Adviser, Nominated Adviser and Broker

COLLINS STEWART LIMITED

Financial Adviser

S GOLDMAN ADVISORS LIMITED

SHARE CAPITAL (FOLLOWING RE-ADMISSION)

Authorised			Issued and fully paid	
$	Number		$	Number
223,437.53	148,958,355	Common Shares of par value $0.0015 each	85,937.51	57,291,675
250	2,500,000	Preference Shares of par value $0.0001 each	0	0

OUTSTANDING WARRANTS* (FOLLOWING RE-ADMISSION)

Authorised			Issued and fully paid	
$	Number		$	Number
N/A	N/A	Warrants to subscribe for Common Shares	N/A	91,666,680

*** Each Warrant comprises a right to subscribe for one Share at a subscription price of $5 per share.**

Collins Stewart, which is authorised and regulated by the FSA, is acting exclusively for the Company as financial adviser, nominated adviser and broker in connection with the matters described herein and for no one else, and will not be responsible to anyone other than the Company for providing the protections afforded to its clients or providing advice in relation to the contents of this document, or any matter or arrangements described in this document. Collins Stewart is not making any representation or warranty, express or implied, as to the contents of this document. This document does not constitute an offer to sell, or an invitation to subscribe for, or the solicitation of an offer to buy or subscribe for, Shares or Warrants. The Shares and Warrants have not been, and will not be registered under the United States Securities Act of 1933 (as amended) or under the applicable securities laws of Canada, Japan, Australia, the Republic of Ireland or the Republic of South Africa and, subject to certain exceptions, may not be offered for sale or subscription, or sold or subscribed, directly or indirectly, within the United States, Canada, Japan, Australia, the Republic of Ireland or the Republic of South Africa or to or by any national, resident or citizen of such countries. The distribution of this document in other jurisdictions may be restricted by law and therefore persons into whose possession this document comes should inform themselves about and observe any such restriction. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdictions. No person is authorised, in connection with the Acquisition and Re-Admission, to give any information or make any representation other than as contained in this document and, if given or made, such information or representation must not be relied upon as having been authorised by the Company or Collins Stewart or their respective directors.

A notice convening a Special General Meeting of the Company to be held at the Company's offices at Canon's Court, 22 Victoria Street, Hamilton HM12 Bermuda at 9.00 a.m., Bermuda time, on 27 June 2006 is set out at the end of this document. Whether or not you intend to be present at the meeting convened by the notice, Shareholders are requested to complete and return as soon as possible the Form of Proxy accompanying this document in accordance with the instructions set out therein but in any event by no later than 9.00 a.m., Bermuda time, on 25 June 2006. Pursuant to bye-law 38 of the Company's Bye-laws, you are hereby informed that the time by which a person must be entered on the register of members in order to have the right to attend and vote at the meeting is 5 days prior to the time fixed for the meeting. Changes to entries on the register of members after that time will be disregarded in determining the right of any person to attend or vote at the meeting. Completion of a Form of Proxy will not preclude a member from attending the Special General Meeting and voting in person.

Copies of this document will be available free of charge at the offices of Collins Stewart, 9th Floor, 88 Wood Street, London EC2V 7QR, during normal business hours on any weekday (Saturdays, Sundays and public holidays excepted) until one month after the date of Re-Admission.

None of AIM, the London Stock Exchange, the SEC or any United States securities commission has determined if this document is truthful or complete. Any representation to the contrary is a criminal offence.

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A LETTER FROM THE CHAIRMAN

IRF EUROPEAN FINANCE INVESTMENTS LTD.

Canon's Court
22 Victoria Street,
Hamilton HM12 Bermuda

To the Shareholders and, for information only, the holders of the Warrants.

You are cordially invited to attend a Special General Meeting of the Shareholders of the Company relating to the proposed acquisition of between 28 per cent. and 30 per cent. of the issued share capital of Proton Investment Bank S.A. by the Company. Proton's shares are listed on the Athens Stock Exchange under the symbol PRO.

The meeting will be held at 9.00 a.m., Bermuda time, on 27 June 2006, at the offices of the Company at Canon's Court, 22 Victoria Street, Hamilton HM12 Bermuda. The notice for this Special General Meeting is set out at the end of this document.

YOUR VOTE IS IMPORTANT. WHETHER YOU PLAN TO ATTEND THE SPECIAL GENERAL MEETING OR NOT, PLEASE SIGN, DATE AND RETURN THE ENCLOSED FORM OF PROXY AS SOON AS POSSIBLE.

Terms used and which are not defined in this letter have the meaning given to them in the definitions sections of this re-admission document.

At this Special General Meeting, you will be asked to vote for a resolution to approve the Acquisition pursuant to an acquisition agreement dated as of 31 May 2006, between the Company as purchaser and Elias Lianos and Anthony Athanasoglou as sellers. The Acquisition constitutes a Qualified Business Combination, as more particularly described in the Admission Document.

As part of this resolution, you will also be asked to approve:

- the release of all funds in the Trust;
- the proposed service contract for Georgios Kintis, the Company's Chief Executive Officer, to be entered into following Completion; and
- the proposed success based advisory fee of €3,300,000 payable to IBG,

(the "**Acquisition Resolution**").

You will also be asked to approve:

- conditional upon Completion, an amendment to the Bye-laws so that Bye-law 49 is deleted;
- an amendment to the Bye-laws to add a new Bye-law enabling the Company to reject transfers of shares or to force transfers of shares so as to avoid having more than ninety-nine US shareholders; and
- the designation of the Directors into certain classes.

The Acquisition Resolution and the resolution to add a new Bye-law giving the Company the power to limit the number of US Shareholders are each resolutions requiring a majority vote in both cases.

The conditional resolution to amend the Bye-laws by deleting Bye-Law 49 is a resolution requiring a vote in favour of 95 per cent. of the outstanding Shares of the Company carrying the right to vote.

The resolution designating the Directors into certain classes is a resolution requiring a vote in favour of 80 per cent. of the outstanding Shares of the Company carrying the right to vote.

Voting on each of the Proposed Resolutions will be by way of a poll.

Completion of the Acquisition constitutes a reverse takeover under the AIM Rules and is conditional on approval of a majority of the Company's shareholders. Shareholders owning approximately 65.05 per cent. of the outstanding share capital of the Company have entered into voting commitments to vote or procure votes in favour of the Acquisition. Angeliki Frangou, the chairman of the Company, Andreas Vgenopolous, the deputy chairman of the Company, and Georgios Kintis, the chief executive officer of the Company have given irrevocable undertakings in respect of 6,750,002 Shares, representing 11.78 per cent. of the outstanding share capital of the Company:.

In addition, irrevocable undertakings have been given by Tosca Fund Limited, New Smith Capital Partners and York Capital Management & Affiliates in respect of 19,061,667 New Shares, representing 33.27 per cent. of the outstanding share capital of the Company.

The voting commitments also include all of the Initial Shares, representing 20 per cent. of the outstanding share capital, which must be voted in accordance with the majority of the New Shares.

Each Shareholder that holds New Shares has the right to vote against the proposed Acquisition Resolution and, at the same time, demand that the Company repurchase all of such Shareholder's New Shares for $5.62 per Share, as of 31 May 2006, plus net interest earned since that date. If the proposed Acquisition is not completed for any reason, then there will be no repurchase of New Shares even if a Shareholder has so elected.

The Company's Shares and Warrants are listed on AIM under the symbols IRF and IRFW, respectively. The Shares and Warrants were suspended from trading on 1 June 2006 due to the announcement of the Company's entry into the Acquisition Agreement. The Shares and Warrants are expected to recommence trading on the date hereof following submission of this document to AIM. On close of business on 27 June 2006, assuming the Acquisition Resolution is passed, the dealing facility for the Shares and Warrants will be cancelled from trading and application will be made for the Shares and Warrants to be re-admitted to trading on AIM. It is expected that trading would recommence on 28 June 2006.

After careful consideration of the terms and conditions of the Acquisition, the Board has determined that the Acquisition and the transactions contemplated thereby and the proposed changes to the Bye-laws are fair and in the best interests of the Company and its Shareholders. Finally, the Board has determined that the resolution to designate the Directors into certain classes accords with the Bye-laws. Accordingly, the Board unanimously recommends that Shareholders vote or give instructions to vote "FOR" the resolutions to be proposed at the Special General Meeting convened for 27 June 2006. The holders of the Warrants are not entitled to vote on the resolutions.

Shareholders will find enclosed with this document a Form of Proxy. On the Form of Proxy, you have three voting options in relation to the proposed Acquisition Resolution: "FOR", "AGAINST" or "ABSTAIN" from voting. If you vote "FOR" the Acquisition Resolution, this means that you support the Acquisition and the transactions contemplated thereby. If you vote "AGAINST", this means that you do not support the Acquisition and the transactions completed thereby. If you vote against the Acquisition Resolution, you may also elect to "CASHOUT", which means that if the Acquisition Resolution is passed and the Acquisition is completed, all of your Shares will be repurchased for $5.62 per Share, as of 31 May 2006, plus net interest earned since that date. The Company will only complete the Acquisition if a majority of Shareholders approve the Acquisition and the Company has sufficient cash to repurchase those Shares in respect of which Shareholders have exercised repurchase rights.

The Form of Proxy has three voting options in relation to the proposed resolutions to amend the Bye-laws and designate the Directors into certain classes: to vote either "FOR" or "AGAINST" or "ABSTAIN" from voting. The passing of the resolution to delete Bye-law 49 will be conditional on the passing of the Acquisition Resolution whereas the passing of the resolution to limit the number of US Shareholders to ninety-nine and the resolution designating the Directors into certain classes are not conditional on the passing of the other resolutions.

Whether or not you intend to be present at the Special General Meeting, you are asked to complete the Form of Proxy in accordance with the instructions printed on it to the Company's registrars, Capita Registrars Limited, The Registry, 34 Beckenham Road, Beckenham, Kent, BR3 4TU as soon as possible but in any event so as to arrive not later than 9.00 a.m., Bermuda time, on 25 June 2006. The Form of Proxy can be returned by fax, to +44 (20) 8639 2180 (Attn: Bob Woods). Completion and return of the Form of Proxy will not preclude you from attending and voting at the meeting, should you so wish.

We look forward to seeing you at the meeting or, alternatively, receiving your Form of Proxy.

Sincerely,

Angeliki Frangou
Chairman of the Board

EXPECTED TIMETABLE

Announcement of the Acquisition and suspension of the Shares and Warrants from trading on AIM	1 June 2006
Trading on AIM of the Shares and Warrants resumed	Date of posting
Latest time and date for receipt of Forms of Proxy	25 June 2006
Special General Meeting	27 June 2006
Cancellation of the Shares and Warrants from trading on AIM following the passing of the Acquisition Resolution	27 June 2006
Re-Admission becomes effective and dealings recommence in the Shares and Warrants	28 June 2006
Completion of the Acquisition	28 June 2006

The above times and dates are indicative only and may be subject to change. In the event that the expected timetable set out above is changed, the Company will notify such amended dates through the Regulatory Information Service of the London Stock Exchange.

Times and dates referred to in this document are times and dates prevailing in London, England unless otherwise stipulated.

ACQUISITION STATISTICS

Proton Audited Net Interest Income for the year ended 31 December 2005 (1)	€715,430
Proton Audited Operating Income (after tax) for the year ended 31 December 2005 (2)	€22,063,186
Approximate consideration payable on completion of the Acquisition (3)	€120.1 - €128.6 million

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(1) Includes the net interest income for Arrow Portfolio Investment Company S.A., Eurodynamiki Portfolio Investment Company S.A. and Exelixi Portfolio Investment Company S.A.

(2) Includes the operating income for Arrow Portfolio Investment Company S.A., Eurodynamiki Portfolio Investment Company S.A. and Exelixi Portfolio Investment Company S.A.

(3) Depending on the number of Proton shares acquired

DIRECTORS, OFFICERS, COMPANY SECRETARY, REGISTERED OFFICE AND ADVISERS

Directors	Angeliki Frangou, of Monte Carlo Sun Building, 74 Boulevard d'Italia, Monte Carlo, 98000 Monaco Andreas Vgenopoulos, of 10 Parnithos Street, Ekali, Greece Georgios Kintis, of Gr. Afxentiou 4, Agia Paraskevi, Greece Sheldon Myles Goldman, of 641 Lexington Avenue, 25th Floor, New York, NY, 10022 USA John Karakadas, of Strofiliou 20, Kifisia 14561, Greece Alexander Meraclis, of Taxiarhon 59, Alimos, 16455, Greece Dennis Malamatinas, of 11 Chester Square, London SW1W 9HH
Officer	Nicos Koulis, of 14 Saphous Street, Vouliagmeni, Athens, Greece
Company Secretary	Andreas Vgenopoulos
Bermuda Resident Company Secretary	Louisa Barbosa Appleby Corporate Services (Bermuda) Ltd. Canon's Court 22 Victoria Street HM12 Bermuda
Registered Office	Canon's Court 22 Victoria Street Hamilton HM12 Bermuda
Financial Adviser, Nominated Adviser and Broker	Collins Stewart Limited 9th Floor 88 Wood Street London EC2V 7QR
Financial Advisers to the Company	S Goldman Advisors Limited 160 Queen Victoria Street London EC4V 4QQ International Bank of Greece Kifissias 24b, 15125 Maroussi
Counsel to the Company	US/UK Counsel Fried, Frank, Harris, Shriver & Jacobson (London) LLP 99 City Road London EC1Y 1AX Bermuda Counsel Appleby Spurling Hunter Canon's Court 22 Victoria Street Hamilton HM12 Bermuda

	Greek Counsel V & P Law Firm 15 Filikis Eterias Square 10673 Athens Greece
Counsel to Financial Adviser, Nominated Adviser and Broker	Travers Smith 10 Snow Hill London EC1A 2AL
Reporting Accountants	Grant Thornton A.E. 44 Vas. Konstantinou Str. 116 35 Athens Greece
Auditors to the Company	KPMG LLP 8 Salisbury Square London EC4Y 8BB
Branch Registrar	Capita IRG (Offshore) Limited Victorian Chambers Liberation Square 1/3 The Esplanade St Helier Jersey
Principal Registrar	Reid Finance Ltd Argyle House 41A Cedar Avenue Hamilton HM12 Bermuda

DEFINITIONS

"Acquisition"	the proposed acquisition by the Company of between 28 and 30 per cent. of the issued share capital of Proton Investment Bank S.A., pursuant to the Acquisition Agreement
"Acquisition Agreement"	the conditional agreement between Elias Lianos and Anthony Athanasoglou and the Company dated 31 May 2006, relating to the Acquisition, further details of which are set out below in Part V of this document
"Acquisition Resolution"	the resolution approving: • the Acquisition; • the release of all the funds in the Trust which currently contains all of the net proceeds of the Initial Public Offering; • the proposed service contract for Georgios Kintis, the Company's Chief Executive Officer, to be entered into following Completion; and • the proposed success based advisory fee of €3,300,000 payable to IBG
"Admission Document"	the admission document dated 7 November 2005 issued in connection with the Initial Public Offering
"AIM"	the AIM market, operated by the London Stock Exchange
"AIM Rules"	the rules for the operation of AIM, and governing the companies and nominated advisers related thereto, as published by the London Stock Exchange from time to time
"Bermudian Companies Act"	the Companies Act 1981 of Bermuda
"Board" or "Directors"	the directors of the Company named on page 7
"Bye-laws"	the Bye-laws of the Company, as amended from time to time
"Collins Stewart"	Collins Stewart Limited
"Company"	IRF European Finance Investments Ltd.
"Completion"	completion of the Acquisition in accordance with the Acquisition Agreement
"CREST"	the relevant system (as defined in the CREST Regulations) for paperless settlements of share transfers and the holding of shares in uncertificated form which is administered by CRESTCo
"CRESTCo"	CRESTCo Limited, the operator (as defined in the CREST Regulations) of CREST
"CREST Regulations"	the Uncertificated Securities Regulations 2001 (S1 2001 No. 3755) as amended
"Depositary Interests"	a dematerialised interest which represents an entitlement to common shares

"Exchange Act"	U.S. Securities Exchange Act of 1934, as amended
"Form of Proxy"	the form of proxy set out in this document, to be used by holders of Shares in connection with the Special General Meeting
"FSA"	the Financial Services Authority of the United Kingdom
"FSMA"	Financial Services and Markets Act 2000, as amended
"IBG"	International Bank of Greece
"Initial Public Offering" or "IPO"	the initial public offering of the Shares and Warrants in connection with the Original Admission
"Initial Shareholders"	the holders of Initial Shares, which includes all of the Directors
"Initial Shares"	the 11,458,335 Shares in existence immediately prior to the Initial Public Offering
"London Stock Exchange"	London Stock Exchange plc
"New Shares"	the 45,833,340 Shares issued by the Company pursuant to its placing in connection with the Original Admission
"New Shareholders"	the holders of the New Shares
"Omega"	Omega Bank S.A.
"Original Admission"	the original admission of all of the outstanding Shares and all of the Warrants to trading on AIM, which took place on 14 November 2005
"Preference Shares"	preference shares of the Company, having a par value of $0.0001 each
"Proposed Resolutions"	Each of: • the Acquisition Resolution; • the resolution amending the Bye-laws so that Bye-law 49 is deleted; • the resolution amending the Bye-laws to add a new Bye-law enabling the Company to reject transfers of shares or to force transfers of shares so as to avoid having more than ninety-nine US Shareholders; and • the resolution designating the Directors into certain classes, in accordance with Bye-law 23
"Prospectus Rules"	the Prospectus Rules issued by the Financial Services Authority
"Proton"	Proton Investment Bank S.A.
"Proton Group"	Proton and its subsidiaries
"Proton Securities"	Proton Securities S.A.

"Qualified Business Combination"	a business combination which, when combined with all of the Company's previous business combinations (if any), has an aggregate Transaction Value of at least $126,041,695, being 50 per cent. of the amount deposited in the Trust following the Company's original admission to trading on AIM, including any further deposit into the Trust within 30 days following such admission
"Re-Admission"	re-admission of the Shares and Warrants to trading on AIM becoming effective in accordance with Rule 6 of the AIM Rules, following the cancellation of such trading in accordance with Rule 14 of the AIM Rules
"Re-Admission Date"	the date on which Re-Admission occurs
"SEC"	U.S. Securities and Exchange Commission
"Securities Act"	U.S. Securities Act of 1933, as amended
"Sellers"	Elias Lianos and Anthony Athanasoglou
"S Goldman Advisors"	S Goldman Advisors Limited
"Shareholders"	holders of Shares
"Shares"	common shares of the Company, having a par value of $0.0015 each
"Special General Meeting"	the special general meeting of the Company convened for 27 June 2006 to be held at the Company's offices at Canon's Court, 22 Victoria Street, Hamilton, HM12, Bermuda, or any adjournment thereof, notice of which is set out at the end of this document
"Sunrise"	Sunrise Securities Corp.
"Transaction Value"	the sum of (i) cash and fair market value of the property, if any, used as consideration in connection with a business combination, (ii) net debt assumed and/or incurred in connection with such business combination, (iii) working capital required to operate the acquired business or assets, (iv) the value of capital stock used as consideration in connection with such business combination as determined by an unaffiliated independent investment banking firm and (v) transaction costs incurred to complete the transaction
"Trust"	the trust maintained by the Trustee at a subsidiary of HSBC plc for the benefit of the Company
"Trustee"	Bermuda Trust Company Limited
"Warrants"	the outstanding warrants of the Company

QUESTIONS AND ANSWERS ABOUT THE ACQUISITION AND RELATED MATTERS

What is being voted on?

You are being asked to vote on four resolutions:

- approval of the Acquisition pursuant to the Acquisition Agreement, whereby the Company will purchase between 28 per cent. and 30 per cent. of the issued share capital of Proton Investment Bank S.A., a Greek bank listed on the Athens Stock Exchange. As part of this vote, you will also be approving (i) the release of all the funds from the Trust part of which will be used to fund the purchase price of the Acquisition, (ii) the proposed service contract to be entered into between the Company and Georgios Kintis and (iii) the proposed success based advisory fee to IBG of €3,300,000. No funds will be released from the Trust, the service contract will not be entered into and the success based advisory fee of €3,300,000 will not be paid to IBG unless the Acquisition is completed;
- approval of an amendment to the Bye-laws to delete Bye-law 49. The approval of this resolution will be conditional on approval and Completion;
- approval of an amendment to the Bye-laws to enable the Company to reject transfers of shares or to force transfers of shares so as to avoid having more than ninety-nine US shareholders. The approval of this resolution will not be conditional on the passing of the other resolutions; and
- approval of an amendment to the Bye-law to designate the Directors into certain classes in accordance with Bye-law 23. The approval of this resolution will not be conditional on the passing of the other resolutions.

Why is the Company proposing the Acquisition?

The Company was incorporated to serve as a vehicle for the acquisition of entities or controlling shareholdings in the financial services industry in Europe. As set out in the Admission Document, the Company's strategy is to acquire entities with opportunities for geographic expansion and/or the addition of new products and services, or which are constrained by their current capital and limited in access to the capital markets; or which are undervalued because their size is not sufficient for larger acquirers or they have a capital deficiency or they are in a geography not currently being sought by larger banks.

The proposed acquisition of between 28 per cent. and 30 per cent. of Proton is in line with this strategy. Proton has already demonstrated its desire to expand its traditional investment banking business through its acquisition of First Global Brokers A.D. in Serbia and its proposed merger of Omega into Proton. Further details of the Omega transaction are set out in Part I of this document – "Pending transaction with Omega Bank S.A.".

Although the Acquisition is for a minority stake rather than acquiring the entirety of Proton, the Company will be one of the largest shareholders. Following Completion, the Company will be entitled (pursuant to the Acquisition Agreement) to nominate four of the seven members of the Proton board, one of whom must be independent and three of whom must be non-executives. Angeliki Frangou, Chairman of the Company and Georgios Kintis, Chief Executive Officer of the Company, have agreed to become new directors of Proton and George Minettas and Panagiotis Alexakis will be the other two Company nominated directors. Panagiotis Aletakis will be an independent director for the purposes of Greek law and the Athens Stock Exchange rules. In addition, certain reserved matters require the approval of 75 per cent. of the board of Proton which consequently enables the Company to have an active role in determining the business strategy of Proton. For accounting purposes, Proton will be consolidated with the Company.

If the proposed merger of Omega into Proton is approved, the Sellers have undertaken to procure that the Proton board will be increased to eleven members and the Company will be entitled to appoint six directors, one of whom will be independent and five of whom must be non-executives. These six directors are expected to be Angeliki Frangou, Georgios Kintis, George Minettas, Panagiotis Alexakis, Theodore Mylonas and Markos Foros.

Why is the Company proposing to amend its Bye-laws?

The Company is proposing to delete Bye-law 49, which regulates certain activities of the Company prior to and in connection with a Qualified Business Combination, because the Acquisition constitutes a Qualified Business Combination and therefore, Bye-law 49 will cease to be operative if the Acquisition is completed. This amendment is also conditional on Completion.

The Company is proposing to add a new Bye-law giving the power to limit the number of US shareholders to ninety-nine so as to avoid being subject to registration under the US Investment Company Act of 1940, as amended. If registration were to apply, the Company would have to change the nature of its current business or dissolve. This resolution will continue to be proposed even if the Acquisition Resolution is not passed.

Why is the Company proposing to designate the Directors into certain classes of directors?

Bye-law 23 provides that each Director of the Company should be designated as either a class I Director, class II Director or class III Director. As at the date hereof, none of the Directors have been designated into any such class.

A class I Director shall serve as a director until the conclusion of the annual general meeting of the Company held in the calendar year 2006 and subsequently shall (unless his office is vacated in accordance with the Bye-laws) serve for three year terms, each concluding at the third annual general meeting of the Company after the class I Directors together were appointed or re-appointed.

A class II Director shall serve as a director until the conclusion of the annual general meeting of the Company held in the calendar year 2007 and subsequently shall (unless his office is vacated in accordance with the Bye-laws) serve for three year terms, each concluding at the third annual general meeting of the Company after the class II Directors together were appointed or re-appointed.

A class III Director shall serve as a director until the conclusion of the annual general meeting of the Company held in the calendar year 2008 and subsequently shall (unless his office is vacated in accordance with the Bye-laws) serve for three year terms, each concluding at the third annual general meeting of the Company after the class III Directors together were appointed or re-appointed.

It is proposed that the following Directors be designated as class I, class II or class III Directors:

- Class I Directors – Georgios Kintis, Alexander Meraklis and Dennis Malamatinas;
- Class II Directors – Sheldon Goldman and John Karakadas;
- Class III Directors – Angeliki Frangou and Andreas Vgenopoulos.

What vote is required in order to approve the Proposed Resolutions?

Completion of the Acquisition constitutes a reverse takeover under the AIM Rules and is conditioned on approval of a majority of the Company's shareholders. Shareholders owning approximately 65.05% of the outstanding share capital of the Company have entered into voting commitments to vote or procure votes in favour of the Acquisition. The following Directors have given irrevocable undertakings in respect of 6,750,002 Shares, representing 11.78 per cent. of the outstanding share capital of the Company: Angeliki Frangou, the chairman of the Company, Andreas Vgenopolous, the deputy chairman of the Company, and Georgios Kintis, the chief executive officer of the Company.

In addition, irrevocable undertakings have been given by Tosca Fund Limited, New Smith Capital Partners and York Capital Management & Affiliates in respect of 19,061,667 New Shares, representing 33.27 per cent. of the outstanding share capital of the Company.

The voting commitments also include 20 per cent. of the outstanding share capital held by the Company's Initial Shareholders, which are required to be voted in accordance with the majority of the New Shares.

The proposed service contract for Georgios Kintis will not be entered into, the proposed success based advisory fee of €3,300,000 payable to IBG will not be paid and all the funds received by the Company from the Trust will be returned to the Trust if the Acquisition does not complete for any reason.

The resolution to delete Bye-law 49 requires the holders of 95 per cent. of the outstanding Shares to vote in favour. The resolutions to amend the Bye-laws by adding a Bye-law giving the Company the power to limit the number of US shareholders to ninety-nine and designating the Directors into certain classes require a majority of the votes cast to vote in favour.

Voting on each of the Proposed Resolutions will be by way of a poll.

Can the Warrant holders vote?

No. Only the Shareholders are entitled to vote on the Proposed Resolutions.

What are the implications for Warrant holders if the Acquisition completes?

According to the terms of the Warrants, the Warrants become exercisable upon the completion of a Qualified Business Combination. The Acquisition, when completed, would be a Qualified Business Combination and therefore the Warrants will become exercisable upon Completion. The Warrants have an exercise price of $5.00 per Share and an exercise period that expires (except in certain circumstances) on 14 November 2009.

What effect does the proposed Acquisition have on the trading of the Shares and Warrants?

The Acquisition constitutes a reverse takeover under the AIM Rules and is conditioned on approval of a majority of its Shareholders. Trading the Shares and Warrants on AIM was suspended on 1 June 2006 following the Company's announcement of the proposed Acquisition. In accordance with the AIM Rules, the Directors expect the suspension to be lifted following posting of this document.

If this Acquisition is approved by Shareholders at the Special General Meeting, the dealing facility for the Shares and Warrants will be cancelled. Application will then be made by the Company for the Shares and Warrants to be readmitted to trading on AIM. Trading in such Shares and Warrants on AIM is expected to recommence on 28 June 2006.

What will I receive in the Acquisition?

Subject to the repurchase rights of Shareholders described below, holders of the Company's securities (both Shares and Warrants) will continue to hold the securities they currently own and will not receive any of the cash paid as consideration for the Acquisition. The Company is simply acquiring between 28 per cent. and 30 per cent. of the share capital of Proton. The Sellers will receive all of the consideration being paid pursuant to the Acquisition.

How is the Company paying for the Acquisition?

The Company will fund the Acquisition entirely out of the funds held in the Trust.

Do I have repurchase rights in connection with the Acquisition?

If you hold New Shares then you have the right to vote against the Acquisition Resolution and demand that the Company repurchase all (but not some) of your Shares for cash at a price equal to US$5.62 per Share, plus net interest earned thereon since 31 May 2006.

If you wish to exercise your repurchase rights you must vote against the Acquisition Resolution and, at the same time, demand that the Company cash out your Shares. You should do this by marking with an "X" both the "AGAINST" box and the "CASHOUT'' box on the Form of Proxy. If the Acquisition is completed, then you will be entitled in accordance with the provisions of the Bye-laws to have all of your Shares repurchased at a price equal to US$5.62 per Share, plus net interest earned thereon since 31 May 2006. If you exercise your repurchase rights, then you will be exchanging all of your Shares for cash and will no longer own these Shares. However, you will only be entitled to receive cash for these Shares if you continue to hold them up to and including Completion. You must also send the original certificates representing your Shares to the Company in order to receive payment. Share certificates should be sent in with your Form of Proxy. In accordance with the Bye-laws, Shares will only be repurchased by the Company if the Acquisition is completed. If the Acquisition is not completed, then your Shares will not be repurchased at this time, even if you so elect, and your share certificates will be returned to you. If you elect for your Shares to be repurchased, you will still keep any Warrants you hold.

Any request to exercise your repurchase rights, once made, may be withdrawn at any time up to the date of the Special General Meeting. It is anticipated that the funds to be distributed to those Shareholders who duly elect to have their Shares repurchased will be distributed promptly after the Completion, subject to their tendering to the Company certificates representing their Shares.

The Initial Shareholders have agreed that, if Shareholders exercise their repurchase rights, an amount of Shares held by the Initial Shareholders may be repurchased by the Company such that, at no time, will the Initial Shares represent an aggregate of more than 25 per cent. of the outstanding Shares. In such event, the purchase price paid by the Company with respect to the repurchased Initial Shareholders' Shares will be equal to the par value of such Shares and will be paid out of the Company's working capital.

How you vote on the proposed resolutions to amend the Company's Bye-laws and to designate the Directors into certain classes of Directors does not affect whether you can exercise your repurchase rights.

Who will manage the Company and Proton upon Completion?

The Company will continue to be managed by its current management team. Proton will continue to be managed by its current management, subject to certain rights of the Company under the Management Contracts, further details of which are set out in paragraph 9.1 of Part VII of this document. The Sellers have agreed to procure that at Completion, four existing Proton directors shall resign from the Proton board and be replaced by four directors nominated by the Company. The board of Proton must comprise at least three non-executive and one independent director. The following list shows the names and respective titles of the seven Directors who are expected to comprise the Proton board following Completion:

Angeliki Frangou[(1)]	Non-Executive Chairman
Elias Lianos	Managing Director
Anthony Athanasoglou	Managing Director
Georgios Kintis[(1)]	Non-Executive Director
George Minettas[(1)]	Non-Executive Director
Panagiotis Alexakis[(1)]	Non-Executive Director
Alexandra Stavropoulos	Non-Executive Director

(1) Nominee of the Company

The directors of the Proton board are not expected to receive any fees for their services as directors.

During the period between Completion and the next general meeting of Proton the Sellers shall, to the extent they are able, procure that the number of directors on the Proton board does not exceed seven and always includes at least four of the Company's nominees.

The Company and the Sellers shall, at the first general meeting of Proton after Completion, which is expected to be to approve the proposed merger of Omega into Proton (or, if earlier, by 31 December 2006):

(a) vote in favour of all necessary resolutions to procure that the Proton's board be increased from seven directors to the maximum of eleven directors; and

(b) vote in favour of all necessary resolutions to procure that the Proton's board shall include five directors nominated by the Sellers (of whom one must be an independent director) and six directors nominated by the Company (of whom one must be an independent director and five of whom must be non-executive directors) for a term of office of at least two years.

There can be no assurance that the board changes described above will be implemented. For further details see "Risk Factors – The Company will hold a minority investment in Proton after the Acquisition and may not be able to effectively exert control over Proton and its business" in Part II of this document.

What happens if the Acquisition is not completed?

If the Acquisition is not completed for any reason, the Company will continue to search for other acquisition opportunities and will continue to be an investing company. However, the Company shall be liquidated if it does not complete a business combination by 14 May 2007 (being eighteen months from the date of the Original Admission), unless a majority of the Shareholders approve an extension of such investment period. In any liquidation, the net proceeds of the Initial Public Offering held in the Trust, plus any net interest earned thereon to the date of liquidation, will be distributed pro rata to the holders of the Company's Shares that were issued concurrent with the Original Admission (i.e. not the Initial Shares). If the Company is forced to liquidate its assets, the per-share return of capital would be $5.62, as of 31 May 2006, plus net interest accrued thereon from that date until the date of any liquidation. There will be no distribution with respect to the outstanding Warrants and, accordingly, the Warrants will expire worthless.

When do you expect the Acquisition to be completed?

The Acquisition Agreement provides for Completion to take place on the third business day following the Special General Meeting. If Completion has not occurred by 5 July 2006, the Acquisition Agreement will terminate in accordance with its terms.

What regulatory approvals are required for the Acquisition?

The Acquisition constitutes a "qualifying holding" of shares in a Greek bank under applicable Greek law and therefore requires approval by the Bank of Greece. The Company has had informal discussions with the Bank of Greece with respect to such approval and although the Company is required to make a formal application to the Bank of Greece, following Completion, no objections were raised by the Bank of Greece during the Company's discussions with it.

On 9 June 2006, the Company filed an application for formal approval of the Acquisition from the Bank of Greece. The Board believes that approval will be granted and anticipates that it will be received two to three months after the Acquisition. If such approval is not granted, the Company will lose the right to vote its shares in Proton and would likely decide to sell such shares. For further details see "Risk Factors – Bank of Greece Approval" in Part II of this document.

If I am not going to attend the Special General Meeting in person, should I return my proxy card instead?

Yes. After carefully reading and considering the information contained in this document, please complete, sign and return the enclosed Form of Proxy as soon as possible, but in any event so that it arrives no later than 48 hours prior to the Special General Meeting, so that your Shares may be represented at the Special General Meeting.

What will happen if I abstain from voting or fail to vote?

An abstention or failure to vote will have no effect on the Acquisition and will not serve as an election to exercise your repurchase rights.

What do I do if I want to change my vote?

If you wish to change your vote, please deliver a further, signed Form of Proxy dated subsequent to your initial Form of Proxy to Capita Registrars Limited, The Registry, 34 Beckenham Road, Beckenham, Kent, BR3 4TU, to arrive at least 48 hours prior to the Special General Meeting or attend the Special General Meeting and vote in person.

If my Shares are held in "street name" by my broker, will my broker vote my Shares for me?

No. Your broker can vote your Shares only if you provide specific instructions on how to vote. You should take instructions from your broker as to how to instruct your broker to vote your Shares.

Who can help answer my questions?

If you have questions about the Acquisition, you may call Georgios Kintis at the Company on +30 21 04172050. For regulatory reasons, however, no advice as to how to vote on the Proposed Resolutions can be given.

PART I
INFORMATION ON THE COMPANY AND PROTON

INTRODUCTION

The Company was incorporated on 8 September 2005 under the Bermuda Companies Act, under the name IRF European Finance Investments Ltd. The Company is currently an investing company (or cash shell) formed to serve as a vehicle for the acquisition of an entity (or a controlling interest in an entity) in the financial services industry in Europe. The Company currently has no business operations.

In November 2005, the Company completed its Initial Public Offering in which 45,833,340 units were sold to institutional and other investors at a price of $6.00 per unit. Each unit consisted of one Share and two Warrants. The Shares and Warrants were admitted to trading on AIM on 14 November 2005.

The $252,083,390 net proceeds of the Company's Initial Public Offering, after payment of placement commissions and expenses, was placed in a trust and invested in U.S. Treasury bills having a maturity date of 180 days or less. The funds in the Trust may only be used by the Company to finance one or more business combinations approved by the Shareholders and to satisfy the Company's repurchase obligations in connection with any such business combinations. However, if a Qualified Business Combination is completed, all remaining funds in the Trust can then be released to the Company for use without restriction.

On 31 May 2006, the Company agreed, subject to Shareholders' approval, to acquire a stake in Proton, a Greek investment bank listed on the Athens Stock Exchange. The Company agreed to acquire between 28 per cent. and 30 per cent. of the issued share capital of Proton being 12,638,050 to 13,540,767 shares from the Sellers at a price of €9.50 per Proton share, for a total consideration of between €120.1 million and €128.6 million, the final consideration payable being dependent on the number of Proton shares actually acquired.

The Acquisition constitutes a reverse takeover for the purposes of the AIM Rules by virtue of its size and is therefore subject to the prior approval of Shareholders at the Special General Meeting. The release of funds from the Trust, which will partially be used to finance the purchase price for the Acquisition, also requires the prior approval of Shareholders. A Special General Meeting, notice of which is set out at the end of this document, will therefore be held on 27 June 2006 in order to obtain the necessary Shareholder approvals to the Proposed Resolutions.

If the Acquisition is approved by Shareholders at the Special General Meeting, the existing admission of the Shares and Warrants to trading on AIM will be cancelled with effect from close of business on 27 June 2006. Application will then be made by the Company for the Shares and Warrants to be re-admitted to trading on AIM. Trading in the Shares and Warrants on AIM is expected to recommence on 28 June 2006.

The purpose of this document is to provide Shareholders with information on the Acquisition and Proton. This document constitutes an AIM admission document in respect of the Company following the Acquisition and has been prepared in accordance with Schedule 2 to the AIM Rules.

QUALIFIED BUSINESS COMBINATION

The Transaction Value of the Acquisition is expected to be between €120.1 million and €128.6 million depending upon how many Proton shares are purchased. The Acquisition will therefore constitute a Qualified Business Combination, which will give rise to certain events under the Bye-laws and various material agreements of the Company, as follows:

- the balance of funds remaining in the Trust following the Acquisition and any repurchase of Shares that the Company is required to undertake in connection therewith will be transferred to the Company and the funds will be available for general use;
- Shareholder approval will no longer be required for acquisitions by the Company unless any such acquisition constitutes a reverse takeover under the AIM Rules, and Shareholders will have no further rights to require the Company to repurchase their Shares;
- the Company's Directors will no longer be obliged to present any business combination first to the Company;
- subject to applicable laws, the Company may enter into agreements with members of its management team;

- the Warrants will become exercisable; and
- the Company will seek to comply, as far as possible, with the Corporate Governance Guidelines for AIM-quoted entities as published by the Quoted Companies Alliance.

REASONS FOR MAKING A BUSINESS COMBINATION

As stated in the Admission Document, the Company's strategy is to invest in a financial services institution that has one or more of the following characteristics:

- an attractive franchise with opportunities for geographic expansion and/or the addition of new products and services;
- an institution that is constrained by its current capital and limited in its access to alternative capital markets due to its size or other considerations; and
- an institution that is undervalued because the institution is too small for larger acquirers, has a capital deficiency, or is in a geographic market not currently being sought by larger banks.

The Directors believe that Proton provides a valuable platform for exploiting opportunities in the financial services sector in Greece because of:

- a valuation that the Company's management consider attractive;
- its experienced management;
- its historical strong cash flow generation and profitability;
- its ability to access new markets through organic growth or acquisition:
  - Proton's existing Greek banking licence facilitates the opening of new branches and the acquisition of other smaller banks;
  - Proton's shares can more easily be used as acquisition currency than the Company's;
- its cross selling opportunities to existing investment banking and asset management clients; and
- its retail banking base, as a result of its contemplated merger with Omega.

The Acquisition constitutes a "qualifying holding" of shares in a Greek bank under applicable Greek law and therefore requires approval by the Bank of Greece. The Company has had informal discussions with the Bank of Greece with respect to such approval and although the Company is required to make a formal application to the Bank of Greece following Completion, no objections were raised by the Bank of Greece during the Company's discussions with it. On 9 June 2006, the Company filed an application for formal approval of the Acquisition from the Bank of Greece. The Board believes that approval will be granted and anticipates that it will be received within two to three months after the Acquisition. If such approval is not granted, the Company will lose the right to vote its shares in Proton and would likely decide to sell such shares.

The Greek Competition Commission will also be notified of the Acquisition after it has been completed.

INTERESTS OF THE COMPANY'S DIRECTORS

When you consider the recommendation of the Board referred to above, you should keep in mind that certain Directors of the Company have interests in the Acquisition that are different from, or in addition to, your interest as a Shareholder. These interests include, among other things, that:

- if the Acquisition is not approved and the Company fails to complete an alternative transaction (or a series of transactions) representing a business combination within 18 months of the date of the Original Admission (unless such period is extended by Shareholder approval), pursuant to the Bye-laws, the Company may liquidate pursuant to a shareholder resolution, and the Initial Shares held by such Directors may become worthless because the Initial Shares are not entitled to receive any of the net proceeds of the Initial Public Offering that may be distributed upon liquidation of the Company;
- the proposed service contract for Georgios Kintis is subject to Completion (see paragraph 8.3 of Part VII of this document);
- the personal indemnity for certain costs and other liabilities provided to the Trust pursuant to her insider letter (see paragraph 9.6 of Part VII of this document) by Angeliki Frangou will fall away upon Completion;

- the Company will continue, for the foreseeable future, to reimburse an affiliate of Angeliki Frangou for general administrative services, including office space, for an amount considered by the Company to be fair and reasonable for such services;
- IBG is affiliated with Marfin Financial Group (“MFG”) and Marfin Bank S.A.. Andreas Vgenopoulos, the Company’s deputy chairman, is the vice chairman of MFG and chairman of Marfin Bank S.A.. Upon Completion, it is proposed to pay IBG’s success based advisory fee of €3,300,000 for services provided in connection with the Acquisition (see paragraph 9.13 and 11.1 of Part VII of this document); and
- the Company has agreed to pay a fee of €780,000 to S Goldman Advisors in its capacity as the Company’s financial adviser. Sheldon Goldman, a Director of the Company, is managing director of S Goldman Advisors (see paragraph 11.1 of Part VII of this document).

BOARD RECOMMENDATIONS

After careful consideration of the terms and conditions of the Acquisition, the Board has determined that the Acquisition and the transactions contemplated thereby (including the release of the funds from the Trust) are fair and in the best interests of the Company and its Shareholders. The remuneration committee has also considered the terms of the proposed service contracts for Georgios Kintis and determined such proposal to be fair and reasonable. Accordingly, the Board unanimously recommends that the Shareholders vote or give instruction to vote “FOR” the Acquisition Resolution to be proposed at the Special General Meeting of the Shareholders convened for 27 June 2006. Provided that such resolution is passed and the Acquisition is consummated, the Board has determined that it is in the interests of the Company to delete Bye-law 49 (conditional upon Completion).The Board has also determined that it is in the interests of the Company to insert a new Bye-law giving the Company the power to limit the number of US shareholders and to designate the Directors into certain classes. The Board unanimously recommends that the Shareholders also vote “FOR” these resolutions at the Special General Meeting.

IRREVOCABLE UNDERTAKINGS

Completion of the Acquisition constitutes a reverse takeover under the AIM Rules and is conditioned on approval of a majority of the Company’s shareholders. Shareholders owning approximately 65.05 per cent. of the outstanding share capital of the Company have entered into voting commitments to vote or procure votes in favour of the Acquisition. The following Directors have given irrevocable undertakings in respect of 6,750,002 Shares, representing 11.78 per cent. of the outstanding share capital of the Company: Angeliki Frangou, the chairman of the Company, Andreas Vgenopolous, the deputy chairman of the Company, and Georgios Kintis, the chief executive officer of the Company.

In addition, irrevocable undertakings have been given by Tosca Fund Limited, New Smith Capital Partners and York Capital Management & Affiliates in respect of 19,061,667 New Shares, representing 33.27 per cent. of the outstanding share capital of the Company.

The voting commitments also include 20 per cent. of the outstanding share capital held by the Company’s Initial Shareholders, which are required to be voted in accordance with the majority of the New Shares.

INFORMATION ON PROTON

Proton was formed in September 2001 under the name Arrow Investment Bank S.A.. Proton’s trade name was changed to Proton Investment Bank S.A. in November 2001. In the same year, Proton was licensed by the Bank of Greece to operate as a financial institution in Greece. Proton’s head offices are located in Kallithea, where the sole branch of Proton is also located.

Proton’s shares were listed on the Athens Stock Exchange in December 2005 following an initial public offering which was oversubscribed 5.7 times and which attracted 8,000 investors.

Proton focuses on investment banking and the provision of specialised corporate advisory and investment services. Proton operations are divided into four business segments: advisory services, investment banking, brokerage and asset management.

Proton is also expanding its business out into commercial banking through a proposed merger of Omega into Proton (see section titled “Pending Transaction with Omega Bank S.A.”).

Proton has one branch in Athens, and Proton Securities, a wholly owned subsidiary of Proton, operates two additional branches in Thessaloniki and Heraklio.

Some key market statistics for Proton as at 31 May 2006, as extracted by the Company from the Athens Stock Exchanges, are as follows:

Share price	€9.14
Price range since Proton IPO	€9.86 to €5.98
Number of Shares	45.14 million
Market capitalisation	€412.5 million

Advisory Services

Proton aims to provide advisory services and undertake projects having the following objects:

- Mergers and acquisitions
- Raising of funds and financial restructuring
- Strategic and business Planning
- PPP/PFI/Project Finance

Investment Banking

Proton's investment banking activities are as follows:

Capital Market Operations

Proton offers consultative and underwriting services with regard to the issue and offer of shares to individuals and to Greek and foreign institutional investors.

Proton also provides consultative and underwriting services relating to the issuance of corporate bond securities (vanilla bond loans, convertible bonds, exchangeable bonds etc.), as well as for the participation in Greek bond issues (bonds of the Greek state, corporate bond loans, bonds with foreign currency clause) and international bond issues (bonds of international organisations or foreign companies).

Co-operation with international financial credit institutions

Proton has developed a number of working relationships with international financial credit institutions. The primary purpose of these relationships is to facilitate the day-to-day business requirements of Proton's clients both on the asset and liability side for specific transactions. Proton relies on such ad-hoc cooperation in order to better service client needs.

Brokerage

Through its wholly-owned subsidiary Proton Securities S.A., Proton offers brokerage services to its clients. It offers a diversified range of services for the execution of transactions both in Greece and internationally. The core of its brokerage clients is made up of institutional accounts from Greece and abroad.

Asset Management

The activities of Proton in the field of asset management relate to the creation and offering of products with guaranteed performance, the provision of consultative management services to private investors, mutual fund management and the management of institutional portfolios.

Proton's activities in the area of asset management encompass the following business segments:

- **Proton**
  - *Own Account*

    Proton maintains an investment portfolio comprising equities and bonds with an active risk management approach and hedging of positions through the use of derivative instruments.
  - *Investment products offered by Proton*

    Proton offers innovative and flexible investment products in three distinct categories:

- General Management

  Tailor made portfolios for investors. Asset managers create the portfolios according to the risk/yield ratio investors are willing to undertake and pursuant to the prevalent conditions of the market from time to time.

- Platinum Portfolios

  Portfolio management services for private investors wishing to invest in Proton's model portfolios, which are diversified according to the risk/yield ratio investors are willing to undertake.

- Mutual Fund Management Portfolio

  Management of a portfolio consisting entirely of mutual funds with a view to achieving mid-long term yields through the diversity offered by mutual funds.

- **Offer of investment products in co-operation with international financial institutions**

Proton, in co-operation with international specialised financial institutions, offers services regarding the creation, offering and management of structured financial products. These products are mainly addressed to Greek institutional investors, offering solutions for investing in specific markets or the undertaking or avoidance of specific financial or credit risks through a structured investment, usually in the form of bonds with a full or partial guarantee of capital. Proton's services aim at the creation of the appropriate investment structure based on the circumstances of the market and the needs of the institutional investors, as well as to the offer of these investment products in the Greek market.

- **Mutual Fund Management Company (AEDAK)**

Proton is involved in the field of mutual fund management, mainly through its subsidiary Proton Mutual Funds Management S.A. The mutual funds of the Proton group are specialised products corresponding to specific investment needs. Specifically, Proton Mutual Funds Management S.A. offers the following three diversified mutual fund products in the Greek market:

- Proton Domestic Mixed Fund
- Proton Mega Trends Foreign Share Fund
- Proton High Income Foreign Bond Fund

The aim of the mutual funds of Proton Mutual Funds Management S.A. are:

- to enable the investor to choose the desirable risk/yield ratio through selection of the respective mutual fund or a combination of funds;
- to have hedging capacity for investment risk with the appropriate rate of spread and diversification of portfolio, as well as using derivatives for supplementary for hedging; and
- continuously to re-allocate capital in the various categories of the portfolio, so that the investment policy remains in line with financial targets and continuously serves specific investment needs.

Through the appropriate mutual fund, investors are able to make international investments in countries and markets where it would be difficult to invest by themselves, due to incomplete information and know-how.

Proton promotes the mutual funds of its afore-mentioned subsidiary through its sole branch, as well as through alternative sales networks.

- **Institutional Asset Management**

The Proton Group manages institutional assets mainly through its subsidiary, Proton Asset Management S.A. and was founded in February 2000. Proton managed the portfolios of three investment companies which were listed on the Athens Stock Exchange, Arrow Investments S.A., Eurodynamiki Investments S.A. and Exelixi Investments S.A.. Proton has been managing the two former companies since their establishment and it undertook the management of the portfolio of Exelixi Investments S.A. on 1 June 2001.

On 28 December 2005, these three listed investment companies that were previously managed by Proton were merged into Proton.After this merger, Proton Asset Management S.A. focussed its efforts on obtaining mandates from domestic institutional investors.

Banking Operations

Deposit Products

Proton has developed a limited number of deposit products due to the nature of its investment banking business. Proton's deposit products include sight account deposits and time deposit accounts.

Loans

One of the main strategic choices of Proton is to avoid basing its development on the creation of a loan portfolio. The loans are granted on a limited and strictly selective basis, as Proton Investment Bank S.A. is currently focused on investment banking activities. The granting of loans within the investment banking activities of Proton is used for covering the needs of select clients.

The total amount of loans granted by the Proton Group to private individuals and corporates as at 31 December 2005 amounted to €85.9 million as compared to €62.5 million as at 31 December 2004.

Loans (amount in €)	31 December 2005	31 December 2004
Private Individuals	37,769,576	31,385,123
Corporates	13,285,872	14,200,949
Brokerage clients	29,605,209	15,605,310
Other claims	5,960,023	1,752,904
Less allowance for uncollectibility	(752,680)	(452,680)
Total	**85,868,000**	**62,491,606**

Proton had 83 borrower clients as at 31 December 2005. Of these clients, 20 per cent. account for 79 per cent. of the total loan portfolio.

Proton enters into a number of related party contracts carried out in the ordinary course of business. These transactions are carried out on an arm's length basis at market rates and terms and are approved by authorised personnel. Transactions between related parties are presented below:

	Board of Directors and Key Management Personnel	Related Companies	Board of Directors and Key Management Personnel	Related companies
	31 December 2005		31 December 2004	
Loans	11,854,113	16,079,705	14,642,712	13,804,085
Deposits	1,533,103	8,901,007	5,514,940	8,758,425
Loans interests	452,884	626,675	542,013	193,859
Deposit interests	31,008	156,961	83,424	124,943
Other revenues-commissions	2,821		1,767	620,287
Other expenses				520,472
Other liabilities	1,346		2,195	
Key Management Personnel Fees	1,595,290		762,950	
Letters of guarantee	117,000	37,931,576	117,000	15,626,038

10 per cent. of the total loans have been granted to two major shareholders and members of the board of directors of Proton (Mr. Lianos and Mr. Chrysogonos).

Serbian Subsidiary

In April 2005 Proton acquired 82.49 per cent. of the share capital of First Global Brokers A.D, a company incorporated in Serbia in 2002 with its headquarters in Belgrade. First Global Brokers A.D., is a member of the Belgrade Stock Market, deals with acquisition of shares and bonds, has been authorised from the relevant authorities to offer the whole range of brokerage activities but does not have permission to manage clients' assets. Proton executes transactions in securities in Serbia-Montenegro for its own benefit or for its clients' benefit through this subsidiary.

Head Office

The offices of Proton are located at a leased property at 22, Saki Karageorga, Kallithea – Attica, Greece and 1, Har. Trikoupi Street**,** Kallithea – Attica, Greece. The term of lease of the building installations is twelve years, expiring in June 2013.

Risk Management

Companies involved in the broader financial-credit sector are "exposed" to certain risks associated with the object of their activities. Specifically, these risks are the following:

- Credit Risk
- Market Risk
- Liquidity Risk
- Currency Risk
- Interest-rate Risk

Proton's group has created a Risk Management Department, assigned with monitoring, measuring and managing banking and operational risks and applying traditional and modern methods of measurement and quantification of banking risks. Proton also operates an Assets-Liabilities Management Committee ("**ALCO**") which, in conjunction with its strategic planning, monitors its exposure to various financial risks and the management of the market, credit and operational risks, aiming at the best possible capital allocation. ALCO, which meets every 15 days and reports directly to the board of directors of Proton, ensures that there is an independent decision-making process and appropriate accounting for relevant risks.

For further information, see "Risk Factors – Companies involved in the broader financial credit sector are exposed to certain risks associated with the object of their activities" in Part II of this document.

Merger with three closed end companies

At the meeting of March 30 2005, the Board of Directors of the Bank decided to begin the process of merger by absorbing into Proton three closed end companies, Arrow Investments S.A., Exelixi Investments S.A. and Eurodynamiki Investments S.A., all three of which were listed on the Athens Stock Exchange.

The merger was approved by the shareholders of Proton on 28 December 2005.

The merger was approved by decision of the Greek Deputy Minister of Development nr. K2-16707/30 on 30 December 2005, which is the effective date on which the three investment companies merged with Proton.

Closed end funds in Greece are required to file for the listing of their shares on the Athens Stock Exchange within 18 months of their foundation. All three closed end funds acquired by Proton were listed on the Athens Stock Exchange. The legal form of the three funds is Anonimi Etaireia – limited liability company.

Arrow Closed End Fund A.E was founded on 22 February 2000 and registered as a Societe Anonyme. As a closed end fund, Arrow complied with the Code of Ethics of Closed End Fund Companies (as set out by the Hellenic Capital Market) Closed End Fund A.E.

Exelixi Closed End Fund SA was founded on 6 September 1991 and its shares were listed on the Athens Stock Exchange in May 1992. The fund's strategy was to manage a portfolio of securities, domestic and foreign, in accordance with Law 1969/91 "Investment Funds".

Eurodynamiki Closed End Fund SA was founded on 22 February 2000 and registered as a Societe Anonyme. As a closed end fund, Eurodynamic complied with the Code of Ethics of Closed End Fund Companies (as set out by the Hellenic Capital Market).

Pending Transaction with Omega Bank S.A.

Omega Merger

On 26 January 2006, Proton announced that it intended to merge with Omega (the "Omega Merger") with effect from the end of September 2006. The decision of the Proton board was based on a growth strategy for Proton to diversify its activities. The following matters were considered by the board of directors of Proton in connection with the Omega Merger:

- Proton could extend commercial banking activities through Omega's 17 branches;

- strengthening Proton's position in investment banking;
- improve management of human resources;
- the cross selling of products like asset management; and
- the merged entity would be more effective in developing opportunities in evolving markets.

The Merger was approved by the boards of directors of Proton and Omega pursuant to a memorandum of understanding (the "MOU") dated 26 January 2006 (and revised on 26 May 2006) but is subject to the approval of: (i) the Bank of Greece; (ii) the general meeting of the shareholders of Proton and Omega and the competent body of Proton Securities-Investment Co. S.A., (iii) the Greek Ministry of Development; and (iv) the Greek Competition Committee, if required. In addition, pursuant to the MOU it was agreed that the date for drawing up the balance sheet for the purpose of the Omega Merger was set for 31 March 2006. The suggested share exchange ratio to be proposed to Proton's shareholders is 1 Omega share for 0.90 Proton shares, according to a value between Proton and Omega of 2.572:1 (which values Omega at approximately two times book value). Pursuant to the MOU, the boards of Proton and Omega agreed that only Proton's shareholders will be entitled to receive a dividend from the profits for the fiscal year 2005. Proton and Omega also agreed that the board of Proton, once it has acquired Omega, will consist of eleven members: at least four members to be nominated by the then current management of Proton, and at least one member to be nominated by the then current management of Omega; and one member to be independent and non-executive. The executive chairman, executive vice chairman and the managing director of the merged entity will be appointed from persons nominated by Proton. As of the date of this document, no merger agreement between Proton and Omega had been signed.

Reasons for Omega Merger

The Omega Merger will result in Proton becoming the fifteenth largest bank in Greece with total assets of approximately €1.5 billion and 18 branches. As well as strengthening Proton's banking culture, the Omega Merger adds recurring core banking revenues to Proton's investment banking and asset management revenue streams. Omega has a strong focus on commercial lending with loans to small and medium enterprises constituting 69 per cent. of Omega's total assets. In addition, the Omega Merger creates opportunities in the small business loan segment. The Omega Merger creates cross selling opportunities for Proton's asset and wealth management products through Omega's network as well as creating synergies on the brokerage side because of Proton's expertise with institutional clients and Omega's retail client base. The Omega Merger also creates opportunities in the insurance business an area where Proton has no direct presence. Finally, excess capital at Proton will be efficiently used by the merged Proton and Omega entities.

Loan from Proton to Omega

On 31 January 2006, Proton granted Omega a €30,000,000 subordinated loan facility with a ten year term for the purpose of strengthening Omega's adequacy capital ratio. The loan may be repaid after five years, bears interest at the rate of Euribor plus 2.5 per cent. for the first five years and Euribor plus 4.5 per cent. for the last five years. In addition, on 31 March 2006, Proton purchased from Omega bonds issued pursuant to Greek law 3156/2003 at a price equal to the nominal value of such bonds being €26,150,000 plus accrued interest. Proton has a put option and Omega a call option in respect of the same bonds at any time at their nominal value plus accrued interest.

SUMMARY TERMS OF THE ACQUISITION AGREEMENT

Pursuant to the Acquisition Agreement the Company agreed to purchase from the Sellers or persons procured by them between 28 per cent. and 30 per cent. of the issued share capital of Proton for a cash consideration of between approximately €120 million and €128.6 million payable upon Completion. The actual amount of consideration depends on the number of Proton Shares actually acquired.

The Acquisition Agreement is conditional upon the approval by a resolution of the Shareholders (the "Condition"). The Company has agreed to use its best endeavours to procure satisfaction of the Condition within 35 calendar days of the date of the Acquisition Agreement.

Pursuant to the Acquisition Agreement, the Company and the Sellers agreed to notify, and have notified, the Greek Capital Markets Commission ("GCMC") of the Acquisition. If an adverse ruling is received from the GCMC to the effect that the Acquisition will otherwise trigger an obligation upon the Company to make a mandatory bid for the remaining shares in Proton or if no ruling is received from the GCMC prior to Completion, the Company will only purchase 28 per cent. of the issued shares of Proton and the Sellers will only retain 8.3 per cent. of the issued shares in Proton. In addition, the Sellers and the Company have undertaken to satisfy the requirements of the GCMC in respect of the shares of Proton held by the Sellers which amount to three per cent. of the issued shares of Proton. The Company has received legal advice to the effect that this structure should thereby avoid it having to make a mandatory bid for the remaining shares in Proton.

The Sellers have undertaken to the Company to procure that four directors of Proton resign on Completion and are replaced by directors nominated by the Company. The new directors must stand for re-election at the next general meeting of Proton.

Between Completion and completion of the Omega Merger, the Sellers and the Company have undertaken to vote their respective Proton shares to ensure, so far as possible, that the board of directors of Proton will comprise of at least seven members, four of whom are appointed by the Company (one of whom must be an independent director and three of whom must be non-executive directors) and three of whom are appointed by the Sellers (one of whom must be an independent director). After completion of the Omega Merger, or 31 December 2006 if earlier, the Sellers and the Company also have undertaken to vote their respective Proton shares to procure so far as possible that the board of Proton will comprise eleven members, six of whom are to be appointed by the Company (including one independent director), four of whom are appointed by the Sellers (including one independent) and one of whom is appointed by the Omega representatives.

The Company has agreed that the Sellers will be employed under certain management contracts (the "Management Contracts") for a term of five years. The Management Contracts may not be terminated before two years other than for good cause and thereafter for failure to reach certain targets as specified in the business plan for Proton. The board of Proton will be in charge of the management of Proton, whilst the Sellers will attend to the day to day management of Proton. So long as the Company owns 15 per cent. of the issued share capital of Proton and the Sellers own at least four per cent. of the issued share capital of Proton, the Sellers and Company have undertaken that a specific list of matters (for example declaration or payment of a dividend or disposal of the whole or substantial part of Proton's assets, merger with, or acquisition of, another company) will need to be approved by a 75 per cent. vote of the board of directors of Proton then serving before it is presented to the shareholders of Proton for their approval. For further information see paragraph 9.1 of Part VII of this document.

The Sellers and the Company have granted each other pre-emption rights on any sale of their Proton shares, such that on any transfer the Company and the Sellers must first offer their Proton shares to the other party.

After 31 December 2006, if the Company intends to dispose of any of its Proton shares and the Sellers have not exercised their pre-emption rights the Sellers have a tag-along right which entitles them to sell a proportionate percentage of their Proton shares on the same terms as the Company.

Pursuant to a declaration made by Proton on 31 May, 2006, Proton agreed to procure that the Company receives on a timely basis such financial and non-financial information about Proton, its business and its management as shall be reasonably requested by the Company in connection with the preparation of documentation required, by *inter alia*, the Investor Rights Agreement, the AIM rules and other rules and regulations to which the Company is subject. However, Proton will not be obliged to provide such information to the Company if Proton would thereby breach the laws, rules and regulations applicable to Proton under Greek law.

A number of shareholders of the Company (including the Directors) have irrevocably undertaken to the Sellers (inter alia) (i) that they will convene the Special General Meeting of the Company, (ii) that the notice of the Special General Meeting (together with this document) will be sent to the shareholders of the Company (iii) that the meeting is quorate and held pursuant to the Bye-laws of the Company, (iv) that they will vote their Shares (save as otherwise provided in the insider letters dated 7 November 2005 signed by Angeliki Frangou and Andreas Vgenopoulos) in favour of the approval of the Acquisition Agreement and (v) that they will not transfer any Shares before conclusion of the Special General Meeting.

MANAGEMENT OF THE COMPANY

Set forth below are the names, ages and positions of the Company's Directors as at the date of this document. Their terms of office will expire on the dates set out below (unless re-elected by the

Shareholders). If they are subsequently re-appointed to the Board, they will each serve a further three year term of office before being required to stand for re-election.

Name	Age	Position
Angeliki Frangou	41	Chairman, Non-Executive Director
Andreas Vgenopoulos	52	Deputy Chairman, Non-Executive Director
Georgios Kintis	39	Chief Executive Officer, Director
Sheldon Goldman	46	Non-Executive Director
John Karakadas	42	Non-Executive Director
Alexander Meraclis	37	Non-Executive Director
Dennis Malamatinas	51	Non-Executive Director

Angeliki Frangou has been a Director since 15 September 2005 and the chairman of the Board since 20 September 2005. Since August 2005, Ms Frangou has been Chairman and Chief Executive Officer of Navios Maritime Holdings, Inc., a global shipping company, the successor company of International Shipping Enterprises Inc., where she was Chairman, President and Chief Executive Officer since its incorporation in 2004. Ms. Frangou was chief executive officer of Maritime Enterprises Management S.A., a company located in Piraeus, Greece, that specialises in the management of dry cargo vessels of various types and sizes, since she founded that company in October 2001. From 1990 to October 2001, Ms. Frangou was the chief executive officer of Franser Shipping S.A., a company that was located in Piraeus, Greece, and was also engaged in the management of dry cargo vessels. Prior to her employment with Franser Shipping, Ms. Frangou was an analyst on the trading floor of Republic National Bank of New York from 1987 to 1989. Ms. Frangou was previously a member of the board of directors of Emporiki Bank of Greece, the second largest retail bank in Greece. Ms. Frangou is a member of the Mediterranean Committee of China Classification Society and a member of the Hellenic and Black Sea Committee of Bureau Veritas. Ms. Frangou received a bachelors degree in mechanical engineering from Fairleigh Dickinson University (summa cum laude) and a masters degree in mechanical engineering from Columbia University.

Andreas Vgenopoulos has been a Director since 15 September 2005 and the deputy chairman of the Board since 20 September 2005. Mr. Vgenopoulos is the founding partner of the law firm Vgenopoulos & Partners, which he founded in 1983. Between 1993 and 1998 he was the chairman of Maritime & Financial Investments, S.A. Between 2003 and 2004 he was vice chairman of the Investment Bank of Greece. Since 2001 he has been chairman of Marfin Bank, in 2005 he became vice chairman of the Marfin Financial Group and Chief Executive Officer of Martin Financial Group since May 2006. Mr. Vgenopoulos became a board member of Egnatia Bank in April 2006 and Chairman of YGEIA in April 2006. He received a bachelors degree in law from Athens University.

Georgios Kintis has been a director of the Board since 15 September 2005 and chief executive officer since 20 September 2005. Mr. Kintis was the chief executive officer of New Economy Development Fund (TANEO) S.A., a Euro 150 million fund-of-funds, located in Athens, sponsored by the Greek government in order to jump start the venture capital industry in Greece. Mr. Kintis was also chairman of the Greek Venture Capital Association. From 1999 to 2001, Mr. Kintis was the vice chairman of NBG Venture Capital Athens, a company that was located in Athens, Greece where he co-headed the venture capital operation of the National Bank of Greece since its inception. From 1998 to 1999, Mr. Kintis was vice president of NBG International Ltd., a company that was located in London, where he managed numerous corporate finance transactions. From 1993 to 1998, Mr. Kintis served as adviser to the governor of the National Bank of Greece. Mr. Kintis received a bachelors degree in law from the National and Kapodistrian University of Athens and a masters degree in business administration from Yale School of Management.

Sheldon Goldman has been a Director since 15 September 2005. Since February 2006, Mr. Goldman has been Managing Director of S. Goldman Advisors Limited. Since 2003, Mr. Goldman has been Managing Director of Sunrise Securities Corp., the placing agent for the Initial Public Offering and Chief Investment Officer of Sunrise Goldman Special Opportunity Fund L.P. Mr. Goldman has also been the chief executive officer of Goldman Strategic Value, LLC since 2002. During 2001, Mr. Goldman served as a board member and chief executive officer of KNT Network Technologies, LLC. From 1996 through 2001, Mr. Goldman served in various capacities for Viatel, Inc., ultimately serving as a board member and Executive Vice President, Corporate Development. Mr. Goldman has a bachelor of arts from Yeshiva University. He earned his law degree from Benjamin N. Cardozo School of Law and a masters in tax law from Georgetown University Law Center.

John Karakadas has been a Director since 15 September 2005. Since 2003, Mr. Karakadas has been the chief executive officer of White Tower Ltd, a UK based company specialising in corporate restructurings in South East Europe. From 2002 to 2003, Mr. Karakadas was chief executive officer of Tchibo GmbH, a company based in Hamburg, Germany. From 1999 to 2000, Mr. Karakadas was president Asia Pacific for Burger King, based in Sydney, Australia. From 1996 to 1999, Mr. Karakadas was European President of the Italian food company Barilla. Mr. Karakadas has a bachelor degree in business administration from Kent State University.

Alexander Meraclis has been a Director since 15 September 2005. Since 2002, Mr. Meraclis has been director for institutional equity sales and trading for Megatrust-Olympic Securities S.A., a company based in Athens, Greece. From 1999 to 2002, Mr. Meraclis was an equities and derivatives trader at Sigma Securities, S.A., a company based in Athens, Greece, prior to which he was a senior trader on the derivatives desk in the ADEX. From 1997 to 1999, Mr. Meraclis was a senior broker at Sigma Money Brokers, S.A., a company based in Athens, Greece. Mr. Meraclis has a bachelor degree in business administration from Athens University of Economics, Greece and a masters in business administration from Nijenrode University, The Netherlands.

Dennis Malamatinas has been a Director since 15 September 2005. Since 2004, Mr. Malamatinas has been a non-executive board member of Marfin Financial Group, Alltracel plc and Metro Int. Ltd. In 2005, Mr. Malamatinas joined the board of MidOcean Partners. In 2006, Mr. Malamatinas became a non-executive member of the board of Celio SA. Between 2002 and 2004 Mr. Malamatinas was the co-chief executive officer of Marfin Bank and from 2000 to 2003 he was a non-executive director of Reuters plc. From 2000 to 2001 he was the founding chief executive officer of Priceline.com Europe, of which he was also chairman and chief executive officer from 2001 to 2002. Between 1997 and 2000 he was the chief executive officer of Burger King Corporation and from 1998 to 2000 he was a non-executive director of Diageo plc. Between 1995 and 1997 he was president of IDV Ltd. (Asia-Pacific region), part of the Grand Metropolitan plc group of companies. Prior to that and between 1991 and 1995 he was president and chief executive officer of the Pierre Smirnoff Ltd. company and between 1989 and 1991 he was president and chief executive officer of Metaxa Distillers, S.A., both of these companies are also part of the Grand Metropolitan plc group of companies. From 1987 to 1989 he was president and chief executive officer of Pepsi-Cola Italia and between 1986 and 1987 he was area vice president of the middle east region of Pepsi-Cola International. From 1979 to 1986 he worked at Procter & Gamble. Mr. Malamatinas received a bachelor's degree in economics from Roosevelt University, Chicago and a master's degree in business administration from Graduate School of Business of the University of Chicago.

OFFICERS OF THE COMPANY

Nicos Koulis has been deputy chief executive officer since 20 September 2005. Since 2001, Mr. Koulis has been the president of Koulis & Associates, a company founded by Mr. Koulis, providing financial and strategic advise to clients on mergers, acquisitions and restructuring matters in the U.S., Europe and Japan. Between 1992 and 2001, Mr. Koulis was senior member of Bear Stearns' Financial Institutions Group (senior managing director since 1998) where he advised clients on mergers, acquisitions, restructurings and capital raising matters. Between 1987 and 1991, Mr. Koulis was a senior associate and then vice president of The First Boston Corporation's M&A Group. Between 1984 and 1987, Mr. Koulis was an associate with McKinsey & Company's Financial Institutions Group based in New York. Mr. Koulis is vice chairman of the board of AEK F.C., a member of the board of Crown Hellas Can S.A., The New Economy Development Fund S.A. and a member of the investment committee of NBG Greek Private Equity Fund L.P. Mr. Koulis received a bachelors degree in economics from the University of Athens and a masters degree in business administration from The Wharton School, University of Pennsylvania.

EMPLOYEES OF THE COMPANY

The Company currently has no employees. Following Completion, Georgios Kintis will be the Company's sole employee.

MANAGEMENT OF PROTON

Anthony Athanasoglou: Chairman. Mr. Athanasoglou was one of the founders of Proton Bank. Previously he was with Midland Bank where he worked in treasury and with Sigma Securities as a general manager. Mr. Athanasaoglou has a degree in Mathematics and masters in Information Technology, both from the Kapodistriako University of Athens.

Elias Lianos: Vice Chairman and Chief Executive Officer. Mr. Lianos was one of the founders of Proton. Previously he was with Irving Trust International, Investments & Finance, Bank of Tokyo Mitsubishi and Piraeus Prime Bank. Mr. Lianos has a BSc in Applied Mathematics from Brown University and an MBA from Columbia University.

Athanasios Papaspiliou: Managing Director. Mr. Papaspiliou joined Proton as managing director on its incorporation. He was with the Bank of Piraeus from 1970 to 2001. Mr. Papaspiliou has a degree in Economics from Athens University of Economics and Business.

Petros Koutzorrizos: Treasurer. Mr. Koutzorrizos joined Proton as treasurer on its incorporation. He was previously with G. Koutzorrizos S.A., Natwest, Tefin, Sigma Securities and Arrow Asset Management. Mr. Koutzorrizos has a degree in Economics from the University of Piraeus and an MBA in finance from Cass Business School.

Following approval of the Acquisition, the Proton board is expected to be comprised of the following members:

Angeliki Frangou(1)	Non-Executive Chairman
Elias Lianos	Managing Director
Anthony Athanasoglou	Managing Director
Georgios Kintis(1)	Non-Executive Director
George Minettas(1)	Non-Executive Director
Panagiotis Alexakis(1)	Non-Executive Director
Alexandra Stavropoulos	Non-Executive Director

(1) Nominee of the Company

The executive directors of the Proton board are not expected to receive any fees for their services as directors.

During the period between Completion and the next general meeting of Proton the Sellers shall, to the extent they are able, procure that the number of directors on the Proton Board does not exceed seven and always includes at least four of the Company's nominees.

The Company and the Sellers shall, at the first general meeting of Proton after Completion, which is expected to be to approve the proposed merger of Omega into Proton (or, if earlier, by 31 December 2006):

(a) vote in favour of all necessary resolutions to procure that the Proton's board be increased from seven directors to the maximum of eleven directors; and

(b) vote in favour of all necessary resolutions to procure that the Proton's board shall include five directors nominated by the Sellers (of whom one must be an independent director) and six directors nominated by the Company (of whom one must be an independent director and five of whom must be non-executive directors) for a term of office of at least two years.

EMPLOYEES OF THE PROTON GROUP

The table below shows the average number of employees employed by Proton and the Proton Group during the period 2003 – 2005.

Average number of employees:

	2003	2004	2005
Proton	20	23	42
Proton and its subsidiaries	99	105	118

SUMMARY OF QCA CORPORATE GOVERNANCE GUIDELINES

The Company

The Company will not be subject to the Combined Code on Corporate Governance applicable to companies listed on the Official List of the UK Listing Authority. The Directors do however intend to comply (as far as practicable and subject to what is said below) with the guidance issued by the Quoted Companies Alliance, (the "Corporate Governance Guidelines") which states that "the purpose of good corporate governance is to ensure that the company is managed in an efficient, effective and entrepreneurial manner for the benefit of all Shareholders over the longer term". The Corporate Governance Guidelines set out a code of best practice for AIM companies by providing guidance on which aspects of the Combined Code may be departed from by AIM companies. The Corporate Governance Guidelines require that:

- certain matters be specifically reserved for the board's decision;
- the board should be supplied in a timely manner with information (including regular management financial information) in a form and of a quality appropriate to enable it to discharge its duties;
- the board should, at least annually, conduct a review of the effectiveness of the group's system of internal controls and should report to shareholders that they have done so;
- the roles of chairman and chief executive should not be exercised by the same individual or there should be a clear explanation of how other board procedures provide protection against the risks of concentration of power within the company;
- a company should have at least two independent non-executive directors and the board should not be dominated by one person or group of people;
- all directors should be submitted for re-election at regular intervals subject to continued satisfactory performance;
- the board should establish audit, remuneration and nomination committees; and
- there should be a dialogue with shareholders based on a mutual understanding of objectives.

The Company has complied with the above guidelines. The relevant board committees as referred to above are made up as follows: audit committee – Sheldon Goldman and Alexander Meraclis; remuneration committee – John Karakadas and Dennis Malamatinas; and nomination committee – all the Directors.

Proton

Proton has adopted all principles stated in Law 3016/2002 regarding Corporate Governance according to the legal and financial due diligence performed for the purpose of the listing of its shares on the Athens Stock Exchange. Law 3016/2002 is applicable to all listed Greek companies and sets out the corporate governance principles, the Board of Directors structure and operation, the contents of the Articles of Internal Operations and the responsibilities of the internal audit department.

Proton must furnish certain information to the Bank of Greece concerning:

- credit control, solvency control and liquidity control on a stand alone and consolidated basis;
- methods for monitoring risk from open foreign exchange positions;
- methods for monitoring liquidity;
- adequacy of its provisions against claims from financing;
- details of all large credit exposures and large debtors;
- deposit and lending interest rates; and
- exposure to foreign residents on a consolidated basis.

RELATED PARTY

Sheldon Goldman, a Director, is the managing director of S Goldman Advisors. The Company has agreed to enter into a financial services advisory agreement in its capacity as financial adviser, including the payment of a fee of €780,000 to, S Goldman Advisors. In accordance with the AIM Rules, the entry into this arrangement and payment of this fee is a related party transaction. The Directors (other than Sheldon Goldman, who is involved as a related party) have considered, in consultation with the Company's nominated adviser, the terms of the arrangement with S Goldman Advisors and consider such terms, including the payment of the €780,000 fee, to be fair and reasonable. For further information on this arrangement, see paragraphs 9.15 and 11.1 in Part VII of this document.

LOCK UPS

All of the Initial Shareholders have placed their Initial Shares into an escrow account maintained by Collins Stewart (CI) Limited, acting as escrow agent. Subject to certain limited exceptions set forth in the escrow agreement between the Initial Shareholders and Collins Stewart (CI) Limited as escrow agent, these Shares may not be transferred and may not be released from the escrow until 14 November 2008.

In addition, in accordance with Rule 7 of the AIM Rules, all of the Directors and officers and their related parties (as such term is defined in the AIM Rules) agreed at the time of the Initial Public Offering not to dispose of any Shares or Warrants purchased by them in the Initial Public Offering for one year from the Original Admission. In addition, they agreed that, for a further year following the lock-up period, any disposal by any Director of any Shares or Warrants would be made through Collins Stewart as broker, in order to ensure an orderly market in the Company's securities.

CURRENT TRADING AND PROSPECTS

The Company

Since its incorporation the Company has been an investing company with no trading operations. Between the date of its incorporation and 31 December 2005, the Company generated net losses of $1.4 million, largely attributable to financial expenses.

Proton

Proton's financial statements were prepared in accordance with IFRS for 2005, restated in accordance with IFRS for 2004 and prepared in accordance with Greek GAAP for prior periods.

The Proton Group experienced a rapid growth in the first four years following the start of its operations in 2001. Total operating income has more than tripled in the last three years. As a result of such rapid increase the profitability of the Proton Group has also increased during the last three years. The Proton Group made profit of more than €22 million for 2005, compared with €4.3 million for 2004 and €1.4 million for 2003.

Investment banking has been the primary activity of Proton since it commenced its operation. In 2005, investment banking generated 93 per cent. of the Proton Group's operating income, while other banking activities represented only 7 per cent.. Total operating income increased from 2004 by 103 per cent. as a result, mainly, of profits generated from trading with securities and profits from the valuation of securities.

In 2005 Proton's profits from the sale of securities (mainly shares) have risen by 36 per cent.. In addition, Proton made a profit of €11.246 million, which represents 35 per cent. of operating income, from the revaluation of securities, while in 2004 it suffered a loss of €1.055 million. A non-cash income item of €10.301 million (representing 47 per cent. of the net profit of the year 2005) arose from negative goodwill associated with the acquisition and merger of the three closed-end companies.

During the course of 2005 operating expenses as well as provisions were also significantly increased. The profit for 2005 was also affected by a provision of €3.304 million which relates to provision for impairment losses on loans and securities. Despite this increase, net profit after tax increased by 412 per cent. mainly because of the negative goodwill and gains on the valuation of securities.

Net fee and commission income represented 37 per cent. of Proton Group's operating income for 2005 while net interest income represented only 2 per cent.. Net interest income increased by 9 per cent. during the year 2005. Interest on customers' loans represented 53 per cent. of total interest income for the period while interest on margin accounts represented almost 32 per cent.. Net commission income increased by 12 per cent. compared with 2004.

Total operating expenses were increased by 48 per cent. which is mainly attributable to fees paid for the quotation of Proton's shares on the Athens Stock Exchange.

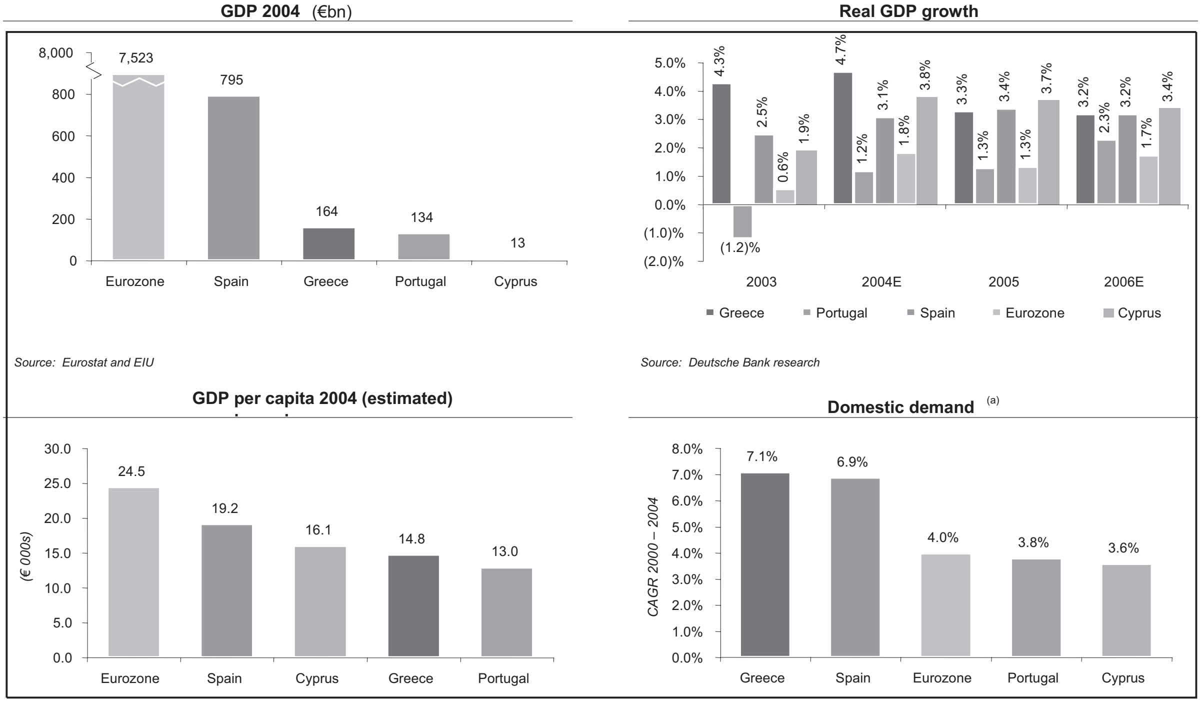
Employees' costs increased by 18 per cent. which is mainly attributable to bonuses granted to employees. The number of employees was also increased mainly due to employees of the three acquired closed-end companies.

During the three month period ended 31 March 2006, net interest income amounted to €1.467 million, up from €369,000 in the same period in 2005. Profit after tax equalled €13.68 million for the three month period ended 31 March 2006, up from €620,000 in the same period in 2005. Earnings per share for the three month period ended 31 March 2006 equalled €0.30 as compared with €0.04 for the three month period ended 31 March 2005.

STRATEGY AFTER THE ACQUISITION

Background to the Greek Market

The following tables show the growth of certain countries, including Greece, in Europe:

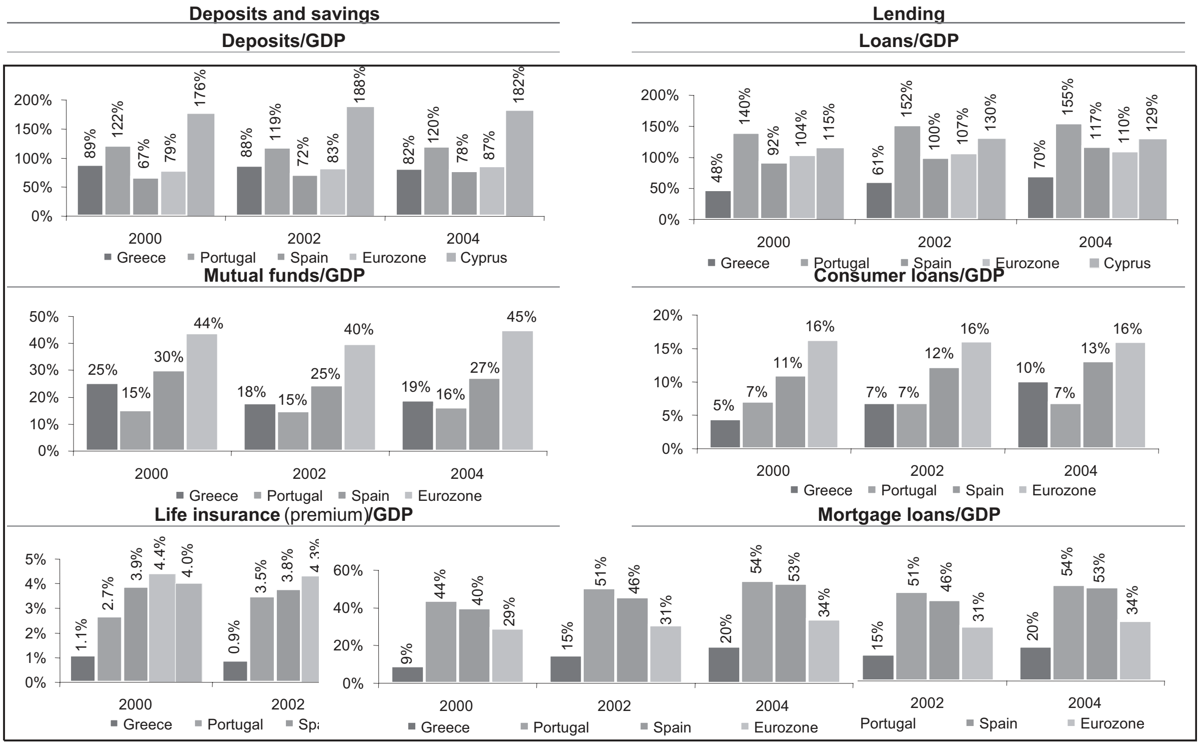


Source: Deutsche Bank research

(a) Private consumption and government spending

Source: Central Banks

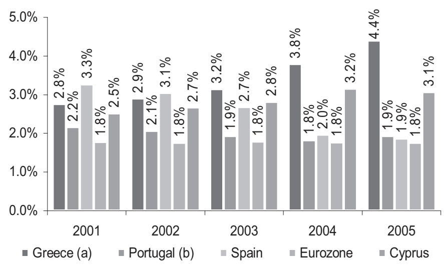
The following tables show that penetration in the banking market remains low:



Source: Central Banks, BankScope, Sigma research

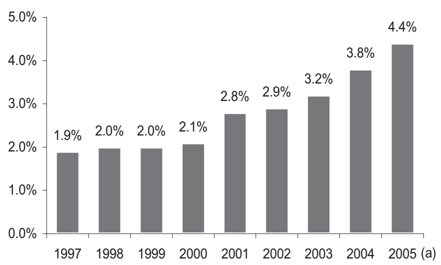
The following tables show that margins, including in Greece, are not only high but increasing:

NIM comparison in Europe



(a) 2005 NIM average for Alpha Bank, EFG Eurobank and National Bank of Greece
(b) Top 5 Portuguese banks
Source: Deutsche Bank, Other research houses

NIM evolution in Greece



(a) 2005 NIM average for Alpha Bank, EFG Eurobank and National Bank of Greece
Source: Bank of Greece and Deutsche Bank estimates

Margins and growth expectations by product

Product	2005 – bps[(a)]	Volume growth 2005	Volume growth expectations 2006E
Consumer credit	785 – 930	30%	25%
Mortgage loan	210 – 240	30%	20% – 25%
SME	300 – 500	6% – 10%	6%
Corporate loans	160 – 200	0%	0%
Deposits	95 – 150	20%	9%

(a) Average Alpha Bank, Piraeus Bank, EFG Eurobank
Source: Company data, Deutsche Bank Equity Research

The following table sets out a comparative analysis for similar transactions in the Company's target countries:

Date	Target	Target Country	Bidder	% Acquired	Price Paid ($millions)	P/E	P/BV
March 2006	Egnatia Bank	Greece	Marfin Financial	35.0%	244	31.2x	2.3x
March 2006	Marfin Financial	Greece	Dubai Financial	32.0%	482	39.2x	3.1x
Aug 19, 2005	Garanti Bank	Turkey	GE Capital	25.5%	1,800	35.8 x	3.0 x
May 9, 2005	Yapi Kredi	Turkey	UniCredito Italiano	57.4%	1,160	N/M	1.1 x
Jan 25, 2005	Eurobank	Bulgaria	Piraeus	99.7%	45	13.7 x	2.5 x
Jan 2005	Novabank	Greece	BCP	50.0%	433	n/m	4.4x
Nov 16, 2004	BRD	Romania	Societe Generale	7.3%	43	12.4 x	1.7 x
Nov 3, 2004	Hebrosbank	Bulgaria	Bank Austria	90.0%	107	26.9 x	2.4 x
Apr 28, 2004	RoBank	Romania	OTP	100.0%	40	17.8 x	1.9 x

Source: Market Data

The following table sets out an analysis of banks comparable to Proton and includes information on Proton:

Bank	Price* (€)	Market capitalisation (€ m)	Profits/Book Value 2006 (estimated)	Profits/Book Value 2007 (estimated)	Profits/Earnings 2006 (estimated)	Profits/Earnings 2007 (estimated)
NBG	38.4	12,732	3.6x	3.1x	14.8x	12.6x
EFG	29.9	9,540	3.7x	3.3x	15.1x	12.5x
Alpha Bank	30.9	9,010	3.7x	3.2x	15.0x	12.8x
Piraeus Bank	26.1	5,600	4.1x	3.6x	17.3x	14.6x
Emporiki Bank	27.2	3,606	4.0x	3.6x	24.4x	18.1x
ATEbank	5.1	4,636	3.5x	3.0x	22.6x	15.7x
Marfin	28.0	1,428	2.6x	2.5x	17.3x	15.3x
Bank of Attica	6.2	514	2.8x	2.8x	15.6x	15.6x
Average			**3.5x**	**3.1x**	**17.8x**	**14.6x**
Proton			**1.8x**		**15.3x**	

Source: Market Data

* As of 11 May 2006

Company strategy

The Company will closely monitor the performance of the Proton and expects to have the ability, following completion of Proton's proposed merger of Omega into Proton, to appoint six out of eleven of Proton's directors (as long as one director is independent and five directors are non-executive directors) and therefore to have substantial influence on the strategy of Proton. The Company will also continue to seek investment opportunities in the financial services sector in South East Europe, which may be exploited jointly with the Proton or directly by the Company. The Company believes that the Company and Proton will be able to act below the radar screens of the larger players in the same sector and effectively play the role of a consolidating agent. The Company believes that its energies, and, where relevant, that of Proton's, will be focused on targets which complement existing operations of both the Company and Proton. The Company proposes to identify which target entities enhance existing revenue streams.

Proton strategy

Proton's objective is to participate profitably in the continuing growth of the retail and commercial financial services industry in Greece. The Company believes that the implementation of this strategy will be facilitated by the contemplated merger between Proton and Omega.

The Company believes that Proton is a valuable platform for exploiting opportunities in the financial services sector in Greece:

- the Company believes it obtains access to experienced management with successful hands-on experience in the Greek banking market;
- Proton enables the Company to access new markets through organic growth or acquisition, as Proton possesses a banking license in Greece, which may facilitate the opening of new branches and the acquisition of other smaller banks and financial institutions in Greece and/or other EU member states (including, after accession, Romania and Bulgaria);
- Proton's listing on the Athens Stock Exchange, which is an EU regulated market, enables the Proton to use its shares as currency for additional acquisitions;
- Proton presents cross selling opportunities to the Company because of Proton's existing investment banking and management clients; and
- the contemplated merger with Omega will offer Proton an expanded retail banking base, substantial cross selling opportunities, private to public valuation arbitrage and critical mass in the consolidation strategy for smaller Greek banks.

The first objective is the completion of the Omega Merger. This will provide a stable platform for expanding into the financial services sector in Greece and will also enable Proton to use its excess capital liquidity to fund the expansion of the combined entity. Further, the Company and Proton believe that there will be a number of opportunities in the Greek financial services market to acquire either smaller financial institutions, or bank branches. These branches are likely to be made available as a result of the consolidation process of larger Greek banks.

DIVIDEND POLICY

The Company

The Company has not paid any dividends since its incorporation and does not intend to recommend the payment of any dividends for the foreseeable future.

Proton

On 14 April 2006, the general meeting of shareholders of Proton approved the distribution of a total dividend of €12,638,049.76 or €0.28 per Proton share.

FINANCIAL YEAR END

The Company's financial year end is 31 December. Proton's financial year end is 31 December. The first set of financial results published in respect of the Company following the Acquisition are anticipated to be published as part of the 31 December 2006 final audited results for the Company.

TAKEOVER CODE

As the Company is not resident or incorporated in the UK, the Takeover Code does not apply to the Company. As a result, any takeover of the Company will not be regulated by the UK Takeover Panel. However Proton will be subject to the Greek Takeover Code which was adopted on 30 May 2006.

BERMUDA DOMICILE

The Company was established in Bermuda as a Bermudian exempted company to provide investment flexibility and maximise shareholder returns resulting from non-U.S. reinvestment in international property business combinations. The Company is not and does not intend to become resident in the United Kingdom for tax purposes.

There are a number of differences between the corporate structure of the Company and that of a public limited company incorporated in England under the United Kingdom Companies Act 1985.

The Directors consider that it is appropriate to retain the majority of the usual features of a Bermudian exempted company. Set out below is a description of the principal relevant differences between companies incorporated in England and Bermuda.

- *Pre-emptive rights:* Shareholders do not have pre-emption rights under the Bermudian Companies Act over further issues of shares of the Company.
- *Takeovers:* The Company will not be subject to the City Code on Takeovers and Mergers and the Bermuda Companies Act does not contain statutory squeeze out provisions (which would force a person acquiring a majority of shares in a company also to acquire the shares of the minority).
- *Disclosure of interests in shares:* Under the Bermudian Companies Act, shareholders are not obliged to disclose their interests in the Company in the same way as shareholders of a company governed by the United Kingdom Companies Act 1985 are required to do. However, the Bye-laws seek to redress this difference by incorporating provisions similar to the disclosure and notification of interests in shares provisions of the United Kingdom Companies Act 1985. The Bye-laws provide that (to the extent permitted by applicable law) (i) if the aggregate amount of Shares or Warrants in which a person is interested (A) exceeds 3 per cent. by nominal value of the then issued class of Shares or Warrants of the Company respectively, or (B) changes from an aggregate amount which exceeded 3 per cent. by nominal value of the then issued class of Shares or Warrants of the Company so as to increase or decrease through any single percentage, then (in either case) such person shall notify the Company (within the period and including the particulars required by the Company), and (ii) on

written request by the Company, a registered holder of Shares or Warrants of the Company is obliged to notify the Company (within the period and including the particulars required by the Company) of any person interested in such Shares or Warrants. The Bye-laws also provide that unless otherwise directed by the Board, for so long as a person is in default of his obligations under (i) or (ii) he shall not be entitled to vote at any meeting of the Company nor receive dividends in respect of his Shares, and shall not be entitled to exercise his Warrants.

CREST

With effect from Re-Admission, the Company's Shares and Warrants will continue not to be admitted to, or enabled for settlement in, CREST. The Company currently intends to establish a depositary facility whereby Depositary Interests will be issued to persons who wish to hold their Shares in electronic form in CREST.

REGISTRATION RIGHTS

Initial Shareholders' Registration Rights

The Company has entered into a registration rights agreement with each of the Initial Shareholders. The holders of the majority of the Initial Shares are entitled to make up to two demands that the Company register their Initial Shares pursuant to the Securities Act. In addition, the Initial Shareholders have certain "piggy-back" registration rights on registration statements filed subsequent to the date on which these Shares are released from escrow. For more details in relation to the registration rights agreement, please see paragraph 9.9 of Part VII of this document.

Assuming the approval of the proposed Bye-law amendment to enable the Company to limit the number of US shareholders to ninety-nine, the Company will not be able as a practical matter to make a public offer of securities in the United States. It is anticipated that the Initial Shareholders will waive their right to demand registration for so long as this Bye-law is in effect.

Investor Rights Agreement

The Company has also entered into an Investor Rights Agreement with Collins Stewart and Sunrise for the benefit of holders of Shares and warrants sold in the Initial Public Offering, pursuant to which the Company has agreed:

- to file with the SEC a "shelf" registration statement on Form F-1 within 90 days after the date on which it becomes a reporting company under the U.S. Securities Exchange Act of 1934 (or if it becomes a reporting company as a result of an underwritten registered offering and the underwriters have required the Company to enter into a "lock-up", for the length of that lock-up, but no greater than 180 days). This shelf registration, if filed, would cover re-sales of the Company's Shares by Shareholders who purchased Shares in the Initial Public Offering subject to certain exceptions). The Company is not obliged to make an initial public offering in the United States and accordingly there can be no assurance that such a registration statement will ever be filed; and
- to provide Shareholders and holders of Warrants annual, quarterly and current reports and to ensure that the proxy materials distributed to Shareholders are substantially consistent with the materials that would be required if such materials were subject to SEC requirements.

For further details in relation to the Investor Rights Agreement, please see paragraph 9.7 of Part VII of this document.

ACTIONS TO BE TAKEN

Shareholders will find enclosed with this document a Form of Proxy. Whether or not Shareholders intend to be present at the Special General Meeting to be held at the Company's offices at Canon's Court, 22 Victoria Street, Hamilton, HM12, Bermuda, they are asked to complete the Form of Proxy in accordance with the instructions printed on it so as to be received by the Company's registrars as soon as possible but in any event not later than 9.00 a.m. on 25 June 2006. Completion and return of the Form of Proxy will not preclude Shareholders from attending and voting at the meeting, should they so wish.

FURTHER INFORMATION

Attention is drawn to the further information on the Company and Proton set out in Parts II to VII of this document. In particular, Shareholders are advised to consider carefully Part II of this document entitled "Risk Factors".

PART II
RISK FACTORS

An investment in the Company following the Acquisition may be subject to a number of risks particular to the Company over and above the risks associated with an investment in a quoted company generally. Any prospective investors should consider carefully all of the information set out in this document and the risks attaching to an investment in the Company following the Acquisition, including, in particular, the risks described below, before making any investment decision. The information below does not purport to be an exhaustive list.

GENERAL

US Investment Company Act.

It is possible that the Company could be considered an "investment company" under the US Investment Company Act of 1940 (the "Investment Company Act"). The Company has not registered with the US Securities and Exchange Commission as an investment company pursuant to the Investment Company Act in reliance on an exception under Section 3(c)(1) of that Act for investment companies (i) whose outstanding securities are held by fewer than 100 persons in the United States and (ii) which do not make a public offering of their securities in the United States. The Board has recommended an amendment to the Company's Bye-laws to empower the Company to force transfers of shares, in order to avoid exceeding this limit.

If the SEC or a court of competent jurisdiction were to find that the Company was required, but in violation of the Investment Company Act had failed, to register as an investment company, possible consequences include, but are not limited to, the following: (i) the SEC could apply to a US federal district court to enjoin the violation, (ii) investors in the Company could sue the Company and recover any damages caused by the violation; and (iii) any contract to which the Company is party that is made in violation of the Investment Company Act or whose performance involves such violation would be unenforceable by any party to the contract unless a court were to find that under the circumstances enforcement would produce a more equitable result than non-enforcement and would not be inconsistent with the purposes of the Investment Company Act. Should the Company be subjected to any or all of the foregoing consequences, or if the Company should determine that an exception from Investment Company Act registration was unavailable, it is likely that the Company would seek to modify the nature of its business and make or divest investments so as to avoid being subject to registration requirements. If the Company were unable to do so within a year after Investment Company Act registration was required, it is likely that the Company would liquidate.

No SEC Registration.

The Company is foreclosed from making any public offering of its securities in the United States for so long as it relies on the exception from Investment Company Act registration afforded by Section 3(c)(1) thereof. There can be no assurance that the Company will change the nature of its business or its investments in such a way that a US public offering will be permissible in the future. Failure to register in the United States may adversely affect the liquidity or valuation of the shares.

The possible lack of business diversification may adversely affect the Company's results of operations.

Whilst the Company expects to effect one or more business combinations, it is possible that it will not (either itself or through Proton) consummate more than one business combination with the proceeds from its Initial Public Offering. Accordingly, the prospects for the Company's success may be entirely dependent upon the assets acquired through the Acquisition. Unlike other entities which may have the resources to complete several business combinations of entities operating in multiple industries or multiple areas of a single industry, it is probable that the Company may not have the resources to diversify effectively its operations or benefit from the possible spreading of risks or offsetting of losses. By consummating only one business combination the Company's lack of diversification may:

- subject the Company to numerous economic, competitive and regulatory developments, any or all of which may have a substantial adverse impact upon the particular industry in which the Company may operate subsequent to the Acquisition; and
- result in the Company's dependency upon a single or limited number of markets.

The Company expects to have substantial capital requirements, and it may be unable to obtain needed financing on satisfactory terms.

The Company expects (either itself or through Proton) to make substantial capital expenditures for the acquisition and development of financial services companies. The Company's and Proton's capital requirements will depend on numerous factors and the Company cannot predict accurately the timing and amount of their capital requirements and, therefore, additional financing may be required sooner than anticipated. A decrease in expected revenues or adverse change in market conditions could make obtaining this financing economically unattractive or impossible. As a result, the Company or Proton may lack the capital necessary to complete potential acquisitions or capitalise on other business opportunities.

The Company's future results of operations may be significantly affected by currency fluctuations.

The Company intends primarily to acquire companies or businesses with assets outside the U.S. and U.K. and nearly all of its revenues are likely to be generated outside the U.S. and U.K. As a result, the Company may be subject to risks relating to fluctuations in currency exchange rates. While the Company will attempt to reduce the risks associated with exchange rate fluctuations through hedging transactions, it cannot guarantee that it will be effective or that fluctuations in the value of the currencies in which the Company may operate will not materially affect its results of operations.

The Company intends to operate in countries that are not as developed as those of Western Europe, and accordingly the Company's business may be affected.

The legal, economic and political situations in the Company's primary target jurisdictions (including Greece where Proton principally operates) are not as stable as those in other parts of Europe. These circumstances could make an investment in the region subject to greater risks. In addition, such jurisdictions may not use commercially accepted financial accounting principles, such as IFRS, which makes the evaluation of any business more difficult.

The convergence process that the Company believes is occurring in the European financial markets may take longer than expected and lead to different results from those anticipated by the Company.

The Company believes that the European financial markets are currently undergoing a convergence process that eventually will lead to one, unified financial market. Greece should significantly profit from this ongoing integration process, but there is no guarantee that the convergence process will happen in the time frame anticipated, if at all.

There is no assurance that Greece will profit from the ongoing integration as anticipated. The financial markets in Greece may on the contrary suffer the additional regulatory requirements imposed on them through the integration process.

Despite an ongoing convergence process and improvements in the political situation, demand for financial services may not increase and financial markets may not grow.

The Company believes that the general political and economical stabilisation of the region and the policies of economic reform implemented by Greece will eventually lead to growing financial markets. However, there is no assurance that such growth will actually materialise.

PROTON

The Proton Group is exposed to certain risks associated with the object of its activities.

These risks are the following:

Credit Risk

The Proton Group is exposed to a significant degree of credit risk because of

- The majority of its loans concern private loans to individuals and corporate loans to entities in order to finance their investment portfolio;
- Its client base is quite small and significant credit facilities have been provided to few individuals and entities; and

- Security held by the Proton Group mainly consists of shares whose value is subject to market risks.

Dealing with and monitoring these risks, which are also affected by changes in the economy, even by macro-economic changes, is effected through the enactment of appropriate credit limits per contracting party and type of transaction. These limits are approved by the Credit Committee based upon reports prepared by the relevant departments within the Proton Group or by ALCO. These limits are subject to revision and their use is monitored by the competent department within the Proton Group.

The assessment of credit risk is carried out by internal procedures and methods of rating and the necessary security which is required is determined on the basis of a relevant analysis. The term "rating" means the process of categorisation of borrowers based on financial, qualitative and transactional conduct criteria, into one of eight categories of credit risk and forms an integral part of the risk management system which has been put in place by Proton in respect of its financial-credit activities.

Rating is of a dynamic nature, as the elements constituting it are continuously diversified according to the borrower and the broader financial environment in which he is active. Consequently, the rating is re-examined on an annual basis, except in case of an extraordinary event, and the categorisation is modified according to any new circumstances.

The strategy of Proton to date has been to avoid basing its development on the creation of a loan portfolio. Nonetheless, however, Proton maintains a relatively small loan portfolio comprised of companies and individuals.

Market Risk – Interest-rate Risk – Currency Risk

A large part of Proton's activities relate to the management of available funds and placement thereof in various financial products such as shares, fixed income securities, derivatives etc. Income of this type is of a non-recurring nature and can be subject to significant fluctuations.

Apart from the regular measurements of the market risk, the behaviour of the transaction portfolio and/or the assets and liabilities of the Proton Group are periodically monitored on the basis of scenario analysis and stress testing.

As regards risk management, ALCO has adopted transactional limits per product and/or activity to mitigate against market risk. Specifically, limits have been adopted regarding the following:

- Currency positions
- Bond positions
- Derivative positions
- Stock positions (domestic and foreign)

Transactions in these products are monitored daily by Proton for breach of the approved limits, as well as for significant changes in relation to previous positions.

Proton remains exposed to the above risks from the management of its available funds and investments, which may affect its operations and profitability, and cannot guarantee the yield of its investments, as is the same for any financial body which is active in the market.

Liquidity Risk

Liquidity risk impacts the Proton Group's ability to fulfill its obligations to clients and contracting parties on the basis of the maturity of its obligations and requirements. The monitoring of this type of risk is focused on the examination of the Proton Group's ability to maintain sufficient liquidity to fulfil its transactional obligations.

Liquidity risk analysis includes a review of all assets and liabilities and categorizes the relevant cash flows at periods, depending on the time they become or may be effected. The monitoring of the general liquidity of the Proton Group and the adoption of relevant limits is implemented by ALCO, pursuant to the instructions of the Bank of Greece.

Following the issuance of a decree by the Administrator of the Bank of Greece, which increased the obligation of monitoring the liquidity of Proton and determined new limits and liquidity indices, ALCO fully adopted the relevant methodology in the daily monitoring of liquidity. Consequently, its computer systems were modified accordingly, enabling Proton to check compliance with the relevant limits. Moreover, the Department of Management of Available Funds within Proton was assigned the task of adopting preventive measures to increase the Proton Group's liquidity, as well as to make corrective moves in case of a significant change and/or violation of the internal liquidity limits of the Proton Group, which are stricter than those determined by the Bank of Greece.

The Proton Group's capital adequacy ratio is high compared with the average, and much higher than the minimum 8 per cent. required by the Bank of Greece. Specifically, the capital adequacy ratio of Proton in 2004 amounted to 16.2 per cent. and the capital adequacy ratio of the Proton Group amounted to 12.4 per cent., whilst the average compared with the average capital adequacy ratio in the Greek banking sector, according to the "Report of the Governor of the Bank of Greece", amounted to 9.6 per cent..

Risk Management

The Proton Group has created the Risk Management Department, assigned with monitoring, measuring and managing of banking and operational risks and applying traditional and modern methods of measurement and quantification of banking risks. It has also installed a modern risk management system to that effect. Proton has also created ALCO and, in conjunction with its strategic planning, it monitors its exposure to various financial risks and the management of the market, credit and operational risks, aiming at the best possible capital allocation. ALCO, which meets every 15 days and refers directly to the board of directors of Proton, aims to ensure independent decision-making, which is relevant to, among other things, to the long-term strategy of Proton as regards risk undertaking, structuring balance-sheet elements and Proton's efficiency. There can be no assurance that Proton's risk management efforts will be successful.

Social, Political and Economical Developments Risks.

As a financial organisation, Proton operates, and is affected by, the course and the conditions prevailing in the broader field of money and capital markets, both in Greece and internationally. The development prospects for the Greek economy, the general economic developments relating to broader economical-political choices at national and international levels and geo-political developments internationally form the specific aspects and behaviour of the economic units, the investing decisions, the operation of the enterprises and the income of consumers directly and indirectly.

Negative developments in the Greek economy directly affect clients of financial institutions (businesses and individuals) and the basic framework of their profitability which may in turn have a material adverse effect on Proton's profitability.

Risk of competition by Greek and foreign banking institutions.

The banking sector in Greece is characterised by high and intense competition. The market maintains high levels of centralisation in a few large groups, whilst at the same time the presence of small banks becomes more intense. The interest of foreign banks in the Greek market is considerable and takes the form of co-operations, participations and/or acquisitions of public or private banking institutions.

Within the above framework and under the pressures/challenges of institutional changes, domestic and international competition in the Greek banking system is becoming more intense. Greek banking institutions are attempting to respond and enhance their share through diversification of the products and services offered, and also through their fee policy.

However, the problems and threats that the sector is faced with remain and are focused on capital adequacy, unsecured debts, correct implementation of International Accounting Standards, international competition, as well as matters of modernisation and technological upgrading. These matters make for conditions in which further strategic co-operations, with new mergers and acquisitions and further concentration tendencies of the sector, are possible.

The nature of the Greek Capital Market and the prices of individual shares are influenced by various external factors, which are not always directly related to the activity and financial condition of companies, such as the nature of the international capital markets, the psychology of investors, various social-political facts and international geo-political volatility.

There may be significant fluctuations in the price of the shares of Proton, which will not necessarily be related to the nature and financial results of Proton, but to various external factors, such as general economic climate and conditions that prevail in the market from time to time.

In addition, the existence of daily fluctuation limits may delay and/or prevent the stability of the price of Proton's shares at "fair price" levels, due to significant internal and external factors, as well as result in limitation of liquidity or in unforeseeable fluctuations of the share price in general.

The Athens Stock Exchange has lower liquidity than other international markets. Moreover, the price of Proton's shares may be negatively affected following a sale of a large number of its shares, or even following an assessment that such a sale cannot be effected.

Proton's existing loan portfolio is allocated into different risk profiles.

Based on its own internal credit risk appraisal system, approximately 43.3 per cent. of Proton's existing loan portfolio at 31 December 2005 was rated "acceptable risk", 7.1 per cent. "relatively high risk" and 0.70 per cent. high risk. There can be no assurance that Proton's reserves will be adequate to support defaults under its loan portfolio now or in the future.

The limited number of key clients may adversely affect Proton's business in the case of loss of any of such key clients.

The client base of Proton is relatively small. As at 31 December 2005 Proton had provided loans to 83 clients. 20 per cent. of those clients (16) represented 79 per cent. of the total loan portfolio. This fact increases the total credit risk of the loan portfolio since Proton is not able to achieve a wide diversification.

The same applies to the situation regarding Proton's broker services and the margin accounts, with one client representing 38 per cent. of the total amount receivable from clients. In addition, the nine biggest clients for Proton's brokerage services represent over 61 per cent. of the total receivables for this division. The loss of one or more of these key clients may adversely effect the income receipts of Proton.

Proposed Merger with Omega.

On 26 January 2006, Proton announced that it intended to merge with Omega with effect from the end of September 2006. The merger has been approved by the Board of Directors of Proton and Omega. However, the merger is subject to the approval of: (i) the Bank of Greece; (ii) the general meetings of the shareholders of Proton and Omega and the competent body of Proton Securities-Investment Co. S.A; (iii) the Greek Ministry of Development; and (iv) the Greek Competition Committee, if required. If the merger is approved and takes effect Proton will be a different entity. At the date of this document limited details of the Omega merger are available (see Part I, "Information on the Company and Proton – Pending Transaction with Omega Bank S.A."). There can be no assurance that the Omega merger will happen; nor can there be any assurance that if it does happen that it will be successful, that it will be possible to integrate Omega's operations into Proton or that the Omega merger will not have a negative impact on the financial and operating results of Proton.

Proton will soon be subject to the BASLE II Accords, which could have a material adverse effect on its business.

The BASLE II Accords provide for the adoption of the *International Convergence of Capital Measurement and Capital Standards: a Revised Framework* by the G10 Basel Committee on Banking Supervision. The BASLE II Accords are intended to more closely align the internal risk operations of banks with their capital charges through minimum capital requirements, a supervisory review process, and greater market discipline.

The EU has adopted the BASLE II Accords through a new Capital Adequacy Directive known as CAP3, with formal implementation expected by 2007. All banks and financial services institutions operating within the EU will be required to comply with the CAP3 provisions.

THE ACQUISITION

Bank of Greece Approval.

The Acquisition constitutes a "qualifying holding" of shares in a Greek bank under applicable Greek law and therefore requires approval by the Bank of Greece. The Company has had informal discussions with the Bank of Greece with respect to such approval and although the Company is required to make a formal application to the Bank of Greece following Completion, no objections were raised by the Bank of Greece during the Company's discussions with it.

On 9 June 2006, the Company filed an application for formal approval of the Acquisition from the Bank of Greece. The Board believes that approval will be granted and anticipates that it will be received two to three months after the Acquisition. However, there can be no assurance that such approval will be granted or that such approval will not include conditions (such as a minimum percentage of Shares in Proton must continue to be held by one or more neutral persons approved by the Bank of Greece). If approval is not granted, the Company will lose the right to vote its shares in Proton and would likely decide to sell such shares. It is possible that the price realised on such sale will be lower than the price to be paid by the Company for the shares in Proton or that such price will equal the price that a Shareholder would receive if it exercised its repurchase rights instead of voting in favour of the resolution to approve the Acquisition.

The Company will hold a minority investment in Proton after the Acquisition and may not be able to effectively exert control over Proton and its business

Under the Acquisition Agreement, the Company will initially acquire between 28 per cent. and 30 per cent. of the shares of Proton, and will be diluted to between approximately 20.16 per cent. to 21.60 per cent. of the shares of Proton if the proposed merger of Omega in Proton is completed. The Company therefore cannot be assured that matters requiring majority or supermajority approval of Proton shareholders will be approved based on the Company's vote. Under the Acquisition Agreement, the Sellers have agreed to vote their Proton Shares so that the Company shall be entitled to nominate a majority of the members of the Proton board of directors (one of whom must be an independent director). The appointment of directors of Proton ultimately require a majority of shares voting for the relevant resolution. There can therefore be no guarantee that the Company's nominated directors will be approved, or will not subsequently be removed by a shareholder vote. There can be no guarantee that the Sellers can procure the resignations required under the Acquisition Agreement.

In addition, under the Acquisition Agreement, the Company and the Sellers have agreed to a list of "Reserved Matters" that may be approved by the Proton board only on a qualified majority vote of at least 75 per cent. of the then-serving directors, with the result that Reserved Matters may only receive board approval if both the directors nominated by the Company and one or more of the directors nominated by the Sellers agree. In addition, most Reserved Matters will also require the approval of Proton shareholders by a qualified majority of two-thirds of the Proton shares voting, with the result that even if the Company and the Sellers approve a certain matter, it still may not be possible to obtain the requisite approval from Proton shareholders to authorise Proton to implement that matter. Reserved Matters include most significant strategic decisions, including acquisitions and disposals, changes in capital, dividends and distributions and a variety of other matters. For further information, see paragraph 9.1 of Part VII of this document.

There can be no guarantee therefore that the Company will be able to procure that Proton carries out its proposed stategy. In addition, the Company's designees to the Proton board, of whom at least one must be an independent director under Greek law, are required to discharge their duties under Greek law to Proton and its shareholders and therefore may not act in the Company's interests alone.

The Company may not have access to all the information about Proton that is available to the Proton board.

Pursuant to a declaration made by Proton on 31 May 2006, Proton agreed to procure that the Company receives on a timely basis such financial and non-financial information about Proton, its business and its management as shall be reasonably requested by the Company in connection with the preparation of documentation required by, *inter alia*, the Investor Rights Agreement, the AIM Rules and other rules and regulations to which the Company is subject. However, Proton will not be obliged to provide such information to the Company if Proton would thereby breach the laws, rules and regulations applicable to Proton under Greek law. In addition, the Proton directors designated by the Company may be unable to share information about Proton with the Company if doing so would breach their obligations to Proton and its shareholders. As a result, the Company may not have access to all the information about Proton that is available to the Proton board. This may affect the timing and content of the disclosures that the Company is able to make about Proton and its business.

The Company, subject to Completion, will be a holding company dependent upon cash flow from its subsidiary(/ies) to meet its obligations.

The Company will be a holding company with no independent operations or significant assets other than its investment in Proton. Applicable law may also limit the amounts that Proton will be permitted to pay as dividends or distributions on the Company's investment, or even prevent such payments. Under the terms of the Acquisition Agreement, Proton will not be permitted to pay any dividends or make any distributions to shareholders without super majority Board approval, which requires approval of one or more directors of Proton not nominated by the Company.

The Company's investment in Proton will be relatively illiquid.

Under the Acquisition Agreement, the Company has agreed to a number of restrictions on its ability to sell all or any portion of its investment in Proton and has granted "tag along" rights and a right of first refusal in favor of the Sellers should it propose to sell shares of Proton to unaffiliated parties. The Company may also be privy to non-public information about Proton that is or could be material or price-sensitive, and therefore legally restricted from buying or selling Proton securities. These restrictions could prevent the Company from being able to sell its control stake or could otherwise impair the value of the Company's investment in Proton.

There may also be a limited number of purchasers willing to acquire the Company's investment in Proton should it subsequently wish to sell its interest.

If Shareholders holding 50 per cent. or more of the Shares decide to vote against the Acquisition, the Company may be forced to liquidate, Shareholders may receive less than $6.00 per share and the Warrants may expire worthless.

If the Acquisition is not completed for any reason, including as a result of failure to obtain Shareholder approval, the Company will continue to search for other acquisition targets. However, the Company will be liquidated if it does not complete a business combination by 14 May 2007 unless a majority of the Shareholders approve an extension of the investment period. In any liquidation, the net proceeds of the Initial Public Offering held in the Trust, plus any interest earned thereon, will be distributed pro rata to the holders of the Company's Shares that were issued concurrent with the Original Admission. If the Company is forced to liquidate its assets, the per-share return of capital will be $5.62 as of 31 May 2006, plus interest accrued thereon until the date of any liquidation. Furthermore, there will be no distribution with respect to the outstanding Warrants and, accordingly, the Warrants will expire worthless.

In addition, costs related to the Acquisition, such as legal and accounting fees, must be paid even if the Acquisition is not completed

The Company depends on key personnel, the loss of any of whom could materially adversely affect the Company's future operations.

The Company's success will depend to a significant extent upon the efforts and abilities of the Company's Directors. The loss of the services of one or more of these key persons could have a material adverse effect on the Company. Further, the role of Proton's key personnel after Completion cannot now be ascertained. Although the Company contemplates that Proton's management team will continue to manage Proton, the Company has the right to remove management if performance criteria set out in the Acquisition Agreement are not satisfied.

AIM

The market for Shares or Warrants may be, or may become, relatively illiquid.

Application is to be made for the Shares and Warrants to be re-admitted to trading on AIM. AIM is a market designed primarily for emerging or smaller companies. The rules of this market are less demanding than those of the Official List of the London Stock Exchange. The London Stock Exchange has not itself examined or approved the contents of this document. The future success of AIM and liquidity in the market for Shares and Warrants cannot be guaranteed. In particular, the market for Shares and Warrants may be, or may become, relatively illiquid and therefore may be or may become difficult to sell.

Investments in shares traded on AIM is perceived to carry a higher risk than an investment in shares quoted on exchanges with more stringent listing requirements, such as the London Stock Exchange, the New York Stock Exchange or the NASDAQ Global Market. This is because AIM imposes less stringent corporate governance and ongoing reporting requirements. AIM is also a new and more flexible market, which requires only semi-annual, rather than quarterly, financial update reports. Investors should be aware that the value of the Shares and Warrants may be influenced by many factors, some of which may affect quoted companies generally, including the depth and liquidity of the market, the performance of the Company, a large or small volume of trading in the Company's securities, legislative changes and general economic, political or regulatory conditions, and that the prices may be volatile and subject to extensive fluctuations. Therefore, the market price of the Shares and Warrants may not reflect the underlying value. The value of an investment in the Company may increase or decrease; therefore investors may realise less than, or lose all of, their investment.

In addition, the Company cannot assure you that it will always retain a listing on AIM. If it fails to retain such a listing, certain investors may decide to sell their Shares, which could have an adverse impact on the share price. Additionally, if in the future the Company decides to maintain a listing on another exchange in addition to AIM, the level of liquidity of Shares traded on AIM may decline.

The Company has adopted the International Financial Reporting Standards, or IFRS, which may materially affect the Company's financial statements and financial reporting compared to financial statements prepared in accordance with U.S. GAAP.

The Company and Proton now both use IFRS in preparing their financial statements. IFRS differs in certain significant respects from U.S. GAAP. The Company's and Proton's financial statements prepared in accordance with IFRS will not be comparable to financial statements prepared in accordance with U.S. GAAP.

In addition, IFRS is currently being applied in a large number of other countries simultaneously for the first time. Due to a number of new and revised standards included within the body of standards that comprise IFRS, there is not yet a significant body of established practice on which to draw in forming opinions regarding interpretation and application. Accordingly, practice is continuing to evolve. At this stage, therefore, the full financial effect of reporting under IFRS, as it will be applied and reported on in the Company's first annual IFRS financial statements, cannot be determined with certainty and may be subject to change which could have a material adverse effect on the Company's financial condition or results of operations.

SHARES AND WARRANTS

The Shares and Warrants will continue to be represented by definitive certificates in the near term, which could reduce their liquidity.

Due to U.S. securities law requirements, the Shares and Warrants will, for at least forty days after Completion of the Acquisition, be represented by definitive certificates. The lack of a fully electronic trading mechanism may reduce the liquidity of the securities.

The Company has not registered the Shares or Warrants with the SEC, which will limit a holder's ability to resell them.

Neither the Shares nor the Warrants have been registered under the Securities Act or any U.S. state securities laws. As a result, they may only be offered or sold if:

- an applicable exemption from the registration requirements of the Securities Act and applicable state laws applies to the circumstances of the sale, or
- a registration statement covering the resale of these securities is filed and declared effective.

The Rule 144 holding period for Shares received upon exercise of the Warrants will start upon the exercise of such Warrants.

Even though the Rule 144(k) two-year holding period for the Shares and Warrants may have expired, enabling certificates for those securities to have the legend removed, the Rule 144 holding period for the Shares received upon exercise of the Warrants will start upon such exercise. Accordingly, U.S. Warrant holders may exercise their Warrants and receive Shares subject to trading restrictions which are greater than those imposed on the trading of previously issued Shares. Such restrictions may mean the value of the Shares received by U.S. holders upon exercise of the Warrants may be significantly lower, at least until the two-year holding period has expired, than the Shares originally issued.

TAXATION

The Company may be a passive foreign investment company which could lead to additional taxes for U.S. holders of the Shares or Warrants.

A passive foreign investment company or PFIC is a non-U.S. corporation that meets either the income or asset PFIC tests. The income test is met if 75 per cent. or more of a corporation's gross income is "passive income" (generally dividends, interest, rents, royalties, and gains from the disposition of passive assets) in any taxable year. The asset test is met if at least 50 per cent. of the average value of a corporation's assets produce, or are held for the production of, passive income. Proton, once acquired, will count in the application of these tests to the Company.

If the Company is considered a PFIC, a U.S. holder of the Shares or Warrants could be subject to substantially increased tax liability, including an interest charge upon the sale or other disposition of the U.S. holder's Shares or Warrants or upon the receipt of "excess distributions" from the Company. Certain elections may sometimes be used to reduce the adverse impact of the PFIC rules. These elections may not be available to U.S. holders. If these elections are available, they may result in a current U.S. federal tax liability prior to any distribution or disposition of the Shares, and without the assurance of a U.S. holder receiving an equivalent amount of income or gain from a distribution or disposition.

PART III
AUDITED ACCOUNTS FOR THE PERIOD TO 31 DECEMBER 2005 FOR THE COMPANY

IRF European Finance Investments Limited

(A Development Stage Enterprise)

Annual accounts

31 December 2005

Contents

Statement of Directors' responsibilities in respect of the annual accounts

The Directors are responsible for preparing annual accounts for each financial year which present fairly the financial position and the performance of the Company in accordance with applicable law and regulations.

They have elected to prepare the annual accounts in accordance with IFRSs as adopted by the EU.

In preparing these annual accounts, the Directors:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether they have been prepared in accordance with IFRSs as adopted by the EU; and
- prepare the annual accounts on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that its annual accounts comply with applicable laws and regulations. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

KPMG Audit Plc

8 Salisbury Square
London
EC4Y 8BB
United Kingdom

Report of the independent auditors to the Board of Directors of IRF European Finance Investments Limited

We have audited the annual accounts of IRF European Finance Investments Limited ("the Company") for the period ended 31 December 2005 which comprise the income statement, the balance sheet, the cash flow statement, the statement of changes in equity and the related notes. These accounts have been prepared under the accounting policies set out therein. The Company's Directors are responsible for the preparation of the accounts in accordance with applicable law and International Financial Reporting Standards (IFRSs) as adopted by the EU. Our responsibility is to express an opinion on these accounts based on our audit conducted in accordance with International Standards on Auditing (UK and Ireland) and our profession's ethical guidance.

This report has been prepared, on terms that have been agreed, for the Company and the Company's Directors, as a body, solely in connection with their wish to have audited accounts. Our audit work has been undertaken so that we might state to the Company's Directors, as a body, those matters that we have agreed to state to them in our report, in order to assist the Company to meet its obligations under the AIM Rules to procure such a report and for no other purpose. This report was designed to meet the agreed requirements of the Company's Directors determined by their needs at the time. This report should not therefore be regarded as suitable to be used or relied on by any party wishing to acquire rights against us other than the Company or the Company's Directors, as a body, for any purpose or in any context. Any party other than the Company or the Company's Directors who obtains access to this report or a copy and chooses to rely on this report (or any part of it) will do so at its own risk. To the fullest extent permitted by law, KPMG Audit Plc assumes no responsibility and will accept no liability in respect of our audit work, this report or the opinions we have formed to any other party.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the accounts. It also includes an assessment of the significant estimates and judgements made by the Directors in the preparation of the accounts, and of whether the accounting policies are appropriate to the Company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the accounts are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the accounts.

Opinion

In our opinion the accounts give a true and fair view, in accordance with IFRSs as adopted by the EU, of the state of the Company's affairs as at 31 December 2005 and of its loss for the period then ended and have been properly prepared in accordance with the accounting policies described therein.

KPMG Audit Plc June 2006
Chartered Accountants
Registered Auditor

Income statement
for the 4 month period from incorporation (8 September 2005) to 31 December 2005

	Note	**4 month period ended 31 December 2005 €**
Administrative expenses		**(72,441)**
Operating loss		**(72,441)**
Financial income	*5*	**5,533**
Financial expenses	*5*	**(1,328,617)**
Net financing costs		**(1,323,084)**
Loss before tax		**(1,395,525)**
Taxation	*6*	-
Loss after tax for the period		**(1,395,525)**
Results per share (€)		
Basic	*12*	(0.05)
Diluted	*12*	(0.05)

The results above relate to continuing operations.

Statement of recognised income and expense

for the 4 month period from incorporation (8 September 2005) to 31 December 2005

	4 month period ended 31 December 2005 €
Loss for the period	**(1,395,525)**
Total recognised income and expense for the period	**(1,395,525)**

Balance sheet
At 31 December 2005

	Note	**2005 €**	**2005 €**
Current assets			
Trade and other receivables	*9*	**5,309**	
Restricted cash held in Trust	*7, 13*	**210,294,081**	
Cash and cash equivalents		**2,206,324**	
Total current assets			**212,505,714**
Current liabilities			
Related party notes payable	*10, 15*	**17,276**	
Trade and other payables	*10*	**152,550**	
Compound instrument	*8, 13*	**203,426,153**	
Total current liabilities			**203,595,979**
Net assets			**8,909,735**
Equity			
Share capital	*11*		**71,418**
Warrant reserve	*11*		**10,233,842**
Retained earnings	*11*		**(1,395,525)**
Total equity			**8,909,735**

These annual accounts were approved by the Board of Directors on 9 June 2006 and were signed on its behalf by:

Georgios Kintis
Director

Cash flow statement

for the 4 month period from incorporation(8 September 2005) to 31 December 2005

	Note	2005 €
Cash flows from operating activities		
Loss for the period		**(1,395,525)**
Adjustments for:		
Financial expense	*5*	**1,328,421**
Operating loss before changes in working capital and provisions		**(67,104)**
Increase in trade and other receivables	*9*	**(5,309)**
Increase in trade and other payables	*10*	**169,172**
Increase in notes payable		**655**
Net cash generated from operating activities		**97,414**
Cash flows from investing activities		
Restricted cash placed in Trust	*7*	**(209,493,368)**
Net cash flow from investing activities		**(209,493,368)**
Cash flows from financing activities		
Gross proceeds from initial public offering	*11*	**228,538,219**
Payment of costs of initial public offering	*11*	**(16,950,225)**
Proceeds from the issue of share capital	*11*	**14,284**
Proceeds from shareholders loans and advances	*10, 15*	**237,133**
Repayments of shareholders loans and advances	*10, 15*	**(237,133)**
Net cash from financing activities		**211,602,278**
Net increase in cash and cash equivalents		**2,206,324**
Cash and cash equivalents at 8 September 2005		**-**
Cash and cash equivalents at 31 December 2005		**2,206,324**

Notes
(forming part of the accounts)

1 Organisation and business operations

IRF European Finance Investments Ltd. (the “Company”) was incorporated in Bermuda on 8 September 2005 as a company with the main objective of acquiring an operating business in the financial services industry. The offering circular for the Company's initial public offering (the "Offering") was declared effective on 7 November 2005. The Company consummated the Offering on 14 November 2005 and received proceeds of €228,538,219 (US$275,000,040) before offering expenses. The Company's management has broad discretion with respect to the specific application of the net proceeds of the Offering, although substantially all of the net proceeds of the Offering are intended to be generally applied toward consummating a business combination with a company that is engaged in the financial services industry (a "Business Combination").

€209,493,368 (US$252,083,370) of the net proceeds of the Offering were placed in a trust account (the "Trust Fund") to be held there until the earlier of the completion of a Business Combination, the exercise by any person who acquired common shares and warrants at the offering (a “New Shareholder”) of his repurchase rights or the distribution of such funds to the New Shareholders. Under the agreement governing the Trust Fund, funds will only be invested in United States government securities having a maturity of 180 days or less. The market value of investments held in Trust amounted to €210,294,081 (US$253,046,867) at 31 December 2005. The remaining net proceeds received from the Offering, may be used to pay for business, legal and accounting due diligence on prospective acquisitions and continuing general and administrative expenses.

The Company, after signing a definitive agreement for the acquisition of a target business, will submit such transaction for shareholder approval. All of the Company's shareholders prior to the Offering, which include all of the Officers and Directors of the Company ("Founding Shareholders"), have agreed to vote their 11,458,335 founding shares of common stock in accordance with the vote of the majority in the interest of the New Shareholders of the Company with respect to the Business Combination. After consummation of a Business Combination, these voting provisions will no longer be applicable.

If a business combination has not been consummated within 18 months (or within 24 months if a letter of intent or definitive agreement was entered into prior to the end of the 18 month period or unless extended by majority shareholder approval) after the effective date of the initial registration statement, funds held in the Trust account will be returned to the shareholders of the Company.

2 Basis of preparation

The following accounting policies have been applied consistently in dealing with items which are material in relation to the financial information of IRF European Finance Investments Limited set out in this report.

The annual accounts are presented in Euros, the functional currency of the Company and are prepared on the historical cost basis except that financial instruments are recorded at their fair value.

Judgements made by the Directors, in the application of these accounting policies that have significant affect on the annual accounts and estimates with a significant risk of material adjustment in the next year are discussed in note 13.

Statement of compliance

The accounts have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union (“Adopted IFRSs”) and effective at the reporting date.

Notes *(continued)*

3 Accounting policies

The accounting policies set out below have been used to prepare the annual accounts on pages 3 to 17.

Use of estimates

Estimates and associated assumptions used in the preparation of the accounts are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

Offering costs

Offering costs consist principally of legal and underwriting fees related to the offering and incurred up to the offering date of 14 November 2005. These costs have been charged to equity after receipt of the proceeds raised on the issue of capital.

Loss per share

Loss per share is computed by dividing net loss by the weighted-average number of shares outstanding during the period.

Trade and other receivables

Trade and other receivables are stated at their nominal amount (discounted if material) less impairment losses.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits. Bank overdrafts that are repayable on demand and form an integral part of the Company's cash management are included as a component of cash and cash equivalents for the purpose only of the statement of cash flows.

Impairment

The carrying amounts of the Company's assets are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated.

An impairment loss is recognised whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. Impairment losses are recognised in the income statement.

Trade and other payables

Trade and other payables are recognized initially at fair value and subsequently measured at amortised cost. Trade payables are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least twelve months after the balance sheet date.

Restricted cash held in Trust

Cash held in Trust is recorded at market value at the balance sheet date.

Foreign currency

Transactions in foreign currencies are translated at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated at the foreign exchange rate ruling at that date. Foreign exchange differences arising on translation are recognised in the income statement. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are translated at foreign exchange rates ruling at the dates the fair value was determined.

Notes *(continued)*

3 Accounting policies (*continued*)

Taxation

Tax on the profit or loss for the period comprises current and deferred tax. Tax is recognised in the income statement except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax is the expected tax payable on the taxable income for the period, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: the initial recognition of goodwill; the initial recognition of assets or liabilities that affect neither accounting nor taxable profit other than in a business combination, and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised.

Classification of financial instruments issued by the Company

In accordance with IAS 32, financial instruments issued by the Company are treated as equity (i.e. forming part of shareholders' funds) only to the extent that they meet the following two conditions:

(a) they include no contractual obligations upon the Company to deliver cash or other financial assets or to exchange financial assets or financial liabilities with another party under conditions that are potentially unfavourable to the Company; and

(b) where the instrument will or may be settled in the Company's own equity instruments, it is either a non-derivative that includes no obligation to deliver a variable number of the Company's own equity instruments or is a derivative that will be settled by the Company's exchanging a fixed amount of cash or other financial assets for a fixed number of its own equity instruments.

To the extent that this definition is not met, the proceeds of issue are classified as a financial liability and recorded at the discounted fair value of the liability. Where the instrument so classified takes the legal form of the Company's own shares, the amounts presented in these annual accounts for called up share capital and share premium account exclude amounts in relation to those shares.

The shares issued on 14 November 2005 at the Company's initial public offering are considered to be a financial instrument that contains both equity and financial liability components. These components are separated and accounted for individually under the above policy. The finance cost on the financial liability component is correspondingly higher over the life of the instrument.

The debt portion of the compound instrument was recognised initially at fair value, calculated as the original sum paid into the Trust, plus interest for two years at the same rate as that earned during the period then discounted to its present value at a rate representing the cost of borrowing a similar amount secured on the Trust assets. The fair value is then increased to the amount due over the two year period via an interest charge to the income statement. Rates used are reassessed in each accounting period.

The equity portion of the compound instrument was calculated as the proceeds on issue of shares (net of issue costs) less the amount calculated as the debt portion of the instrument. The equity total was then allocated between the equity accounts by recognising the nominal value of the shares in share capital, and the remainder in the warrant reserve representing the equity portion of the contributed surplus paid for the warrants.

Notes *(continued)*

3 Accounting policies (*continued*)

Classification of financial instruments issued by the Company (continued)

The debt portion of the compound instrument is classified as a current liability because although the amount is payable at the latest after 24 months from the date of the offering if no business combination has taken place, if the business combination does take place within one year, the liability will be reallocated to equity and the Company does not have an unconditional right to defer settlement for longer than 12 months.

Finance payments associated with financial liabilities are dealt with as part of finance expenses. Finance payments associated with financial instruments that are classified in equity are dividends and are recorded directly in equity.

Investments in debt and equity securities

Restricted cash held in Trust represents amounts invested in short-term treasury bills which are recorded at market value. These funds will be held in Trust until the earlier of the completion of a business combination, the exercise by a New Shareholder of his Repurchase Rights or the distribution of such funds to the New Shareholders. Income on these investments is recorded in the restricted cash account and as an additional liability within the compound instrument.

Derivative financial instruments

Derivative financial instruments

Derivative financial instruments are recognised at fair value. The gain or loss on remeasurement to fair value is recognised immediately in profit or loss, except as described above.

Interest-bearing borrowings

Interest-bearing borrowings are recognised initially at fair value less attributable transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost with any difference between cost and redemption value being recognised in the income statement over the period of the borrowings on an effective interest basis.

Segment reporting

A segment is a distinguishable component of the Company that is engaged either in providing products or services (business segment), or in providing products or services within a particular economic environment (geographical segment), which is subject to risks and rewards that are different from those of other segments. At this time the Company has only one segment which is investment business in Europe.

Adopted IFRS not yet applied

The following Adopted IFRSs were available for early application but have not been applied by the Company in these annual accounts:

- IFRS 7 ‘Financial instruments: Disclosure’ applicable for years commencing on or after 1 January 2007

The application of IFRS 7 in 2005 would not have affected the balance sheet or income statement as the standard is concerned only with disclosure. The Company plans to adopt it in 2006.

4 Staff numbers and costs

The Company had no employees other than the Directors during the period. No salaries were paid to the Directors for the period.

Notes *(continued)*

5 Finance income and expense

	2005 €
Net exchange gain	**5,533**
Financial income	**5,533**
Interest on compound instrument	**1,328,421**
Bank charges	**196**
Financial expenses	**1,328,617**

Interest on the compound financial instrument represents the charge for the period to increase the book value of the liability from its initial fair value to the amount payable on the due date.

6 Taxation

Recognised in the income statement

	2005 €
Current tax expense	
Current period	-
	-
Deferred tax expense	-
Origination and reversal of temporary differences	-
Benefit of tax losses recognised	-
	-
Total tax in income statement	-

Reconciliation of effective tax rate

	2005 €
Loss before tax	**(1,395,525)**
Tax using the Bermudan corporation tax rate of 0%	-
Non-deductible expenses	-
Tax exempt revenues	-
Effect of tax losses utilised/generated	-
Under / (over) provided in prior years	-
Total tax in income statement	-

Notes *(continued)*

7 Other financial assets

	2005 €
Current assets	
Restricted cash held in Trust	**210,294,081**
	210,294,081

€209,493,368 (US$252,083,370) of the net proceeds of the Offering were placed in a trust account (the "Trust Fund") to be held there until the earlier of the completion of a Business Combination, the exercise by any person who acquired common shares and warrants at the offering (a "New Shareholder") of his repurchase rights or the distribution of such funds to the New Shareholders. Under the agreement governing the Trust Fund, funds will only be invested in United States government securities having a maturity of 180 days or less. The balance is recorded at market value including interest and movements in the value of investments at the balance sheet date. The market value of investments held in Trust amounted to €210,294,081 (US$253,046,867) at 31 December 2005.

8 Other financial liabilities

	2005 €
Current liabilities	
Compound financial instrument	**203,426,153**
	203,426,153

The compound financial instrument represents the present value of the cash held in Trust, including estimated interest, which will be payable to shareholders within 24 months following the date of the offering if no qualifying business combination has occurred.

9 Trade and other receivables

	2005 €
Other trade receivables and prepayments	**5,309**
	5,309

10 Trade and other payables

	2005 €
Amounts payable to related parties	**17,276**
Trade and other payables	**152,550**

Notes *(continued)*

11 Capital and reserves

Reconciliation of movement in capital and reserves

	Share capital €	Warrant reserve €	Retained earnings €	Total equity €
Balance at 8 September 2005	-	-	-	-
Total recognised income and expense for the period	-	-	(1,395,525)	(1,395,525)
Issue of common stock to initial stockholders	14,284	-	-	14,284
Issue of shares on offering, net of offering costs	57,134	10,233,842	-	10,290,976
Balance at 31 December 2005	**71,418**	**10,233,842**	**(1,395,525)**	**8,909,735**

On 15 September 2005, 8,000,000 common shares, having a par value of $0.0015 each, were issued for a total consideration of $12,000 and the authorized share capital was increased to 136,500,000 common shares of $0.0015 each. On 4 November 2005, a further 3,458,335 common shares of $0.0015 were issued for a total consideration of $5,187.50 and the authorized share capital was increased to $148,958,355 common shares of $0.0015 each.

On 14 November 2005, the Company sold 45,833,340 units in the Offering at a price of $6.00 per Unit, generating gross offering proceeds of $275,000,040 (€228,538,220). Each Unit consisted of one share of the Company's common stock (the "Common Stock"), and two warrants ("Warrants"). Each Warrant entitles the holder to purchase from the Company one share of Common Stock at an exercise price of $5.00 per share. Each warrant will become exercisable on the earlier of (i) our completion of a business combination which, when combined with all of our previous business combinations, has an aggregate transaction value of at least 50 per cent of the initial amount placed in Trust together with such funds as are deposited in the Trust fund following the stabilization period (a "Qualified Business Combination") and (ii) where a business combination has occurred but a Qualified Business Combination is not completed within 18 months after admission, or within 24 months after admission if a letter or intent, agreement in principle or definitive agreement has been signed by the Company during the initial 18 month period but such acquisition has not been consummated, or unless extended by majority shareholder approval (the date by which such Qualified Business Combination has to occur in any of these circumstances being the "Extended Date"),the relevant date shall be the extended date and will expire on the earlier of redemption or the date that is four years after the admission date.

The proceeds received on issue have been allocated between debt and equity according to IAS 32. The total allocated to equity has been allocated to share capital based on the nominal value of the shares, and the remainder to the warrant reserve representing the equity portion of the contributed surplus paid for the warrants.

Notes *(continued)*

11 Capital and reserves *(continued)*

Share capital

In thousands of shares	**Preference shares of $0.0001 each 2005**	**Common shares 2005**
At 8 September 2005	**-**	**-**
Issued for cash	**-**	**57,292**
In issue at 31 December 2005 - fully paid	**-**	**57,292**

	2005 $	**2005 €**
Authorised		
148,958,355 common shares of $0.0015 each	**223,438**	**185,687**
2,500,000 preference shares of $0.0001 each	**250**	**208**
	223,688	185,895
Allotted, called up and fully paid		
57,291,675 common shares of $0.0015 each	**85,938**	**71,418**
Nil preference shares of $0.0001 each	**-**	**-**
	85,938	**71,418**

Proceeds from shares in issue (net of offering costs)	**211,602,278**
Shares classified as liabilities at date of offering	**201,297,018**
Shares classified in shareholders funds – share capital	**71,418**
Shares classified in shareholders funds – warrants reserve	**10,233,842**
	211,602,278

The holders of common shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share on a poll at meetings of the Company.

During the period the Company issued 57,291,675 common shares for a consideration of €228,552,504 (before offering costs), settled in cash.

The Company is authorised to issue 2,500,000 shares of preferred stock with such designations, voting and other rights and preferences as may be determined from time to time by the Board of Directors.

Shareholders voting against a business combination will be entitled at the time they vote against such business combination either to exercise their repurchase rights if the business combination is approved and completed or to maintain their interest in the Company.

Notes *(continued)*

12 Loss per share

Basic and diluted loss per share

The calculation of basic loss per share at 31 December 2005 is based on the net loss attributable to common shareholders of €1,395,525 and a weighted average number of common shares outstanding during the period ended 31 December 2005 of 28,134,141, calculated as follows:

Weighted average number of common shares

	Number of shares
Issued common shares at 8 September 2005	**-**
Effect of shares issued on 15 September 2005	**7,508,772**
Effect of shares issued on 4 November 2005	**1,729,168**
Effect of shares issued on 14 November 2005	**18,896,201**
	28,134,141

13 Financial instruments

Interest rate and exchange rate risk

In managing interest rate and currency risks the Company aims to reduce the impact of short-term fluctuations on the Company's earnings. Over the longer-term, however, permanent changes in foreign exchange and interest rates would have an impact on earnings.

Effective interest rates analysis

In respect of income-earning financial assets and interest-bearing financial liabilities, the following table indicates their effective interest rates at the balance sheet date and the periods in which they mature or, if earlier, are repriced.

	2005		
	Effective Interest rate *%*	**Total €000**	**0 to < 1 year €000**
Restricted cash – held in Trust	**2.97**	**210,294**	**210,294**
Compound financial instrument (liability)	**5.0**	**(203,426)**	**(203,426)**
		(9,074)	**(9,074)**

Notes *(continued)*

13 Financial instruments *(continued)*

Fair values

The fair values together with the carrying amounts shown in the balance sheet are as follows:

	Carrying amount 2005 €000	Fair value 2005 €000
Restricted cash held in Trust	**210,294**	**210,294**
Compound financial instrument (liability)	**(203,426)**	**(203,426)**
	(9,074)	**(9,074)**
Unrecognised (losses) / gains		-

Restricted cash held in Trust is recorded at fair value based on the market value of investments at the balance sheet date as notified by the bank. The initial fair value of the compound financial instrument was calculated as the original sum paid into the Trust, plus interest for 2 years at the same rate as that earned during the period (2.97%) then discounted to its present value at a rate of 5% representing the cost of borrowing a similar amount secured on the Trust assets, estimated to be the base rate plus 0.5%. The fair value is then increased to the amount due over the two year period via an interest charge to the income statement.

14 Lease commitments

An affiliated company of the Chairman has agreed to provide services (including office space, utilities and secretarial support) to the Company. The Company has agreed to pay $10,000 per month for these services until a business combination takes place.

15 Related parties

Identity of related parties

Directors and Executive Officers

Angeliki Frangou	Chairman and Director
Andreas Vgenopoulos	Deputy Chairman and Director
Georgios Kintis	Chief Executive Officer and Director
Sheldon Goldman	Director
John Karakadas	Director
Alexander Meraclis	Director
Dennis Malamatinas	Director
Nicos Koulis	Deputy Chief Executive Officer

Transactions with key management personnel

Directors of the Company and their immediate relatives control 31.81 per cent of the voting shares of the Company.

Other related party transactions

Mrs Frangou, a Director and Founding Shareholder, has committed to providing funds to cover the initial costs of the AIM Admission. These funds are provided on a draw down basis. During the period, €237,133 was drawn down and paid back to the Founding Shareholder. This balance bears no interest. The balance due at 31 December 2005 was repaid on 30 May 2006.

16 Events after the balance sheet date

On 31 May 2006, the Company announced that it had entered into a definitive agreement with Antonios Athanasoglou and Ilias Lianos to acquire between 28 percent and 30 percent of the issued share capital of Proton Investment Bank SA ("Proton") for between €120.1 million and €128.5 million.

Completion of the Acquisition constitutes a reverse takeover under AIM Rules and is conditioned on approval of the Company's shareholders.

The Acquisition will constitute a "Qualified Business Combination" under the Company's bye-laws.

PART IV
FINANCIAL INFORMATION FOR PROTON

(A) PROTON'S UNAUDITED PROFIT AND LOSS AND BALANCE SHEET FOR THE THREE MONTHS ENDED 31 MARCH 2006

The following financial statements are the audited consolidated financial statements of Proton Investment Bank S.A. as of 31 December 2006 as extracted from the website of Proton Investment Bank S.A. (www. proton.gr).

PROTON INVESTMENT BANK S.A.

Condensed Consolidated Interim Financial Statements

31 March 2006

In accordance with
International Financial Reporting Standards

The attached financial statements were approved by the Board of Directors of Proton Investment Bank on 22 May 2006 and have been published on
www.proton.gr

Consolidated Income Statement

Amounts in Euro	NOTES	3 month period ended 31.03.2006	31.03.2005
Interest and similar income		2.079.907	1.022.823
Interest expense and similar charges		(612.689)	(653.242)
Net interest income		**1.467.218**	**369.581**
Fee and commission income		3.126.123	2.444.632
Fee and commission expense		(1.248.989)	(624.768)
Net fee and commission income		**1.877.134**	**1.819.864**
Net trading income		7.951.196	342.057
Net gain/ (loss) from revaluation of marketable securities		7.348.189	(5.819)
Dividend income		266.212	639.126
Other operating income		21.663	86.003
Total operating income		**18.931.612**	**3.250.812**
Total operating expenses		(3.684.539)	(2.377.969)
Profit before tax		**15.247.073**	**872.843**
Tax expense	7	(1.567.907)	(252.807)
Profit after tax		**13.679.166**	**620.036**
Attributable to:			
PROTON BANK equity shareholders		13.687.116	620.038
Minority interests		(7.950)	(2)
Earnings per share – Basic & Diluted from continuing operations (expressed in Euro per share)	8	**0,30**	**0,04**

The Interim Consolidated Financial Statements on pages 1-15 have been prepared according to the International Financial Reporting Standards (IFRS) as adopted by the European Union and have been approved by the Board of Directors as of 22 May 2006 and are signed by:

The Chairman	The Vice Chairman and Managing Director	The General Manager	The Chief Financial Officer
Antonios I. Athanassoglou	Elias G. Lianos	Athanasios I. Papaspiliou	Georgios S. Nikiforakis

The notes on pages 7 to 15 form an integral part of these condensed consolidated interim financial statements.

Consolidated Balance Sheet

Amounts in Euro

	NOTE	31.03.2006	31.12.2005
ASSETS			
Cash and balances with central banks		1.381.756	2.251.382
Due from banks		45.975.264	54.946.193
Financial assets at fair value through P&L		101.163.123	117.229.028
Derivative financial instruments		27.154	7.063
Loans and advances to customers (net)	9	119.305.870	56.262.791
Assets classified as held for sale		848.286	734.406
Property, plant and equipment		1.211.612	1.280.566
Intangible assets		442.192	497.641
Deferred tax assets		448.415	450.362
Other assets	9	91.603.416	37.990.736
Total Assets		**362.407.088**	**271.650.168**
LIABILITIES			
Due to banks		5.388.846	6.105.942
Due to customers	10	64.393.490	38.746.471
Derivatives financial instruments		19.393	635
Retirement benefit obligations		208.635	199.510
Other liabilities	11	92.321.309	27.285.692
Total Liabilities		**162.331.673**	**72.338.250**
SHAREHOLDERS' EQUITY			
Share capital		202.660.155	202.660.155
Reserves		2.545.446	5.183.496
Retained earnings / (losses)		(5.163.782)	(8.573.165)
Equity attributable to PROTON BANK shareholders		**200.041.819**	**199.270.486**
Minority interests		33.596	41.432
Total Shareholders' Equity and Liabilities		**362.407.088**	**271.650.168**

The notes on pages 7 to 15 form an integral part of these condensed consolidated interim financial statements.

STATEMENT OF CHANGES IN EQUITY

Consolidated Statement of Changes in Equity

(Amounts in Euro)	Share Capital	Reserves	Retained Earnings / (Losses)	Equity attributable to shareholders of the parent company	Minority interests	Total Equity
Balance at 1 January 2005	**35.000.000**	**5.443.587**	**(5.074.160)**	**35.369.427**	**14.147**	**35.383.574**
Net Profit/ (Loss) for the year	0	0	620.036	620.038	(2)	620.036
Balance at 31 March 2005	**35.000.000**	**5.443.587**	**(4.454.124)**	**35.989.465**	**14.145**	**36.003.610**
Acquisition, disposals & share capital increases	141.747.952			141.747.952		141.747.952
Share capital increase due to the "Purchase Method" application between PROTON INVESTMENT BANK SA and ARROW SA, EURODYNAMICS SA and EXELIXI SA	25.652.058		(25.652.058)			
Share capital increase resulting from reserves from purchases and sales of marketable securities	260.145	(260.145)				
Other adjusting entries		54	89.867	89.921		89.921
Net Profit/ (Loss) for the year			21.443.150	21.443.148	27.285	21.470.435
Balance at 1 January 2006	**202.660.155**	**5.183.496**	**(8.573.165)**	**199.270.486**	**41.432**	**199.311.918**
Net Profit/ (Loss) for the year			13.687.116	13.687.116	(7.950)	13.679.166
Dividend to ordinary shares	0	-2.638.050	(10.000.000)	(12.638.050)	0	(12.638.050)
Profit / (loss) recognised directly in equity	0	0	(390.084)	(390.084)	0	(390.084)
Purchases of treasury shares	(2.445.895)	0	0	(2.445.895)	0	(2.445.895)
Disposals of treasury shares	2.445.895	0	112.351	2.558.246	114	2.558.360
Balance at 31 March 2006	**202.660.155**	**2.545.446**	**(5.163.782)**	**200.041.819**	**33.596**	**200.075.415**

The notes on pages 7 to 15 form an integral part of these condensed consolidated interim financial statements.

STATEMENT OF CASH FLOWS

	3-month period ended	
Amounts in Euro	**31.03.2006**	**31.03.2005**
Cash flows from operating activities		
Profit before tax for the period	15.247.073	872.844
Adjustment for non-cash items		
Depreciation, amortization & impairment on fixed assets	169.808	290.620
Impairment losses on assets classified as held for sale	-	-
Changes in fee and commission income	(28.444)	(30.818)
Changes in provisions	127.360	-
Changes in financial assets at fair value	(7.346.856)	5.819
Changes in derivatives at fair value	(1.333)	(15.400)
	8.167.608	**1.123.065**
Changes in operating assets and liabilities		
Net (increase) / decrease in due from banks	8.970.929	7.072.307
Net (increase) / decrease in financial assets at fair value	8.717.716	(3.088.777)
Net (increase) / decrease in derivative financial instruments	(20.091)	4.632
Net (increase) / decrease in loans and advances to customers	(62.163.039)	(7.212.523)
Net (increase) / decrease in other assets	(53.395.678)	(16.792.750)
Net increase / (decrease) in due to banks	(717.096)	(2.646.933)
Net increase / (decrease) in due to customers	25.647.019	7.915.377
Net increase / (decrease) in derivative financial instruments	18.758	(28.010)
Net increase / (decrease) in other liabilities	64.063.533	11.147.663
Net cash flow from / (used in) operating activities	**(8.877.949)**	**(3.629.014)**
Cash flows for investing activities		
Net proceeds / (purchases) of fixed assets	(45.405)	(63.235)
Net proceeds / (purchases) of investment securities–held for sale	(113.880)	
Acquisitions / disposals of subsidiary undertakings	-	-
Net cash flow from / (used in) investing activities	**(159.285)**	**(63.235)**
Cash flows for financing activities		
Proceeds from / (repayments of) share capital	-	-
Net cash flow from / (used in) financing activities	-	-
Net increase / (decrease) in cash and cash equivalents	**(869.626)**	**(2.569.184)**
Cash and cash equivalents at beginning of period	2.251.382	3.590.017
Cash and cash equivalents at period end	**1.381.756**	**1.020.833**

The notes on pages 7 to 15 form an integral part of these condensed consolidated interim financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. GENERAL INFORMATION

The Group of PROTON BANK (the Group thereon) comprises of companies which cover almost the entire spectrum of the financial sector. Specifically the Group operates primarily in investment banking, asset management, brokerage and financial services and secondarily in the remaining banking activities such as loan granting to corporations and individuals, deposits, custodian services etc. The parent company of the Group is PROTON INVESTMENT BANK S.A. (the Bank thereon).
The Bank is listed in the Athens Stock Exchange and its shares are negotiated in the large capitalization index.
The Group, apart from its parent company, also comprises of the following subsidiaries:

(Amounts in Euro)

Subsidiary name	Activity	Total Assets	Participation rate	
		31/03/2006	31/03/2006	31/12/2005
Financial Sector				
PROTON Securities S.A.	Brokerage Services	112.715.866	99,90%	99,90%
PROTON Asset Management S.A.	Asset Management	6.652.050	99,90%	99,90%
PROTON Mutual Funds S.A.	Mutual Funds Management	1.346.901	99,90%	99,90%
FIRST GLOBAL BROKERS A.D. (FGB)	Brokerage Services	367.254	82,49%	82,49%
ARROW ASSET FINANCE	Consulting	736	99,90%	99,90%

The aforementioned interim consolidated financial statements were approved by the Board of Directors on May 22nd 2006.

2. BASIS OF PRESENTATION OF THE FINANCIAL STATEMENTS

The Interim Consolidated Financial Statements of the Group have been prepared in accordance with the International Financial Reporting Standards (IFRS) 34 "Interim Financial Statements" as adopted by the European Union and they should be examined in relation to the Group's published annual Financial Statements for the fiscal year that ended on December 31st 2005 that were prepared in accordance with the International Financial Reporting Standards (IFRS) and which incorporate an analysis of the accounting policies and methods followed by the Group as well as analysis and explanations of important sums relating to the Balance Sheet and the Income Statement.

3. SIGNIFICANT ACCOUNTING POLICIES

For the preparation of the Interim Consolidated Financial Statements of the Group the same accounting policies have been applied as in the Group's published annual Consolidated Financial Statements for the fiscal year ending December 31st 2005.
The financial statements have been prepared on a historic cost basis, except for financial instruments classified as available-for-sale securities, financial assets and financial liabilities held at fair value through the income statement and derivatives which are valued at fair value.

4. INCOME SEASONALITY

The main activity of the Group is investment banking and therefore its revenue is not subject to seasonality but depends to a large extent on the performance of its trading and investment portfolio in the underlying conditions i.e. changes in interest rates and on the returns from financial transactions.

5. COMPARATIVE DATA

The Group presents its financial statements with comparative figures. For the presentation of the financial statements ended on March 31st, 2006 the comparatives utilized where the financial statements of December 31st, 2005 and the relevant notes. For the preparation of the income statement, the comparatives used were those of March 31st, 2006. The Bank, as extensively outlined in the published annual Financial Statements of December 31st, 2005, has merged with three listed closed-end funds. Consequently, the income statement figures are not comparable to those of the corresponding previous period.

6. SEGMENT REPORTING

Given the current management and operational/business structure of the Group and the significant portion of its income deriving from activities in the Greek market, the Group has concentrated in the following activities:

Investment Banking: it includes investment management, brokerage services, consulting and intermediation services that are related to the stock market, corporate advisory, as well as Dealing Room activities and Interbank Market Operations (FX Swaps, Futures, IRS, Bonds, Interbank deposits and advances).

Commercial Banking: it includes the usual banking services as lending, deposits, letters of guarantee, custodian services etc.

SEGMENT REPORTING			
(Amounts in Euro)	**From January 1st to March 31st , 2006**		
DESCRIPTION	**Investment Banking**	**Banking Activities**	**Total**
Net interest income	336.171	1.131.047	**1.467.218**
Net fee and commission income	1.926.801	(49.667)	**1.877.134**
Total operating income	**17.109.703**	**1.821.909**	**18.931.612**
Total operating expenses	(2.952.458)	(732.081)	**(3.684.539)**
Profit before tax	**14.157.245**	**1.089.828**	**15.247.073**
Income tax expense	(1.295.795)	(272.112)	**(1.567.907)**
Profit after tax	**12.861.450**	**817.716**	**13.679.166**

SEGMENT REPORTING			
(Amounts in euro)	From January 1st to March 31st , 2006		
DESCRIPTION	Investment Banking	Banking Activities	Total
Net interest income	110.874	258.707	**369.581**
Net fee and commission income	1.728.871	90.993	**1.819.864**
Total operating income	**2.807.757**	**443.055**	**3.250.812**
Total operating expenses	(2.021.275)	(356.694)	**(2.377.969)**
Profit before tax	**786.482**	**86.361**	**872.843**
Income tax expense	(202.246)	(50.561)	**(252.807)**
Profit after tax	**584.236**	**35.800**	**620.036**

OTHER NOTES ON THE FINANCIAL STATEMENTS

7. INCOME TAX EXPENSE

(Amounts in euro)

DESCRIPTION	31.03.2006
Current Tax	178.851
Impact of current income tax from the change in the Tax Rate (due to the merger)	554.040
Tax on the distributed profits (from non taxed reserves)	833.068
Deferred tax	1.948
Total	**1.567.907**

According to article 7 of the bill with the title "National Export Council, tax regulations and other definitions", voted on May 2nd 2006 (P. 1068), the tax benefit for societes anonymes which merged with others until December 31st 2005 is limited as follows: The merged entity is taxed for the first two years after the merger with a reduced rate by 5%. For the fiscal year ending on December 31st 2005, the Bank estimated the income tax according to A.2992/ 2002 with a reduced rate by 10%. The tax coefficient change to the current and deferred compound of current income tax, influenced negatively the results for the period.

There has been no tax audit for fiscal year 2005, so tax obligations have not been finalised for this year. At present it is not possible to forecast the tax audit results.

8. EARNINGS PER SHARE

The earnings per share are concluded by dividing the net profits corresponding to the shareholders by the weighted average number of shares in circulation during the year, excluding the number of shares that the Group possessed as treasury shares.

DESCRIPTION (amounts in €)	**31.3.2006**	**31.3.2005**
Net profit of the period	13.679.166	620.036
Number of shares at 31.03.2006	45.135.892	14.000.000
Basic earnings per share	**0,30**	**0,04**

9. LOANS AND ADVANCES TO CUSTOMERS

DESCRIPTION (amounts in €)	**31.03.2006**	**31.12.2005**
Loans to Banks	**30.000.000**	**-**
Consumer – Investment Loans	36.602.750	36.424.561
Mortgages	1.316.297	1.345.015
Loan to private individuals	**37.919.047**	**37.769.576**
Construction sector	5.087.258	4.617.384
Insurance sector	1.350.000	1.350.000
Financial sector	4.097.575	1.930.783
Industrial sector	7.000.000	-
Commercial sector	19.650.285	-
Other	5.481.746	5.387.705
Loans to corporate entities	**42.666.864**	**13.285.872**
Loans and Advances to Customers	**110.585.911**	**51.055.448**
Other Loans and Advances	9.599.999	5.960.023
Less: Allowance for uncollectibility	(880.040)	(752.680)
Total	**119.305.870**	**56.262.791**

The claims from loans and advances for the fiscal period ending on March 31st 2006 have increased compared to the corresponding balance of December 31st 2005, mainly due to:

a) the granting of a subordinated loan (Tier II Capital), with a 10-year maturity to OMEGA BANK S.A., amounting to € 30,000,000.00, and
b) the transfer from OMEGA BANK S.A. of non-listed corporate bonds of total value €26.6 million approximately. According to the relevant contract, the Bank preserves the right (put option) to sell the bonds back to OMEGA BANK S.A. and OMEGA BANK S.A. has the obligation to re-purchase them
c) the liabilities of PROTON Securities S.A. which include liabilities from financial transactions of customers, amounting to approximately € 74 million and which were settled within the following three days.

10. DEPOSITS FROM CUSTOMERS

Liabilities arising from deposits to the Group have grown compared to the corresponding totals of December 31st 2005.

The totals on March 31st 2006 are analyzed as follows:

DESCRIPTION (amounts in €)	31.03.2006	31.12.2005
Term deposits	5.687.482	4.953.249
Current accounts	3.795.668	3.434.285
Deposits from individuals	**9.483.150**	**8.387.534**
Sight	11.720.788	11.957.863
Term deposits	31.807.216	14.164.068
Other deposits	732.336	677.006
Deposits from companies and freelancers	**44.260.340**	**26.798.937**
Deposits in the form of repos	10.650.000	3.560.000
Total	**64.393.490**	**38.746.471**

11. OTHER LIABILITIES

DESCRIPTION (amounts in €)	31.03.2006	31.12.2005
Taxes and duties payable	4.003.361	2.587.777
Dividends payable	12.675.584	-
Prepaid expenses and deferred income	(196.110)	275.349
Other provisions	30.250	30.250
Other liabilities	3.415.441	1.805.358
Liabilities due to pre agreed financial transaction	49.880.273	-
Liabilities from financial transactions	22.512.510	22.586.958
Total	**92.321.309**	**27.285.692**

The Bank's liabilities have grown compared to the corresponding balance of December 31st 2005, as they include, among others, the amount of 12,638,050 as a provision for dividend distribution for the fiscal year 2005. This amount was approved by the Annual General Shareholders Meeting on April 14th 2006 (Note 14.1) and is related to the minimum payment of dividends according to the provisions of the A.2190/ 20 and consequently fulfils the preconditions of it being recognized as a liability on March 31st 2006 according to the International Financial Reporting Standards (IFRS). A relevant reference for the dividend for the fiscal year 2005 is being made in Note 15.1.

Liabilities resulting from financial transactions have grown by € 49.880.273 due to a sizeable block trade transaction with an institutional investor which occurred on 31.03.2006. The transaction was settled on 5 April 2006.

12. CONTINGENT LIABILITIES

12.1 Litigation

The Group is engaged in certain claims and legal actions arising in the ordinary course of business.

Specifically the Group has a number of pending legal cases against third parties in the amount of € 607.117 while a lawsuit of a total value of € 100.182 concerning a labor difference against the Group is still pending.

In relation to the EMPHASIS case, no change has been reported in the legal development of the case, apart from what has been published in the financial statements of the Group on December 31st 2005.

In management's opinion, the pending legal cases are not expected to have a material adverse effect on the financial condition of the Group.

12.2 Letters of guarantee

The Group in the normal course of its business has issued a number of letters of guarantee for its customers of € 4.8 million. It has also issued a number of letters of guarantee for associate companies of approximately € 53.1 million that is, € 52.3 million for PROTON Securities S.A. , € 234,776 million for PROTON Asset Management and € 500,000 for FIRST GLOBAL BROKERS S.A.

For the issuance of letters of guarantee to third parties the usual procedure of approval of the credit limit is followed and the respective collaterals are taken. No collaterals are required for issuance of letters of guarantee for associate companies.

13. RELATED PARTY TRANSACTIONS

A number of related party transactions has been carried out in the normal course of business. These transactions are carried out with normal market conditions and terms and are approved by authorized personnel.

The transactions between related parties are presented on the table below:

	Board of Directors & Key Management Personnel	Related companies	Board of Directors & Key Management Personnel	Related companies
	31.03.2006		31.03.2005	
Loans	9.443.448	14.396.173	13.952.375	14.367.566
Deposits	1.794.448	16.625.144	1.671.459	11.759.178
Loan interests	205.061	129.690	208.700	124.085
Deposits interests	7.273	58.778	19.646	35.831
Other revenues – commissions	-	107.373	-	2.508
Other expenses	-	268.999	-	216.761
Key Management Personnel Fees	557.269	-	383.208	-
Letters of Guarantee	117.000	53.066.076	117.000	30.634.369

14. MERGER PLAN WITH OMEGA BANK S.A. AND PROTON SECURITIES S.A.

The Board of Directors of the Bank, on January 26th 2006, decided on initiating the merger process of the Bank with the companies OMEGA BANK S.A. (or OMEGA) and PROTON SECURITIES S.A. with the joint absorption of these two companies by the Bank.

The suggested exchange ratio for the shares of the merged companies is: 1 share of OMEGA per 0,9 shares of the Bank. The merger will take place according to the clauses of laws 2190/1920, 2166/1993 and 2515/1997 while March 31st 2006 was set as the Balance Sheet Transformation date for merger purposes. The financial and legal due diligence on the reformed IFRS financial statements of OMEGA BANK S.A. is in course and the Merger Contract Draft is expected to be completed within the deadline.

15. SUBSEQUENT EVENTS

15.1 Distribution of Dividend

The Annual General Shareholders Meeting on April 14th 2006 approved the distribution of dividend amounting totally to € 12,638,049.76 (i.e. € 0.28 per share). The dividend arose by € 10,000,000 from the net gains of 2005 and by € 2,638,049.75 from prior years reserves. The dividend was paid on May 4th, 2006.

15.2 Dissolution and Liquidation of Arrow Asset Finance

The Annual General Shareholders Meeting, on March 31st 2006 has unanimously decided on the dissolution and liquidation of the company according to the provisions of the articles 47a of the P.B. 2190/20 and 35 of the company's charter. This decision was based on the fact that the scope of the company as stated in its charter is overlapped by the parent company "PROTON INVESTMENT BANK S.A." Furthermore, the equity of the company is lower than one tenth 1/10 of its share capital and consequently, the provisions of article definitions 47 and 48 of the P.A. 2190/ 20 are applicable.

15.3 Change In The Tax Coefficients

According to article 7 of the draft of law titled "National Export Council, tax regulations and other definitions", voted on May 2nd 2006 (P. 1068), the tax benefit is restricted for the companies which merged or acquired other companies until December 31st 2005 . The effect from the above change is described in Note 7.

16. OTHER INFORMATION

16.1 Mutual Funds

The Group's Mutual Fund subsidiary, manages three mutual funds, whose assets per Mutual Fund break down as follows:

Title of Mutual Fund	Total Asset 31.03.2006	Total Asset 31.12.2005
PROTON Mega Trends Foreign Equity Fund	8.474.605	8.434.036
PROTON High Income Foreign Bond Fund	3.579.015	4.366.985
PROTON Greek Balanced Fund	5.084.939	3.642.983
Totals	**17.138.559**	**16.444.004**

The Custodian for the managed mutual funds is the Bank.

16.2 Brokerage services

The Group's brokerage company in Greece, Proton Securities S.A. offers the entire range of brokerage services (sale /purchase of shares, bonds, derivatives) in the Athens Exchange as well as in International Stock Exchanges.

The aforementioned subsidiary of the Group also provides Market Maker services to companies listed in the Athens Exchange.

The Group's brokerage subsidiary abroad (Serbia – Montenegro), First Global Brokers S.A. also offers the entire range of brokerage and investment services to its clients.

(B) PROTON'S AUDITED CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2005

The following financial statements are the audited consolidated financial statements of Proton Investment Bank S.A. as of 31 December 2005 as extracted from the website of Proton Investment Bank S.A. (www.proton.gr).

PROTONBANK

PROTON INVESTMENT BANK S.A.

CONSOLIDATED FINANCIAL STATEMENTS As of 31 December 2005

In accordance with International Financial Reporting Standards (Translated from the Greek original)

The attached financial statements were approved by the Board of Directors of Proton Investment Bank on 20 March 2006 and have been placed in the internet on the web site address www.proton.gr

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BOARD OF DIRECTORS REPORT OF
PROTON INVESTMENT BANK S.A.
FOR FISCAL YEAR ENDING DECEMBER 31, 2005

Dear shareholders,

We are pleased to submit for your approval the annual financial statements of PROTON Investment Bank, which include the Balance Sheet, the Income Statement, the Statement of Changes in Equity, the Statement of Cash Flows and the Notes to the Financial Statements, presenting with clarity and accuracy the Bank's capital structure and operating results for Fiscal Year 2005. The Bank's financial statements are drawn up for the first time according to the International Financial Reporting Standards, as these were adapted by the European Union. The financial statements also present comparative figures for Fiscal Year 2004.

2005 brought about many important positive developments for our Bank, changing its character and broadening its horizon. The Bank's capital base was significantly strengthened through the merger with the three listed investment companies ARROW, EURODYNAMICS and EXELIXI which was completed on December 30, 2005. The listing of the Bank on the ATHEX and its trading debut on December 22, 2005, transformed the Bank from a company owned by a few private individuals, to a listed, publicly owned company, with over 18.000 shareholders.

Gross revenue for the Bank reached € 24.4 mil. in 2005, versus €10.8 mil. in 2004, and profit before tax amounted to € 22.9 mil., versus € 3.6 mil. in 2004. Depreciation reached € 0.459 mil., as compared to € 0.546 mil. in 2004, whereas loan loss provisions reached € 3.3 mil., versus zero in 2004. Profit after tax for the Bank for 2005 was €20.8 mil., as compared to € 3.0 mil. in 2004.

Consolidated gross revenues for 2005 were € 35.4 mil., versus € 21.5 mil. in 2004 and consolidated profit before tax reached € 24.7 mil., versus € 6.1 mil. in 2004. Depreciation for the Group was € 0.722 mil., as compared to € 0.860 mil. in 2004, whereas loan loss provisions reached € 3.3 mil., versus zero in 2004. Consolidated profit after tax for 2005 was € 22.1 mil., as compared to €4.3 mil. in 2004.

The Bank has been audited by the relevant tax authorities up until and including Fiscal Year 2004 and its financials were declared final and accurate. The audit of the Bank, together with the audit of its consolidated subsidiaries, by the tax authorities, was completed in July 2005.

On March 11, 2004, the Bank was awarded the arrangement and placement of a corporate bond issue by EMPHASIS S.A. The issue amounted to € 6.007.500, divided to 6.750 bonds, each carrying a nominal value of € 890, with a 3-year maturity. Following the financial difficulties of EMPHASIS and the respective decision of PROTON's General Assembly, the Bank proceeded in July 2005 to make a buy-back offer to all bond holders, which was accepted at a total cost to the Bank of € 3.003.750. According to International Financial Reporting Standards, PROTON made a provision for the whole amount of the purchase, amounting to € 3.003.750.

Total assets for the Bank for 2005 reached € 290.0 mil., versus € 170.7 mil. in 2004, whereas trading securities amounted to € 110.1 mil., versus € 48.8 mil. in 2004. Loans and advances to customers reached € 72.3 mil. in 2005, versus € 60.7 mil. in 2004, while deposits form customers stood at € 45.5 mil., versus € 92.9 mil. in 2004. The ratio of non-equity liabilities to equity for the Bank stood at 0.23 in 2005, versus 1.79 in 2004, while the Bank's Regulatory Capital stood at € 171.2 mil. in 2005, versus € 25.5 mil. in 2004 and the Capital Adequacy Ratio was 47.66%, versus 16.23% in 2004.

Consolidated total assets reached € 271.7 mil. in 2005, versus € 147.6 in 2004, whereas the Group's trading securities amounted to € 117.2 mil., versus € 55.1 mil. in 2004. Loans and advances to customers on a consolidated basis reached € 85.9 mil. in 2005, versus € 62.5 mil. in 2004, while deposits from customers were € 61.3 mil., versus € 93.6 mil. in 2004. The ratio of non-equity liabilities to equity for the Group stood at 0.36 in 2005, versus 3.17 in 2004, while the Group's Regulatory Capital reached € 154.1 mil. in 2005, versus € 20.7 mil. in 2004 and the Capital Adequacy Ratio stood at 45,56%, versus 12,32% in 2004.

All other information pertaining to the financial statements are included in the Notes to the Financial Statements.

Notwithstanding a number of problems, the general macroeconomic environment is by and large positive. The Greek economy remains in an expanding trajectory, with economic activity being supported by the consumer sector, which remains strong, as well as by a slow but systematic process of structural reforms. Following a two-year period of strong profitability, the Greek banking sector focused on expanding the range of service and product offerings, combined with cost containment. Nevertheless, credit expansion in general and mortgages and consumer loans in particular, still remain the major growth areas in the banking sector. Under this frame of reference, the ongoing restructuring of the Greek economy and of the Greek corporate sector, offers a competitive edge to small niche banking players, capable of flexible response to a wide range of client needs, both in investment and in corporate banking.

The significant expansion of the Bank's capital base in 2005, unavoidably leads to a new strategy, with a dynamic policy of balanced expansion. While the bank will maintain investment banking focus where a competitive advantage has been obtained, it will also direct its efforts towards strengthening core banking activities.

The Bank will continue offering a wide range of investment banking products and services, while focusing on the development of a branch network and the penetration of niche segments such as Small-to-Medium Enterprises lending. At the same time, the bank will continue participating in the consolidation of the sector through strategic co-operations/mergers with other banks, on a friendly basis only. The first step was already made, with the absorption of OMEGA BANK. More specifically, the Board of Directors decided on January 26, 2006 to commence merger procedures with OMEGA BANK S.A. and PROTON SECURITIES S.A., through the absorption of these two companies by the Bank. In this manner, the Bank is implementing in the best possible way its policy of balanced expansion.

Athens, March 20, 2006

The Chairman

Anthony I. Athanassoglou

AUDITORS' REPORT

To the Shareholders of

«PROTON INVESTMENT BANK A.E.

We have audited the accompanying consolidated financial statements of «PROTON INVESTMENT BANK A.E.» that consist of consolidated balance sheet as at 31 December 2005 and consolidated statements of income, changes in equity and cash flows for the year ended at that date, as well as a short reference of basic accounting principles and other explanatory notes. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with the Greek Auditing Standards, which are based on the International Standards on Auditing. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, evaluating the overall consolidated financial statement presentation as well as assessing the consistency of the Board of Directors' report with the aforementioned financial statements. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the aforementioned consolidated financial statements give a true and fair view of the financial position of the PROTON INVESTMENT BANK A.E. Group, as of 31 December 2005, and of the results of Group's operations and their cash flows and changes in shareholders' equity, for the year then ended in accordance with the International Financial Reporting Standards that have been adopted by the European Union and the Board of Directors' Report is consistent with the aforementioned financial statements.

Without qualifying our opinion as far as the audit conclusions are concerned, we draw attention to note 15 of the financial statements, concerning the fact that income tax returns of the Bank and its subsidiaries for the year 2005 have not been inspected by tax authorities and consequently tax liability of the Group for this year has not been finalized. The outcome of the tax inspection cannot be reliably estimated at the present time.

Athens, 20 March 2006
KPMG Kyriakou Certified Auditors A.E.

Nikolaos Ch. Tsiboukas Certified Public
Accountant Reg.No. S.O.E.L. 17151

INCOME STATEMENT

For the year ended 31 December 2005
(Amounts in Euro)

	Note	2005	2004
Interest and similar income	8	3.959.665	3.167.008
Interest and similar expense	8	(3.244.235)	(2.510.390)
Net interest income	8	715.430	656.618
Fee and commission income	9	12.096.300	13.911.718
Fee and commission expense		(131.785)	(3.196.647)
Net fee and commission income		11.964.515	10.715.071
Net income from financial transactions	10	6.271.106	4.613.479
Net gain/(loss) on disposal of trading financial instruments	10	11.246.276	(1.055.239)
Dividend income	11	1.273.289	411.129
Other operating income		521.811	433.701
Operating income		31.992.427	15.774.759
Combination Difference	33	10.301.270	
Impairment losses	12	(3.303.750)	-
Operating expenses	13	(14.320.617)	(9.661.206)
Profit before tax		24.669.330	6.113.553
Income tax expense	15	(2.606.144)	(1.805.810)
Profit after tax		22.063.186	4.307.743
Attributed to:			
Equity Holder of the Parent		22.090.628	4.306.392
Minority interest		(27.442)	1.351
Basic and Diluted Earnings per share	16	0.48	0,31

The Financial Statements on pages 1 to 45 have been prepared according to the International Financial Reporting Standards (IFRS) as adopted by the European Union and have been approved by the Board of Directors as of 20 March 2006 and are signed by:

The Chairman of the BoD	The Vice President and Managing Director	The General Manager	The Chief Financial Officer
Antonios I. Athanasoglou	Elias G. Lianos	Athanasios I. Papaspiliou	Georgios S. Nikiforakis

The accompanying notes on pages 5 to 45 are an integral part of these consolidated financial statements.

BALANCESHEET

For the year ended 31 December 2005

(Amounts in Euro)

	Note	2005	2004
Assets			
Cash and balances with the Central Bank	17	2.251.382	3.590.017
Loans and advances to banks	18	54.946.193	18.462.240
Trading securities	19	117.229.028	55.139.285
Derivatives financial instruments	20	7.063	20.032
Loans and advances to customers	21	85.868.000	62.491.606
Available-for-sale securities	22	734.406	-
Property, plant and equipment	23	1.280.566	1.705.208
Intangible assets	24	497.641	306.978
Deferred tax asset	25	450.362	651.235
Other assets	26	8.385.527	5.212.815
Total assets		271.650.168	147.579.416
Liabilities			
Deposits from banks	27	6.105.942	15.395.949
Deposits from customers	28	61.333.431	93.552.130
Derivatives financial instruments	20	635	38.010
Provision for employee benefits	29	199.510	172.156
Other liabilities	30	4.698.732	3.037.597
Total liabilities		72.338.250	112.195.842
Equity			
Share capital	31	202.660.155	35.000.000
Reserves	32	5.183.496	5.443.587
Accumulated deficit		(8.573.165)	(5.074.160)
Equity attributed to the parent		199.270.486	35.369.427
Minority interests		41.432	14.147
Total equity and minority interest		199.311.918	35.383.574
Total shareholders' equity and liabilities		271.650.168	147.579.416

The accompanying notes on pages 5 to 45 are an integral part of these consolidated financial statements.

STATEMENT OF CHANGES IN EQUITY
For the year ended 31 December 2005
(Amounts in Euro)

	Share capital	Reserves	Accumulated deficit	Equity attributed to the parent	Minority interest	Total equity
Balance at 1 January 2004	35.000.000	1.137.281	(5.074.246)	31.063.035	12.796	31.075.831
Profit for the year	-	-	4.306.392	4.306.392	1.351	4.307.743
Transfer to reserves	-	4.306.306	(4.306.306)			
Balance at 31 December 2004	35.000.000	5.443.587	(5.074.160)	35.369.427	14.147	35.383.574
Cost of acquisition	141.747.952	-	-	141.747.952	-	141.747.952
Transfer of Bank's valuation surplus to Share Capital	25.652.058	-	(25.652.058)	-	-	
Transfer of reserves to share capital	260.145	(260.145)	-	-	-	
Other combination adjusting entries	-	54	89.867	89.921		89.921
Profit for the year	-	-	22.063.186	22.063.186	27.285	22.090.471
Balance at 31 December 2005	202.660.155	5.183.496	(8.573.165)	199.270.486	41.432	199.311.918

The accompanying notes on pages 5 to 45 are an integral part of these consolidated financial statements.

STATEMENT OF CASH FLOWS

For the year ended 31 December 2005

(Amounts in Euro)	2005	
Operating activities		
Profit before tax	24.669.330	6.113.553
Adjustment for non-cash items		
Depreciation and amortization	721.554	859.783
Impairment of available-for-sale securities	3.003.750	-
Changes in provisions	300.000	-
Change in fair value of trading investments	(11.246.276)	1.055.239
	17.448.358	8.028.575
Changes in operating assets and liabilities		
Net (increase)/decrease in loans and advances to banks	(36.483.953)	(2.066.039)
Net (increase)/decrease in trading securities	(50.843.467)	(3.447.191)
Net (increase)/decrease in derivative financial instruments	12.969	592.979
Net (increase)/decrease in loans and advances to customers	(23.798.820)	(15.421.264)
Net (increase)/decrease in other assets	(2.929.056)	(2.213.357)
Net increase/(decrease) in deposits from banks	(9.290.007)	5.126.821
Net increase/(decrease) in deposits from customers	(32.218.699)	16.055.373
Net increase/(decrease) in derivative financial instruments	(37.375)	(873.176)
Net increase/(decrease) in other liabilities	(716.785)	(2.539.653)
Cash flows from operating activities	(156.305.193)	(4.785.507)
Investing activities		
Acquisition of intangible assets, property and equipment	(491.829)	(219.297)
Proceeds from the sale of intangible, property and equipment	233	3.490
Purchase of investments	(3.738.156)	-
Purchase of subsidiaries		
Investing activities	(4.229.752)	(215.807)
Financing activities		
Net proceeds from share capital increase	141.747.952	
Cash flows from financing activities	141.747.952	
Net increase/ (decrease) in cash flows	(1.338.635)	3.027.261
Cash and cash equivalents at 1 January	3.590.017	562.756
Cash and cash equivalents at 31 December	2.251.382	3.590.017

The accompanying notes on pages 5 to 45 are an integral part of these consolidated financial statements.

1. GENERAL INFORMATION

The Group of PROTON BANK (the Group thereon) includes companies that cover almost the whole spectrum of the financial sector. Specifically the Group primarily operates in investment banking that includes asset management, brokerage and financial services and secondarily it covers the remaining banking activities that include granting loans to corporations and individuals, deposits, custodial services etc. The mother company of the Group is PROTON INVESTMENT BANK S.A.(the Bank thereon). For its operations abroad the Bank uses the brand name " PROTON INVESTMENT BANK S.A.".

The Bank is registered on the Register of Societe Anonym of the Prefecture of Athens with registration number 49841/06/0/01/31 and has permission of operation from the Commission of Banking and Credit Matters of the Bank of Greece (T115 Approval Number: 104/1/18.6.2001. All the Group's companies have a common register office Saki Karagiorga and Harilaou Trikoupi 1 in the municipality of Kallithea

During the current financial year the Bank was listed in the Athens Stock Exchange offering to the public twenty-five percent (25%) of its existing stocks. At the same time it merged with the listed companies of portfolio investment , ARROW Portfolio Investment S.A., EURODINAMIKI Portfolio Investment S.A. and EXELIXI Portfolio Investment S.A..

The merging procedure was completed on 30 December 2005. Analytical presentation of the information from the merging procedure are reported in note 3The Group apart from the parent company PROTON BANK includes the following subsidiary companies:

(Amounts in Euro)		Total of Assets	Percentage	of Participation
Name of subsidiary	Activity	31/12/2005	31/12/2005	31/12/2004
Financial Sector				
PROTON A.D.E.T.O.O.	Brokerage Services	47.575.842	99,90%	99,90%
PROTON A.E.P.O.O.	Asset Management	6.816.823	99,90%	99,90%
PROTON A.D.D.O.O.	Mutual Funds Management	1.328.949	99,90%	99,90%
FIRST GLOBAL BROKERS A.D.(Serbia) ΑΣΓΡ	Brokerage Services	271.553	82,49%	-
ARROW ASSET FINANCE	Consulting	10.003	99,90%	99,90%

The attached financial statements have been approved by the Board of Directors as of 20 March 2006.

The Board of Directors of the Group that was elected at the General Shareholder Meeting on 23 September 2006 has seven members some of which are executive and some non-executive members. The BoD was elected for 3 years stating from the above mentioned date of the General Assembly.

The structure of the board of Directors as of 31 December 2005 is the following:

Name	Position
1. Antonios Athanasoglou	Chairman of the BOD and executive member
2. Maria Markopoulou	Vice President and non executive member
3. Elias Lianos	Vice President, Managing Director and executive member

4. Theodoros Milonas	Deputy Managing Director and executive member
5. Athanasios Papaspiliou	Executive member
6. Epaminondas Lampadarios	Independent non executive member
7. Kostantinos Chrisogonos	Independent non executive member

Within January 2006 the BoD of the Bank decided to replace the member of BoD Mr K. Chrisogonos member of the Board by Mrs Sotiria Theodosi as independent non executive member.

2. BASIS OF PRESENTATION OF THE FINANCIAL STATEMENTS

The Consolidated Financial Statements of the Group have been prepared for the first time in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union. The date of transition for the Bank to IFRS was 1 January 2004, when the opening balance sheet was prepared in accordance with IFRS 1.

The preparation of the financial statements in accordance to the IFRS is obligatory by the clauses of article 135 of law 2190/1920 that dictates that the listed companies in the stock market are obliged to prepare their financial statements according to the International Financial Reporting Standards as adopted by the European Union.

Up until 31 December 2004 the financial statements of the Group were prepared in accordance to the Greek Accounting Standards that constitute the whole set of clauses of Commercial Law 2190/1920, the Greek Chart of Accounts, the Accounting Policies for Banks and part of tax clauses that differ in many cases from the IFRSs.

The effect on the Group's financial position of the transition from the Greek GAAP to the IFRS are reported in note 38.

The financial statements have been prepared on the historic cost basis, except for financial instruments classified as available-for-sale securities, participations to subsidiary companies, financial assets and financial liabilities held at fair value through the income statement and derivatives which are valued at fair value.

2.1 Currency Presentation

Financial Statements are presented in Euro unless otherwise indicated.

2.2 Basis of consolidation

The consolidated financial statements include the financial statements of the Bank and its subsidiaries and hereafter referred to as "Group". Subsidiaries are entities, which the Bank holds either directly or indirectly more than 50% of the voting power or has significant influence and control the business decisions taken. Control exists when the Bank has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

The financial statements of the subsidiaries have been prepared according to the parent company's balance sheet date. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Bank.

All subsidiaries are consolidated according to the method of full consolidation. Subsidiaries are included in the consolidated financial statements from the date that control commences until that control ceases. In the income statement the proportion of the subsidiaries is included from the day of their acquisition.

Elimination of Intercompany Transactions

Intercompany balances as well as gains or losses, income or expenses from intercompany transactions are eliminated from the consolidated financial statements.

2.3 Use of Estimates

The preparation of financial statements in conformity with IFRS, requires the use of estimates and assumptions that affect the reported amount of assets and liabilities, the required disclosures for potential receivables and liabilities at the date of preparation of financial statements and the income and expense which have been recognized during the accounting period. The application of available information and the use of subjective judgment is an integral part in determining the estimates. The actual results may differ from these estimates and it is possible that these differences may have a material effect on the financial statements.

2.4 Comparative Figures

The Group prepares the financial statements with comparative figures. For the preparation of the financial statements for the year ended 31 December 2005 as comparative were used those of the financial statements as of 31 December 2004 figures and the relevant notes. The Bank as is reported in more detail on note 33 merged with three investment companies and the date that it took over control of these companies was on 30 December 2005. Consequently in some cases the figures of the current financial year cannot be compared with figures of the prior year since they include amounts from the three investment companies that were absorbed. The effect on the Balance Sheet accounts and the Profit and Loss accounts are reported on note 33.2.

The consolidated financial statements as of 31 December 2005 include the financial data of the foreign subsidiary which was acquired on 8 April 2005. Contrarily the financial statements as of 31 December 2004 do not include these data.

2.5 Offsetting

Financial assets and liabilities are offset and the net amount is reported in the financial statements when there is a legal right to offset and there is intention to settle on a net basis, to realize the asset and settle the liability simultaneously.

2.6 Derecognition of a financial instrument from the financial statements

A financial instrument is derecognized from the Banks financial statements when the Bank loses control of the contractual rights that comprise the financial instrument. The Bank loses such control if it realizes the rights to benefits specified in the contract, the rights expire, or the enterprise surrenders those rights.

3. SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the presentation of these financial statements are set below. These policies have been consistently applied to all years presented.

3.1 Foreign currency transactions

The functional currency of the Bank is Euro.

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies, are translated at the foreign exchange rates on balance sheet date. Translation differences are recognized in the income statement.

Differences arising from the translation of non-monetary assets and liabilities denominated in foreign currencies, are part of the changes in their fair value. Differences arising from the translation of non-monetary assets, such as securities held at fair value through profit or loss, are recognized in the consolidated income statement. Differences arising from the translation of non-monetary assets, such as an available-for-sale financial asset, are recognized in equity until the sale of this non-monetary asset.
For the preparation the Consolidated Financial Statements, the assets and the liabilities of foreign companies are translated to Euro at foreign exchange rates ruling at the balance sheet date, whereas income and expenses are translated by using the weighted average of the period's exchange rates. Specifically for the consolidation of the subsidiary that operates in Serbia Montenegro the exchange rate used as of 31 December 2005 was 1 EUR= 85,500 CSD while for the income statements the weighted exchange average was used (1 EUR= 83,1940 CSD).

The difference between the foreign exchange rates ruling at the balance sheet date and the weighted average of the period's exchange rates are recorded in a separate account in the equity. Upon the sale of a foreign company the accumulated exchange rate differences recorded in equity, are recognized in the consolidated income statement as part of the gain or loss from the sale

3.2 Investments in debt and equity instruments

The Group classifies its investments as held for trading, held-to-maturity or available-for-sale. The classification is decided upon at initial recognition.
Initially, all investments are recorded on the trade date at fair value. Transactions costs are capitalized, if they are available-for-sale and held-to-maturity investments, whereas they are recorded directly to the income statement if they are held-for-trading.

Trading securities: This category includes investments which are acquired in order to generate short term profit and include securities such as stocks, bonds, and mutual fund units. After initial recognition, investments held for trading are stated at fair value. The gains or losses arising from the changes in the fair value of these investments are included in the income statement.

Available-for-sale securities: This category includes financial assets that are intended to be held for on indefinite period of time, to maturity or sold in response to needs for liquidity or to gain from the changes in interest rates or foreign currency exchange rates. After initial recognition, the investments classified as available-for-sale are carried at fair value. Gains and losses arising from changes in fair value of these investments are recognized directly in equity. These gains or losses are removed from equity and recognized in the income statement when they are sold or there is objective evidence of impairment.

Fair value of financial instruments

Fair value is the value that a financial instrument can be traded (purchase/sale) between two parties that are aware of the market and this trade is executed for commercial reasons. The financial instruments of the Group, as indicated by the IFRS, are included on balance sheet captions and on off balance accounts in cases that these concern letters of guarantee of the Bank.

Short term positions of the Group as well as short term deposits from clients are reported on cost value since these financial instruments have short term expirations and are turned into cash or redeem without significant transaction costs.

Loans to clients and letters of guarantee are reported at their cost value minus estimated impairement.

Trading Portfolio and available for sale securities are reported at their fair value, which is determined by their market price on the balance sheet date.

Trade Date

All regular purchases or sales of a financial asset are recognized on the trade date which is the date that the Group commits itself to purchase or sell an asset. The term "regular" transactions requires that the delivery of a financial asset is realized within the time period specified by either the responsible committee or is established by the existing practice.

3.3 Repurchase agreements

Securities that are sold subject to a repurchase agreement (Repos) are presented in the financial statements either as available-for-sale investments or held-to maturity investments, while the respective liability is presented, depending on the counterparty, as amounts due to banks, to customers or other deposits. Securities purchased under agreements to resell (Reverse Repos) are presented in the financial statements as amounts due from banks. The difference between the sales price and repurchase price is recorded in the income statement as interest income and is accrued over the term of the agreement using the effective interest rate method.

3.4 Derivative financial instruments and hedging

The Group uses derivative financial instruments on its own behalf in order to gain profits and in order to cover its clients needs. Derivative financial instruments include forward foreign exchange contracts, interest rate swaps, foreign exchange swaps and other derivative financial instruments.

Derivatives for trading purposes: Derivatives that do not qualify for hedging purposes are considered as entered into for trading purposes. Initially, derivatives are recognized at fair value (which is essentially the transaction cost) on the date on which the contract is entered into. Subsequently they are remeasured at fair value. Fair values are obtained from quoted market prices, discounted cash flow models and options pricing models as appropriate. All derivatives are carried as assets when their fair value is positive and as liabilities when their fair value is negative.

Embedded Derivatives: A derivative may be embedded in another financial instrument. The combined financial instrument includes both a host contract and the derivative and is known as embedded derivative. An embedded derivative should be separated from the host contract and accounted for as a derivative if all of the following conditions are met: a) the economic characteristics and risks of the embedded derivative are not closely related to the economic characteristics and risks of the host contract, b) a separate instrument with the same terms as the embedded derivative would meet the definition of a derivative and c) the hybrid (combined) instrument is not measured at fair value with changes in fair value reported in the income statement.

Changes in the fair value of derivatives are recorded in the income statement.

Hedging: For the purposes of hedge accounting, hedging is designated as a fair value hedge, when the exposure to changes in the fair value of a recognized asset or liability is hedged or as cash flow hedge when the exposure to variability in cash flows that is attributable to a particular risk associated with a recognized asset or liability is hedged. For the derivatives that are used for hedging purposes the Group applies hedge accounting which includes a description of the hedged item, of the hedging instrument, the nature of the risk being hedged and the enterprise's risk management strategy. Furthermore, it documents whether or not the hedging is effective at inception and throughout the life of the hedge. That is whether or not fair value changes derived from the hedged exposure are offset by the changes of the hedging instrument and are within a range of 80% to 125%.

In fair value hedge transactions which meet the criteria for hedge accounting, gains or losses which are due to the valuation of the hedging instrument to fair value are recorded in the income statement. The hedged item is valued at fair value and the gains or losses are recorded in the income statement.
Changes in the fair value of the effective portion of derivatives that are designated and qualify as cash flow hedges and that prove to be highly effective in relation to the hedged risk, are recognized in the hedge reserve in equity. Otherwise, gains and losses which refer to the ineffective portion of the hedge are recorded in the income statement.

When the criteria for hedge accounting are no longer met, due to the hedging being no longer effective or due to the fact that the hedged exposure has been derecognized, then the related accumulated gains or losses recognized in equity are transferred to the income statement.

3.5 Property, plant and equipment

Land and buildings are used by the Group either for operational purposes of the Group or for administrative purposes. Fixed assets include land, buildings, leasehold improvements, furniture and other equipment and vehicles. Fixed assets are stated at cost less accumulated depreciation and impairment losses.

Depreciation: Depreciation on the other assets is calculated using the straight-line method over their expected useful life, which is reviewed annually, as follows:

Furniture and other equipment	5 - 8 years
Machinery	7 - 14 years
Vehicles	7 - 9 years

Leasehold improvements are depreciated over either the useful life of the improvement or the duration of the lease whichever is the shorter.

Impairment: The Group reviews annually its fixed assets in order to find any indications of impairment. If there are indications of impairment the carrying value of the fixed asset is reduced to its recoverable amount with the respective decrease in the operating results.

3.6 Intangible Assets

Goodwill: Acquisitions of subsidiaries are recorded in the mother company's books according to the purchase method. The difference between the cost value of the subsidiaries and the fair value of their net assets is considered to be goodwill and is recorded in a separate account in the intangible assets caption.

In the financial statement of the mother company prepared in accordance to the IFRS goodwill from the acquisition of subsidiaries resulted in prior years according to IFRS 1 " First Time Adoption" was recorded in equity in the caption " Accumulated Losses". This application is set by appendix B of IFRS 1 that concerns consolidation and can be used for companies that adopt the IFRS for the first time as long as this amount is also included under Greek GAAP negatively in equity.

Relatively to the goodwill that rose from the acquisition of the foreign subsidiary (Serbia- Montenegro) during the first semester of 2005, the clauses of IFRS 3 were followed that provides the difference between cost value and fair value is recorded as goodwill.

Software: Software which is acquired and can be clearly identified is capitalized at the cost of acquisition. Subsequently, they are carried at cost less any accumulated amortization and any impairment losses. Software is amortized over 3 years.

The Group on an annual basis, examines the fair value of intangible assets so as to conclude whether there exists an indication of impairment or whether the useful life should be amended. In the case when the carrying value of an intangible assets exceeds its recoverable value, a corresponding impairment is charged to the income statement.

3.7 Cash and cash equivalents

Cash and cash equivalents include monetary assets with less than three months to maturity.

3.8 Loans and advances to customers and provision for loan losses

Loans and advances are recorded on the disbursement date at cost, which is the fair value of the capital, including the direct expenses and income which relate to the loan. Subsequent to initial recognition, loans and advances are carried at amortized cost using the effective interest rate method. Loans and advances are carried on the balance sheet after deducting provisions for losses.

The recoverability of loans and advances is reviewed on an individual basis for those loans which the Group considers as significant. The evaluation takes into account the financial position, past repayment pattern, the credit worthiness of guarantors and the realisable value of collaterals.

When a loan is considered as doubtful, its carrying value is reduced to its recoverable amount.

Reversal of provision for loan losses is conducted only in the case that the credibility of the client has improved to such extend as to consider the collectibility of capital and interest according to the terms of the loan contract possible or without delay.
Loans and advances are written off against the related provision, when it is considered uncollectible.

3.9 Leases

a) Operating Leases

The Group has entered into operating lease contracts where risks and rewards of ownership of the assets remain with the lessor. Payments made under operating leases are charged to the income statement on a straight-line basis over the period of the lease.

b) Finance Leases

The Group has entered into finance lease contracts where risks and rewards of ownership of the leased assets have been assumed by the Group.

Finance leases are carried at the lower between the fair value of the lease payments and the present value of the minimum lease payments.

The leased assets are depreciated over the shorter period between the length of the contract and the useful life unless it is almost certain that the Group will assume the property of the asset upon the termination of the contract. If the lease transfers the ownership of the asset upon the termination of the contract or if there is the option of purchase at a lower price, then the depreciable period is the asset's useful life.

Lease payments are distinguished in the amount referring to capital repayment and interest repayment. The distinction is made in order to achieve a fixed repayment schedule. Interest payments are charged to the income statement.

3.10 Interest income and expense

For all financial assets and liabilities, interest income and expense are recognized in the income statement using the effective interest rate method.

The effective interest rate method is a method of calculating the amortized cost of the financial asset or financial liability and of allocating the interest income or expense over the relevant period.

The effective interest rate is the rate that exactly discounts the future cash receipts or payments through the expected estimated life of the financial instrument.

When a financial asset or a group of financial assets has been written down as a result of an impairment loss, interest income is recognized using the interest rate used to discount the future cash flows for the purpose of measuring the impairment loss.

3.11 Fee and commission income

Fees and commissions are recognized in the income statement in the period that the service has been provided. Commission and fees arising from third party transactions, are recognized in the income statement upon the completion of the underlying transaction. Asset management fees and other management advisory and service fees are recognized in the income statement according to the applicable service contracts , usually on a proportional basis.

3.12 Provisions

The Group recognizes a provision when, there exists a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

3.13 Income Tax

Income tax is calculated on the profit of the year according to the applicable tax law and is recognized as an expense in the income statement. Tax losses which are carried forward for offsetting are recognized as an asset when it is probable that future taxable profits will be materialized.

Deferred income tax is calculated using the liability method, based on the temporary timing differences arising between the carrying value of assets and liabilities included in the financial statements and their tax values determined by the current tax legislation.

Deferred income tax is determined using tax rates that have been enacted or substantially enacted.
The Bank recognizes deferred tax assets when it is probable that sufficient taxable profit will be available against which the deferred tax asset can be utilized.

Deferred tax asset or liability arising from the recalculation of fair value of assets and cash flow hedges, which are debited or credited directly to equity is also recorded directly in equity.

3.14 Pension Benefits

The Group participates both to defined benefit and defined contribution plans.

For the defined contribution plans the Group is obliged to pay on a regular basis specific amounts to the pension funds.

A defined benefit plan is essentially a pension plan according to which the Group obligation is determined by the compensation amount determined by Law 2112/1920, that the employee will receive at retirement date based on his or her age, years of employment and salary. The liability in respect of a defined benefit pension plan reported on the Balance Sheet is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of government securities which have terms to maturity approximating the terms of the related liability.

Accumulated actuarial gains and losses which arises due to the deviation from the estimated amounts and the realized amounts as well as variations of the used actuarial assumptions, for the portion that is in excess of 10% of accrued obligations, are charged to the income statement over the service lives of the related employees.

3.15 Segment reporting

A Business segment is a group of assets and operations engaged in providing products or services that are subject to risks and returns that are different from those of other business segments. A geographical segment is engaged in providing products or services within a particular economic environment that are subject to risks and returns that are different from those of segments of operating in other economic environments. The Business segment activity is the primer source of information for the Group.

3.16 Cost of Borrowing

The cost of borrowing, according to IFRS 23, is recognized as an expense in the income statement.

3.17 Custodian Services

The Bank offers custodian services to its subsidiary that manages mutual funds. The value of securities that the Bank holds through this activity is not included in the attached financial statements as they are not considered assets of the Bank as of 31 December 2005. As of 31 December 2005 the value of these securities is approximately EUR 99 million (31 December 2004: EUR 181,5 million)

4. REGULATION AND SUPERVISION OF BANKS IN GREECE

The Bank of Greece (BOG), aiming at maintaining the stability of the banking system and the protection of the parties involved, is responsible for the supervision of the financial system in Greece. For this reason it issues rules and regulations for the operation of credit institutions, their capital adequacy, the risk that they undertake and their investment activities.

All regulations related to the control and supervision of credit institutions set by the European Union have been incorporated in the Greek legislation.

The Bank of Greece has the authority to audit the books and records of credit institutions for possible violations in the framework of preventive and detective audit. In the case that a credit institution does not adhere , the Bank of Greece is entitled to impose all the necessary measures in order to comply with the legislative framework of credit institutions as well as imposing penalties, to appoint an administrator and finally (where there is non-compliance or in case of incredibility) revoke the license of the credit institution and place it into special liquidation under the supervision of the Bank of Greece. In case of insufficient liquidity of the credit institution, the Bank of Greece may order a mandatory extension of that institution's due and payable obligations for a period not exceeding two months (which can be extended for a further one month period) and appoint an administrator under its supervision.

Stock Exchange Committee (SEC) is the supervision of the subsidiaries of the Bank which include Proton finance, Proton Mutual Fund and Proton Asset Management.

The Group, following the Bank's of Greece instruction, submits to BOG at regular intervals all the necessary reports. More specifically reports on capital adequacy, adequacy of provisions and various risk analysis.

The Bank as a listed company on the Athens Stock exchange is subject to all the obligations of reporting set by the Capital Market Committee (CMC) and information to the public.

The consolidated companies as Societe Anonyme Companies are subject to all the clauses of law 2190/1920, while the Group are supervised by the Ministry of Development and CMC.

5. CAPITAL ADEQUACY

The Group's capital adequacy is measured according to the directives of the Bank of Greece 2397/36 and 2494/2002, which are in accordance to the instructions set by the European Union for the capital adequacy of financial institutions. The capital adequacy ratio should be at least 8%. This ratio includes credit risk , exchange rate risk and interest rate risk.

According to the financial statements as of 31 December 2005, the capital adequacy ratio for the Bank, is estimated to be 57,33% .

6. RISK MANAGEMENT

The Group has established the Risk Management Division, which is responsible for the recognition, evaluation and management of banking and operational risks, by applying traditional and modern methods of evaluation and quantification of risks. In order to cover these needs an updated risk management system has been established.

6.1 Credit Risk

The Group takes an exposure to credit risk, which is the risk that a counterparty will be unable to pay an amount in full when due. Impairment provisions are provided for losses that have been incurred at the balance sheet date. Furthermore credit risk is also considered in scenario analysis of counterparty behavior and stress testing in order to monitor the particular risk more precisely.

Significant changes in the economy or in the health of a particular industry segment that represents a concentration in the Group's portfolio, could result in losses that are different provided for at the balance sheet date. Management therefore carefully manages its exposure to credit risk.

The Group monitors the level of credit risk it undertakes, which is subject to changes in the economy and macroeconomic changes by structuring the level of credit risk it undertakes by placing limits or the amount of risk accepted in relation to a borrower and type of transaction. These limits as well their invoicing of the loans are approved by the Credit Risk Committee after the proposition of the relevant departments of the Group or the BoD of the Group. Those limits are subject to revision and are monitored by the respective department. Credit risk estimation is conducted based on the internal system and the credit risk ranking methodology of the Group and based on relevant analysis the necessary collaterals are determined.

Credit risk ranking is the procedure carried in order to rank borrowers according to the financial, qualitative and transaction behavior criteria set to one of the eight categories of credit risk and is an integral part of the risk management system that the Bank faces through its activities.

Ranking is not a statutory procedure, as the data used alter continuously according to the borrower and the economic environment in which he operates. Hence ranking is revised annually, unless some extraordinary event occurs, and the ranking is altered in accordance to the new conditions .

6.2 Market Risk

Market risk is determined as the result in profits that may rise from unfavorable fluctuations in prices of interest rates, currency , equity and derivative products which represent part either of the trading portfolio or a mean of managing assets and liabilities.

The Group applies a methodology of measuring risk through the variation of the valuation of the present value based on the scenario of parallel or non parallel changes in the interest rate curve (but with less significant variations from the prices that may prevail in the market) of stress testing that the Bank of Greece has adopted. Besides the regular measurements of market risk that are conducted, periodically the behavior of the trading portfolio and the total of assets and liabilities of the Group based on hypothetical variations in market parameters (scenario analysis) as well as extreme variations (stress testing) are tested.

In the risk management scope that Group follows trading limits have been established by the ALCO Committee per product or per transaction that may bear market risk.
Specifically limits have been established for the following:

Trading position

Open positions in Bonds

Open positions in derivative products

Open positions in Stocks (Both in local and foreign markets)

The transactions of these products are monitored daily in order to control that the limits set are not over exceeded and also to manage significant changes in the position of the Bank.

6.3 Liquidity Risk

Liquidity risk is related with the ability of the Group to fulfill its financial obligations when they become due. The monitoring of liquidity risk is concentrated on the monitoring of the liquidation ability of the Group in order to cover its obligations.

The analysis of monitoring the liquidation ability of the Bank includes all the assets and liabilities that the Bank has are included and the relevant cash flows are ranked in time periods depending on when they are expected to be realized. The monitoring of the liquidation ability of the Group as well as the limits set are monitored by ALCO Committee which follows the instructions given by the Bank of Greece (BOG).

Following the BoG Directive that increases the obligation for monitoring the liquidity of Group and the establishment of new limits and liquidity indices, the ALCO Committee adopted properly the methodology for the daily monitoring of liquidity. Hence the software was upgraded in order to adjust to the new limits. Furthermore the Treasury department devolved to take precautionary measures by increasing the liquidity limits of the Group, as well as to make corrective adjustments if the internal limits set by the Group, which are stricter than those set by BoG are altered or violated.

LIQUIDITY RISK 2005

(Amounts in Euro)

DESCRIPTION	Up to 1 month	1-3 months	3-12 months	1 to 5 years	Over 5 years	Total
Cash and balances with Central Bank	2.251.382	-	-	-	-	2.251.382
Loans and advances to banks	54.854.193	92.000	-	-	-	54.946.193
Trading securities	76.796.474	-	-	-	40.432.554	117.229.028
Derivative financial instruments	7.063	-	-	-	-	7.063
Loans and advances to customers	37.281.705	2.297.000	1.049.000	28.114.295	17.126.000	85.868.000
Available-for-sale securities	-	-	-	-	734.406	734.406
Property, plant and equipment	-	-	-	-	1.280.566	1.280.566
Intangible assets	-	-	-	-	497.641	497.641
Deferred tax asset	-	-	-	-	450.362	450.362
Other assets	-	-	-	-	8.385.527	8.385.527
Total assets	**171.190.817**	**2.389.000**	**1.049.000**	**28.114.295**	**68.907.056**	**271.650.168**
Deposits from banks	6.105.942	-	-	-	-	6.105.942
Deposits from customers	37.566.431	10.244.000	928.000	-	12.595.000	61.333.431
Derivative financial instruments	-	-	-	-	199.510	199.510
Provision for employee benefits	635	-	-	-	-	635
Other liabilities	1.271.164	-	-	-	3.427.568	4.698.732
Total liabilities	**44.944.172**	**10.244.000**	**928.000**	-	16.222.078	**72.338.250**
Equity						**199.311.918**
At 31 December 2004						
Total assets	**83.589.479**	**4.515.081**	**1.305.414**	**13.210.097**	**44.959.345**	**147.579.416**
Total liabilities	**102.797.089**	**508.000**	**5.656.000**	**19.000**	**3.215.753**	**112.195.842**
Equity						**35.383.574**

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6.4 Currency Risk

The table below summarizes the Group's exposure to currency risk at 31 December 2005.

CURRENCY RISK **2005**

(Amounts in Euro)

DESCRIPTION	EUR	USD	GBP	JPY	OTHER	Total
Cash and balances with Central Bank	2.246.064	1.257			4.061	2.251.382
Loans and advances to banks	47.194.967	7.129.289	343.775	23.416	254.746	54.945.193
Trading securities	105.693.470	5.048.619	541.690	-	5.945.249	117.229.028
Derivative financial instruments	7.063	-	-	-	-	7.063
Loans and advances to customers	85.726.011	153.219	-	67.980	(79.210)	85.868.000
Available-for-sale securities	734.406	-	-	-	-	734.406
Property, plant and equipment	1.280.566	-	-	-	-	1.280.566
Intangible assets	497.641	-	-	-	-	497.641
Deferred tax asset	450.362	-	-	-	-	450.362
Other assets	8.210.428	133.594	2.705	40	38.770	8.385.527
Total assets	**253.040.978**	**12.465.968**	**888.170**	**91.436**	**6.163.616**	**271.650.168**
Deposits from banks	6.046.813	59.129	-	-	-	6.105.942
Deposits from customers	58.809.555	2.105.982	389.256	10.508	18.130	61.333.431
Derivative financial instruments	199.510	-	-	-	-	199.510
Provision for employee benefits	635	-	-	-	-	635
Other liabilities	4.683.969	14.763	-	-	-	4.698.732
Total liabilities	**69.740.482**	**2.179.874**	**389.256**	**10.508**	**18.130**	**72.338.250**
Equity						**199.311.918**
At 31 December 2004						
Total assets	**138.620.637**	**6.067.554**	**580.000**	**613.101**	**1.698.124**	**147.579.416**
Total liabilities	**59.425.872**	**5.941.758**	**580.698**	**46.206.584**	**40.930**	**112.195.842**
Equity						**35.383.574**

6.5 Interest Rate Risk

The Group's operations are subject to the risk of interest rate fluctuations to the extend that interest earning assets , including investments, and interest bearing liabilities mature or reprice at different times or amounts. In the table below the balances of assets and liabilities of the Group are presented and classified by their maturity date. In the cases that no contractual expiration date exists (overdraft accounts) or there is no changes in interest rates (deposit accounts) for assets and liabilities, they are classified in the category of up to one month.

INTEREST RATE RISK **2005**

(Amounts in Euro)

DESCRIPTION	Up to1 month	1-3 months	3-12 months	1-5 years	Over 5 years	Non-interest bearing	Total
Cash and balances with Central Bank	2.251.382	-	-	-	-	-	2.251.382
Loans and advances to banks	54.854.193	92.000	-	-	-	-	54.946.193
Trading securities	117.211.551	6.111	-	-	11.366	-	117.229.028
Loans and advances to customers	72.076.826	9.902.546	3.888.628	-	-	-	85.868.000
Available-for-sale securities	-	-	-	-	-	734.406	734.406
Derivative financial instruments	-	-	-	-	-	7.063	7.063
Property, plant and equipment	-	-	-	-	-	1.280.566	1.280.566
Intangible assets	-	-	-	-	-	497.641	497.641
Deferred tax asset	-	-	-	-	-	450.362	450.362
Other assets	-	-	-	-	-	8.385.527	8.385.527
Total assets	246.393.952	10.000.657	3.888.628	-	11.366	11.355.565	271.650.165
Deposits from banks	6.105.942	-	-	-	-	-	6.105.942
Deposits from customers	53.197.379	7.207.071	928.981	-	-	-	61.333.431
Derivative financial instruments	-	-	-	-	-	199.510	199.510
Provision for employee benefits	-	-	-	-	-	635	635
Other liabilities	-	-	-	-	-	4.698.732	4.698.732
Total liabilities	59.303.321	7.207.071	928.981	-	-	4.898.877	72.338.250
Equity							199.311.918
At 31 December 2004							
Total assets	111.593.968	18.520.846	416.119	9.058.170	114.077	7.876.236	147.579.416
Total liabilities	102.759.597	508.124	5.674.539	5.819	-	3.247.763	112.195.842
Equity							35.383.574

7. SEGMENT REPORTING

Considering the management structure of the Group and the business activities it undertakes as well as the fact the greater percentage of its income comes from activities in the Greek market, the Bank considers the business segment as the primary segment and specifically the following segments:

Investment Banking: it includes investment portfolio management, brokerage services, consulting and intermediary services that are related with the stock market and Dealing Room activities in the Interbank Market (FX Swaps, Futures, IRS, Bonds, Interbank open positions-borrowings).

Banking Activities: it includes the usual banking activities as lending, deposits, letters of guarantee, custodial services etc.

BUSINESS SEGMENT ANALYSIS

(Amounts in Euro) **DESCRIPTION**	**Investment Banking**	**2005** **Banking Activities**	**Total**
Interest and Similar Income	968.950	2.990.715	3.959.665
Interest Expense	(866.186)	(2.378.049)	(3.244.235)
Net Interest Income	102.764	612.666	715.430
Fee and Commission income	11.128.596	967.704	12.096.300
Fee and Commission expense	(98.839)	(32.946)	(131.785)
Net Fee and Commission income	11.029.757	934.758	11.964.515
Net trading income	6.208.655	62.451	6.271.106
Net gain/(loss) on disposal of trading financial instruments	11.246.276	-	11.246.276
Dividend income	1.273.289	-	1.273.289
Other operating income	-	521.811	521.811
Operating income	29.860.741	2.131.686	31.992.427
Combination difference	10.301.270	-	10.301.270
Impairment losses	(3.303.750)	-	(3.303.750)
Operating expenses	(10.304.111)	(4.016.506)	(14.320.617)
Profit before tax	26.554.150	(1.884.820)	24.669.330
Income tax expense	(1.876.105)	(730.039)	(2.606.144)
Profit after tax	24.678.045	(2.614.859)	22.063.186
Total Assets per Segment	142.845.998	128.804.170	271.650.168
Total equity and liabilities per Segment	218.446.053	53.204.115	271.650.168

PROFIT AND LOSS

8. NET INTEREST INCOME

(Amounts in Euro)

ΠΕΡΙΓΡΑΦΗ	2005	2004
Loans and advances to customers	2.081.728	1.799.026
Bonds	365.254	518.418
Other interest income	1.276.497	679.720
Loans to banks	236.186	169.844
Total interest income	**3.959.665**	**3.167.008**
Customers deposits	2.159.851	1.409.968
Bank's deposits	566.049	573.324
Synthetic Swaps	35.651	240.828
Other	482.684	286.270
Total interest expense	**3.244.235**	**2.510.390**
	715.430	**656.618**

9. FEE AND COMMISSION INCOME

(Amounts in Euro)

DESCRIPTION	2005	2004
Stock exchange transactions	9.691.601	8.720.940
Fees for consulting	789.000	405.970
Management commission	312.182	654.327
Custody services	181.826	3.558.181
Letters of guarantee	167.465	302.740
Money transfers	19.480	14.706
Other	934.746	254.854
	12.096.300	**13.911.718**

10. NET INCOME FROM FINANCIAL TRANSACTIONS

(Amounts in Euro)

DESCRIPTION	2005	2004
TRADING SECURITIES		
Profits less losses		
Derivative Financial instruments	(857.473)	(1.831.296)
Foreign currency	108.446	(101.983)
	(749.027)	**(1.933.279)**
Sales		
Equities	7.020.133	6.546.758
Net income from financial transactions	**6.271.106**	**4.613.479**
Valuation		
Equities	11.239.847	(1.055.239)
Derivative Financial instruments	6.429	-
Total	**11.246.276**	**(1.055.239)**

11. DIVIDEND INCOME

(Amounts in Euro)

DESCRIPTION	2005	2004
Trading securities	1.273.289	411.129
	1.273.289	**411.129**

12. IMPAIRMENT LOSSES

(Amounts in Euro)

DESCRIPTION	2005	2004
Loans and advances to customers (Note 21.2)	300.000	-
Available for sale securities (Note 22)	3.003.750	-
Total	**3.303.750**	-

13. OPERATING EXPENSES

(Amounts in Euro)

DESCRIPTION	2005	2004
Staff costs (Note 14)	5.053.397	4.285.231
Third party fees	4.558.770	1.487.429
Subscription – Contribution	1.724.432	744.924
Other taxes	465.516	54.809
Depreciation (fixed assets)	527.407	545.295
Repair and maintenance	279.120	327.495
Rentals	253.334	819.680
Publishing expenses	239.623	95.351
Telecommunication expenses	218.187	177.772
Intangibles write off	204.230	368.635
Amortization (intangible assets)	194.147	314.488
Light-water expenses	103.802	102.362
Travel	99.924	36.833
Stationery	56.055	33.916
Insurance fees	39.591	105.173
Other	303.082	161.813
	14.320.617	**9.661.206**

14. STAFF COSTS

(Amounts in Euro)

DESCRIPTION	2005	2004
Wages and salaries	4.205.895	3.623.380
Social security contributions	713.454	612.678
Cost for defined benefit plans	134.048	49.173
	5.053.397	4.285.231

Number of employees

The number of employees as at 31 December 2005 was 188 (2004: 99)

The increase of the account " Wages and Salaries" is mainly due to the increase in the number of employees during 2005 and the bonuses that the company gave to its employees for their effort during the year which had as a result the Bank to be listed in the Athens Stock Exchange and the completion of the merger procedure with three open-end funds.

The significant increase in third party fees relate to fees paid to underwriters, lawyers, auditors, consultants etc for the introduction of the Bank's shares in the Athens Stock Exchange. According to the IFRS these expenses are recorded in the income statement as existing shares were distributed and didn't incur Share Capital increase.

15. INCOME TAX EXPENSE

(Amounts in Euro)

DESCRIPTION	2005	2004
Current tax	2.169.227	1.108.434
Tax audit differences	236.044	38.315
Deferred tax (Note 25)	200.873	659.061
Total	**2.606.144**	**1.805.810**

According to the Greek Tax law the income tax rate as of 31 December 2004 was 35%. According to law 3296/2004, the tax rate for profits has decreased to 32% for 2005, 29% for 2006 and 25% for 2007 and thereafter.
The Bank used the tax incentives for companies that merge other companies (Law 2992/2002), and calculated income tax using the current tax rate reduced by 10 percentage points, that is using 22%. Income tax for 2006 will be calculated using 24% as the reduction of the tax rate will be restricted to 5 percentage points.

It is noted that the other subsidiaries have calculated income tax using the respective tax rate which is in accordance with the law.

The reconciliation of income tax for the year is presented on the table below:

The reconciliation of income tax for the year is presented on the table below:

	2005	2004
Profit before tax	24.669.331	6.113.553
Income tax at 32% (2004: 35%)	5.923.018	2.183.328
Settlement of Losses carry forward	(134.099)	(28.063)
Non Taxable Income (corresponding tax)	(5.483.875)	(1.639.096)
Non-deductible expenses (corresponding tax)	36.762	387.996
Tax on profits of absorbed companies that are not included in income statement	1.693.774	-
Tax on Distributable Profits	228.880	201.600
Difference of tax rates for the calculation of deferred tax	(109.847)	2.880
Effect of deferred tax on income statement	200.873	659.061
Tax audit differences	236.044	38.315
Additional tax	14.614	2.669
Total	**2.606.144**	**1.805.810**

The income tax statements are submitted to the tax authorities on an annual basis but the gains and losses that are declared for tax purposes remain temporarily pending until the tax authorities audit the tax statements and books of the taxpayer and according to these audits, finalize the tax obligations. Tax losses that are recognized by the tax authorities, can be used to offset gains in the next five financial years.

Tax audit differences which are referred above derived from subsidiaries which, are audited by the tax authorities during the fiscal period of 2005 finalized in this way all the tax obligations. Given that the subsidiaries audited by tax authorities during the fiscal period of 2005 as well as the unaudited tax years (up until the year 2004) of the Bank, all the subsidiaries of the Group has been audited by the tax authorities up until the year 2004.

The Bank during the current fiscal year was audited by the tax authorities for all the unaudited tax years up until the year 2004) and additional taxed of amount EUR 334.313 arose, that were paid in July 2005. Given that the bank had already recorded a provision of EUR 350.000 in prior years for this purpose, the net effect in the income statement for the current year was zero. The Managements of the Group judge that no significant amounts from additional taxation will rise for the unaudited fiscal year 2005 hence they didn't record a provision for this purpose for the current year.

17. BASIC AND DILUTED EARNINGS PER SHARE

(Amounts in Euro)

	2005	2004
Earnings after tax	22.063.186	4.307.743
Number of shares	45.135.892	14.000.000
Earnings per share	0,48	0,31
Basic and diluted earnings per share	**0,48**	**0,31**

Balance Sheet

Balance Sheet

17. CASH AND BALANCES WITH CENTRAL BANK

(Amounts in Euro)

DESCRIPTION	2005	2004
Cash in hand	41.644	27.744
Balances with Central Bank	2.209.738	3.562.273
	2.251.382	3.590.017

The mandatory deposits at the Central Bank for the period ending 31 December 2005 should be on average EUR 807.120 while respectively, for the period ending 31 December 2004 on average should be EUR 1.830.420.

18. LOANS AND ADVANCES TO BANKS

(Amounts in Euro)

DESCRIPTION	2005	2004
Sight Deposits	7.121.379	4.518.451
Term Deposits	47.824.814	13.943.789
	54.946.193	18.462.240

19. TRADING SECURITIES

(Amounts in Euro)

DESCRIPTION	2005	2004
Listed Securities	89.751.690	32.721.978
Mutual funds	14.474.762	11.780.808
Government Bonds	13.002.576	10.636.499
	117.229.028	55.139.285

The Group includes to its trading portfolio, securities that were acquired for the purpose of short term profit arising from price variations, and it consists of shares, bonds and mutual fund units. The trading securities portfolio is measured at fair value, which is the current market price as at the balance sheet date for shares, the market value for bonds and the net price per unit at balance sheet date for mutual funds. Any gain or loss is recorded in the income statement.

The significant increase of the accounts for the fiscal year is mainly due to the incorporation of the trading portfolio of the three investment companies that were absorbed by the Bank.

20. DERIVATIVES FINANCIAL INSTRUMENTS

(Amounts in Euro) DESCRIPTION	2005 Nominal Value	Fair Value	2004 Nominal Value	Fair Value
Foreign exchange derivatives				
Options	11.600.000	-	18.201.076	-
Options	1.128.000	(635)	-	-
Options	2.464.000	1.969	-	-
Options	1.084.174	1.252	-	-
Forwards	-	-	1.430.641	(37.680)
Swaps	1.000.000	3.842	605.600	20.032
Swaps	-	-	500.330	(330)
Total	17.276.174	6.428	20.737.647	(17.978)

The derivative financial instruments include forward agreements and currency swaps.

Derivatives are measured at fair value and are presented on the balance sheet as an asset or a liability.

21. LOAN AND ADVANCES TO
(Amounts in Euro)

21.1 Loans analysis	2005	2004
Consumer Investment loans	36.424.561	29.709.709
Mortgages	1.345.015	1.675.414
Loan to private individuals	37.769.576	31.385.123
Construction sector	4.617.384	7.325.756
Insurance sector	1.350.000	1.350.000
Brokerage sector	1.930.783	1.654.911
Commercial sector	-	2.071.310
Other	5.387.705	1.798.972
Loans to corporate entities	13.285.872	14.200.949
Loans and advances to customers (before provision)	51.055.448	45.586.072
Claims from brokerage	29.605.209	15.605.310
Other claims	5.960.023	1.752.904
Less: allowance for uncollectibility (21.2)	(752.680)	(452.680)
	85.868.000	62.491.606

Credit risk is the risk that a counterparty will be unable to pay amounts in full when due. A loan loss provision is recognized when there is an indication that amounts will not be collected.
The Group has set out acceptable credit risk level for each customer, which is reviewed on a regular basis.

Specifically the Group on balance sheet date examines whether there are significant indications for loan impairments. When there are such indications the recoverable amount of the loan is calculated and a relevant provision is recorded. The provision is recorded in the income statement. Significant indications that a loan has impaired are considered the following:

Significant financial difficulty of the borrower

Violation of the loan terms

Possibility of bankruptcy or financial restructuring of the borrower

The Group for financial and legal reasons that are in direct relation with the financial condition of the borrower agrees with the borrower a restructure of the loan that the Group would not otherwise except.

In order to secure its lending, the Group requires collaterals. The collaterals that the Group requires are the following:

Mortgages over real estate
Pledges
Assignment of receivables

The Bank generally requires the value of collaterals to amount to at least 100% of the loan in order to minimize its credit risk

The claims of the Group from financial transactions concern claims from clients' margin accounts which are covered by financial instruments, hence there is no reason for a provision to be recorded.

21.2 Allowance for uncollectibility

	2005	2004
Balance as at 1 January	452.680	452.680
Provision for impairtnent	300.000	-
Balance as at 31 December	752.680	452.680

22. AVAILABLE-FOR-SALE SECURITIES

(Amounts in Euro)

		2005	2004
Corporate bonds EMPHASIS	(a)	3.003.750	
Less: Impairnent losses		(3.003.750)	
Non listed shares	(b)	603.540	
Equity Fund	(c)	130.866	
		734.406	

In the available for sale portfolio the Group recognized investments that were not included in the trading portfolio and didn't have the characteristics of held to maturity securities. Following their initial recognition, the available-for-sale investments are measured at their fair value. The gains or losses generated from the valuation are recorded in a separate component of equity until they are either sold, collected or impaired at which time the gain or loss recognized in equity is recognized in the income statement.

(a) The corporate bonds of the company " EMPHASIS SOFTWARE SYSTEMS S.A." that were acquired by the Bank in July 2005after the relevant decision taken in the General Shareholders Meeting.

Within October 2005 the Bank terminated the bond loan and filed a third party intervention to pending proceedings for interim measures that had been filed by a bond holder and a creditor and requested the conservative seizure of any movable and immovable property against EMPHASSIS as well as against the members of its Board of Directors. At the same time it proceeded with other legal proceedings (issuance of an order for payment, imposition of compulsory seizure etc.) in order to satisfy to the most possible extent its claims.

The BoD of the Bank using the existing information decided to record an impairment loss that covers the total value of the corporate bonds of EMPHASIS and which is recognized in the income statement of the period ended while at the same time legal actions are taken in order to cover as much as possible its claims. The possible inflows that may be actualized in a latter period will be recognized and increase the income statement of that period.

(b) non listed shares and the participation in the Equity Fund have been valued at cost while an audit for possible impairment has been conducted.

(c) Non listed shares are analyzed as follows:

Name	Number of shares	Cost value
PROBANK S.A.	100.000	349.000
VLAXOPOULOS S.A. (information system company)	2.880	253.209
VODAFONE HELLAS S.A	250	1.330
LEON ENGINEERING	52.500	1
Total		603.540

23. PROPERTY, PLANT AND EQUIPMENT (Amounts in Euro)

DESCRIPTION	Leasehold Improvement	Plant	Motor Vehicles	Furniture and other Equipment	Total
At 1 January 2004					
Cost	1.208.117	22.597	166.365	1.705.052	3.102.131
Accumulated Depreciation	(214.781)	(10.168)	(6.442)	(836.044)	(1.067.435)
Net book value	993.336	12.429	159.923	869.008	2.034.696
2004					
Opening net book value	993.336	12.429	159.923	869.008	2.034.696
Additions				219.296	219.297
Disposals	(3.490)	-	-		(3.490)
Depreciation Charge	(97.127)	(4.519)	(24.954)	(418.694)	(545.295)
Net book value	892.719	7.910	134.969	669.610	1.705.208
At 31 December 2004					
Cost	1.204.627	22.597	166.365	1.924.348	3.317.938
Accumulated Depreciation	(311.908)	(14.687)	(31.396)	(1.254.738)	(1.612.730)
Net book value	892.719	7.910	134.969	669.610	1.705.208
2005					
Opening net book value	892.719	7.910	134.969	669.610	1.705.208
Additions	41.529	-	3.181	287.559	332.269
Disposals	-	-	(53)	(180)	(233)
Depreciation Charge	(142.148)	(4.519)	(25.033)	(584.978)	(756.678)
Net book value	792.100	3.391	113.064	372.011	1.280.566
At 31 December 2005					
Cost	1.246.156	22.597	169.493	2.211.727	3.649.974
Accumulated Depreciation	(454.056)	(19.206)	(56.429)	(1.839.716)	(2.369.408)
Net book value	792.100	3.391	113.064	372.011	1.280.566

The Bank on its establishment leased the building that it uses as headquarters and beard a significant cost in order to restructure it in order to cover its needs. The building has 5 floors and all the companies of the Bank operate there. The improvement costs are amortized during the term of the lease contract in equal installments (Note 34.3).

In account " Furniture" amount EUR 327.536 that concerns assets that have been acquired through leasing are included. The abovementioned assets mainly concern PCs , printers etc, and are amortized in equal installments during the term of the lease contract (Note 34.3).

The remaining self used fixed assets are recorded at cost value minus accumulated depreciation

24. INTANGIBLE ASSETS
(Amounts in Euro)

DESCRIPTION	Goodwill	Software	Total
Cost	-	1.092.931	1.092.931
Accumulated Depreciation	-	(785.953)	(785.953)
Net Book Value 31/12/2004	-	306.978	306.978
Cost	-	1.154.360	1.154.360
Additions (goodwill FOB)	333.742	-	333.742
Accumulated Depreciation	-	(990.461)	(990.461)
Net Book Value 31/12/2004	333.742	163.899	497.641

The goodwill of amount Euro 333.742 is from the consolidation of FGB acquired at 8 April 2005 (Note 33.3) and analysed as follow:

Cost		595.038
Less: Fair value of balance sheet as of 30 June 2005 according I.F.R.S.		
Short term assets	363.260	
Long term assets	78.074	
Short term liabilities	(156.814)	
Loss for period 09/04/2005-30/06/2005	32.241	(316.761)
Total		278.277
Minority interest (17,51%)		55.465
Goodwill		333.742

The goodwill according the Greek Gaap that had derived from the purchase of subsidiaries of total amount Euro 5.705.628 is recorded during the transition date (I January 2004) at the equity caption " Accumulated deficit" as I.F.R.S. I sets.

25. DEFERRED TAX ASSET (Amounts in Euro)	**2005**	**2004**
Movement of deferred tax is as follow:		
Deferred tax asset at 1 January	651.235	1.310.295
Recognised in income (Note 15)	(200.873)	(659.060)
	450.362	651.235

The deferred tax asset has been arisen from deductible temporary differences between outstanding balances of assets and liabilities according to IFRS and of the differences that arise following the implementation of the current tax legislation. Deferred tax was calculated using the future tax rates according to the Group's estimations for the recognition of tax gains.

The debited outstanding deferred tax balance was derived as follows:

	2005	2004
Deferred tax asset:		
Intangible assets	378.357	525.485
Employee benefits	49.797	43.039
Commission for loans	19.202	53.773
Additional depreciation for software	-	19.600
Provision for receivables	3.795	
Financial derivative instruments	184	-
Other items	2.572	9.338
Total	**453.907**	**651.235**
Deferred tax liability:		
Financial derivative instruments	(2.048)	-
Reversal of provision	(1.497)	-
Total	**(3.545)**	-
Net deferred tax asset	**450.362**	**651.235**

26. OTHER ASSETS

(Amounts in Euro)

	2005	2004
Contribution to Co-Guarantee Fund	2.957.768	1.512.741
Clearing accounts of securities	1.331.536	435.412
Accrued interest and commissions	1.295.873	1.199.315
Tax advances and other tax receivables	1.033.099	508.937
Contribution to Supplementary Fund	707.830	674.291
Commissions and other expenses of following years	423.355	130.732
Guarantees	145.049	130.528
Receivables from dividends	83.611	20.125
Suppliers	4.341	80.473
Other	403.065	520.261
	8.385.527	**5.212.815**

The clearing account of securities is an intermediate account for the purchase or sale of stocks, derivatives etc. and clearing within a reasonable time period.

The contribution in the Συνεγγυητικό Κεφάλαιο is mandatory for the financial services companies and calculated according the turnover of the transactions. The amount as at 31 December 2005 is analysed as follow:

COMPANY

(Amounts in Euro)	Contribution
PROTON A.X.E.P.E.Y.	2.488.215
PROTON AEPOO	469.553
Total	2.957.768

The contribution to the Supplementary Fund is mandatory for the brokerage company and calculated according the turnover of the transactions.

Both the contribution in the Co-Guarantee Fund and at Supplementary Fund are returned in case of cease of their operations, deducted with any payments in customers for the guarantee of their transactions.

27. DEPOSITS FROM BANKS

(Amounts in Euro)

	2005	2004
Term deposits	3.000.000	14.500.000
Current deposits	3.105.942	807.623
Other	-	88.326
	6.105.942	15.395.949

28. DEPOSITS FROM CUSTOMERS

(Amounts in Euro)

ΠΕΡΙΓΡΑΦΗ	2005	2004
Term deposits	4.953.249	6.617.402
Current accounts	3.434.285	3.041.427
Deposits from individuals	8.387.534	9.658.829
Term deposits	11.957.863	8.110.674
Current accounts	36.751.028	70.656.323
Other deposits	677.006	42.100
Deposits from private sector legal entities	49.385.897	78.809.097
Repos from private sector legal entities	-	931.812
Repos from individuals	3.560.000	4.152.392
Total deposits from customers	61.333.431	93.552.130

Deposits from customers as of 31/12/2004 include deposits of the three investment companies (ARROW, EUTODINAMIKI, EXELIXI) that were absorbed by the Bank during 2005. This had resulted in a respective decrease in the Group's deposit account.

29. **PROVISION FOR EMPLOYEE BENEFITS**
(Amounts in Euro)

	2005	2004
Present value of unfunded obligations	199.510	172.156
Unrecognised actuarial gains and losses		
Recognized liability for defined benefit obligations	199.510	172.156

Movements in the net liability for defined benefit obligations recognized in the balance sheet:

	2005	2004
Net liability for defined benefit obligations at 1 January	172.156	174.305
Expense recognized in the income statement	29.354	20.774
Contributions received	(2.000)	(22.923)
Net liability for defined benefit obligations at 31 December	199.510	172.156

Expense recognized in the income statement	2005	2004
Current service costs	25.824	13.803
Interest on obligation	3.530	6.971
Total	29.354	20.774

The provision for employees retirement benefit plans that is recorded on the attached financial statements according to IFRS 19 was derived from the actuarial study conducted by an independent appraiser.

The core estimations/assumption of the actuarial studies are the following:

ACTUARIAL STYDY		2005 2004
	Non Funded	
Discount rate		3,72% 4%
Future salary increases		4,7% 4,7%

Under IFRS post-employment benefit plans are classified either as a "defined contribution" plan or a "defined benefit" plan. For defined contribution plans, the Group has no further payment obligations once the contributions have been paid while for defined benefit plans the obligation of the Group is determined when due.

According to the Greek labor law employees are entitled to receive compensation in case they are dismissed or retire the amount of which is related to their salary, the years of employment and the reason of exit (retirement or dismissal). The employees that are dismissed or resign for a reason are not eligible to receive compensation. The compensation they will receive in case they retire is equal to 40% of the amount they would receive in case they were dismissed without a reason. The amount that is paid by the bank depends on the age of the employee that receives it, his years of employment in the Group and his salary.

An obligation is classified as a "defined contribution" plan if the contributions to the plan are accounted for on an accrual basis, which is similar with the accounting treatment under the Greek GAAP, that is contributions paid to Pension Funds by the employer for the service the company receives from its employees.

With respect to a plan that is classified as a "defined benefit" plan, IFRS establishes requirements regarding the basis of valuation as well as principles regarding the actuarial assumptions that should be used in valuing defined benefits. The obligation recorded is based on the projected unit credit method which determines the present value of the defined benefit obligation, less the fair value plan assets, if any.

Regarding the Group's foreign subsidiary it should be noted that according to law the company has no obligation to give compensation for retirement.

30. OTHER LIABILITIES

(Amounts in Euro) DESCRIPTION	2005	2004
Taxes and duties payable	2.587.777	1.967.862
Other liabilities	1.617.539	579.318
Prepaid expenses and deferred income	275.349	320.549
Social security contributions	187.819	159.868
Other provisions	30.248	10.000
	4.698.732	3.037.597

31. SHARE CAPITAL

(Amounts in Euro) DESCRIPTION	2005	2004
Number of ordinary shares	45.135.892	14.000.000
Paid in capital	202.660.155	35.000.000
Share capitals	202.660.155	35.000.000

The increase in share capital and the issue of shares was induced from the merging procedure that took place. More details on the particular issue are given in Note 33.

32. RESERVES

(Amounts in Euro) DESCRIPTION	2005	2004
Statutory reserve	330.130	330.130
Tax free reserves	4.853.366	5.113.457
	5.183.496	5.443.587

32.1 Statutory Reserves

According to company Law the Bank is required to appropriate at least 5% of its net annual profits to a legal reserve which is used to even up the debited outstanding balance of the profit and loss account before dividend is paid.

32.2 Tax Free reserves

In accordance with Greek tax law certain types of income and profits are not taxed if retained and recorded to a specific reserve account. In the event that these reserves are distributed or capitalized they will be taxed at the rate applicable on the date of distribution or capitalization.

33. MERGER AND ACQUISITION

33.1 Bank's merger with three investment companies.

33.1.1 General Information

The Board of Directors of the companies PROTON INVESTMENT BANK S.A. (the absorber company or the Bank), ARROW Asset Finance, EURODINAMIKI Asset Finance and EXELIXI Asset Finance (the companies that absorbed by the Bank) decided on 30 March 2005, to merge into one company according to the clauses of articles 68 paragraph 1, 69 of law 2190/1920, articles 1-5 of law 2166/1993 of Law 2992/2002 and article 16 of Law 2515/1997. The date of the legal merger was set on 31 March 2006 and Transformation Balance Sheet was prepared by all the companies that participate in the merger. The companies' Bod decisions set that the investment companies will be absorbed by the Bank.

For this purpose a-Draft Merger Agreement" was prepared, which was approved by the companies' Board of Directors on 30 June 2005 and was signed by the respective authorized representatives of the companies.

The final decision for the merger was taken by the Shareholders Meetings of the companies on 23 December 2005 while the final decision for the Bank was taken at the Shareholders Meeting of the Bank on 28 December 2005.

33.1.2 Accounting of the Combination

For the preparation of the Bank's financial statements IFRS 3 " Business Combinations" was taken into account that applies for all merges taking place from 31 March 2004 onwards. The abovementioned standard was adopted by the European Union on 29 December 2004.

According to IFRS 3 all business combinations within scope must be accounted for using the **Purchase Method.** This method assumes that one party of the merger is the stronger and acquires the other parties. The acquirer is the combining entity that its shareholders have biggest percentage of the shares than the remaining shareholders or the entity that obtains control of the other combining entities or the company that in the case of exchange of equity interests issues the new shares.

In the combination the Bank was considered the acquirer since it fulfilled two of the abovementioned conditions (obtained control and exchange of equity interest).

The Acquisition Cost according to IFRS, 3 is the cost that the shareholders of the Bank would pay in order to acquire the financial assets (assets minus liabilities) of the other entities. Thus there was an exchange of the New company's shares for the equity of the absorbed companies as of 31 March 2005 according to the IFRS. Due to the nature of operation of the investment companies their determined net equity is equal to their fair value.

The fair value of the acquirer, in order to achieve a fair exchange of shares was determined by an independent valuator by using general accepted methods of valuation that are used internationally..

The Acquisition Date of the three open- end funds according to IFRS 3 is the date that the Bank obtains control of the companies. According to the " Draft Merger Agreement" the combination is considered complete and the control is taken over by the Bank when the affirmative decision for the combination from the relative authority is registered in the Societe Anonyme Register. Consequently beforehand the Shareholders' General Meeting of the companies have assembled and approved the Merger Agreement that had been prepared and signed by the Boards of Directors of the merging firms. The date that the decision K2-16707 of the Ministry of Development was recorded in the Societe Anonyme Register was on 30 December 2005 and thus this is considered to be the date the three investment companies merged with the Bank.

The financial statements have been prepared according to the clauses of IFRS 3 that require the date of acquisition to be the date that the acquirer takes over control of the other entities. Thus the income statements for the period from 1 January 2005 to 30 December 2005 of the three investment companies have been included in the net equity of the acquirer. The income statement of the Bank includes the remaining excess that has risen from the business combination procedure.

Specifically from the combination as of 30 December 2005 the remaining excess between the acquisition cost and the value of assets arose of amount EUR 10.301.270 that was included in the Bank's income statement for the year ended.

33.1.3 Financial Information of the Merger

Fair Value of merger and merged companies

The fair value of the companies that combined was determined based to the value of their financial assets and liabilities as of 31 March 2005 that is the date that the companies legally merged. Relevant analysis is provided on the table below:

	Fair value ([NAV)	Number of shares	Fair value/ share
PROTON	63.700.000	14.000.000	4,55
ARROW	83.475.809	32.600.000	2,56
OURODYNAMIKI	18.528.079	7.565.000	2,45
EY,ELIXI	80.602.680	85.050.000	0,95

Share capital composition after the combined

	Number of shares after the redemption of treasury shares	Exchange ratio	Number of shares in new company	Participation %
PROTON	14.000.000	1	14.000.000	31.02%
ARROW	25.248.930	0,56277	14.209.364	31.48%
OURODYNAMIKI	4.958.390	0,53828	2.669.013	5.91%
EXELIXI	68.451.040	0,20829	14.257.515	31.59%
			45.135.892	100%
Nominal value per share			4,49	
Share capital of new company			202.660.155	

Acquisition Cost

The acquisition cost was determined based on the fair value of the acquirer as of 31 March 2005 and the number of stocks that are going to be given to the new shareholders. The fair value of the acquirer was determined to EUR 63.700.000 or EUR 4,55 per share (14.000.000 number of shares). The acquisition cost was determined as follows:

	Number of new shares exchanged with old shares	Fair value of exchanged share	Repurchase value
ARROW	14.209.364	4,55	64.652.606
OURODYNAMIKI	2.669.013	4,55	12.144.009
EY,ELIXI	14.257.515	4,55	64.871.693
Total	31.135.892	**4,55**	**141.668.308**
Merger expenses			79.644
Total			141.747.952

33.2 Financial Information for the companies that merged

The effect on the Balance Sheet captions of the Bank due to the merger with the three asset management companies is analyzed on the table below:

BALANCE SHEET AS OF 29 DECEMBER 2005

(Amounts in Euro)	ARROW	DURODYNAMIKI	OXELIXI	TOTAL	Note	ADJUSTMENTS	EFFECT IN PROTON BANK BALANCE
ASSETS						Increase I (Decrease)	
Cash and balances with the	60	1.400	1.527	2.98		-	2.987
Loans and advances to banks	50.439.075	10.797.430	45.476.422	106.712.92	(a)	(103.712.804)	3.000.123
Trading securities	45.007.653	10.112.42	47.048.886	102.168.963	(b)	(48.361.302)	53.807.661
Property, plant and equipment	1	2.830	1.770	4.601		-	4.601
Other assets	162.399	38.289	63.29	263.98	(c)	191.989	455.970
Total assets	95.609.18	20.952.373	92.591.899	209.153.46		(151.882.118)	57.271.34
LIABILITIES							
Deposits from customers					(a)	**(103.712.804)**	**(103.712.804)**
Suppliers	519	2.855	3.087	6.461		-	6.461
Tax obligations	23.041	17.552	80.231	120.82		-	120.82
Provision for employee benefits	6.765		10.283	17.04			17.049
Other liabilities	462	4.586	137.437	142.48		-	**142.48**
Total liabilities	**30.787**	**24.993**	**231.03**	**286.81**		**(103.712.804)**	**(103.425.986)**
EQUITY							
Share capital	72.698.000	17.021.250	124.173.000	213.892.25	(d)	(46.232.095)	167.660.155
Share premium	-	-	69.332	69.33	(d)	(69.332)	
Reserves	7.152.619	-	-	7.152.61	(d)	(7.152.619)	-
Valuation differences according Law	-	1.023.329	-	1.023.32	(d)	(1.023.329)	-
Special reserve from the conversion of shares in	-	20.35	-	20.35	(d)	(20.354)	-
Accumulated earnings/(deficit)	15.727.782	2.862.447	(31.881.471)	(13.291.242)	(d)	6.328.415	(6.962.827)
Total equity	95.578.401	20.927.380	92.360.861	208.866.64		(48.169.314)	160.697.32
Total equity **and liabilities**	**95.609.18**	**20.952.373**	**92.591.899**	**209.153.46**		**(151.882.118)**	**57.271.34**

a) Elimination of deposits in foreign currency and term deposits in Proton Investment Bank

b) Elimination of the participations of Proton Investment Bank in the merged companies and elimination of intercompany transactions between the companies that got merged

c) Transfer of withheld tax from the income statements of the three asset management companies to the assets of the Bank.

d) Elimination of equity of the three companies that merged with the Bank.

The effect on the income statements of the Bank for the year ended due to the merge is analysed per merged company as follows:

Combination differences	
ARROW	5.197.050
OURODYNAMIKI	77.295
EY,ELIXI	4.914.580
	10.188.925
Revenues / Expenses that affect merge differences	
Reversal of withholding tax that had affected the income statement of three portfolio management companies and will set off from Bank in the subsequent periods	191.989
Merger expenses	7(9.644)
Total	10.301.270

33.3 Acquisition of first Global A.D.

On 8 April 2005 the Bank decided to buy out 82,49% of the share capital of the breakage company First Global A.D. (FGB) which has its headquarters in Belgrade (Serbia- Montenegro)

The company is member of the Belgrade stock market and has been authorized from the respective authorities to offer the whole range of brokerage activities. Furthermore it offers a wide range of consulting services and has a number of clients from the local market and abroad. The company has the 5th place in the Bond market and the 27th in the equity out of 73 brokerage companies.

According to the business plan for the period from 2005 to 2009 the company is expected to have continuous and stable profit.

The decision of the Bank to participate in the share capital of FGB is based on the fact that the Serbian market is developing in a quick pace and business opportunities are prominent. FGB with the experience and know how that it has can offer significant support to the Greek companies that operate in Serbia-Montenegro.

34. CONTINGENT LIABILITIES

34.1 Litigation

The Group is a defendant in certain claims and legal actions arising in the ordinary course of business.

Specifically the Group has a number of pending legal cases against third parties of amount EUR 607.117 while there are no legal cases pending against the Group.

Details for the case relatively to EMPHASIS and the legal actions taken are given to Note 22.

In the opinion of management, the ultimate disposition of these matters is not expected to have a material adverse effect on the financial condition of the Group.

34.2 Letters of Guarantee

The Group in the normal course of business has issued a number of letters of guarantee for its customers of amount EUR 464.247. it has also issued a number of letters of guarantee for associate companies of amount approximately EUR 37.9 million that is EUR 37,6 million for PROTON Brokerage, and EUR 234,776 million for PROTON Asset Management (Note 35).

For the issuance of letters of guarantee to third parties the usual procedure of approval of the credit limit is followed and the respective collaterals are taken. No collaterals are required for issuance of letters of guarantee for associate companies.

34.3 Contractual Commitments

The Group has signed a number of contracts with third parties. The most significant ones are the following:

Lease contract for the building: The Bank has a lease contract for the building it operates of total surface 2.547 square meters, with monthly adjusted rental of approximately EUR 43.300. The term of the contract is 12 years (until 30 June 2013) with the option to be extended for 8 more years.

On 28 November 2004 the terms of the lease contract were altered reducing the monthly rental to EUR 40.000 plus the legal additional expenses set by the initial contract.

The total amount of the rental up until the expiration of the contract amount to EUR 3.840.000 and out of this amount, amount of EUR 480.000 are due within 2006.

The Bank has sublease contracts with all its subsidiaries that use the leased building. Upon preparation of the financial statements the profits from the sublease have been offset.

Financial Lease of Equipment: The bank has signed a lease contract with a leasing company for the lease of equipment (computers, printers etc) of amount EUR 327.536. The term of the contract is 48 months and expires on 9 January 2006.

On expiration date the ownership of abovementioned equipment will be transferred to the Bank with no extra cost.

Rental of cars: The Bank has signed long term rental contracts with a car rental company for 5cars that have been given to the management staff of the Bank.

Two of these contract expire within 2006, one within 2008 and the remaining two within 2009. The total amount of the rentals due until expiration amount to EUR 216.100 million out of which amount of EUR 69.776 is due within 2006. The abovementioned amounts include VAT.

Insurance contracts: The Bank has signed an insurance contract with the insurance company AIG HELLAS S.A. on the building that the Group use for a number of risks on the improvements done and on the equipment. The total insured capital amounts to approximately EUR 1.5 million.

The insurance contact is annual and is renewed on its expiration. The next renewal is on the 12 October 2006.

35. RELATED PARTY TRANSACTIONS

A number of related party transactions have been carried out in the course of business. These transactions are carried out with normal market conditions and terms and are approved by authorized personnel.

The transactions between related parties are presented on the table below:
Provision for loan losses from loans granted to related parties has not been recorded.

	Board of Directors &Key Management Personnel	Related companies	Board of Directors &Key Management Personnel	Related companies
	31.12.2005		31.12.2004	
Loans	11.854.113	16.079.705	14.642.712	13.804.085
Deposits	1.533.103	8.901.007	5.514.940	8.758.425
Loan interests	452.884	626.675	542.013	193.859
Deposit interests	31.008	156.961	83.424	124.943
Other revenues-commissions	2.821	-	1.767	620.287
Other expenses	-	-	-	520.472
Other liabilities	1.346	-	2.195	-
Key Management Personnel Fees	1.595.290	-	762.950	-
Letters of guarantee	117.000	37.931.576	117.000	15.626.038

36. SUBSEQUENT EVENTS

36.1 Merger with OMEGA BANK S.A. and PROTON A.X.E.P.Y.

The Board of Directors meeting on 26 January of 2006 decided the merger of the Bank with OMEGA BANK S.A. (or OMEGA) and PROTON AXEPEY with the joint acquisition of these companies by the Bank.

The BoD decision was based on the strategy of the Bank to extend its activities and to the fact that both Banks present an intrinsic completeness. The following were taken under consideration:

The bank can extend its activities to retail banking through the 17 branches that OMEGA has.
The strengthening of the Bank's position in investment banking
The strengthening of the Bank's position against competition
To ensure and improve management of human resources
The improvement of asset management
The flexibility that the new company will have after the merger for better effectiveness in developing new opportunities for cooperations and their exploitation

The suggested exchange ratio for the shares of the merged companies is : 1 share of OMEGA per 0,9 shares of the Bank. The merger will take place according to the clauses of laws 2190/1920, 2166/1993 and 2515/1997 while the acquisition date was set on 31 March 2006.
Finally it should be noted that the suggested acquisition is subject to the authorization of the Bank of Greece and the respective authorities imposed by law as well as the Shareholders General Meetings of the three companies. The merger is estimated to be completed by September 2006.

36.2 Subordinated loan granted to OMEGA BANK S.A.

The BoD of the Bank decided on 23 January 2006 to grand a subordinated loan (Tier 11 Capital) of amount EUR 30.000.000 to OMEGA BANK. The term of the loan is 10 years.
The purpose of the loan is the strengthening of the interest capital of OMEGA and its recognition as an additional element in the share capital so as to increase its capital adequacy.

There are no other significant events as of 31 December 2005 worth to be mentioned.

36.3 Treasury shares

Proton AEPEY at 31 December 2005 had in its trading portfolio shares of 2 companies that merged with the Bank.
More specific the shares that had was:

Company	Number of shares	Value 31.12.2005
EY,ELIXI	1.549.150	2.091.352
OURODINAMIKI	101.880	354.542
		2.445.894

At 9 January this shares converted to 377.509 shares of Proton Bank in agreement with exchange ratio (Note 33.1.3). At 31 March 2006 the total of the above mentioned shares sold in stock market and the arisen gain of Euro 121.449 will affect directly the equity of the Group.

36.4 Distribution of Dividend

The BoD of the Bank according to paragraph 2 of article 44 of Law 2190/1920 intends to suggest to the Shareholders General Meeting distribution of dividend of amount EUR 12.638.049,76, that is EUR 0,28 per share.

This dividend arises, amount EUR 10.000.000 from the net gains of 2005 and amount EUR 2.638.049,76 from prior years reserves. The financial statements include provision for the income tax that will rise from the gains of the fiscal year.

37. OTHER INFORMATIONS

37.1 Mutual Funds

The company of the Group that deal with the management of mutual funds manages three mutual funds which assets are as follows:

	Total assets	Total assets
Name	2005	2004
PROTON MEGA TRENDS FOREIGN SHARES	8.434.036	9.583.718
PROTON HIGH INCOME FOREIGN BONDS	4.366.985	3.421.125
PROTON COMPOUNTING DOMESTIC	3.642.983	2.587.289
Total	16.444.004	15.592.132

Custodian for the above funds is the Bank

37.2 Brokerage services

The brokerage company of the Group in Greece provide a hole range of brokerage transactions (purchase/sales of stocks, bonds, derivatives) both in the Athens Stock Exchange and in foreign Exchanges.

Moreover the above company provides services of Special Dealer in listed companies in Athens Stock Exchange.

The brokerage company of the Group abroad (Serbia-Montenegro) also provides to its customers a hole range of brokerage and investment transactions.

38. EFFECTS OF TRANSITION TO IFRS

As stated in note 2, these are the Bank's first financial statements prepared in accordance with IFRSs.

The accounting policies set out have been applied in preparing the financial statements for the year ended 31 December 2005, the comparative information presented in these financial statements for the year ended 31 December 2004 and in the preparation of an opening IFRS balance sheet at 1 January 2004.

In preparing its opening IFRS balance sheet, the Group has adjusted amounts reported previously in financial statement prepared in accordance with Greek generally accepted accounting principles (Greek GAAP).

An explanation of how the transition from Greek GAAP to IFRSs has affected the Bank's financial position and financial performance is set out in the following tables and notes that accompany the tables.

ASSETS
1/1/2004

DESCRIPTION	Note.	31/12/2004 Previous GAAP	Effects of transition to IFRS	IFRS	Previous GAAP	Effects of transition to IFRS	IFRS
(Amounts in Euro)							
Cash and balances with the Central Bank		562.756	-	562.756	3.590.017	-	3.590.017
Loans and advances to banks		16.386.201	-	16.386.201	18.462.240	-	18.462.240
Trading securities	(a)	54.022.808	(1.275.475)	52.747.333	57.795.191	(2.655.906)	55.139.285
Derivatives financial instruments	(b)	-	613.011	613.011	-	20.032	20.032
Loans and advances to customers	(c)	45.993.989	1.086.353	47.080.342	61.503.057	988.549	62.491.606
Property, plant and equipment	(d)	1.870.927	163.769	2.034.696	1.623.324	81.884	1.705.208
Intangible assets	(e)	2.235.548	(1.654.788)	580.760	2.313.880	(2.006.902)	306.978
Other assets	(f)	1.553.858	1.445.600	2.999.458	2.894.099	2.318.716	5.212.815
Deferred tax asset	(g)	-	1.310.296	1.310.296	-	651.235	651.235
Total assets		122.626.087	1.688.766	124.314.853	148.181.808	(602.392)	147.579.416

PROTONBANK

CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2005

LIABILITIES & EQUITY

(Amounts in Euro)

DESCRIPTION	Note	1/1/2004 Previous GAAP	1/1/2004 Effects of transition to IFRS	1/1/2004 IFRS	31/12/2004 Previous GAAP	31/12/2004 Effects of transition to IFRS	31/12/2004 IFRS
Deposits from banks	(h)	6.800.000	3.379.128	10.179.128	15.307.623	88.326	15.395.949
Deposits from customers	(h)	80.703.510	(3.206.753)	77.496.757	93.552.130	-	93.552.130
Other liabilities	0)	3.196.497	1.281.148	4.477.645	2.714.182	323.415	3.037.597
Provision for employee benefits	(j)		174.306	174.306	-	172.156	172.156
Derivatives financial instruments		-	911.186	911.186	-	38.010	38.010
Total liabilities		90.700.007	2.539.015	93.239.022	111.573.935	621.907	112.195.842
Share capital		35.000.000	-	35.000.000	35.000.000	-	35.000.000
Reserves		1.214.899	(77.618)	1.137.281	5.521.799	(78.212)	5.443.587
Accumulated deficit		(4.391.766)	(682.480)	(5.074.246)	(3.928.233)	(1.145.927)	(5.074.160)
Minority Interest		102.947	(90.151)	12.796	14.307	(160)	14.147
Total equity	(k)	31.926.080	(850.249)	31.075.831	36.607.873	(1.224.299)	35.383.574
Total equity and liabilities		122.626.087	1.688.766	124.314.853	148.181.808	(602.392)	147.579.41 6

Notes on effect of transition to IFRS in Balance Sheet

a) Concerns the surplus value from the valuation of Bank's portfolio with closing prices as of 31 December.

b) Concerns the valuation of derivatives.

c) Concerns the reclassification of Corporate Bond from the trading portfolio to loans and advances to customers as well as the allocation of commissions.

d) Recognition of the value of leased equipment and the relative depreciation

e) Under Greek GAAP certain types of expenses relating to establishment and formation expenses were capitalized, as an intangible asset. These types of expenses do not qualify in accordance to IFRS for recognition as an intangible asset. On transition to IFRS the net intangible asset recognized under Greek GAAP was written-off with a corresponding decrease in equity.

f) Allocation of commissions received from loans to customers in the respective periods and transfer of valuation of derivatives from other assets to derivative financial instruments

g) As of 31 December 2004 the Group, for IFRS reporting purposes, recorded a net deferred tax asset of € 651.235 with a corresponding increase in equity. The deferred tax asset has been arisen from deductible temporary differences according to IFRS. Under Greek GAAP the accounting for deferred taxation is not acceptable.

h) Concerns the Bank's liability for the payment of financial leasing and transfer of term deposits of banks o the deposits banks

i) Concerns a provision for the reversion of commission due to the Bank's contractually liability

j) According to the actuarial study performed the Bank recorded a liability EUR 72.136 thousand relating to its employee defined benefit obligations with a respective decrease in equity.

k) The reconciliation of equity from the Greek GAAP to IFRS is analyzed in the following table:

(Amounts in Euro)

DESCRIPTION	**1/1/2004**	**31/12/2004**
Valuation of portfolio	*1.933.160*	*881.127*
Intangible assets write off	*(1.654.789)*	*(2.006.307)*
Provision for commission return	*(1.634.000)*	-
Provision for unaudited tax years	*(350.000)*	*(350.000)*
Commission income deferral	*(262.004)*	*(197.699)*
Provision for pension liability	*(174.306)*	*(172.157)*
Other	*(18.606)*	*(30.498)*
Deferred tax asset	*1.310.296*	*651.235*
Total	(850.249)	(1.224.299)

INCOME STATEMENT

INCOME STATEMENT
(Amounts in Euro)

DESCRIPTION	31/12/2004 Previous GAAP	Effects of transition to IFRS	IFRS
Interest income	3.167.008	-	3.167.008
Interest expense	(2.503.717)	(6.673)	(2.510.390)
Net interest income	**663.291**	**(6.673)**	**656.618**
Fee and commission income	13.847.412	64.306	13.911.718
Fee and commission expense	(4.828.886)	1.632.239	(3.196.647)
Net fee and commission income	**9.018.526**	**1.696.545**	**10.715.071**
Net income from financial transactions	4.610.270	3.209	4.613.479
Net gain/(loss) on disposal of trading financial instruments	-	(1.055.239)	(1.055.239)
Dividend Income	411.705	(576)	411.129
Other operating income	354.775	78.926	433.701
Operating Income	**15.058.567**	**716.192**	**15.774.759**
Operating expenses	**(9.169.046)**	**(492.160)**	**(9.661.206)**
Profit from operations	**5.889.521**	**224.032**	**6.113.553**
Extraordinary income	78.927	(78.927)	-
Extraordinary expense	(139.329)	139.329	-
	5.829.119	**284.434**	**6.113.553**
Profit before tax	**5.829.119**	**284.434**	**6.113.553**
Income tax expense	(1.146.749)	(659.061)	(1.805.810)
Profit after tax	**4.682.370**	**(374.627)**	**4.307.743**
Minority interest	(2.116)	765	(1.351)
Profit after tax	**4.680.254**	**(373.862)**	**4.306.392**

Reconciliation of income statement

- For the period ended as of 31 December 2004 the significant changes in profit and loss account arise from the valuation of trading portfolio, the certain types of expenses relating to fees and commission income which has been recorded in previous period and from the increase in operation expenses and the decrease of tax rates which decreased the already accounted debit defer tax.

(C) PROTON'S AUDITED CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2004 AND 31 DECEMBER 2003

The following financial statements are a translation of the audited consolidated financial statement of Proton Investment Bank, restated to reflect certain adjustments following the year end like taxation and IFRS and reaudited by Ernst & Young. The Greek originals are available at the offices of Proton.

NOTES ON THE ACCOUNTS AND CLARIFICATION
ON THE CONSOLIDATED BALANCE SHEET AS AT 31 DECEMBER 2004

OF **PROTON INVESTMENT BANK S.A.**

AND ITS SUBSIDIARY COMPANIES

PROTON SECURITIES S.A., PROTON ASSET MANAGEMENT S.A.,
PROTON MUTUAL FUNDS AND ARROW ASSET FINANCE S.A.

(based on law 2190/1920 as applicable)

(all amounts are reported in euro)

These notes on the accounts have been prepared for the prospectus in the context of the public offering of part of company's shares and for the information of interested investors based on regulation no 809/2004 of the Committee as at 29 April 2004 and it is a completed version of the initial notes on the accounts of the consolidated financial statements of the year ended 31 December 2004 as approved at the meeting of the Board of Directors of PROTON INVESTMENT BANK S.A. (the bank) on 31/03/2005. This completed version includes clarification which are necessary for a complete presentation of the consolidated financial statements.

A. GENERAL INFORMATION

1. ESTABLISHMENT – NAME

The bank was legally established in 2001 according to act no 43016/07.08.2001 of the notary in Athens Maria Poulantza, and amending act no 43056/11.09.2001 of the same notary.
On 18.09.2001 it was registered in the Registered of societes anonyme under number 49841/06/B/01/31. Additionally the decision no K2 – 12490/18.09.2001 of the assistant Minister of Development gave permission for the bank's establishment and approved its statutes which were included in the Government Gazette no 8262/19.09.2001 on S.A.s and ltd companies.
For the bank's establishment the Bank of Greece has given the permission required by the Greek law in the decision no 104/1/18.06.2001 of the Committee of banking and crediting issues of the Bank of Greece.
The bank's initial name was ARROW INVESTMENT BANK S.A. and further to the decision on 07/11/2001 of the general meeting of its shareholders article 1 of its statutes was amended and it was renamed "PROTON INVESTMENT BANK S.A." with the distinctive title PROTON INVESTMENT BANK, while regarding transactions abroad the name is PROTON INVESTMENT BANK S.A. The above change was approved further to the decision no K2 – 72/07.01.2002 of the assistant Minister of Development (Government Gazette 170/09.01.2002).

2. DURATION

The bank's duration according to article 4 of its statutes was set at 99 years, starting from the publication of the decision approving the statutes in Government Gazette regarding S.A.s and ltds.

3. OBJECTIVE

The bank's gross income is generated from:

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- Interest income on loans
- Interest income on bonds and other securities with a fixed return
- Interest income on deposits (sight deposits, time deposits etc.)
- Interest income on swaps, synthetic swaps, etc.
- Income from participating interest in affiliated undertakings
- Income from dividends of shares
- Profit/loss from trade in shares, mutual funds and other securities with a variable return
- Profit/loss from trade in bonds and other securities with a variable return
- Profit/loss from trade in derivatives
- Commission income for underwriting
- Commission income from financial consulting services
- Commission income from movement of capital
- Commission income from guarantee letters
- Commission income for managing securities and third parties' assets
- Income from relevant activities (i.e. rents)
- Profit/loss from transactions in foreign currency

4. INFORMATION REGARDING COMPANIES CONSOLIDATED

Consolidated balance sheets were compiled based on the full purchase method as to figures involving the subsidiary companies included in it. Consolidated financial statements present assets and liabilities, financial position and results of the parent company and its subsidiaries and are all indicated as the "group".

Receivables and payables among companies included in the consolidation are deleted. Income and expenses arising from transactions among companies mentioned in the book value in assets are deleted from the accounts of the consolidated balance sheet and consolidated results.

The first time the bank prepared consolidated financial statements was in 2002.

The above principles were followed without any deviation in years 2002 and 2003 and 2004. Consolidated financial statements are prepared at the closing date of annual financial statements of the parent company and its subsidiaries.

For the compilation of consolidated financial statements the following accounts were added:

- In Liabilities of the balance sheet the sub-account "14. consolidation differences" has been added and it includes the sum of positive and negative consolidation differences arising from the offsetting of the book value of the bank's shares against the proportion of "capital and reserves" of its consolidated subsidiary companies.

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- In Liabilities of the balance sheet the sub-account "15. Minority interests" has been added and it includes minority interests in the companies of the group which are fully consolidated and are analyzed as follows:

Name	2004	2003
PROTON Securities AEPEI	7.620,24	6.897,48
PROTON ASSET MANAGEMENT AEPEI	5.446,21	94.696.,95
PROTON AEDAK	1.204,54	1.203,63
ARROW ASSET FINANCE SA	35,39	148,97
Total of Minority Interest	**14.306,78**	**102.947,03**

The following tables show the participation rate in Assets, Turnover and Profit before taxes of every company consolidated:

2004	Assets		Turnover		Profit Before Tax	
	Amounts in €	%	Amounts in €	%	Amounts in €	%
PROTON INVESTMENT BANK S.A.	115.153.477,05	78,41	8.267.401,61	41,71	(475.202,25)	(15,20)
PROTON SECURITIES AEPEI	27.312.758,28	18,60	7.525.555,35	37,97	1.417.828,76	45,34
PROTON ASSET MANAGEMENT AEPEI	4.171.772,70	2,84	3.713.649,99	18,74	2.292.173,29	73,30
PROTON AEDAK	185.280.87	0,13	313.891,23	1,58	6.079,09	0,19
ARROW ASSET FINANCE SA	28.915,98	0,02	113,51	0,00	(113.714.11)	(3.64)
Total	**146.852.204,88**	**100,00**	**19.820.611,69**	**100,00**	**3.127.164,78**	**100,00**

Notes: 1)The above financial information represent readjustment of the related information included to the published financial statements, with the readjustment accounting entries and the interconpany 's eliminations.2) Numbers presented may not add up precisely, due to rounding.

2003	Assets		Turnover		Profit Before Tax	
	Amounts in €	%	Amounts in €	%	Amounts in €	%
PROTON INVESTMENT BANK S.A.	92.394.529,01	75,74	5.195.180,42	34,83	(1.089.140.71)	(39.92)
PROTON SECURITIES AEPEI	24.830.669,14	20,36	6.950.948,53	46,61	2.624.666,68	96,19
PROTON ASSET MANAGEMENT AEPEI	4.586.878,66	3,76	2.445.514,66	16,40	1.217.672,27	44,63
PROTON AEDAK	108.524,24	0,09	272.394,02	1,83	(3.600,43)	(0.13)
ARROW ASSET FINANCE SA	64.957,32	0,05	50.000,00	0,34	(21.063.07)	(0.77)
Total	**121.985.558,37**	**100,00**	**14.914.037,63**	**100,00**	**2.728.534,74**	**100,00**

Notes: 1)The above financial information represent readjustment of the related information included to the published financial statements, with the readjustment accounting entries and the interconpany 's eliminations.2) Numbers presented may not add up precisely, due to rounding.

Article 107, par. 1β – information on the companies consolidated in the year

Name	Head Office	% Holding 2004	% Holding 2003	Basis for Consolidation (Corporate Law 2190/1920)
PROTON SECURITIES AEPEI	Kallithea	99,90%	99,90%	Art. 42e par.5(a)(aa)
PROTON ASSET MANAGEMENT AEPEI	Kallithea	99,90%	99,90%	Art. 42e par.5(a)(aa)
PROTON AEDAK	Kallithea	99,90%	99,90%	Art. 42e par.5(a)(aa)
ARROW ASSET FINANCE S.A.	Kallithea	99,90%	99,90%	Art. 42e par.5(a)(aa)

Article 107, par. 1γ and article 97 – information on companies that were not consolidated due to the fact that they are not significant

There are no such companies.

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Article 107, par. 1γ and article 97 – information on companies that were not consolidated due to the fact that they have different activities from the other companies of the group
There are no such companies.

Article 107, par. 1δ – information on companies that were not consolidated based on the net equity method
There are no such companies.

Article 107, par. 1ε – information on companies 10% of the capital of which is held by consolidated or non consolidated companies
There are no such companies.

Article 104, par. 2 – deviations from the principle of fixed application of consolidation methods
None

Article 103, par. 2 – information on any adjustment of figures in the financial statements of the parent company and its subsidiaries
No such case

Article 104, par. 9 – changes in the content of the sum in the consolidated financial statements
The consolidated financial statements in 2002 do not include the participating interest of the parent company in the newly established subsidiary PROTON SA MUTUAL FUNDS MANAGEMENT which was established on 9/7/2002 with the first year exceeding the twelve months and ending on 31/12/2003.

Article 104, par. 7 – closing date
The financial statements of the subsidiary companies end the year as at 31 December in every calendar year. Years ended so far are as follows:

	2004	2003
PROTON SECURITIES AEPEI	☑	☑
PROTON ASSET MANAGEMENT AEPEI	☑	☑
PROTON AEDAK	☑	☑
ARROW ASSET FINANCE S.A.	☑	☑

Article 104 par. 6 – information on offsetting differences (or consolidation)

Name	2004	2003
PROTON SECURITIES AEPEI	(44.318,49)	(44.318,49)
PROTON ASSET MANAGEMENT AEPEI	5.608.634,48	5.608.634,48
PROTON AEDAK	(3.625,51)	(3.625,51)
ARROW ASSET FINANCE S.A.	144.938,12	144.938,12
Total of Consolidation Differences	**5.705.628,60**	**5.705.628,60**

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B. ACCOUNTING PRINCIPLES

In the years 2003 and 2004 the financial statements and annual results and financial position were prepared in accordance with Greek accounting principles comprising commercial law 2190/1920, the Chart of Accounts for Banks and taxation laws.

The financial statements have been prepared based on the historical cost convention and are reported in euro unless otherwise stated. Amounts in foreign currency disclosed in the balance sheets of the subsidiaries have been converted to euro at the exchange rate applicable as at the date of the transaction.

1. INVESTMENTS IN FINANCIAL ASSETS

The group classifies investments in financial assets as transactions portfolio and investment portfolio. The decision on the classification of those investments is made upon their acquisition. All investments are recorded based on the transaction date and are evaluated at the lowest price between cost value, including purchase expenses related to it, and current value. Any losses arising from the evaluation of those investments are recorded in the profit and loss account.

Trading Portfolio this category includes investments acquired to generate a short term profit and include securities such as shares, bonds and units in mutual funds, for which the market determines prices irrelevant to those stated on them. These securities can be easily traded, namely they can be liquidated easily in that specific market without their sale bringing about a fall in their prices.

Investment Portfolio the bank has made significant investments in subsidiary companies and non affiliated undertakings which operate in the entire range of the financial sector. Non affiliated undertakings are businesses in which the group has a strategic participation at a rate above 10% but the bank and the company issuing the securities can not be considered affiliated undertakings. There is no parent company – subsidiary company relation.

Revaluation principles Securities are revalued at the lowest price between cost value and current value. Current value is defined as follows:

- For securities listed on the stock exchange or any other official market, the average of their official price during the last month of the year,
- For shares of societes anonyme which are not listed on the stock exchange or any other official market, the intrinsic book value as it derives from the legally prepared balance sheet,
- For units in mutual funds, the average of their net price during the last month of the year,
- For other securities the fair price at which it is estimated that they can be sold or paid by their issuers and
- For affiliated undertakings the cost value which is lower than the results of the evaluation made by an independent evaluator in accordance with article 42$^{\alpha}$ par. 2 and 3 of law 2190/1920 "regarding true view of the financial structure, financial position and results of the year".

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2. LOANS AND PROVISIONS FOR DOUBTFUL DEBTS

Loans are recorded as at the date they are paid at cost, which is the fair value of invested capital, plus direct expenses-income related to that loan. Interest and commissions on loans are calculated on a regular basis charging the accounts of the respective clients.

The possibility to collect the loan is estimated for every file of debtors for all loans the group considers important. The evaluation is made based on the financial situation, the funding sources, the payment background of the debtor, the possibility of assistance from solvent guarantors and the value of guarantees that can be liquidated.

Temporary delays in payment namely delays due to a temporary financial difficulty of the client which are expected to be settled in a short period are still kept in loans accounts. For loans with overdue payments for longer than six months no interest is calculated.

When a loan is considered doubtful, its book value is reduced to the estimated recoverable value. According to the chart of accounts, doubtful is a loan, either overdue or not, for which it is estimated that it will not be fully or partially paid back. Loans which are impossible to collect are deleted and covered by the provisions made for doubtful debts.

A reversal of the provision for doubtful debts formed in previous years is only made when the client's solvency has improved to an extent that the collection of the capital and interest based on the terms of the loan is considered possible.

3. CLIENTS DEPOSITS

Deposits are cash amounts deposited by individuals and companies, either to acquire interest or for safekeeping, or to pay off their debts through cheques payable from their deposits, or for all the above.

The bank can, depending on the market conditions, offer its clients products with the following particulars:

- sight deposits by companies and individuals in various currencies, with possibility to issue a checkbook, subject to approval,
- sight deposits kept in a separate account in the name of the client with specific interest rate and duration and
- repos (sale with a repurchase agreement of Greek dematerialized securities) a form of deposit based on a deal between the bank and the client according to which the bank sells to the client at the exchange of the amount of his deposit, for a specific period, Greek government dematerialized securities held by the bank with an agreement of repurchase as at the date the repo expires. A necessary prerequisite for the repo is that the bank has adequate securities.

For the initial and the following deposits a note for collection is issued based on which the cash account is debited with the credit of the deposit account. For every withdrawal, based on the payment order or the check issued by a checkbook issued by the bank to the depositor, the reverse entry is made.

Interest on deposits is recorded crediting the deposits accounts with debit of the profit and loss account no 65 "interest and commissions" at the end of each month when it is capitalized. Only if

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the entire amount of the deposit is withdrawn, is interest calculated upon the payment of the deposit. The exception to this rule is interest on time deposits which are recorded upon the expiration of the deposit.

However for the continuous and smooth estimation of results during the year accrued interest not claimed by depositors is calculated and recorded through account 58 "accounts of periodical distribution" and at year end through account 56 "accruals and deferred income".

4. REPOS

Securities sold based on an agreement of sale and repurchase (repos) are still disclosed in the financial statements as an investment portfolio, while the relevant liability is disclosed, depending on the contracting party, as a liability to credit institutions, liability to clients or other deposits. Securities acquired in the context of a purchase and resale of securities (reverse repos) are recorded in financial statements as liabilities to credit institutions.

The difference between sale price and repurchase price is recorded in a profit and loss account is and is recognized gradually during the agreement based on the method of effective interest rate.

5. DERIVATIVE FINANCIAL INSTRUMENTS AND HEDGING

The group uses derivative financial instruments for itself to generate profit, as well as to serve its clients' needs. Derivative financial means include agreements on time transactions in foreign currency, exchange of interest rates and currency, options and other derivatives.

Derivatives for trading purposes: all derivatives not recorded as hedging means are considered to have been acquired for trading purposes. Initially derivatives are recorded in the balance sheet at their fair value (which is the same as the cost of the transaction) at the date of the signing of the contract of derivatives. Subsequently they are revaluated at their fair value which is set by stock exchange markets or it is calculated based on evaluation techniques, such as analyses of discounted cash flows and revaluation models for option rights. Derivatives are disclosed as assets items when their estimated fair value is positive and as liabilities when their estimated fair value is negative.

Embedded derivatives: a derivative can be incorporated in other financial means. The complex financial instrument which is created consists of a derivative and a main contract and it is known as an embedded derivative. An embedded derivative financial means is separated from the main contract and its is recorded as a separate derivative on condition that a) financial traits and risks are not inextricably linked to the ones of the main contract, b) the embedded derivative fulfills the definition of the derivative and c) the main contract is not valuated at fair value and profit and losses arising from its revaluation are recorded in results.

Changes in fair value of derivatives are recorded in the profit and loss account.

Hedging: for the purposes of hedging accounting, hedging is classified either as hedge of fair value, when the risk of change in the fair value of a recorded asset or liability is hedged, or as a hedge of cash flows, when the fluctuation in cash flows, which can be due to a risk directly related to the asset or the liability, is counterbalanced. For derivatives used in hedging the bank uses a hedging accounting which includes a description of the hedged item, the hedging means, the type of hedging, the hedged risk and business strategy for hedging. Additionally it determines whether the

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hedging is effective at the initial recording and during the entire period of the hedging relation, namely if changes in fair value arising from the risk are covered at a rate ranging from 80% - 125%.

In transactions hedging fair value fulfilling the criteria of hedging accounting, profit or losses arising from the revaluation of the hedging means at its fair value are recorded in profit and loss account. The hedged asset item is revalued at fair value and profit or losses are recorded in the profit and loss account.

Profit or losses pertaining to the result part of a hedging of cash flows and derive from changes in the fair value of the derivative financial means are recorded in net equity. On the contrary profit or losses pertaining to non result part of the hedging are directly recorded in results.

When the hedging accounting does not continue, either because it is no longer effective or because the hedged risk no longer exists, then accumulated profit or losses in the group's net equity pertaining to hedging are transferred to results.

6. END OF DISCLOSURE OF THE FINANCIAL INSTRUMENT IN THE FINANCIAL STATEMENTS

A financial instrument is not disclosed in the group's financial statements as soon as there is no control of the conventional rights deriving from the financial instruments. The control on the rights of the financial instrument no longer exists either when it is sold or when the cash flows relating to it, are transferred to an independent third party.

7. INTANGIBLE ASSETS

Intangible assets include software programs, establishment and preliminary expenses and other intangible assets. Amortization of software is calculated based on the straight-line depreciation method based on the cost or the adjusted amount in 3 years, while depreciation of other intangible assets in equal parts gradually in 5 years. When the book value of an intangible asset exceeds its recoverable value, a relevant provision is made for impairment charging by an equal amount the results of the year.

8. PROPERTY, PLANT & EQUIPMENT

PPE are used either for operating activities of the group or for administrative purposes. PPE are recorded in the cost value increased by the value of any additions and improvements and reduced by sales and required depreciation during the year plus adjustments required by the law. Additionally during the years 2004, 2003 and 2002, it was not necessary to form devaluation provisions for Property, Plant & Equipment.

Depreciation: Property, Plant & Equipment are depreciated based on the straight-line depreciation method during their expected useful life which is examined on an annual basis. The useful life of Property, Plant & Equipment per category is as follows:

Furniture and fixtures	5 – 8 years
Machinery and installations of machinery	7 – 14 years
Transportation equipment	7 – 9 years

"Improvements in immovable property of third parties" are depreciated at the shortest period between the useful life of the improvement and the duration of the leasing of the leased asset.

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Impairment: the group examines on an annual basis tangible assets for any impairment necessary. If there is an impairment, the book value of the tangible asset is reduced to the recoverable amount with an equal amount charging results.

9. PROVISIONS

The group makes provisions for contingent liabilities and risks when there is an assumed or legal present liability as a result of facts in past years. The amount of liability can be determined objectively and the outflow of resources incorporating financial gains to settle the liability is possible.

10. OFFSETTING OF RECEIVABLES AND PAYABLES

The offsetting of financial asset items against liabilities and the disclosure of the net amount in the financial statements is only made when there is the legal right for offsetting the recorded amounts and there is an intention of either settling the net amount arising from the settlement or for simultaneous settlement of the entire amount of the financial asset item and the liability.

11. OPENING AND CLOSING DATE FOR THE YEAR

The accounting period for all companies of the group commences on January 1 every year and ends on December 31 of the same year. Exceptionally the first accounting period was longer than one year.

To keep years separate the accounts of prepayments in assets and accruals and deferred income in liabilities are kept. Consolidated companies record income and expenses on an accrued basis.

12. COMPARATIVE INFORMATION

The bank compiles its financial statements with comparative information. For the financial statements of the year ended 31 December 2004 comparative information of the financial statements and relevant notes on the balance sheet and the profit and loss account as at 31.12.2003 were used.

13. INCOME AND EXPENSES FROM INTEREST

For all financial means, income and expenses from interest are recorded in the profit and loss account based on the method of effective interest rate.

The actual interest rate method is a method based on which the unamortized cost of the financial item or the liability is calculated and income or expenses from interest are allocated throughout the entire relevant period.

Actual interest rate is the one prepaying exactly the estimated future payments or collections throughout the expected duration of the financial means.

If a financial asset item or a group of similar financial asset items are devaluated as a result of the impairment of their value, income from interest is recognized using the interest rate used for the prepayment of future cash flows for the purpose of calculating the impairment loss.

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14. COMMISSIONS AND SIMILAR INCOME

Commissions and similar income are recorded in the profit and loss account of the year during the period in which the services relevant to them were offered. Commissions and relevant income arising from transactions on behalf of third parties are recognized in results at the time of completion of the transaction. Fees for portfolio management services and consulting services are recorded in results in accordance with the contract for the provision of services usually on an actuarial basis.

15. CUSTODIAN SERVICES

The group provides custodian services to portfolio investment and mutual fund companies. The value of securities kept under custody has not been included in the attached financial statements because these securities are not property of the bank.

16. BENEFITS TO PERSONNEL

The group participates in programs of specific contributions as well as programs of specific benefits.

In a program of specific contributions the group must pay specific contributions to social security funds.

The program of specific benefits is in regard to compensation in compliance with law 2112/1920 due to retirement and pertains to the bank's liability regarding the amount of compensation to be paid to an employee upon their retirement from service based on their age, their years of servie in the group and their salary. The liability recorded in the balance sheet is estimated on an annual basis based on an actuarial study according to the projected unit credit method. The current value of the liability arising from the program of specific benefits is calculated by discounting future cash flows at the interest rate for government securities which mature in a period approaching the terms of the relevant compensation liability.

Actuarial profit or losses that may arise from readjustments, based on experience, as well as from changes in actuarial assumptions, are debited or credited to results on a proportional basis according to average remaining service of the employees.

17. EXCHANGE DIFFERENCES

As at the date of the balance sheet amounts in foreign currency are disclosed in euro based on the respective exchange rate. Non monetary items and accounts off the balance sheet in foreign currency are disclosed in historical cost based on the exchange rate as at the date of the transaction.

Transactions in foreign currency are recorded based on the exchange rate applicable on the date of the transaction. Arising exchange differences are recorded in the account "Gains/losses from financial transactions" under profit and loss account.

18. INCOME TAX

Income tax on taxable profits is not considered a company charge and it is included in the appropriation table as a reduction of profit distributed, in the individual financial statements of the parent company and its subsidiary companies.

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It is noted that the commercial law 2190/1920 does not impose the preparation of a consolidated appropriation table, so that income tax on taxable consolidated profits could be estimated based on the appropriation table of the consolidated companies.

19. SEGMENT REPORTING

The business sector is defined as a group of asset items and operations involved in the provision of services or the production of products which encounter similar risks or benefits and it is different from the ones of the rest of the group's business sectors. The business sector of activity is the primary type of providing information for the group.

20. CONSOLIDATION PRINCIPLES

In accordance with article 90 of commercial law 2190/1920, the bank as "parent company under the form of a societe anonyme with two or more immediate subsidiaries", must, at the end of each accounting period, compile consolidated financial statements and a consolidated board of directors' report. The consolidated financial statements include the consolidated balance sheet, the consolidated profit and loss account and the consolidated notes on the accounts which provides complementary information and clarification on the above financial statements.

The bank applying the full consolidation method, incorporates in the consolidated balance the total amount of every property item and in the consolidated profit and loss account the entire amount of separate accounts of results as this derives from the annual financial statements of its subsidiaries after the estimation of consolidation differences recorded and the required deletions of any inter-group balances.

However due to the fact that the bank, as the parent company, does not hold 100% of the subsidiaries' capital and yet it must incorporate in the consolidated financial statements the 100% of the value of property items of the subsidiaries and their separate results accounts, it is necessary to disclose the part of the book value of those items which corresponds to the proportion of the subsidiaries' shares that are held by shareholders outside the group. This disclosure in the consolidated balance sheet is achieved through a reverse account named "minority interests" which is presented in the consolidated balance sheet under a separate account of consolidated capital and reserves. Additionally in the consolidated profit and loss account the net result corresponding to shareholders outside the group is disclosed on a separate line with the name "Minority interests".

During the preparation of consolidated financial statements all deletions of inter-group receivables-payables and income-expenses are made on the entire disclosed amount. This deletion of equal amounts in inter-group transactions has no impact on the consolidated net equity and the consolidated results nor on the disclosure of the rights of the parent company and of the majority. The only particular thing is the dividends collected by the bank, as parent company, from the distributed profits of the consolidated subsidiaries. Therefore on a consolidated basis, the income from participations disclosed in the results of the parent company is deleted upon the consolidation with an equal reduction of the account "Retained earnings" so that it is not disclosed once again in the consolidated results of the year since it has already been included in the consolidation of results of the subsidiary during the year in which the profit was generated.

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C. INFORMATION REGARDING BALANCE SHEET ITEMS

1. Cash & Cash Balances with Central Bank

This category includes cash (in euro or in foreign currency) of the group and monitors deposits with the Bank of Greece solely intended to facilitate the transactions of the bank. This account is broken down as follows:

	2004	2003
Cash	27.744,43	6.086,56
Balances with Central Bank	3.562.272,68	556.669,37
Total	**3.590.017,11**	**562.755,93**

For December 2004, the required reserves, on average, which the bank is obliged to maintain in Bank of Greece, amount to € 1.830.420 (31.12.2003: € 742.160,00).

2. - Loans & Advances to Financial Institutions

Loans & Advances to Financial Institutions, include sight and time deposits in financial institutions, apart from the Bank of Greece, either short term or long term, exclusive deposits in Central Bank, checks receivable etc. The item is analyzed as follows:

	2004	2003
Sight Deposits	1.198.091,78	1.167.540,28
Time Deposits	3.852.482,34	3.206.752,98
Interbank Deposits	13.411.665,73	11.990.151,84
Cheques Receivable	----	21.755,70
Total	**18.462.239,85**	**16.386.200,80**

3. Loans & Advances to Customers

The items presented on Assets of the Balance Sheet, depict primarily borrowings and financings to clients, through the clauses defined in contracts. More specifically, the claims arising from stock exchange transactions, illustrate clients receivables towards the subsidiary PROTON SECURITIES APEI, according to the clauses and decisions of Hellenic Capital Commission Market in point of securities transactions. «Loans & Advances to Customers» are analyzed as follows:

	2004	2003
Loans with pledged shares	8.209.091,65	10.772.573,18
Consumer Loans	23.231.013,96	5.458.568,91
Loans to construction companies	7.359.615,57	6.621.596,56
Loans to commercial companies	2.071.310,42	2.071.842,20
Loans to financial companies	1.654.911,25	2.035.225,79
Loans to services providing companies	1.782.862,52	1.625.427,07

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Other Loans	25.727,75	4,95
Receivables from stock exchange transactions	16.277.611,55	17.077.934,25
Receivables from investment services	436.904,75	377.413,76
Receivables from portfolio management fees	604.745,00	248.698,36
Other Receivables	301.943,31	157.384,29
Total	**61.955.737,73**	**46.446.669,32**

The loans sector analysis is as follows:

	2004	2003
Loans for Private Reasons		
Personal – Consumer	21.555.617,17	5.320.920,04
Mortgage	1.675.396,79	137.648,87
Total	**23.231.013,96**	**5.458.568,91**
Loans to Legal Entities		
Constructions & Technical projects	7.359.615,57	6.621.596,56
Stock Exchanges Companies	1.654.911,25	2.035.225,79
Commercials	2.071.310,42	2.071.842,20
Other	1.808.590,27	1.625.432,02
Total	**12.894.427,51**	**12.354.096,57**
Loans with pledged shares	**8.209.091,65**	**10.772.573,18**
Total Loans	**44.334.533,12**	**28.585.238,66**

The change on provisions is analyzed as follows:

	2004	2003
Balance of provisions for doubtful loans		**201.831,43**
Increase for 2003 impairment		250.849,00
Balance of provision for doubtful loans	**452.680,43**	**452.680,43**
Increase for 2004 impairment	0,00	
Balance of provision for doubtful loans	**452.680,43**	**452.680,43**

4. Bonds & Other Fixed Income Securities

This item includes bonds, government bonds and other fixed income securities, acquired by the company either for permanent investment or for trading. At the time of acquisition, the acquisition cost is divided in the acquisition value and in the cost of acquisition of the interest accruals. When the interest accruals are past due and would be received, then the related sub- accounts are credited, with a debit on cash equivalents. «Bonds & Other Fixed Income Securities» is as follows:

	2004	2003
Issued by the Greek Government	8.239.043,26	7.016.011,62
Issued by the Greek Government (In the course of listing)	----	2.088.463,19
Foreign Government Bonds	134.512,13	544.210,02

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Bank Bonds	566.050,18	2.575.653,88
Corporate Bonds	2.903.537,03	3.038.898,57
Total	**11.843.142,60**	**15.263.237,28**

5. Bonds & Other Non Fixed Income Securities

This item includes Bonds & Other Non Fixed Income Securities, representing a participation under 10 % of the capital of the company. «Bonds & Other Non Fixed Income Securities» is as follows:

	2004	**2003**
Listed in Athens Stock Exchange Market	18.663.535,63	16.164.787,49
Listed in foreign Stock Exchanges	1.695.584,55	1.428.139,52
Domestic Mutual Funds	8.332.764,03	7.916.846,94
Foreign Mutual Funds	3.000.000,00	3.000.000,00
Total	**31.691.884,21**	**28.509.773,95**

6. Participation in Non Associates

In this category, are included participations, where the holding percentage does not exceed 10%.This item includes the compulsory fees of the subsidiaries to Joint- Guarantee Capital of Investment Services and Supplementary Fund of Athens stock Exchange. «Participation in Non Associates» is analyzed as follows:

	2004	**2003**
ARROW Closed End Fund S.A.	9.095.143,43	6.633.399,89
ΕΥΡΩΔΥΝΑΜΙΚΗ Closed End Fund S.A.	2.977.987,74	1.783.039,68
Joint- Guarantee Capital of Investment Services	1.512.741,12	1.381.614,02
Supplementary Fund of Athens stock Exchange	674.291,97	451.742,87
Total	**14.260.164,26**	**10.249.796,46**

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7. Property, Plant & Equipment

2004	Book Value				Depreciations					
	Beginning Balance	Additions	Decreases	End Balance	Beginning Balance	Additions	Decreases	End Balance	Net Book Value 2004	Net Book Value 2003
Set- up & Formation Expenses	926.819,05	----	----	926.819,05	-420.388,61	-70.884,51	----	-491.273,12	**435.545,93**	**506.430,44**
Other Intangible Assets	1.973.004,77	405.851,95	-368.634,75	2.010.221,97	-884.415,30	-256.635,60	-320.439,87	-1.461.490,77	**548.731,20**	**1.088.589,47**
Intangible Assets	**2.899.823,82**	**405.851,95**	-368.634,75	**2.937.041,02**	**-1.304.803,91**	**-327.520,11**	-320.439,87	**-1.952.763,89**	**984.277,13**	**1.595.019,91**
Buildings & Installations	1.204.626,36	----	----	1.204.626,36	-211.290,45	-100.617,74	----	-311.908,19	**892.718,17**	993.335,91
Furniture & other equipment	1.377.515,54	219.296,87	----	1.596.812,41	-672.276,42	-336.808,48	----	-1.009.084,90	**587.727,51**	705.239,12
Other Tangible Assets	188.963,13	----	----	188.963,13	-16.610,85	-29.474,33	----	-46.085,18	**142.877,95**	172.352,28
Tangible Assets	**2.771.105,03**	**219.296,87**	----	**2.990.401,90**	**-900.177,72**	**-466.900,55**	----	**-1.367.078,37**	**1.623.323,63**	**1.870.927,31**

2003	Book Value				Depreciations					
	Beginning Balance	Additions	Decreases	End Balance	Beginning Balance	Additions	Decreases	End Balance	Net Book Value 2003	Net Book Value 2002
Set- up & Formation Expenses	916.657,29	10.161,76	----	926.819,05	-230.435,24	-189.953,37	----	-420.388,61	**506.430,44**	686.222,05
Other Intangible Assets	1.490.567,04	843.465,47	-361.027,74	1.973.004,77	-421.904,55	-547.055,77	84.545,02	-884.415,30	**1.088.589,47**	1.068.662,49
Intangible Assets	**2.407.224,33**	**853.627,23**	-361.027,74	**2.899.823,82**	**-652.339,79**	**-737.009,14**	84.545,02	**-1.304.803,91**	**1.595.019,91**	**1.754.884,54**
Buildings & Installations	1.411.980,09	2.789,31	-210.143,04	1.204.626,36	-258.921,38	-162.512,11	210.143,04	-211.290,45	**993.335,91**	1.153.058,71
Furniture & other equipment	1.219.850,22	178.682,69	-21.017,37	1.377.515,54	-363.768,90	-319.258,91	10.751,39	-672.276,42	**705.239,12**	856.081,32
Other Tangible Assets	24.224,33	164.738,80	----	188.963,13	-5.669,64	-10.941,21	----	-16.610,85	**172.352,28**	18.554,69
Tangible Assets	**2.656.054,64**	**346.210,80**	**-231.160,41**	**2.771.105,03**	**-628.359,92**	**-492.712,23**	**220.894,43**	**-900.177,72**	**1.870.927,31**	**2.027.694,72**

8. Other Assets

«Other Assets» includes claims, except financings, primarily from management of advanced payments. The item is analyzed as follows:

	2004	2003
Guarantees to Cargill Investor Services	131.587,83	127.875,83
Other Granted Guarantees	587.618,33	472.291,97
Clearance of securities transactions	169.206,47	202,41
Advances to suppliers	31.134,67	19.612,10
Advances of expenses	30.303,40	28.058,81
Advances Management Accounts	23.923,26	3.432,00
Clearance of derivatives transactions	200,00	2.050,00
Claims from Special Deals	202.160,14	12.753,71
Other debit balances	2.356,56	68,03
Total	**1.178.490,66**	**666.344,85**

9. Prepaid Expenses & Earned Income

In these items «Prepaid Expenses & Earned Income», the transit asset accounts are monitored, these accounts are created for the arrangement of income and expenses on a time basis. On «Prepaid Expenses & Earned Income» the positive differences of the revaluation of time dealings on foreign currency between the inceptive price and the price of the date of revaluation. Together with this arrangement, the transformation of the balance sheet is generated to its valid numbers at the end of the accounting period.

	2004	2003
Accrual Interests on Loans	335.080,42	115.577,31
Accrual Interests on Deposits	----	17.856,70
Accrual Interest on Shares (Interests, Dividends etc.)	267.516,55	253.322,53
Other Accrual Interest Income	477.825,63	----
Prepaid expenses for rentals	20.032,01	----
Other prepaid expenses	468.475,71	38.165,73
Income Receivable	146.677,81	47.210,18
Revaluation of forwards	----	415.380,54
Total	**1.715.608,13**	**887.512,99**

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10. Due to other Financial Institutions

This item includes deposits of other financial Institutions and also PROTON´ s interbank deposits. «Due to other Financial Institutions» is analyzed as follows:

	2004	2003
Site Deposits	807.623,26	----
Time Deposits	14.500.000,00	6.800.000,00
Total	**15.307.623,26**	**6.800.000,00**

11. Due to Customers

«Due to Customers» includes any type of customer deposits apart from deposits of other financial institutions, as well as other liabilities (such as commitments for stock exchange transactions). More specifically the liabilities arising from stock exchange transactions, are liabilities of the subsidiary PROTON SECURITIES AXEPEI, according to the clauses and the decisions of Hellenic Capital Commission Market. «Due to Customers» is analyzed as follows:

	2004	2003
Sight Deposits	8.110.674,11	14.196.501,37
Time Deposits	70.656.232,89	42.910.567,70
Blocked Deposits	42.100,30	603.792,25
Repos	5.084.293,34	8.362.196,21
Liabilities from stock exchange transactions	6.617.402,26	14.390.466,48
Cheques payables	3.040.848,67	239.875,15
Other Liabilities	578,34	110,80
Total	**93.552.129,91**	**80.703.509,96**

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12. Other Liabilities

This item monitors other liabilities, apart from liabilities to customers and other financial institutions, such as liabilities arising from taxes and other fees, Fees to Social Contributions etc. This item is analyzed as follows:

	2004	2003
Liabilities from taxes & duties	1.423.091,55	1.440.462,69
Insurance & pension funds withholdings account	161.028,87	160.471,41
Leasing Guarantees	8.897,17	8.897,17
Customers Collaterals	311.871,07	241.056,70
Suppliers	(21,96)	----
Customers- Spot transactions account	228.846,84	----
BoD' s Fees Beneficiaries	42.779,06	23.998,34
Staff' s Advances	----	----
Payable Dividends	1.209,68	14.045,00
Liabilities to Athens Stock Exchange/ Central Athens Depositary	30.102,88	30.102,88
Liabilities from special dealings	17.913,44	18.332,91
Liabilities from Consulting Fees (UBS)	150.000,00	----
Liabilities for the Acquirement of Participations	----	366.000,00
Clearance of Deals	----	60.439,40
Liabilities to Deposit Guarantee Fund	----	354.278,75
Tax audit differences	579.521,28	536.496,72
Other credit balances	5.929,00	7.831,69
Total	**2.961.168,88**	**3.262.413,66**

13. Pre- received Income & Other Paid Expenses

«Pre- received Income & Other Paid Expenses» are monitored to transit liability accounts, that are generated, primarily, in order to arrange chronic income and expenses, so as the results to include only real income and expenses, concerning the current accounting period. This item of Balance Sheet, also includes the negative revaluation from time deals on foreign currency between the beginning price and the price on the date of the revaluation. Together with this arrangement, the transformation of the balance sheet is generated to its valid numbers at the end of the accounting period. This item is analyzed as follows:

	2004	2003
Accrual Interests on Deposits	65.211,29	60.301,42
Accrual Interests on Expenses ACTIVE MANAGEMENT	213.598,19	34.724,58
Other Accrual Interests	4.060,35	33.157,37
Paid Expenses	11.985,46	14.934,18
Revaluation of time deals (forwards)	37.679,42	681.461,03
Other credit balances	0,02	280,00
Total	**332.534,73**	**824.858,58**

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D. INCOME STATEMENT

1. Interests & Similar Income

«Interests & Similar Income» include accrual interests- income from loans, accrual interests on deposits to other financial institutions, etc., as well as similar income with interest that derive usually from investments on bonds, government bonds and other fixed income securities. This item is analyzed as follows:

	2004	2003
Interests from loans, secured by shares	492.017,54	593.307,22
Interests from loans to individuals	562.872,84	64.749,53
Interests from loans to construction companies	288.863,22	97.008,40
Interests from loans to Services Providing Companies	66.665,85	169.441,93
Other Interests from Loans	114.427,87	349.891,89
Interests from Greek Government Bonds	281.311,75	426.013,16
Other Interests form bonds & other fixed income securities	237.106,65	35.754,93
Interests- Income on deposits of Financial Institutions	491.679,30	266.166,44
Credit interests by stock exchange transactions	583.361,80	205.246,78
Other credit interests	48.699,68	100.007,50
Total	**3.167.006,50**	**2.307.587,78**

2. Interests & Similar Expenses

Interests & Similar Expenses monitor the accrual debit interests of all types of interest- bearing deposits, Repos, financial instruments, as well as the similar expenses bearing an interest, deriving from the operating activities of the Group, such as the fee of Greek Law 128/ 76 etc. This item is analyzed as follows:

Interest Expenses arising from:	2004	2003
Deposits on Financial Institutions	1.578.671,27	779.677,47
Customer Deposits, other from deposits on Financial Institutions	546.165,28	325.954,24
Fee of Greek Law 28/76	216.960,94	134.839,06
Repos	146.974,54	156.318,23
Other	14.944,86	34.886,35
Total	**2.503.716,89**	**1.431.675,35**

3. Income from Securities

Income from Securities includes the income arising from dividends from investments on shares and all types of participations. This item is analyzed as follows (suggestively we present the most significant amounts) :

	2004	2003
ARROW Closed End Fund S.A.	72.683,00	----
Bank of Greece	68.425,00	----
OTE	60.439,75	38.500,00

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Other	210.157,24	50.461,29
Total	**411.704,99**	**88.961,29**

4. Fees & Commissions Income

The item «Fees & Commissions Income» contains the fees and commission incomes from all types of intermediary services (commercial and investments), and also from foreign currency. This income is recognized and accounted in the accounting period that the services are provided. This item is analyzed as follows:

	2004	2003
Commissions – Income from Letters of Credit	300.371,32	----
Commissions – Income from Custodian Fees	137.617,98	137.951,92
Commissions – Income from Loans	396.343,26	263.635,00
Commissions – Income from Brokerage Securities	7.195.022,59	9.157.728,99
Commissions – Income from Investment Banking	1.734.583,01	917.337,86
Commissions – Income from Investments products	779.491,93	650,00
Commissions- Income from transactions on Mutual Funds	14.103,21	6.493,54
Management Fees	3.258.118,76	2.556.772,97
Other commissions- income	31.759,46	20.970,35
Total	**13.847.411,52**	**13.061.540,63**

5. Fees & Commission Expenses

«Fees & Commission Expenses» includes commission expenses from any type of intermediary services (commercial and investment). These expenses are recognized and accounted in the accounting period that the services are provided. Fees & Commission Expenses includes:

	2004	2003
Commissions- Expenses from Letters of Credit	260.146,19	----
Commissions- Expenses from Custodian Fees	84.191,63	35.631,40
Commissions- Expenses from Securities Brokerage	2.218.557,42	594.948,14
Commissions- Expenses from investment banking	24.687,61	----
Commissions- Expenses from investment products	224.543,60	----
Commissions- Expenses from stock exchanges transactions	1.556.732,60	640.205,15
Commissions- Expenses from the management of the financial derivatives	407.080,80	878.602,71
Other Commissions- Expenses	52.945,94	31.634,10
Total	**4.828.885,79**	**2.181.021,50**

6. Gains/ Losses from financial transactions

In this item, are monitored the gains /losses from financial transactions arising from portfolio transactions, as well as the positive or negative value from the revaluation of the f-x position. This item includes:

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Gains/ Losses from Transactions on :	2004	2003
Greek Shares	2.396.844,52	2.077.037,55
Foreign Shares	1.175.013,93	----
Mutual Funds	72.830,25	215.097,68
Government Bonds	(389.733,42)	114.283,03
Bank Bonds	13.574,99	212.106,60
Corporate Bonds	28.562,91	(3.858,50)
Financial Derivatives	(1.155.396,61)	(3.427.334,85)
Revaluation of Foreign Currency	(101.982,67)	15.923,89
Total	**2.039.713,90**	**(796.744,60)**

7. Other Operating Income

«Other Operating Income» includes a part from the income of investment banking for the years 2002, 2003 and the income of similar activities of PROTON Group. All 2004 investment banking income are presented in the account: "Fees & Commissions income" (see above). The analysis of "other operating income is shown below:

	2004	2003
Rentals for investment property	280.057,17	56.739,23
Income from investment banking	----	105.016,00
Other Income	74.717,61	90.937,30
Total	**354.774,78**	**252.692,53**

8. Other Administrative Expenses

«Other Administrative Expenses» include the operating expenses apart from staff expenses for third parties services, who are not salary employees, rentals, third party expenses, tax and duties having an impact on the equity and other expenses. This item is analyzed as follows:

	2004	2003
Fees of BoD members	608.030,04	571.752,36
Fees to third parties	840.850,75	375.320,38
Rentals on investment properties	848.358,56	900.437,21
Third parties services	711.456,84	528.719,70
Tax & Duties	44.620,11	76.260,98
Subscriptions	487.954,41	462.106,52
Deposit Guarantee Fund	14.356,00	6.748,86
Other Expenses	324.833,86	231.833,64
Total	**3.880.460,57**	**3.153.179,65**

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E. ADDITIONAL INFORMATION

1. Regulatory Framework

The Bank of Greece which is the supervising authority of the parent company and of the financial system in general, aims at ensuring the stability of the system and the protection of the public. To this end it issues directives and regulations relevant to the operation of credit institutions, their capital adequacy, the risks they undertake as well as their investing activities.

The Greek law has also incorporated the main directives of the European Union pertaining to the control and supervision of credit institutions.

The Bank of Greece can audit all the books and files of the credit institutions in Greece to detect any violations in the context of a preventive and suppressive audit. If a credit institution is not compliant, the Bank of Greece has the authority to impose to it the measures necessary for its compliance with laws regarding credit institutions as well as to impose fines, appoint an administrator and ultimately (when there is still failure to comply or non solvency) to revoke the license of operation of the credit institution and to place it under special liquidation under its supervision. Additionally in case of inadequate liquidity of the credit institution, the Bank of Greece can give the order of compulsory extension of payment of payables and receivables of the credit institution for a period which can not exceed two months (it can be extended for one more month) and to appoint an administrator under its supervision.

The Capital Market Committee is the supervising authority of the securities company, of the mutual funds management company and of the investment services company.

The group following the instructions of supervising authorities submits on a regular basis all necessary reports to them. In particular it submits reports regarding capital adequacy, provisions adequacy, grand financial ventures, and several other analyses for banking risks.

The companies of the group as societes anonyme comply with law 2190/1920, while they are supervised in terms of administrative issues by the Ministry of Development.

2. CAPITAL ADEQUACY

The group's capital adequacy is estimated based on the Act of the Governor of Bank of Greece 2397/96 and 2494/2002, which are based on the directive of the European Union regarding capital adequacy of credit institutions. The rate of capital adequacy must be at least 8%. The rate of capital adequacy includes apart from the credit risk, the foreign exchange risk and the interest rate risk.

Based on information on the consolidated financial statements as at 31 December 2004, as determined according to Greek accounting principles consisting of all stipulations of commercial law 2190/1920, the Chart of Accounts for Banks and part of taxation laws, the rate of capital adequacy for the group is estimated at 12,40%. In particular:

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	2004		2003	
	Bank	Group	Bank	Group
Solvency ratio	22,27 %	21,19 %	29,85 %	30,03 %
Capital adequacy ratio	16,23 %	12,40 %	21,17 %	21,03 %

3. RISK MANAGEMENT

The group has established a risk management committee who is responsible for identifying, counting and managing banking and operating risks, applying traditional and modern methods for counting and quantifying banking risks and to this end it has established a modern risk management system.

Credit risk Credit risk is the impact on profitability due to failure of the contracting party to fulfill its obligations according to contract. To cover this possibility provisions are made as at the date of the financial statements. additionally the credit risk is included in the scenario analysis of dealings as well as in stress testing for the most effective monitoring of the relevant risk.

The dealing with and monitoring of these risks which are also affected by changes in the economy's sectors or even by macroeconomic changes, is achieved by the setting of appropriate credit limits per client and type of transaction. These limits combined with their pricing, are approved by the credit granting committee further to a proposal by the relevant departments of the group of the committee managing assets and liabilities (ALCO). These limits may be revised and their application is monitored by the appropriate departments.

The estimation of the credit risk is made based on the internal systems and methods for scaling the credit risk of the group and based on the relevant analysis the appropriate securities are decided.

"Scaling" is the procedure classifying the credit holders based on financial, qualitative criteria as well as their dealings to one of the eight categories of credit risk and it is an integral part of the management system of risks involved in the activities of the bank.

The scaling is subject to change given that the facts determining it change constantly in relation to the credit holder as well as the broader economic environment in which it operates. Consequently the scaling is examined every year unless an extraordinary event happens, and the classification is made under a new category.

Market risk Market risk is the impact on profitability that may arise due to adverse changes in prices in the markets of interest rates, foreign exchange, shares or derivatives included either in the transactions portfolio or through the structure and management of Assets and Liabilities.

The group applies a method for estimating market risk through the change in evaluation of the current value based on the assumption of parallel or non parallel changes of the curve of interest rates (but with less significant changes in the prices that may prevail in the market) of the stress-testing adopted by the Bank of Greece. Apart from regular measurements of the market risk the trend in the transactions portfolio is also examined as well as the entire Assets and Liabilities of the group based on a scenario analysis and a stress testing.

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In the context of risk management the Management Committee of Assets and Liabilities has set up transactions limits per product or /and activity involving a market risk. In particular limits have been drawn for:

- foreign exchange positions
- positions on bonds
- positions on derivative products
- positions on shares (in Greece and abroad)

Transactions involving these products are monitored daily for any excess of approved limits as well as significant changes in relation to previously existing positions.

CURRENCY RISK (In euro '000)	FINANCIAL YEAR 2004					
	EUR	**USD**	**GBP**	**JPY**	**OTHER**	**TOTALS**
ASSETS						
Cash and cash balances with Central Bank	3.590	----	----	----	----	**3.590**
Loans and advances to financial institutions.	11.137	6.165	580	535	45	**18.462**
Loans and advances to customers	61.561	(135)	----	78	(1)	**61.503**
Bonds and other fixed income securities	11.843	----	----	----	----	**11.843**
Shares and other non-fixed income securities	29.860	18	----	----	1.814	**31.692**
Participations in non associates	14.260	----	----	----	----	**14.260**
Participations in associates						
Property, plant & equipment	2.608	----	----	----	----	**2.608**
Other assets	2.759	(1)	----	1	135	**2.894**
TOTAL ASSETS	**137.618**	**6.048**	**580**	**613**	**1.993**	**146.852**
LIABILITIES & SHAREHOLDERS' EQUITY						
Due to other financial institutions	15.285	23	----	----	----	**15.308**
Due to customers	40.797	5.925	581	46.207	43	**93.552**
Other liabilities	3.301	(6)	----	1	(2)	**3.294**
TOTAL LIABILITIES	**59.383**	**5.942**	**581**	**46.207**	**41**	**112.153**
SHAREHOLDERS'EQUITY	**34.699**	----	----	----	----	**34.699**
TOTAL LIABILITIES+SH.EQUITY	**94.082**	**5.942**	**580**	**46.207**	**41**	**146.852**
FX Balance Sheet position	43.536	106	(1)	(45.593)	1.952	
FX position from derivatives	(42.992)	(1.969)	0	46.808	1.431	
Total FX position	544	(1.862)	(1)	1.214	3.382	

Note: Numbers presented may not add up precisely due to rounding.

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CURRENCY RISK (in euro 000)	Financial year 2003					
	EUR	USD	GBP	JPY	OTHER	TOTALS
ASSETS						
Cash and cash balances with Central Bank	562	1	----	----	----	**563**
Loans and advances to financial institutions.	13.335	2.642	355	32	22	**16.386**
Loans and advances to customers	44.905	(365)	31	1.423	----	**45.994**
Bonds and other fixed income securities	15.263	----	----	----	----	**15.263**
Shares and other non fixed income securities	27.082	1.428	----	----	----	**28.510**
Participation in non associates	10.250	----	----	----	----	**10.250**
Property, plant & equipment	3.466	----	----	----	----	**3.466**
Other assets	1.531	1	----	2	21	**1.554**
TOTAL ASSETS	**116.394**	**3.705**	**386**	**1.457**	**43**	**121.986**
LIABILITIES & SHAREHOLDERS' EQUITY						
Due to other financial institutions	6.800	----	----	----	----	**6.800**
Due to customers	45.098	2.992	222	32.376	15	**80.704**
Other liabilities	3.965	----	122	1	----	**4.087**
TOTAL LIABILITIES	**55.863**	**2.992**	**344**	**32.377**	**15**	**91.591**
SHAREHOLDERS' EQUITY	**30.395**	----	----	----	----	**30.395**
TOTAL LIABILITIES & SH.EQUITY	**86.258**	**2.992**	**344**	**32.377**	**15**	**121.986**
FX Balance Sheet position	30.136	713	42	(30.919)	28	
FX position from derivatives	(44.661)	0	0	43.979	0	
Total FX position	(14.525)	713	42	13.060	28	

Note: Numbers presented may not add up precisely due to rounding.

Liquidity Risk Liquidity risk is related with the ability of the Group to fulfill its financial obligations when they become due. The monitoring of liquidity risk is concentrated on the monitoring of the liquidation ability of the Group in order to cover its obligations.

The analysis of monitoring the liquidation ability of the Bank includes all the assets and liabilities that the Bank has are included and the relevant cash flows are ranked in time periods depending on when they are expected to be realized. The monitoring of the liquidation ability of the Group as well as the limits set are monitored by ALCO Committee which follows the instructions given by the Bank of Greece (BOG).

Following the BoG Directive that increases the obligation for monitoring the liquidity of Group and the establishment of new limits and liquidity indices, the ALCO Committee adopted properly the methodology for the daily monitoring of liquidity. Hence the software was upgraded in order to adjust to the new limits. Furthermore the Treasury department devolved to take precautionary measures by increasing the liquidity limits of the Group, as well as to make corrective adjustments if the internal limits set by the Group, which are stricter than those set by BoG are altered or violated.

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LIQUIDITY RISK (in euro 000)	FINANCIAL YEAR 2004						
	Overnig ht	2 - 30 days	1 - 3 months	3 - 6 months	6 - 12 months	> 1 year	TOTALS
ASSETS							
Cash and cash balances with Central Bank	490	2.858	20	222	----	----	**3.590**
Loans and advances to financial institutions	8.034	10.091	337	----	----	----	**18.462**
Loans and advances to customers	1.281	25.828	7.008	769	7.059	19.558	**61.503**
Bonds and other fixed income securities	----	----	914	----	----	10.929	**11.843**
Shares and other non fixed income	----	31.692	----	----	----	----	**31.692**
Participation in non associates	----	14.260	----	----	----	----	**14.260**
Property, plant & equipment	----	----	----	----	----	2.608	**2.608**
Other assets	----	----	----	----	----	2.894	**2.894**
TOTAL ASSETS	**9.805**	**84.729**	**8.279**	**991**	**7.059**	**35.989**	**146.852**
LIABILITIES & SHAREHOLDERS' EQUITY							
Due to other financial institutions	808	14.500	----	----	----	----	**15.308**
Due to customers	14.655	72.708	508	5.656	19	6	**93.552**
Other liabilities	----	----	----	----	----	3.294	**3.294**
TOTAL LIABILITIES	**15.463**	**87.208**	**508**	**5.656**	**19**	**3.300**	**112.153**
SHAREHOLDERS' EQUITY	----	----	----	----	----	**34.699**	**34.699**
TOTAL LIABILITIES & SHAREHOLDERS' EQUITY	**15.463**	**87.208**	**508**	**5.656**	**19**	**37.999**	**146.852**

Note: Numbers presented may not add up precisely due to rounding..

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LIQUIDITY RISK (in euro 000)	FINANCIAL YEAR 2003						
	Overnig ht	**2 - 30 days**	**1 - 3 months**	**3 - 6 months**	**6 - 12 months**	**> 1 year**	**TOTALS**
ASSETS							
Cash and balances with Central Bank	381	99	83	----	----	----	**563**
Loans and advances to financial institutions	5.787	10.481	118	----	----	----	**16.386**
Loans and advances to customers	14.587	3.226	6.462	4.086	7.521	10.112	**45.994**
Bonds and other fixed income securities	----	----	----	----	----	15.263	**15.263**
Shares and other non fixed income	10.917	17.593	----	----	----	----	**28.510**
Participation in non associate companies	----	10.249	----	----	----	----	**10.249**
Property, plant & equipment	----	----	----	----	----	3.466	**3.466**
Other assets	----	----	----	----	----	1.554	**1.554**
TOTAL ASSETS	**31.672**	**41.648**	**6.663**	**4.086**	**7.521**	**30.395**	**121.986**
LIABILITIES & SHAREHOLDERS' EQUITY							
Due to financial institutions	----	6.800	----	----	----	----	**6.800**
Due to customers	63.999	9.771	6.934	----	----	----	**80.704**
Other liabilities	----	----	----	----	----	4.087	**4.087**
TOTAL LIABILITIES	**63.999**	**16.571**	**6.934**	**0**	**0**	**4.087**	**91.591**
SHAREHOLDERS' EQUITY	----	----	----	----	----	**30.395**	**30.395**
TOTAL LIABILITIES & SHAREHOLDERS' EQUITY	**63.999**	**16.571**	**6.934**	**0**	**0**	**34.482**	**121.986**

Note: Numbers presented may not add up precisely due to rounding.

INTEREST RATE RISK

Interest rate risk relates to the variance of the future financial instruments' cash flows due to variances in interest rates. Variances in interest rates significally affect the present value of the future cash flows of an investment or a liability.

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SEGMENT REPORTING

Having into consideration the bank's and the group's present organizational and operational structure and the fact that income from operations in Greece holds the biggest proportion of the total group's income, the Bank considers the business segment to be the primary reporting segment and more specifically the following businesses sectors:

Investment Banking: This business sector includes all the brokerage services, the advisory and intermediary services offered in relation with the capital markets. Additional it includes all other investment banking services offered either by the bank or by its specialized subsidiaries (Proton Securities). It also includes the Dealing Room operations in Interbank Market (FX Swaps, Futures, IRS, Bonds, Interbank Placement and Deposits).

Retail Banking: This business includes the common banking services like: loans to customers, customers' deposits, letters of guarantee, custody e.t.c.

In the following tables are presented the Profit & Loss Account figures classified in the two businesses "Retail Banking" and "Investment Banking":

Financial Year 2004	Retail Banking	Investment Banking	Total
Interest and similar income	2.257.471,48	909.535,02	3.167.006,50
Interest and similar expense	(946.773,76)	(1.556.943,13)	(2.503.716,89)
Net interest income	**1.310.697.72**	**(647.408.11)**	**663.289,61**
Income from securities	**0,00**	**411.704,99**	**411.704,99**
Fee and Commission income	633.386,54	13.214.024,98	13.847.411,52
Fee and Commission expense	(481.918,01)	(4.346.967,78)	(4.828.885,79)
Net fee and commission income	**151.468,53**	**8.867.057,20**	**9.018.525,73**
Gains/Losses from financial transactions	**(20.396,53)**	**2.060.110,43**	**2.039.713,90**
Other operating income	**354.774,78**		**354.774,78**
TOTAL OPERATING INCOME	**1.796.544,50**	**10.691.464,51**	**12.488.009,01**
Staff expenses	(199.329,49)	(4.083.306,67)	(4.282.636,16)
Other administrative expenses	(890.712,16)	(2.989.748,41)	(3.880.460,57)
	(1.090.041,65)	**(7.073.055,08)**	**(8.163.096,73)**
Other operating expense	**(2.584,00)**	**(19.900,69)**	**(22.484,69)**
TOTAL OPERATING EXPENSES	**(1.092.625,65)**	**(7.092.955,77)**	**(8.185.581,42**
Depreciations	**(131.895,20)**	**(982.965,38)**	**(1.114.860,58)**
Provisions	**0,00**	**0,00**	**0,00**
Extraordinary and non operating results	**40,41**	**(60.442,64)**	**(60.402,23)**
RESULTS BEFORE MINORITY INTEREST PORTION AND TAXES	**572.064,06**	**2.555.100,72**	**3.127.164,78**

Financial Year 2003	Retail Banking	Investment Banking	Total
Interest and similar income	1.600.293,38	707.294,40	2.307.587,78
Interest and similar expense	(570.391,60)	(861.283,75)	(1.431.675,35)
Net interest income	**1.029.901,78**	**(153.989,35)**	**875.912,43**
Income from securities	**0,00**	**88.961,29**	**88.961,29**
Fee and Commission income	406.545,00	12.654.995,63	13.061.540,63
Fee and Commission expense	(183.567,17)	(1.997.454,33)	(2.181.021,50)
Net fee and commission income	**222.977,83**	**10.657.541,30**	**10.880.519,13**
Gains/Losses from financial transactions	**87.112,54**	**(883.857,14)**	**(796.744,60)**
Other operating income	**93.988,11**	**158.704,42**	**252.692,53**
TOTAL OPERATING INCOME	**1.433.980,26**	**9.867.360,52**	**11.301.340,78**
Staff expenses	(198.731,12)	(3.742.775,68)	(3.941.506,80)
Other administrative expenses	(444.500,19)	(2.708.679,46)	(3.153.179,65)
	(643.231,31)	**(6.451.455,14)**	**(7.094.686,45)**
Other operating expense	**(1.586,80)**	**(11.832,41)**	**(13.419,21)**
TOTAL OPERATING EXPENSES	**(644.818,11)**	**(6.463.287,55)**	**(7.108.105,66)**
Depreciations	**(140.029,37)**	**(1.005.146,98)**	**(1.145.176,35)**
Provisions		**(250.849,00)**	**(250.849,00)**
Extraordinary and non operating results	**(68.675,03)**		**(68.675,03)**
RESULTS BEFORE MINORITY INTEREST PORTION AND TAXES	**580.457,75**	**2.148.076,99**	**2.728.534,74**

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5. EXPECTED LIABILITIES

Lawsuits The group, in its ordinary business activity, has various legal cases under trial.

More specifically, the Group has prosecuted third parties for €588.102, while third parties have taken legal action against the company for €81.447.

The Group Management appreciated the effect of pending legal cases and the Group's equity will not change substantially.

Letters of Guarantee In the scope of the ordinary bank practice the Group has issued letters in favor of its clients, of €14,7 million approximately. Letters of Guarantee have also been given in favor of associated companies of €15,6 million approximately.

For the issuance of the Letters of Guarantee the ordinary credit limit approval procedure is followed and the relevant guarantees are received. Letters of Guarantee issued in favor of associated companies are not covered by any collateral.

Conventional engagements The Group has signed with third parties various lease contracts that are considered necessary for the exercise of its activities. The most important contracts are as such:

<u>Building lease contract</u>: The Bank signed a lease contract for a building of 2.547 m² where all the companies are housed with a monthly adjusted lease of €43.300.

The lease period is 12 years (that is until the 30 of June 2013) with an extension potential of 8 years.

On the 28th of November 2004 the initial lease contract was modified and the decrease of the monthly lease was settled at €40.000 plus the legal increments prescribed in the initial contract.

The bank above has signed sub-lease contracts with all the subsidiaries using the leased building. In the scope of preparing the consolidated financial statements, the income from the sub-lease of the building to the subsidiary companies has been eliminated.

<u>Financial lease of the equipment</u>: The bank has signed a financial lease with a Lease company for the rental of its equipment (computers, printers, peripherals e.t.c.) of €327.536. The contract period is 48 months and matures on the 9th January 2006.

In the end of the contract, the aforementioned assets will revert to the Bank ownership without any extra charge.

<u>Car rentals</u>: The Bank has signed a long-term contract with a car rental company (3) for three cars to be used by the Members of the Boars.

Two of contracts mature in 2006 while the third in 2009. The leases until the maturity of the contracts amount to €185.101 (the corresponding VAT is included.)

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Insurance contracts: The bank has signed with the insurance company AIG HELLAS S.A., an property insurance contract for the coverage of various risks over the improvements on the building accommodating the Group and the equipment used, for an insured capital of approximately €1,5 million.

The insurance contract is annual and becomes renewed each time on its maturity on 12th October 2005.

Proton active management investing product The Group has created an investment product by the name Proton Active Management, based on which, the Group takes on the titles' management (shares, participations, derivative products, mutual funds, bonds e.t.c.) and monetary reserves on the account of its clients, granting at the same time a minimum guaranteed return on capital after maturity date, equal to an annual of 2,50% of the contract and pays the clients, regardless of whether a smaller return on capital resulted from the portfolio management.

The Group revaluates monthly its clients' portfolio by entering in the accounting period results its deriving profits or losses. For the calculation of profits or losses from the revaluation of the managed portfolio, the pre-stated minimum guarantied return is considered, and as for this, no differences in the end of the contracts are expected.

The managed capital as at the 31st December 2004 come up to € 2.805.614 and concern 27 clients.

6. POST-DATED EVENTS

EMPHASIS debentures Starting from the 11 March 2004 debenture contract and the representation of debenture holders and under the trait of the Issue Advisor and Administrator the bank took on the management of the debenture of "EMPHASIS Information Systems S.A.". The debenture arises to €6.007.500, divided in 6.750 debentures of nominal value €890 each and lasted for thee years.

The debenture was tradable with shares of "Systems, Networks, High Technology Telecommunications S.A" and the discreet title «HITECH S.A», the shares of which are listed in the New Athens Stock Exchange Financial Market (NEXA). The exchange relationship defined by the initial contract was 1 debenture to 100 shares.

On the 7th of March 2005, the President of the Athens Stock Exchange, due to the sudden death of the President and Chief Executive of the issuing company ordered the inhibition of the issuing company's shares and bonds negotiation. The inhibition lasts until today.

The Special General Meeting of the Bank's Shareholders on 1 April 2005 proposed the acquisition of debentures from the Debenture Holders against a payment of the 50% of the nominal value of each debenture of €3.003.750.

We note that the decision above was taken by the General Meeting of the Bank Shareholders for good rumor reasons, given that there was not any legal responsibility for the settlement of debenture-holders.

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In July 2005, the decision of the General Meeting was realized and the Bank bought from the debenture-holders the pre-stated debentures against €3.003.750.

Having estimated the financial status of EMFASIS, the bank noticed the termination of the debenture and it has initiated the necessary legal acts for the satisfaction of its claims. At the same time, the Bank has performed an impairment test on the value of the debentures bought in July 2005 and calculated that based on the existing financial data of EMFASIS, the potential loss for the Bank from the non-receipt of its claims shall not overcome the amount of €600.000. Given that the Bank adopted and prepared its financial statements according to the I.A.S., following the relative clauses of IFRS, proceeded to an estimation of a relevant provision by reducing the closing period income.

Listing in the Athens Stock Exchange: The Bank, according to the decision of the Extraordinary General Meeting of Shareholders that was realized on the 1st of July 2005, decided the listing of the shares in the main Stock Exchange Market via the Public Offering for a percentage of 25% of its underlying shares.

The listing of the Bank's shares in the Athens Stock Exchange was considered intentional and necessary in order to proceed at the same time with the listing, with the merging procedures of the Bank with three companies, as referred in detail in the following paragraph.

Merging plan: On the 29 of June 2005, the Board of Directors of the Bank decided the approval of the plan for the common merging with the listed closed end funds, ARROW A.E.EX., EURODYNAMICS A.E.EX. and EXELIXI A.E.EX., by their acquisition from the Bank, according to the clauses of articles 68 and 69 of C.L.2190/1920, of L.2166/1993, L.2992/2002 and of the article 16 of L.2515/1997.

The Boards of the companies about to be merged by the Bank, also approved on 29 June 2005 the prementioned common Merging Contract Plan and was signed by all the representatives of the merged companies on 30 June 2005.

The Merging Contract Plan prepared after the agreement of the Boards about to be merged, is under the approval of the General Meetings of the merged companies and the receipt of requested, by Law, licenses and approvals from the pertinent authorities.

Bank of Greece, as a direct supervisory carrier of the Bank has already approved the Merger Contract Plan by the Decision Num. 203/4/26.7.2005 (Government Gazette 197/5.8.2005).

Acquisition of First Global A.D On the 8th of April 2005 the Group took over the 82,49% of the Share Capital of "First Global Brokers A.D" (FGB hereafter) in Belgrade (Serbia–Montenegro).

The company is a member of the Belgrade Stock Exchange and has been licensed by the supervisory authority to provide all the spectrum of the financial activities. Moreover, it provides all the spectrum of consulting services and has an expanded client basis comprising of domestic and international investors. The company possesses the 5th position in the market of bonds and the 27th in the market of shares from a total of 73 financial companies.

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According to the business plan for 2005 until 2009 the company is expected to have a stable an continuous profitability.

The decision of the Group to buy a participation in the Share Capital of the FGB is based on the fact that the Serbian market develops with rapidly and the business opportunities are significant. FGB, with the know-how it possesses may offer a significant support to Greek Companies operating in the area of Serbia-Montenegro.

The book value of the participation came up to €595.038 while the corresponding percentage over the total equity of FGB according to the financial statements on the 30th of June 2005 prepared according to the IFRS came to € 234.700.

Far from the events stated before, there were no other significant 31 December 2004 post-dated events due to be reported

NOTES APPROVAL

The notes were approved by the Board of Directors' Meeting on 24 October 2005.

Athens, 24 October 2005

THE CHAIRMAN OF THE BOARD.	THE VICE-PRESIDENT & CHIEF EXECUTIVE OFFICER	THE GENERAL MANAGER	THE FINANCIAL MANAGER
ANTONIOS I. ATHANASSOGOU ID NUM. X214152	ILIAS G. LIANOS ID NUM. K038877	ATHANASIOS I. PAPASPILIOU ID NUM. Φ008527	GEORGIOS S. NIKIFORAKIS ID NUM. Ξ107181 Auditor's Licence Num: 0003577/99

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PROTON INVESTMENT BANK S.A.
2nd TRANSFORMED CONSOLIDATED BALANCE SHEET OF "PROTON INVESTMENT BANK S.A."
as at 31st December 2003
S.A. R.N 49341/06/b/01/31- T.R.N 099677056
Amounts in €

		2003			2002	
ASSETS						
1. Cash and balances with Central Bank			562.755,93			397.964,42
3. Loans and advances to financial institutions						
a. Sight		1.167.540,28			1.299.682,83	
b. Other receivables to financial institutions		15.218.660,52	16.386.200,80		29.839.746,88	31.139.429,71
4. Claims against clients						
a.Loans and advances to customers	28.585.238,66			20.182.714,77		
b. Other claims	17.861.430,66	46.446.669,32		8.278.877,72	28.461.592,49	
Less bad debts to customers		-452.680,43	45.993.988,89		-201.831,43	28.259.761,06
5. Bonds and other fixed income on securities						
a. Issued by the Greek government		9.104.474,81			1.105.068,06	
b. Of other issuers		6.158.762,47	15.263.237,28		2.040.008,59	3.145.076,65
6. Shares and other non-fixed income securities			28.509.773,95			4.114.687,42
7. Participation in non associates			10.249.796,46			8.143.207,42
8. Participations in associates			0,00			1.198.800,00
9. Intangible assets						
a. Formation and set-up expenses	926.819,05			916.657,29		
c. Other intangible assets	1.973.004,77	2.899.823,82		1.490.567,04	2.407.224,33	
Less: Amortization		-1.304.803,91	1.595.019,91		-652.339,79	1.754.884,54
10. Property, plant & equipment						
b. Buildings- Building installations	1.204.626,36			1.411.980,09		
Less: Building depreciation	-211.290,45	993.335,91		-258.921,38	1.153.058,71	
c. Furniture and equipment	1.377.515,54			1.219.850,22		
Less: Furniture and equipment depreciation	-672.276,42	705.239,12		-363.768,90	856.081,32	
d.Other tangible assets	188.963,13			24.224,33		
Less: Depreciation of other tangible assets	-16.610,85	172.352,28	1.870.927,31	-5.669,64	18.554,69	2.027.694,72
13. Other assets			666.344,85			1.395.831,53
14. Prepaid expenses and earned income			887.512,99			1.101.714,47
TOTAL ASSETS			121.985.558,37			82.679.051,94

	2003		2002	
LIABILITIES AND SHAREHOLDERS' EQUITY				
I. LIABILITIES				
1. Due to other financial institutions				
b. Time Deposits		6.800.000,00		1.406.865,50
2. Due to customers				
a. Deposits	57.710.861,32		30.048.913,77	
b. Other liabilities				
ba. Sight Deposits	239.985,95		322.825,28	
bb. Notice deposits	14.390.466,48		7.836.107,65	
c. Repos	8.362.196,21	80.703.509,96	5.154.317,87	43.362.164,57
4. Other liabilities		3.262.413,66		4.070.405,62
5. Pre-received income and other paid expenses		824.858,58		533.246,56
TOTAL LIABILITIES		91.590.782,20		49.372.682,25
II. SHAREHOLDERS' EQUITY				
8. Share Capital	35.000.000,00		35.000.000,00	
(1.400.000 shares of € 25 each)				
10. Reserves	1.214.898,83		141.216,58	
12. Retained earnings				
Accouting period's earnings	319.055,63		0	
Accounting period's losses	0		-1.405.669,43	
Tax review differences	-536.496,72		-83.394,77	
14. Consolidation differences	-5.705.628,60	30.291.829,14	-2.408.205,13	31.243.947,25
15. Minority Interest		102.947,03		2.062.422,44
TOTAL SHAREHOLDERS' EQUITY		30.394.776,17		33.306.369,69
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		121.985.558,37		82.679.051,94

CONSOLIDATED INCOME STATEMENT FOR 31/12/03

		2003			2002	
1.Interest & similar income						
Fixed income on securities	461.768,09			282.213,38		
Other interest and similar income	1.845.819,69	2.307.587,78		1.620.037,06	1.902.250,44	
2. Less: Interest and similar expense		-1.431.675,35	875.912,43		-388.709,69	1.513.540,75
3. Plus: Income from securities						
a. Income from shares and other non fixed income securities			88.961,29			21,13
4. Plus: Fees and Commission Income		13.061.540,63			7.376.716,20	
5. Less: Fees and Commission Expenses		-2.181.021,50	10.880.519,13		-645.248,47	6.731.467,73
6. Plus (or Less) Gains/Losses from financial transactions			-796.744,60			832.410,88
7. Plus: Other operating income			252.692,53			1.175.927,46
TOTAL OPERATING INCOME			11.301.340,78			10.253.367,95
8. Less: General Administrative Expenses						
a. Employee Expenses						
Wages and Salaries	-3.327.346,62			4.114.096,30		
Charges of Social Nature for Pensions	-594.429,47			-598.660,79		
Other charges	-19.730,71	-3.941.506,80		16.985,23	-4.729.742,32	
b. Other Administrative expenses		-3.153.179,65	-7.094.686,45		-5.311.847,52	-10.041.589,84
9. Less: Depreciation and Amortization			-1.145.176,35			-1.013.794,38
10. Less: Other operating expenses			-13.419,21			-9.454,16
11+12. Less: Value adjustment differences of receivables and provisions for contingent liabilities			-250.849,00			-201.831,43
TOTAL OPERATING PROFIT			2.797.209,77			-1.013.301,86
15. Plus: Extraordinary and non-operating income		2.034,59			23.964,28	
16. Less: Extraordinary and non-operating expenses		-70.748,64			-20.290,00	
17. Plus (or Minus): Extraordinary results		39,02	-68.675,03		0	3.674,28
18. Net Profit before taxes			2.728.534,74			-1.009.627,58
Less: Income Tax			-844.540,55			-171.452,28
Less: Tax review differences			-452.801,95			-57.275,71
NET PROFIT/LOSS AFTER TAXES			1.431.192,24			-1.238.355,57
Less: Minority Interest			-1.582,98			-182.433,70
NET GROUP' S PROFIT (AFTER TAXES)			1.429.609,26			-1.420.789,27

CONSOLIDATED REFORMED CASH FLOW STATEMENT
for accounting periods closing on 31/12/03 and 31/12/02
S.A. E.N 49841/06/B/01/31- T.R.N 099877056
Amounts in €

A/A		ANALYSIS	2003	2002
A.		**Cash flows from ordinary operating activities**		
	100	***Cash inflows***		
	101	Taxes and commissions (income)	15.369.128,41	9.278.966,64
	102	Income from securities	88.961,29	21.13
	103	Other income	254.727,12	1.199.891,74
	104	Financial activities results	823.572,87	954.257,93
	105	Sales of trading securities	214.913.021,04	283.414.639,26
	107	Receivables received	21.173,59	39.262,50
	108	Deposits' increase	37.341.345,39	43.362.164,57
	109	Plus: Reduction of earned income	893.023,67	0,00
		Less: Increase of earned income	0,00	934.669,03
	110	Plus: Increase of income received in advance	1.044,80	0,00
	111	Plus: Reduction of other assets	729.487,40	0,00
		Less: Increase of other liabilities	0,00	3.677.716,84
A		*Total cash inflows (A 100)*	270.435.485,58	340.992.251,58
	200	***Cash outflows***		
	201	Interest and comission expenses	3.612.696,85	1.033.958,16
	202	General administrative expenses	7.094.686,45	10.041.589,84
	203	Other expenses	84.167,85	29.744,16
	204	Financial activities results	807.648,98	605.284,59
	205	Purchase of trading securities	252.015.497,22	290.232.293,68
	207	Loans granted	18.006.250,42	28.500.854,99
	209	Plus: Increase of Expenses paid in advance	678.822,19	167.045,45
		Less: Decrease of Expenses paid in advance		
	210	Plus: Decrease of expenses payable		
		Less: Increase of expenses payable	290.567,22	533,246,56
	211	Plus: Decrease of other liabilities	1.100.171,72	0,00
		Less: Increase of other assets	0,00	1.395.831,60
	213	Taxes	(55.077.67)	45.170,85
		Total cash outflows (A200)	283.054.296,79	331.518.526,74
		Cash flows from ordinary operating activities (A100-A200)= A	-12.618.811,21	9.473.724,84
B		**Cash Flows from Investing activities**		
B	100	***Cash inflows***		
	101	Sale of titles & participations	0,00	357.888,12
		Participations in subsidiaries not consolidated during the previous accounting period	1.198.800,00	0,00
	102	Sales of intangible and tangible assets	10.305,03	24.791,15
		Total cash inflows (B100)	1.209.105,03	382.679,27
	200	***Cash outflows***		
	201	Purchase of securities, participations and bonds	4.757.096,00	10.383.294,37
	202	Purchase of tangible and intagible assets	838.810,29	5.101.931,63
		Total cash outlows (B200)	5.595.906,29	15.485.226,00
		Cash flows from investing activities (B100-B200)= B	-4.386.801,26	-15.102.546,73
C		**Cash flows from financing activities**		
	100	***Cash inflows***	0,00	35.000.000,00
	103	Inflow of share capital increase		
		Financial figures from subsidiaries' activities for the accounting period prior to the first consolidation	-2.759.959,43	1.023.473,78
	105	Increase of due to financial institutions	5.393.134,50	1.406.865,50
		Total cash inflows (C100)	2.633.175,07	37.430.339,28
C	200	***Cash outflows***		
	207	Dividends	216.000,00	264.123,26
		Total cash outflows (C200)	216.000,00	264.123,26
		Cash flows from financing activities (C100-C200)= C	2.417.175,07	37.166.216,02
		BANK CASH FLOWS (A+/-B+/-C)	-14.588.437,40	31.537.394,13
		Plus: OPENING CASH ITEMS: 1. Cash and cash balances with Central Bank		
		2. Due from Financial Institutions	31.537.394,13	0,00
		CLOSING CASH ITEMS: 1. Cash and cash balances with Central Bank		
		2. Due from Financial Institutions	16.948.956,73	31.537.394,13

PROTON INVESTMENT BANK S.A.
REFORMED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
for Periods ending at 31/12/2003 and 31/12/2002
S.A. R.N 49341/06/b/01/31- T.R.N 099677056

	SHARE CAPITAL	RESERVES	RETAINED EARNINGS	PERIOD EARNINGS	CONSOLIDATION DIFFERENCES	CAPITAL OWED TO THE BANK SHAREHOLDERS	MINORITY INTEREST	TOTAL EQUITY
Share Capital increase	35.000.000,00					35.000.000,00		35.000.000,00
Accounting period 2001 profits' distribution entry		116.213,09	113.987,99			232.201,08		232.201,08
Profit for accounting year 2002				134.729,65		134.729,65		134.729,65
Income tax 2002				-179.776,83		-179.776,83		-179.776,83
Accounting period 2002 profits' distribution entry		23.003,49	-447.054,76	45.047,18	-2.408.205,13	-2.787.209,22	2.062.422,44	-724.786,78
Reformation entry 2002			-1.129.878,35			(1.129.878.35)		-1.129.878,35
Tax review differences 2001						-26.119,08		-26.119,08
Balance of accounting period 2002	**35.000.000,00**	**141.216,58**	**-1.489.064,20**	**0,00**	**-2.408.205,13**	**31.243.947,25**	**2.062.422,44**	**33.306.369,69**
Profit for accounting period 2003				3.892.576,58		3.892.576,58		3.892.576,58
Income from participations in associates				-18.000,00		-18.000,00		-18.000,00
Income tax 2003				-844.540,55		-844.540,55		-844.540,55
Accounting period 2003 profits' distribution entry		1.073.682,25	1.646.928,30	-3.030.036,03	-3.297.423,47	-3.606.848,95	-1.959.475,41	-5.566.324,36
Reformation entry 2003			(375.305.19)			-375.305,19		-375.305,19
Balance of accounting period 2003	**35.000.000,00**	**1.214.898,83**	**-217.441,09**	**0,00**	**-5.705.628,60**	**30.291.829,14**	**102.947,03**	**30.394.776,17**

NOTES ON THE ACCOUNTS AND CLARIFICATION
ON THE CONSOLIDATED BALANCE SHEET AS AT 31 DECEMBER 2003

OF **PROTON INVESTMENT BANK S.A.**

AND ITS SUBSIDIARY COMPANIES

PROTON SECURITIES S.A., PROTON ASSET MANAGEMENT S.A.,
PROTON MUTUAL FUNDS AND ARROW ASSET FINANCE S.A.

(based on law 2190/1920 as applicable)

(all amounts are reported in euro)

These notes on the accounts have been prepared for the prospectus in the context of the public offering of part of company's shares and for the information of interested investors based on regulation no 809/2004 of the Committee as at 29 April 2004 and it is a completed version of the initial notes on the accounts of the consolidated financial statements of the year ended 31 December 2003 as approved at the meeting of the Board of Directors of PROTON INVESTMENT BANK S.A. (the bank) on 26/4/2004. This completed version includes clarification which are necessary for a complete presentation of the consolidated financial statements.

A. GENERAL INFORMATION

1. ESTABLISHMENT – NAME

The bank was legally established in 2001 according to act no 43016/07.08.2001 of the notary in Athens Maria Poulantza, and amending act no 43056/11.09.2001 of the same notary.
On 18.09.2001 it was registered in the Registered of societes anonyme under number 49841/06/B/01/31. Additionally the decision no K2 – 12490/18.09.2001 of the assistant Minister of Development gave permission for the bank's establishment and approved its statutes which were included in the Government Gazette no 8262/19.09.2001 on S.A.s and ltd companies.
For the bank's establishment the Bank of Greece has given the permission required by the Greek law in the decision no 104/1/18.06.2001 of the Committee of banking and crediting issues of the Bank of Greece.
The bank's initial name was ARROW INVESTMENT BANK S.A. and further to the decision on 07/11/2001 of the general meeting of its shareholders article 1 of its statutes was amended and it was renamed "PROTON INVESTMENT BANK S.A." with the distinctive title PROTON INVESTMENT BANK, while regarding transactions abroad the name is PROTON INVESTMENT BANK S.A. The above change was approved further to the decision no K2 – 72/07.01.2002 of the assistant Minister of Development (Government Gazette 170/09.01.2002).

2. DURATION

The bank's duration according to article 4 of its statutes was set at 99 years, starting from the publication of the decision approving the statutes in Government Gazette regarding S.A.s and ltds.

3. OBJECTIVE

The bank's gross income is generated from:

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- Interest income on loans
- Interest income on bonds and other securities with a fixed return
- Interest income on deposits (sight deposits, time deposits etc.)
- Interest income on swaps, synthetic swaps, etc.
- Income from participating interest in affiliated undertakings
- Income from dividends of shares
- Profit/loss from trade in shares, mutual funds and other securities with a variable return
- Profit/loss from trade in bonds and other securities with a variable return
- Profit/loss from trade in derivatives
- Commission income for underwriting
- Commission income from financial consulting services
- Commission income from movement of capital
- Commission income from guarantee letters
- Commission income for managing securities and third parties' assets
- Income from relevant activities (i.e. rents)
- Profit/loss from transactions in foreign currency

4. INFORMATION REGARDING COMPANIES CONSOLIDATED

Consolidated balance sheets were compiled based on the full purchase method as to figures involving the subsidiary companies included in it. Consolidated financial statements present assets and liabilities, financial position and results of the parent company and its subsidiaries and are all indicated as the "group".

Receivables and payables among companies included in the consolidation are deleted. Income and expenses arising from transactions among companies mentioned in the book value in assets are deleted from the accounts of the consolidated balance sheet and consolidated results.

The first time the bank prepared consolidated financial statements was in 2002.

The above principles were followed without any deviation in years 2002 and 2003. Consolidated financial statements are prepared at the closing date of annual financial statements of the parent company and its subsidiaries.

For the compilation of consolidated financial statements the following accounts were added:

- In Liabilities of the balance sheet the sub-account "14. consolidation differences" has been added and it includes the sum of positive and negative consolidation differences arising from the offsetting of the book value of the bank's shares against the proportion of "capital and reserves" of its consolidated subsidiary companies.

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- In Liabilities of the balance sheet the sub-account "15. Minority interest" has been added and it includes minority interests in the companies of the group which are fully consolidated and are analyzed as follows:

Name	2003	2002
PROTON Securities AEPEI	6.897,48	5.913,77
PROTON ASSET MANAGEMENT AEPEI	94.696.,95	2.056.333,55
PROTON AEDAK	1.203,63	----
ARROW ASSET FINANCE SA	148,97	175,12
Total of Minority Interest	**102.947,03**	**2.062.422,44**

The following tables show the participation rate in Assets, Turnover and Profit before taxes of every company consolidated:

2003	**Assets** Amounts in €	%	**Turnover** Amounts in €	%	**Profit Before Tax** Amounts in €	%
PROTON INVESTMENT BANK S.A.	92.394.529,01	75,74	5.195.180,42	34,83	(1.089.140,71)	(39,92)
PROTON SECURITIES AEPEI	24.830.669,14	20,36	6.950.948,53	46,61	2.624.666,68	96,19
PROTON ASSET MANAGEMENT AEPEI	4.586.878,66	3,76	2.445.514,66	16,40	1.217.672,27	44,63
PROTON AEDAK	108.524,24	0,09	272.394,02	1,83	(3.600,43)	(0,13)
ARROW ASSET FINANCE SA	64.957,32	0,05	50.000,00	0,34	(21.063,07)	(0,77)
Total	**121.985.558,37**	**100,00**	**14.914.037,63**	**100,00**	**2.728.534,74**	**100,00**

Notes: 1)The above financial information represent readjustment of the related information included to the published financial statements, with the readjustment accounting entries and the interconpany 's eliminations.2) Numbers presented may not add up precisely, due to rounding.

2002	**Assets** Amounts in €	%	**Turnover** Amounts in €	%	**Profit Before Tax** Amounts in €	%
PROTON INVESTMENT BANK S.A.	65.473.268,09	79,19	4.638.797,46	41,10	(1.820.190,70)	180,28
PROTON SECURITIES AEPEI	12.770.342,55	15,45	3.636.609,48	32,22	449.733,59	(44,54)
PROTON ASSET MANAGEMENT AEPEI	4.361.332,95	5,28	2.450.728,59	21,71	458.247,23	(45,39)
PROTON AEDAK	----	----	----	----	----	----
ARROW ASSET FINANCE S.A.	74.108,35	0,09	561.190,58	4,97	(97.417,70)	9,65
Total	**82.679.051,94**	**100,00**	**11.287.326,11**	**100,00**	**(1.009.627,58)**	**100,00**

Notes: 1)The above financial information represent readjustment of the related information included to the published financial statements, with the readjustment accounting entries and the interconpany 's eliminations.2) Numbers presented may not add up precisely, due to rounding.

Article 107, par. 1β – information on the companies consolidated in the year

Name	Head Office	% Holding 2003	% Holding 2002	Basis for Consolidation (articles of corporate Law 2190/1920)
PROTON SECURITIES AEPEI	Kallithea	99,90%	99,90%	Art. 42e par.5(a)(aa)
PROTON ASSET MANAGEMENT AEPEI	Kallithea	99,90%	50,08%	Art. 42e par.5(a)(aa)
PROTON AEDAK	Kallithea	99,90%	99,90%	Art. 42e par.5(a)(aa)
ARROW ASSET FINANCE S.A.	Kallithea	99,90%	99,90%	Art. 42e par.5(a)(aa)

Article 107, par. 1γ and article 97 – information on companies that were not consolidated due to the fact that they are not significant

There are no such companies.

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Article 107, par. 1γ and article 97 – information on companies that were not consolidated due to the fact that they have different activities from the other companies of the group
There are no such companies.

Article 107, par. 1δ – information on companies that were not consolidated based on the net equity method
There are no such companies.

Article 107, par. 1ε – information on companies 10% of the capital of which is held by consolidated or non consolidated companies
There are no such companies.

Article 104, par. 2 – deviations from the principle of fixed application of consolidation methods
None

Article 103, par. 2 – information on any adjustment of figures in the financial statements of the parent company and its subsidiaries
No such case

Article 104, par. 9 – changes in the content of the sum in the consolidated financial statements
The consolidated financial statements in 2002 do not include the participating interest of the parent company in the newly established subsidiary PROTON SA MUTUAL FUNDS MANAGEMENT which was established on 9/7/2002 with the first year exceeding the twelve months and ending on 31/12/2003.

Article 104, par. 7 – closing date
The financial statements of the subsidiary companies end the year as at 31 December in every calendar year. Years ended so far are as follows:

	2003	2002
PROTON SECURITIES AEPEI	☑	☑
PROTON ASSET MANAGEMENT AEPEI	☑	☑
PROTON AEDAK	☑	----
ARROW ASSET FINANCE S.A.	☑	☑

Article 104 par. 6 – information on offsetting differences (or consolidation)

Name	2003	2002
PROTON SECURITIES AEPEI	(44.318,49)	----
PROTON ASSET MANAGEMENT AEPEI	5.608.634,48	2.381.496,26
PROTON AEDAK	(3.625,51)	----
ARROW ASSET FINANCE S.A.	144.938,12	26.708,87
Total of Consolidation Differences	**5.705.628,60**	**2.408.205,13**

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B. ACCOUNTING PRINCIPLES

In the years 2002 and 2003 the financial statements and annual results and financial position were prepared in accordance with Greek accounting principles comprising commercial law 2190/1920, the Chart of Accounts for Banks and taxation laws.

The financial statements have been prepared based on the historical cost convention and are reported in euro unless otherwise stated. Amounts in foreign currency disclosed in the balance sheets of the subsidiaries have been converted to euro at the exchange rate applicable as at the date of the transaction.

1. INVESTMENTS IN FINANCIAL ASSETS

The group classifies investments in financial assets as transactions portfolio and investment portfolio. The decision on the classification of those investments is made upon their acquisition. All investments are recorded based on the transaction date and are evaluated at the lowest price between cost value, including purchase expenses related to it, and current value. Any losses arising from the evaluation of those investments are recorded in the profit and loss account.

Trading Portfolio this category includes investments acquired to generate a short term profit and include securities such as shares, bonds and units in mutual funds, for which the market determines prices irrelevant to those stated on them. These securities can be easily traded, namely they can be liquidated easily in that specific market whithout their sale bringing about a fall in their prices.

Investment Portfolio the bank has made significant investments in subsidiary companies and non affiliated undertakings which operate in the entire range of the financial sector. Non affiliated undertakings are businesses in which the group has a strategic participation at a rate above 10% but the bank and the company issuing the securities can not be considered affiliated undertakings. There is no parent company – subsidiary company relation.

Revaluation principles Securities are revalued at the lowest price between cost value and current value. Current value is defined as follows:

- For securities listed on the stock exchange or any other official market, the average of their official price during the last month of the year,
- For shares of societes anonyme which are not listed on the stock exchange or any other official market, the intrinsic book value as it derives from the legally prepared balance sheet,
- For units in mutual funds, the average of their net price during the last month of the year,
- For other securities the fair price at which it is estimated that they can be sold or paid by their issuers and
- For affiliated undertakings the cost value which is lower than the results of the evaluation made by an independent evaluator in accordance with article 42^{α} par. 2 and 3 of law 2190/1920 "regarding true view of the financial structure, financial position and results of the year".

2. LOANS AND PROVISIONS FOR DOUBTFUL DEBTS

Loans are recorded as at the date they are paid at cost, which is the fair value of invested capital, plus direct expenses-income related to that loan. Interest and commissions on loans are calculated on a regular basis charging the accounts of the respective clients.

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The possibility to collect the loan is estimated for every file of debtors for all loans the group considers important. The evaluation is made based on the financial situation, the funding sources, the payment background of the debtor, the possibility of assistance from solvent guarantors and the value of guarantees that can be liquidated.

Temporary delays in payment namely delays due to a temporary financial difficulty of the client which are expected to be settled in a short period are still kept in loans accounts. For loans with overdue payments for longer than six months no interest is calculated.

When a loan is considered doubtful, its book value is reduced to the estimated recoverable value. According to the chart of accounts, doubtful is a loan, either overdue or not, for which it is estimated that it will not be fully or partially paid back. Loans which are impossible to collect are deleted and covered by the provisions made for doubtful debts.

A reversal entry of the provision for doubtful debts formed in previous years is only made when the client's solvency has improved to an extent that the collection of the capital and interest based on the terms of the loan is considered possible.

3. CLIENTS DEPOSITS

Deposits are cash amounts deposited by individuals and companies, either to acquire interest or for safekeeping, or to pay off their debts through cheques payable from their deposits, or for all the above.

The bank can, depending on the market conditions, offer its clients products with the following particulars:

- sight deposits by companies and individuals in various currencies, with possibility to issue a checkbook, subject to approval,
- sight deposits kept in a separate account in the name of the client with specific interest rate and duration and
- repos (sale with a repurchase agreement of Greek dematerialized securities) a form of deposit based on a deal between the bank and the client according to which the bank sells to the client at the exchange of the amount of his deposit, for a specific period, Greek government dematerialized securities held by the bank with an agreement of repurchase as at the date the repo expires. A necessary prerequisite for the repo is that the bank has adequate securities.

For the initial and the following deposits a note for collection is issued based on which the cash account is debited with the credit of the deposit account. For every withdrawal, based on the payment order or the check issued by a checkbook issued by the bank to the depositor, the reverse entry is made.

Interest on deposits is recorded crediting the deposits accounts with debit of the profit and loss account no 65 "interest and commissions" at the end of each month when it is capitalized. Only if the entire amount of the deposit is withdrawn, is interest calculated upon the payment of the deposit. The exception to this rule is interest on time deposits which are recorded upon the expiration of the deposit.

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However for the continuous and smooth estimation of results during the year accrued interest not claimed by depositors is calculated and recorded through account 58 "accounts of periodical distribution" and at year end through account 56 "accruals and deferred income".

4. REPOS

Securities sold based on an agreement of sale and repurchase (repos) are still disclosed in the financial statements as an investment portfolio, while the relevant liability is disclosed, depending on the contracting party, as a liability to credit institutions, liability to clients or other deposits. Securities acquired in the context of a purchase and resale of securities (reverse repos) are recorded in financial statements as liabilities to credit institutions.

The difference between sale price and repurchase price is recorded in a profit and loss account is and is recognized gradually during the agreement based on the method of effective interest rate.

5. DERIVATIVE FINANCIAL INSTRUMENTS & HEDGING

The group uses derivative financial instruments for itself to generate profit, as well as to serve its clients' needs. Derivative financial means include agreements on time transactions in foreign currency, exchange of interest rates and currency, options and other derivatives.

Derivatives for trading purposes: all derivatives not recorded as hedging means are considered to have been acquired for trading purposes. Initially derivatives are recorded in the balance sheet at their fair value (which is the same as the cost of the transaction) at the date of the signing of the contract of derivatives. Subsequently they are revaluated at their fair value which is set by stock exchange markets or it is calculated based on valuation techniques, such as analyses of discounted cash flows and evaluation models for option rights. Derivatives are disclosed as assets items when their estimated fair value is positive and as liabilities when their estimated fair value is negative.

Embedded derivatives: a derivative can be embedded in other financial means. The complex financial instrument which is created consists of a derivative and a main contract and it is known as an embedded derivative. An embedded derivative financial means is separated from the main contract and its is recorded as a separate derivative on condition that a) financial traits and risks are not inextricably linked to the ones of the main contract, b) the embedded derivative fulfills the definition of the derivative and c) the main contract is not valuated at fair value and profit and losses arising from its revaluation are recorded in results.

Changes in fair value of derivatives are recorded in the profit and loss account.

Hedging: for the purposes of hedging accounting, hedging is classified either as hedge of fair value, when the risk of change in the fair value of a recorded asset or liability is hedged, or as a hedge of cash flows, when the fluctuation in cash flows, which can be due to a risk directly related to the asset or the liability, is counterbalanced. For derivatives used in hedging the bank uses a hedging accounting which includes a description of the hedged item, the hedging means, the type of hedging, the hedged risk and business strategy for hedging. Additionally it determines whether the hedging is effective at the initial recording and during the entire period of the hedging relation, namely if changes in fair value arising from the risk are covered at a rate ranging from 80% - 125%.

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In transactions hedging fair value fulfilling the criteria of hedging accounting, profit or losses arising from the revaluation of the hedging means at its fair value are recorded in profit and loss account. The hedged asset item is revalued at fair value and profit or losses are recorded in the profit and loss account.

Profit or losses pertaining to the result part of a hedging of cash flows and derive from changes in the fair value of the derivative financial means are recorded in net equity. On the contrary profit or losses pertaining to non result part of the hedging are directly recorded in results.

When the hedging accounting does not continue, either because it is no longer effective or because the hedged risk no longer exists, then accumulated profit or losses in the group's net equity pertaining to hedging are transferred to results.

6. END OF DISCLOSURE OF THE FINANCIAL INSTRUMENTS IN THE FINANCIAL STATEMENTS

A financial instrument is not disclosed in the group's financial statements as soon as there is no control of the conventional rights deriving from the financial means. The control on the rights of the financial instrument no longer exists either when it is sold or when the cash flows relating to it, are transferred to an independent third party.

7. INTANGIBLE ASSETS

Intangible assets include software programs, establishment and preliminary expenses and other intangible assets. Amortization of software is calculated based on the straight-line depreciation method based on the cost or the adjusted amount in 3 years, while depreciation of other intangible assets in equal parts gradually in 5 years. When the book value of an intangible asset exceeds its recoverable value, a relevant provision is made for impairment charging by an equal amount the results of the year.

8. PROPERTY, PLANT & EQUIPMENT

P.P.E. are used either for operating activities of the group or for administrative purposes. P.P.E. recorded in the cost value increased by the value of any additions and improvements and reduced by sales and required depreciation during the year plus adjustments required by the law. Additionally during the years 2003 and 2002, it was not necessary to form devaluation provisions for tangible assets.

Depreciation: P.P.E. are depreciated based on the straight-line depreciation method during their expected useful life which is examined on an annual basis. The useful life of tangible assets per category is as follows:

Furniture and fixtures	5 – 8 years
Machinery and installations of machinery	7 – 14 years
Transportation equipment	7 – 9 years

"Improvements in immovable property of third parties" are depreciated at the shortest period between the useful life of the improvement and the duration of the leasing of the leased asset.

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Impairment: the group examines on an annual basis tangible assets for any impairment necessary. If there is an impairment, the book value of the tangible asset is reduced to the recoverable amount with an equal amount charging results.

9. PROVISIONS
The group makes provisions for contingent liabilities and risks when there is an assumed or legal present liability as a result of facts in past years. The amount of liability can be determined objectively and the outflow of resources incorporating financial gains to settle the liability is possible.

10. OFFSETTING OF RECEIVABLES AND PAYABLES
The offsetting of financial asset items against liabilities and the disclosure of the net amount in the financial statements is only made when there is the legal right for offsetting the recorded amounts and there is an intention of either settling the net amount arising from the settlement or for simultaneous settlement of the entire amount of the financial asset item and the liability.

11. OPENING AND CLOSING DATE FOR THE YEAR
The accounting period for all companies of the group commences on January 1 every year and ends on December 31 of the same year. Exceptionally the first accounting period was longer than one year.

To keep years separate the accounts of prepayments in assets and accruals and deferred income in liabilities are kept. Consolidated companies record income and expenses on an accrued basis.

12. COMPARATIVE INFORMATION
The bank compiles its financial statements with comparative information. For the financial statements of the year ended 31 December 2003 comparative information of the financial statements and relevant notes on the balance sheet and the profit and loss account as at 31.12.2002 were used.

13. INCOME AND EXPENSES FROM INTEREST
For all financial means, income and expenses from interest are recorded in the profit and loss account based on the method of effective interest rate.

The actual interest rate method is a method based on which the unamortized cost of the financial item or the liability is calculated and income or expenses from interest are allocated throughout the entire relevant period.

Actual interest rate is the one prepaying exactly the estimated future payments or collections throughout the expected duration of the financial means.

If a financial asset item or a group of similar financial asset items are devaluated as a result of the impairment of their value, income from interest is recognized using the interest rate used for the prepayment of future cash flows for the purpose of calculating the impairment loss.

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14. COMMISSIONS AND SIMILAR INCOME

Commissions and similar income are recorded in the profit and loss account of the year during the period in which the services relevant to them were offered. Commissions and relevant income arising from transactions on behalf of third parties are recognized in results at the time of completion of the transaction. Fees for portfolio management services and consulting services are recorded in results in accordance with the contract for the provision of services usually on an actuarial basis.

15. CUSTODIAN SERVICES

The group provides custodian services to portfolio investment and mutual fund companies. The value of securities kept under custody has not been included in the attached financial statements because these securities are not property of the bank.

16. BENEFITS TO PERSONNEL

The group participates in programs of specific contributions as well as programs of specific benefits.

In a program of specific contributions the group must pay specific contributions to social security funds.

The program of specific benefits is in regard to compensation in compliance with law 2112/1920 due to retirement and pertains to the bank's liability regarding the amount of compensation to be paid to an employee upon their retirement from service based on their age, their years of service in the group and their salary. The liability recorded in the balance sheet is estimated on an annual basis based on an actuarial study according to the projected unit credit method. The current value of the liability arising from the program of specific benefits is calculated by discounting future cash flows at the interest rate for government securities which mature in a period approaching the terms of the relevant compensation liability.

Actuarial profit or losses that may arise from readjustments, based on experience, as well as from changes in actuarial assumptions, are debited or credited to results on a proportional basis according to average remaining service of the employees.

17. EXCHANGE DIFFERENCES

As at the date of the balance sheet amounts in foreign currency are disclosed in euro based on the respective exchange rate. Non monetary items and accounts off the balance sheet in foreign currency are disclosed in historical cost based on the exchange rate as at the date of the transaction.

Transactions in foreign currency are recorded based on the exchange rate applicable on the date of the transaction. Arising exchange differences are recorded in the account "Gains/losses on financial transactions" under profit and loss account.

18. INCOME TAX

Income tax on taxable profits is not considered a company charge and it is included in the appropriation table as a reduction of profit distributed, in the individual financial statements of the parent company and its subsidiary companies.

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It is noted that the commercial law 2190/1920 does not impose the preparation of a consolidated appropriation table, so that income tax on taxable consolidated profits could be estimated based on the appropriation table of the consolidated companies.

19. SEGMENT REPORTING

The business sector is defined as a group of asset items and operations involved in the provision of services or the production of products which encounter similar risks or benefits and it is different from the ones of the rest of the group's business sectors. The business sector of activity is the primary type of providing information for the group.

20. CONSOLIDATION PRINCIPLES

In accordance with article 90 of commercial law 2190/1920, the bank as "parent company under the form of a societe anonyme with two or more immediate subsidiaries", must, at the end of each accounting period, compile consolidated financial statements and a consolidated board of directors' report. The consolidated financial statements include the consolidated balance sheet, the consolidated profit and loss account and the consolidated notes on the accounts which provides complementary information and clarification on the above financial statements.

The bank applying the full consolidation method, incorporates in the consolidated balance the total amount of every property item and in the consolidated profit and loss account the entire amount of separate accounts of results as this derives from the annual financial statements of its subsidiaries after the estimation of consolidation differences recorded and the required deletions of any inter-group balances.

However due to the fact that the bank, as the parent company, does not hold 100% of the subsidiaries' capital and yet it must incorporate in the consolidated financial statements the 100% of the value of property items of the subsidiaries and their separate results accounts, it is necessary to disclose the part of the book value of those items which corresponds to the proportion of the subsidiaries' shares that are held by shareholders outside the group. This disclosure in the consolidated balance sheet is achieved through a reverse account named "minority interests" which is presented in the consolidated balance sheet under a separate account of consolidated capital and reserves. Additionally in the consolidated profit and loss account the net result corresponding to shareholders outside the group is disclosed on a separate line with the name "minority interests".

During the preparation of consolidated financial statements all deletions of inter-group receivables-payables and income-expenses are made on the entire disclosed amount. This deletion of equal amounts in inter-group transactions has no impact on the consolidated net equity and the consolidated results nor on the disclosure of the rights of the parent company and of the majority. The only particular thing is the dividends collected by the bank, as parent company, from the distributed profits of the consolidated subsidiaries. Therefore on a consolidated basis, the income from participations disclosed in the results of the parent company is deleted upon the consolidation with an equal reduction of the account "retained earnings" so that it is not disclosed once again in the consolidated results of the year since it has already been included in the consolidation of results of the subsidiary during the year in which the profit was generated.

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C. INFORMATION REGARDING BALANCE SHEET ITEMS

1. Cash & Cash Balances with Central Bank

This category includes cash (in euro or in foreign currency) of the group and monitors deposits with the Bank of Greece solely intended to facilitate the transactions of the bank. This account is broken down as follows:

	2003	2002
Cash	6.086,56	71.263,93
Balances with Central Bank	556.669,37	326.700,49
Total	**562.755,93**	**397.964,42**

For December 2003, the required reserves, on average, which the bank is obliged to maintain in Bank of Greece, amount to € 742.160,00 (31.12.2002: € 371.940,00)

2. - Loans & Advances to Financial Institutions

Loans & Advances to Credit Institutions, include sight and time deposits in financial institutions, apart from the Bank of Greece, either short term or long term, exclusive deposits in Central Bank, checks receivable etc. The item is analyzed as follows:

	2003	2002
Sight Deposits	1.167.540,28	1.299.682,83
Time Deposits	3.206.752,98	9.623.215,99
Interbank Deposits	11.990.151,84	20.118.137,37
Cheques Receivable	21.755,70	98.393,52
Total	**16.386.200,80**	**31.139.429,71**

3. Loans & Advances to Customers

The items presented on Assets of the Balance Sheet, depict primarily borrowings and financings to clients, through the clauses defined in contracts. More specifically, the claims arising from stock exchange transactions, illustrate clients receivables towards of the subsidiary PROTON SECURITIES APEI, according to the clauses and decisions of Hellenic Capital Commission Market in point of securities transactions. «Clients Receivables» are analyzed as follows:

	2003	2002
Loans with pledged shares	10.772.573,18	12.104.419,07
Consumer Loans	5.458.568,91	175.730,14
Loans to construction companies	6.621.596,56	6.539,39
Loans to commercial companies	2.071.842,20	----
Loans to financial companies	2.035.225,79	----
Loans to services providing companies	1.625.427,07	5.526.060,74

Other Loans	4,95	2.369.965,43
Receivables from stock exchange transactions	17.077.934,25	7.257.484,56
Receivables from investment services	377.413,76	774.747,62
Receivables from portfolio management fees	248.698,36	225.902,73
Other Receivables	157.384,29	20.742,81
Total	**46.446.669,32**	**28.461.592,49**

The loans sector analysis is as follows:

	2003	2002
Loans for Private Reasons		
Personal – Consumer	5.320.920,04	6.812,76
Mortgage	137.648,87	168.917,38
Total	**5.458.568,91**	**175.730,14**
Loans to Legal Entities		
Constructions & Technical projects	6.621.596,56	6.539,39
Stock Exchanges Companies	2.035.225,79	----
Holdings	----	2.369.965,43
Commercials	2.071.842,20	5.526.060,74
Other	1.625.432,02	----
Total	**12.354.096,57**	**7.902.565,56**
Loans with pledged shares	**10.772.573,18**	**12.104.419,07**
Total Loans	**28.585.238,66**	**20.182.714,77**

The change on provisions is analyzed as follows:

	2003	2002
Balance of provisions for doubtful loans		0,00
Increase for 2002 impairment		201.831,43
Balance of provision for doubtful loans	**201.831,43**	**201.831,43**
Increase for 2003 impairment	250.849,00	
Balance of provision for doubtful loans	**452.680,43**	**201.831,43**

4. Bonds & Other Fixed Income Securities

This item includes bonds, government bonds and other fixed income securities, acquired by the company either for permanent investment or for trading. At the time of acquisition, the acquisition cost is divided in the acquisition value and in the cost of acquisition of the interest accruals. When the interest accruals are past due and would be received, then the related sub- accounts are credited, with a debit on cash equivalents.
«Bonds & Other Fixed Income Securities» is as follows:

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	2003	2002
Issued by the Greek Government	7.016.011,62	1.145.076,65
Issued by the Greek Government (In the course of listing)	2.088.463,19	----
Foreign Government Bonds	544.210,02	----
Banking Bonds	2.575.653,88	2.000.000,00
Corporate Bonds	3.038.898,57	----
Total	**15.263.237,28**	**3.145.076,65**

5. Bonds & Other Non Fixed Income Securities

This item includes Bonds & Other Non Fixed Income Securities, representing a participation under 10 % of the capital of the company. «Bonds & Other Non Fixed Income Securities» is as follows:

	2003	2002
Listed in Athens Stock Exchange Market	16.164.787,49	4.114.687,42
Listed in foreign Stock Exchanges	1.428.139,52	----
Domestic Mutual Funds	7.916.846,94	----
Foreign Mutual Funds	3.000.000,00	----
Total	**28.509.773,95**	**4.114.687,42**

6. Participation in Non Associates

In this category, are included participations, where the holding percentage does not exceed 10%.This item includes the compulsory fees of the subsidiaries to Joint- Guarantee Capital of Investment Services and Supplementary Fund of Athens stock Exchange. «Participation in Non Associates» is analyzed as follows:

	2003	2002
ARROW Closed End Fund S.A.	6.633.399,89	4.410.421,64
ΕΥΡΩΔΥΝΑΜΙΚΗ Closed End Fund S.A.	1.783.039,68	1.327.729,44
Joint- Guarantee Capital of Investment Services	1.381.614,02	2.112.986,05
Supplementary Fund of Athens stock Exchange	451.742,87	285.817,26
Other Participations	----	6253,03
Total	**10.249.796,46**	**8.143.207,42**

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7. Property, Plant & Equipment

2003	Book Value				Depreciations					
	Beginning Balance	Additions	Decreases	End Balance	Beginning Balance	Additions	Decreases	End Balance	Net Book Value 2003	Net Book Value 2002
Set- up & Formation Expenses	916.657,29	10.161,76	----	926.819,05	-230.435,24	-189.953,37	----	-420.388,61	**506.430,44**	686.222,05
Other Intangible Assets	1.490.567,04	843.465,47	-361.027,74	1.973.004,77	-421.904,55	-547.055,77	84.545,02	-884.415,30	**1.088.589,47**	1.068.662,49
Intangible Assets	**2.407.224,33**	**853.627,23**	-361.027,74	**2.899.823,82**	**-652.339,79**	**-737.009,14**	84.545,02	**-1.304.803,91**	**1.595.019,91**	**1.754.884,54**
Buildings & Installations	1.411.980,09	2.789,31	-210.143,04	1.204.626,36	-258.921,38	-162.512,11	210.143,04	-211.290,45	**993.335,91**	1.153.058,71
Furniture & other equipment	1.219.850,22	178.682,69	-21.017,37	1.377.515,54	-363.768,90	-319.258,91	10.751,39	-672.276,42	**705.239,12**	856.081,32
Other Tangible Assets	24.224,33	164.738,80	----	188.963,13	-5.669,64	-10.941,21	----	-16.610,85	**172.352,28**	18.554,69
Tangible Assets	**2.656.054,64**	**346.210,80**	**-231.160,41**	**2.771.105,03**	**-628.359,92**	**-492.712,23**	**220.894,43**	**-900.177,72**	**1.870.927,31**	**2.027.694,72**

2002	Book Value				Depreciations					
	Beginning Balance	Beginning Balance	Beginning Balance	Beginning Balance	Beginning Balance	Additions	Decreases	End Balance	Net Book Value 2002	Net Book Value 2001
Set- up & Formation Expenses	23.435,21	893.222,08	----	916.657,29	-23.435,21	-207.000,03	----	-230.435,24	**686.222,05**	0,00
Other Intangible Assets	147.476,67	1.755.132,71	-412.042,34	1.490.567,04	-147.476,67	-322.425,12	47.997,24	-421.904,55	**1.068.662,49**	0,00
Intangible Assets	**170.911,88**	**2.648.354,79**	-412.042,34	**2.407.224,33**	**-170.911,88**	**-529.425,15**	47.997,24	**-652.339,79**	**1.754.884,54**	**0,00**
Buildings & Installations	206.652,38	1.205.327,71	----	1.411.980,09	-32.908,73	-226.012,65	----	-258.921,38	**1.153.058,71**	173.743,65
Furniture & other equipment	228.421,09	994.686,60	-3.257,47	1.219.850,22	-63.084,71	-300.684,23	0,04	-363.768,90	**856.081,32**	165.336,38
Other Tangible Assets		24.224,33	----	24.224,33	----	-5.669,64	----	-5.669,64	**18.554,69**	0,00
Tangible Assets	**435.073,47**	**2.224.238,64**	-3.257,47	**2.656.054,64**	**-95.993,44**	**-532.366,52**	0,04	**-628.359,92**	**2.027.694,72**	**339.080,03**

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8. Other Assets

«Other Assets» includes claims, except financings, primarily from management of advanced payments. The item is analyzed as follows:

	2003	2002
Guarantees to Cargill Investor Services	----	1.049.011,78
Other Granted Guarantees	127.875,83	139.935,37
Claims from Greek State	472.291,97	145.428,63
Clearance of securities transactions	202,41	----
Advances to suppliers	19.612,10	2.671,43
Advances of expenses	28.058,81	50.310,98
Advances Management Accounts	3.432,00	6.403,80
Clearance of derivatives transactions	2.050,00	2.000,17
Claims from Special Deals	12.753,71	----
Other debit balances	68,03	69,44
Total	**666.344,85**	**1.395.831,60**

The item «Guarantees to Cargill Investor Services», amounts to € 1.049.011,78, represents the given collateral of the subsidiary PROTON SECURITIES AEPEI to the financial company Cargill Investor Services for shares and derivatives transactions to foreign stock exchnges. From 2003 and afterwards, the clearance of the transactions of the above company is monitored to the account of Greek Accounting Chart 53,96.

9. Prepaid Expenses & Earned Income

In these items «Prepaid Expenses & Earned Income», the transit asset accounts are monitored, these accounts are created for the arrangement of income and expenses on a time basis. On «Prepaid Expenses & Earned Income» the positive differences of the revaluation of time dealings on foreign currency between the inceptive price and the price of the date of revaluation. Together with this arrangement, the transformation of the balance sheet is generated to its valid numbers at the end of the accounting period.

	2003	2002
Accrual Interests on Loans	115.577,31	33.917,52
Accrual Interests on Deposits	17.856,70	----
Accrual Interest on Shares (Interests, Dividends etc.)	253.322,53	29.850,74
Other Accrual Interest Income	----	7.290,27
Accrual Interests on Deposits Expenses	----	137.781,30
Prepaid expenses for rentals	----	148.965,47
Other prepaid expenses	38.165,73	18.079,97
Income Receivable	47.210,18	21.067,50
Revaluation of forwards	415.380,54	704.761,70
Total	**887.512,99**	**1.101.714,47**

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10. Due to other Financial Institutions

This item includes deposits of other financial Institutions and also PROTON' s interbank deposits. «Liabilities to other Financial Institutions» is analyzed as follows:

	2003	2002
Time Deposits	6.800.000,00	1.406.865,50
Total	**6.800.000,00**	**1.406.865,50**

11. Due to Customers

«Due to Customers» includes any type of customer deposits apart from deposits of other financial institutions, as well as other liabilities (such as commitments for stock exchange transactions). More specifically the liabilities arising from stock exchange transactions, are liabilities of the subsidiary PROTON SECURITIES AXEPEI, according to the clauses and the decisions of Hellenic Capital Commission Market. «Due to Customers» is analyzed as follows:

	2003	2002
Sight Deposits	14.196.501,37	13.716.205,03
Time Deposits	42.910.567,70	16.332.708,74
Blocked Deposits	603.792,25	----
Repos	8.362.196,21	8.230.308,04
Liabilities from stock exchange transactions	14.390.466,48	4.760.117,48
Cheques payables	239.875,15	322.825,28
Other Liabilities	110,80	----
Total	**80.703.509,96**	**43.362.164,57**

12. Other Liabilities

This item monitors other liabilities, apart from liabilities to customers and other financial institutions, such as liabilities arising from taxes and other fees, Fees to Social Contributions etc. This item is analyzed as follows:

	2003	2002
Liabilities from taxes & duties	1.440.462,69	478.969,98
Insurance & pension funds withholdings account	160.471,41	126.630,50
Leasing Guarantees	8.897,17	8.897,17
Customers Collaterals	----	1.914.430,05
Suppliers	241.056,70	325.974,48
Customers- Spot transactions account	----	(23.950,41)
Customers advances (eg. Pre- registration)	----	330.319,26
BoD' s Fees Beneficiaries	----	1.541,28
Staff' s Advances	23.998,34	38.298,65
Payable Dividends	----	19.840,00
Liabilities to Athens Stock Exchange/ Central Athens Depositary	14.045,00	57.502,40

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Liabilities from special dealings	30.102,88	----
Liabilities from Consulting Fees (UBS)	18.332,91	----
Liabilities for the Acquirement of Participations	366.000,00	----
Clearance of Deals	60.439,40	----
Liabilities to Deposit Guarantee Fund	354.278,75	708.557,49
Tax audit differences	536.496,72	83.394,77
Other credit balances	7.831,69	----
Total	**3.262.413,66**	**4.070.405,62**

13. Pre- received Income & Other Paid Expenses

«Pre- received Income & Other Paid Expenses» are monitored to transit liability accounts, that are generated, primarily, in order to arrange chronic income and expenses, so as the results to include only real income and expenses, concerning the current accounting period. This item of Balance Sheet, also includes the negative revaluation from time deals on foreign currency between the beginning price and the price on the date of the revaluation. Together with this arrangement, the transformation of the balance sheet is generated to its valid numbers at the end of the accounting period. This item is analyzed as follows:

	2003	2002
Accrual Interests on Deposits	60.301,42	487.752,00
Accrual Interests on Expenses ACTIVE MANAGEMENT	34.724,58	----
Other Accrual Interests	33.157,37	18.719,31
Paid Expenses	14.934,18	20.211,28
Revaluation of time deals (forwards)	681.461,03	6.563,97
Other credit balances	280,00	----
Total	**824.858,58**	**533.246,56**

D. INCOME STATEMENT

1. Interest & Similar Income

«Interest & Similar Income» include accrual interests- income from loans, accrual interests on deposits to other financial institutions, etc., as well as similar income with interest that derive usually from investments on bonds, government bonds and other fixed income securities. This item is analyzed as follows:

	2003	2002
Interest from loans, secured by shares	593.307,22	156.936,99
Interest from loans to individuals	64.749,53	247,18
Interest from loans to construction companies	97.008,40	30.198,79
Interest from loans to Services Providing Companies	169.441,93	133.528,89
Other Interest from Loans	349.891,89	3.300,23
Interest from Greek Government Bonds	426.013,16	282.213,38
Other Interest form bonds & other fixed income securities	35.754,93	----
Interests- Income on deposits of Financial Institutions	266.166,44	1.206.053,92
Credit interests by stock exchange transactions	205.246,78	82.300,13
Other credit interest	100.007,50	7.470,93
Total	**2.307.587,78**	**1.902.250,44**

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2. Interest & Similar Expenses

Interest & Similar Expenses monitor the accrual debit interests of all types of interest- bearing deposits, Repos, financial instruments, as well as the similar expenses bearing an interest, deriving from the operating activities of the Group, such as the fee of Greek Law 128/ 76 etc. This item is analyzed as follows:

Interest Expenses arising from:	2003	2002
Deposits on Financial Institutions	779.677,47	219.128,96
Customer Deposits, other from deposits on Financial Institutions	325.954,24	51.928,60
Fee of Greek Law 28/76	134.839,06	31.110,69
Repos	156.318,23	85.680,91
Other	34.886,35	860,53
Total	**1.431.675,35**	**388.709,69**

3. Income from Securities

Income from Securities includes the income arising from dividends from investments on shares and all types of participations. This item is analyzed as follows (suggestively we present the most significant amounts) :

	2003	2002
OTE	38.500,00	----
Other	50.461,29	21,13
Total	**88.961,29**	**21,13**

4. Fees & Commissions Income

The item «Fees & Commissions Income» contains the fees and commission incomes from all types of intermediary services (commercial and investments), and also from foreign currency. This income is recognized and accounted in the accounting period that the services are provided. This item is analyzed as follows:

	2003	2002
Commissions – Income from Letters of Credit	----	3.297,44
Commissions – Income from Custodian Fees	137.951,92	40.157,32
Commissions – Income from Loans	263.635,00	62.500,00
Commissions – Income from Brokerage Securities	9.157.728,99	2.905.931,68
Commissions – Income from Investment Banking	917.337,86	1.905.376,21
Commissions – Income from Investments products	650,00	----
Commissions- Income from transactions on Mutual Funds	6.493,54	----
Management Fees	2.556.772,97	2.373.037,06
Other commissions- income	20.970,35	86.416,49
Total	**13.061.540,63**	**7.376.716,20**

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5. Fees & Commission Expenses

«Fees & Commission Expenses» includes commission expenses from any type of intermediary services (commercial and investment). These expenses are recognized and accounted in the accounting period that the services are provided. Fees & Commission Expenses includes:

	2003	2002
Commissions- Expenses from Letters of Credit	----	27.753,78
Commissions- Expenses from Custodian Fees	35.631,40	----
Commissions- Expenses from Securities Brokerage	594.948,14	166.993,95
Commissions- Expenses from stock exchanges transactions	640.205,15	96.321,49
Commissions- Expenses from the management of the financial derivatives	878.602,71	336.874,59
Other Commissions- Expenses	31.634,10	17.304,66
Total	**2.181.021,50**	**645.248,47**

6. Gains/ Losses from financial transactions

In this item, are monitored the gains /losses from financial transactions arising from portfolio transactions, as well as the positive or negative value from the revaluation of the f-x position. This item includes:

Gains/ Losses from Transactions on :	2003	2002
Greek Shares	2.077.037,55	36.297,36
Mutual Funds	215.097,68	----
Government Bonds	114.283,03	98.032,51
Bank Bonds	212.106,60	(10.360,88)
Corporate Bonds	(3.858,50)	(4.521,37)
Financial Derivatives	(3.427.334,85)	363.989,92
Revaluation of Foreign Currency	15.923,89	348.973,34
Total	**(796.744,60)**	**832.410,88**

7. Other Operating Income

«Other Operating Income» includes a part from the income of investment banking for the years 2002, 2003 and the income of similar activities of PROTON Group. This item is analyzed as follows:

	2003	2002
Rentals for investment property	56.739,23	56.733,78
Income from investment banking	105.016,00	990.221,35
Other Income	90.937,30	128.972,33
Total	**252.692,53**	**1.175.927,46**

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8. Other Administrative Expenses

«Other Administrative Expenses» include the operating expenses apart from staff expenses for third parties services, who are not salary employees, rentals, third party expenses, tax and duties having an impact on the equity and other expenses. This item is analyzed as follows:

	2003	2002
Fees of BoD members	571.752,36	587.727,11
Fees to third parties	375.320,38	993.281,96
Rentals on investment properties	900.437,21	1.292.908,08
Third parties services	528.719,70	478.408,42
Tax & Duties	76.260,98	124.927,00
Subscriptions	462.106,52	404.151,06
Deposit Guarantee Fund	6.748,86	1.062.836,33
Other Expenses	231.833,64	367.607,56
Total	**3.153.179,65**	**5.311.847,52**

E. ADDITIONAL INFORMATION

1. Regulatory Framework

The Bank of Greece which is the supervising authority of the parent company and of the financial system in general, aims at ensuring the stability of the system and the protection of the public. To this end it issues directives and regulations relevant to the operation of credit institutions, their capital adequacy, the risks they undertake as well as their investing activities.

The Greek law has also incorporated the main directives of the European Union pertaining to the control and supervision of credit institutions.

The Bank of Greece can audit all the books and files of the credit institutions in Greece to detect any violations in the context of a preventive and suppressive audit. If a credit institution is not compliant, the Bank of Greece has the authority to impose to it the measures necessary for its compliance with laws regarding credit institutions as well as to impose fines, appoint an administrator and ultimately (when there is still failure to comply or non solvency) to revoke the license of operation of the credit institution and to place it under special liquidation under its supervision. Additionally in case of inadequate liquidity of the credit institution, the Bank of Greece can give the order of compulsory extension of payment of payables and receivables of the credit institution for a period which can not exceed two months (it can be extended for one more month) and to appoint an administrator under its supervision.

The Capital Market Committee is the supervising authority of the securities company, of the mutual funds management company and of the investment services company.

The group following the instructions of supervising authorities submits on a regular basis all necessary reports to them. In particular it submits reports regarding capital adequacy, provisions adequacy, grand financial ventures, and several other analyses for banking risks.

The companies of the group as societes anonyme comply with law 2190/1920, while they are supervised in terms of administrative issues by the Ministry of Development.

2. CAPITAL ADEQUACY

The group's capital adequacy is estimated based on the Act of the Governor of Bank of Greece 2397/96 and 2494/2002, which are based on the directive of the European Union regarding capital adequacy of credit institutions. The rate of capital adequacy must be at least 8%. The rate of capital adequacy includes apart from the credit risk, the foreign exchange risk and the interest rate risk.

Based on information on the consolidated financial statements as at 31 December 2003, as determined according to Greek accounting principles consisting of all stipulations of commercial law 2190/1920, the Chart of Accounts for Banks and part of taxation laws, the rate of capital adequacy for the group is estimated at 21,03%. In particular:

	2003		2002	
	Bank	Group	Bank	Group
Solvency ratio	29,85 %	30,03 %	45,27 %	34,60 %
Capital adequacy ratio	21,17 %	21,03 %	34,80 %	30,44 %

3. RISK MANAGEMENT

The group has established a risk management committee who is responsible for identifying, counting and managing banking and operating risks, applying traditional and modern methods for counting and quantifying banking risks and to this end it has established a modern risk management system.

Credit risk Credit risk is the impact on profitability due to failure of the contracting party to fulfill its obligations according to contract. To cover this possibility provisions are made as at the date of the financial statements. additionally the credit risk is included in the scenario analysis of dealings as well as in stress testing for the most effective monitoring of the relevant risk.

The dealing with and monitoring of these risks which are also affected by changes in the economy's sectors or even by macroeconomic changes, is achieved by the setting of appropriate credit limits per client and type of transaction. These limits combined with their pricing, are approved by the credit granting committee further to a proposal by the relevant departments of the group of the committee managing assets and liabilities (ALCO). These limits may be revised and their application is monitored by the appropriate departments.

The estimation of the credit risk is made based on the internal systems and methods for scaling the credit risk of the group and based on the relevant analysis the appropriate securities are decided.

"Scaling" is the procedure classifying the credit holders based on financial, qualitative criteria as well as their dealings to one of the eight categories of credit risk and it is an integral part of the management system of risks involved in the activities of the bank.

The scaling is subject to change given that the facts determining it change constantly in relation to the credit holder as well as the broader economic environment in which it operates. Consequently the scaling is examined every year unless an extraordinary event happens, and the classification is made under a new category.

Market risk Market risk is the impact on profitability that may arise due to adverse changes in prices in the markets of interest rates, foreign exchange, shares or derivatives included either in the transactions portfolio or through the structure and management of Assets and Liabilities.

The group applies a method for estimating market risk through the change in evaluation of the current value based on the assumption of parallel or non parallel changes of the curve of interest rates (but with less significant changes in the prices that may prevail in the market) of the stress-testing adopted by the Bank of Greece. Apart from regular measurements of the market risk the trend in the transactions portfolio is also examined as well as the entire Assets and Liabilities of the group based on a scenario analysis and a stress testing.
In the context of risk management the Management Committee of Assets and Liabilities has set up transactions limits per product or /and activity involving a market risk. In particular limits have been drawn for:

- foreign exchange positions
- positions on bonds
- positions on derivative products
- positions on shares (in Greece and abroad)

Transactions involving these products are monitored daily for any excess of approved limits as well as significant changes in relation to previously existing positions.

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CURRENCY RISK (In euro '000)	FINANCIAL YEAR 2003 EUR	USD	GBP	JPY	OTHER	TOTALS
ASSETS						
Cash and cash balances with Central Bank	562	1	----	----	----	**563**
Loans and advances to financial institutions.	13.335	2.642	355	32	22	**16.386**
Loans and advances to customers	44.905	(365)	31	1.423	----	**45.994**
Bonds and other fixed income securities	15.263	----	----	----	----	**15.263**
Shares and other non-fixed income securities	27.082	1.428	----	----	----	**28.510**
Participations in non associates	10.250	----	----	----	----	**10.250**
Participations in associates						
Property, plant & equipment	3.466	----	----	----	----	**3.466**
Other assets	1.531	1	----	2	21	**1.554**
TOTAL ASSETS	**116.394**	**3.705**	**386**	**1.457**	**43**	**121.986**
LIABILITIES & SHAREHOLDERS' EQUITY						
Due to other financial institutions	6.800	----	----	----	----	**6.800**
Due to customers	45.098	2.992	222	32.376	15	**80.704**
Other liabilities	3.965	----	122	1	----	**4.087**
TOTAL LIABILITIES	**55.863**	**2.992**	**344**	**32.377**	**15**	**91.591**
SHAREHOLDERS'EQUITY	**30.395**	----	----	----	----	**30.395**
TOTAL LIABILITIES+SH.EQUITY	**86.258**	**2.992**	**344**	**32.377**	**15**	**121.986**
FX Balance Sheet position	30.136	713	42	(30.919)	28	
FX position from derivatives	(44.661)	0	0	43.979	0	
Total FX position	(14.525)	713	42	13.060	28	

Note: Numbers presented may not add up precisely due to rounding.

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CURRENCY RISK (In euro '000)	Financial year 2002					
	EUR	USD	GBP	JPY	OTHER	TOTALS
ASSETS						
Cash and cash balances with Central Bank	397	1	----	----	----	**398**
Loans and advances to financial institutions.	26.481	4.052	494	40	72	**31.139**
Loans and advances to customers	23.634	384	----	4.242	----	**28.260**
Bonds and other fixed income securities	3.145	----	----	----	----	**3.145**
Shares and other non-fixed income securities	4.115	----	----	----	----	**4.115**
Participations in non associates	8.143	----	----	----	----	**8.143**
Participations in associates						
Property, plant & equipment	1.199	----	----	----	----	**1.199**
Other assets	3.783	----	----	----	----	**3.783**
TOTAL ASSETS	2.485	(3)	----	16	----	**2.498**
	73.382	**4.434**	**494**	**4.298**	**72**	**82.679**
LIABILITIES & SHAREHOLDERS' EQUITY						
Due to other financial institutions						
Due to customers	----	----	----	1.407	----	**1.407**
Other liabilities	23.130	3.977	494	15.691	71	**43.362**
TOTAL LIABILITIES	4.413	191	----	----	----	**4.604**
	27.543	**4.167**	**494**	**17.097**	**71**	**49.373**
SHAREHOLDERS'EQUITY						
	33.306	----	----	----	----	**33.306**
TOTAL LIABILITIES+SH.EQUITY						
	60.849	**4.167**	**494**	**17.097**	**71**	**82.679**
FX Balance Sheet position						
FX position from derivatives	12.533	267	0	(12.799)	1	
Total FX position	0	152	0	12.891	0	
	12.533	419	0	92	1	

Note: Numbers presented may not add up precisely due to rounding.

Liquidity Risk Liquidity risk is related with the ability of the Group to fulfill its financial obligations when they become due. The monitoring of liquidity risk is concentrated on the monitoring of the liquidation ability of the Group in order to cover its obligations.

The analysis of monitoring the liquidation ability of the Bank includes all the assets and liabilities that the Bank has are included and the relevant cash flows are ranked in time periods depending on when they are expected to be realized. The monitoring of the liquidation ability of the Group as well as the limits set are monitored by ALCO Committee which follows the instructions given by the Bank of Greece (BOG).

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Following the BoG Directive that increases the obligation for monitoring the liquidity of Group and the establishment of new limits and liquidity indices, the ALCO Committee adopted properly the methodology for the daily monitoring of liquidity. Hence the software was upgraded in order to adjust to the new limits. Furthermore the Treasury department devolved to take precautionary measures by increasing the liquidity limits of the Group, as well as to make corrective adjustments if the internal limits set by the Group, which are stricter than those set by BoG are altered or violated.

LIQUITIDY RISK (In euro '000)	FINANCIAL YEAR 2003						
	Overnight	**2 - 30 days**	**1 - 3 months**	**3 - 6 months**	**6 - 12 months**	**> 1 year**	**TOTALS**
ASSETS							
Cash and cash balances with Central Bank	381	99	83	----	----	----	**563**
Loans and advances to financial institutions.	5.787	10.481	118	----	----	----	**16.386**
Loans and advances to customers	14.587	3.226	6.462	4.086	7.521	10.112	**45.994**
Bonds and other fixed income securities	----	----	----	----	----	15.263	**15.263**
Shares and other non-fixed income securities	10.917	17.593	----	----	----	----	**28.510**
Participations in non associates	----	10.249	----	----	----	----	**10.249**
Participations in associates							
Property, plant & equipment	----	----	----	----	----	3.466	**3.466**
Other assets	----	----	----	----	----	1.554	**1.554**
TOTAL ASSETS	**31.672**	**41.648**	**6.663**	**4.086**	**7.521**	**30.395**	**121.986**
LIABILITIES & SHAREHOLDERS' EQUITY							
Due to other financial institutions	----	6.800	----	----	----	----	**6.800**
Due to customers	63.999	9.771	6.934	----	----	----	**80.704**
Other liabilities	----	----	----	----	----	4.087	**4.087**
TOTAL LIABILITIES	**63.999**	**16.571**	**6.934**	**0**	**0**	**4.087**	**91.591**
SHAREHOLDERS'EQUITY	----	----	----	----	----	**30.395**	**30.395**
TOTAL LIABILITIES+SH.EQUITY	**63.999**	**16.571**	**6.934**	**0**	**0**	**34.482**	**121.986**

Note: Numbers presented may not add up precisely due to rounding.

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LIQUITIDY RISK (amounts in euro 000)	FINANCIAL YEAR 2002						
	Overnight	2 - 30 days	1 - 3 month	3 - 6 month	6 - 12 month	> 1 year	TOTALS
ASSETS							
Cash and cash balances with central bank	398	----	----	----	----	----	**398**
Loans and advances to financial institutions	2.835	28.304	----	----	----	----	**31.139**
Loans and advances to customers	6.346	12.113	3.405	2.183	2.910	1.303	**28.260**
Bonds and other fixed income	----	----	----	----	----	3.145	**3.145**
Shares and other non fixed income securities	----	4.115	----	----	----	----	**4.115**
Participation in non-associates	----	8.143	----	----	----	----	**8.143**
Participation in associates	----	----	----	----	----	1.199	**1.199**
Property, plant & equipment	----	----	----	----	----	3.783	**3.783**
Other assets	----	----	----	----	----	2.498	**2.498**
TOTAL ASSETS	**9.579**	**52.675**	**3.405**	**2.183**	**2.910**	**11.928**	**82.679**
LIABILITIES							
Due to other financial institutions	----	1.407	----	----	----	----	**1.407**
Due to customers	19.075	23.675	612	----	----	----	**43.362**
Other liabilities	----	----	----	----	----	4.604	**4.604**
TOTAL LIABILITIES	**19.075**	**25.082**	**612**	**0**	**0**	**4.604**	**49.373**
SHAREHOLDERS' EQUITY	----	----	----	----	----	**33.306**	**33.306**
TOTAL LIABILITIES & SHAREHOLDERS' EQUITY	**19.075**	**25.082**	**612**	**0**	**0**	**37.910**	**82.679**

Note: Numbers presented may not add up precisely due to roundings.

INTEREST RATE RISK

Interest rate risk relates to the variance of the future financial instruments' cash flows due to variances in interest rates. Variances in interest rates significally affect the present value of the future cash flows of an investment or a liability.

SEGMENT REPORTING

Having into consideration the bank's and the group's present organizational and operational structure and the fact that income from operations in Greece holds the biggest proportion of the total group's income, the Bank considers the business segment to be the primary reporting segment and more specifically the following businesses sectors:

Investment Banking: This business sector includes all the brokerage services, the advisory and intermediary services offered in relation with the capital markets. Additional it includes all other investment banking services offered either by the bank or by its specialized subsidiaries (Proton Securities). It also includes the Dealing Room operations in Interbank Market (FX Swaps, Futures, IRS, Bonds, Interbank Placement and Deposits).

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Retail Banking: This business includes the common banking services like: loans to customers, customers' deposits, letters of guarantee, custody e.t.c.

In the following tables are presented the Profit & Loss Account figures classified in the two businesses "Retail Banking" and "Investment Banking":

Financial Year 2003	Retail Banking	Investment Banking	Total
Interest and similar income	1.600.293,38	707.294,40	2.307.587,78
Interest and similar expense	(570.391,60)	(861.283,75)	(1.431.675,35)
Net interest income	**1.029.901,78**	**(153.989,35)**	**875.912,43**
Income from securities	**0,00**	**88.961,29**	**88.961,29**
Fee and Commission income	406.545,00	12.654.995,63	13.061.540,63
Fee and Commission expense	(183.567,17)	(1.997.454,33)	(2.181.021,50)
Net fee and commission income	**222.977,83**	**10.657.541,30**	**10.880.519,13**
Gains/Losses from financial transactions	**87.112,54**	**(883.857,14)**	**(796.744,60)**
Other operating income	**93.988,11**	**158.704,42**	**252.692,53**
TOTAL OPERATING INCOME	**1.433.980,26**	**9.867.360,52**	**11.301.340,78**
Staff expenses	(198.731,12)	(3.742.775,68)	(3.941.506,80)
Other administrative expenses	(444.500,19)	(2.708.679,46)	(3.153.179,65)
	(643.231,31)	**(6.451.455,14)**	**(7.094.686,45)**
Other operating expense	**(1.586,80)**	**(11.832,41)**	**(13.419,21)**
TOTAL OPERATING EXPENSES	**(644.818,11)**	**(6.463.287,55)**	**(7.108.105,66)**
Depreciations	**(140.029,37)**	**(1.005.146,98)**	**(1.145.176,35)**
Provisions		**(250.849,00)**	**(250.849,00)**
Extraordinary and non operating results	**(68.675,03)**		**(68.675,03)**
RESULTS BEFORE MINORITY INTEREST PORTION AND TAXES	**580.457,75**	**2.148.076,99**	**2.728.534,74**

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Financial Year 2002	Retail Banking	Investment Banking	Total
Interest and similar income	1.407.734,16	494.516,28	1.902.250,44
Interest and similar expense	(84.516,04)	(304.193,65)	(388.709,69)
Net interest income	**1.323.218,12**	**190.322,63**	**1.513.540,75**
Income from securities	**0,00**	**21,13**	**21,13**
Fee and Commission income	64.837,38	7.311.878,82	7.376.716,20
Fee and Commission expenses	(35.243,82)	(610.004,65)	(645.248,47)
Net fee and commission income	**29.593,56**	**6.701.874,17**	**6.731.467,73**
Gains/Losses from financial transactions	**69.795,11**	**762.615,77**	**832.410,88**
Other operating income	**447.823,08**	**728.104,38**	**1.175.927,46**
TOTAL OPERATING INCOME	**1.870.429,87**	**8.382.938,08**	**10.253.367,95**
Staff expenses	(352.963,48)	(4.376.778,84)	(4.729.742,32)
Other administrative expenses	(1.982.216,90)	(3.329.630,52)	(5.311.847,42)
	(2.335.180,38)	**(7.706.409,36)**	**(10.041.589,74)**
Other operating expenses	**(29,35)**	**(9.424,81)**	**(9.454,16)**
TOTAL OPERATING EXPENSES	**(2.335.209,73)**	**(7.715.834,17)**	**(10.051.043,90)**
Depreciations	**(127.595,42)**	**(886.199,06)**	**(1.013.794,48)**
Provision		**(201.831,43)**	**(201.831,43)**
Extraordinary and non operating results	**3.674,28**		**3.674,28**
RESULTS BEFORE MINORITY INTEREST PORTION AND TAXES	**(588.701,00)**	**(420.926,58)**	**(1.009.627,58)**

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5. EXPECTED LIABILITIES

Lawsuits The group, in its ordinary business activity, has various legal cases under trial.

More specifically, the Group has prosecuted third parties for €588.102, while third parties have taken legal action against the company for €81.447.

The Group Management appreciated the effect of pending legal cases and the Group's equity will not change substantially.

Letters of Guarantee In the scope of the ordinary bank practice the Group has issued letters in favor of its clients, of €14,7 million approximately. Letters of Guarantee have also been given in favor of associated companies of €15,6 million approximately.

For the issuance of the Letters of Guarantee the ordinary credit limit approval procedure is followed and the relevant guarantees are received. Letters of Guarantee issued in favor of associated companies are not covered by any collateral.

Conventional engagements The Group has signed with third parties various lease contracts that are considered necessary for the exercise of its activities. The most important contracts are as such:

<u>Building lease contract</u>: The Bank signed a lease contract for a building of 2.547 m^2 where all the companies are housed with a monthly adjusted lease of €43.300.

The lease period is 12 years (that is until the 30 of June 2013) with an extension potential of 8 years.

On the 28th of November 2004 the initial lease contract was modified and the decrease of the monthly lease was settled at €40.000 plus the legal increments prescribed in the initial contract.

The bank above has signed sub-lease contracts with all the subsidiaries using the leased building. In the scope of preparing the consolidated financial statements, the income from the sub-lease of the building to the subsidiary companies has been eliminated.

<u>Financial lease of the equipment</u>: The bank has signed a financial lease with a Lease company for the rental of its equipment (computers, printers, peripherals e.t.c.) of €327.536. The contract period is 48 months and matures on the 9th January 2006.

In the end of the contract, the aforementioned assets will revert to the Bank ownership without any extra charge.

<u>Car rentals</u>: The Bank has signed a long-term contract with a car rental company (3) for three cars to be used by the Members of the Boars.

Two of contracts mature in 2006 while the third in 2009. The leases until the maturity of the contracts amount to €185.101 (the corresponding VAT is included.)

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Insurance contracts: The bank has signed with the insurance company AIG HELLAS S.A., an property insurance contract for the coverage of various risks over the improvements on the building accommodating the Group and the equipment used, for an insured capital of approximately €1,5 million.

The insurance contract is annual and becomes renewed each time on its maturity on 12th October 2005.

Proton active management investing product The Group has created an investment product by the name Proton Active Management, based on which, the Group takes on the titles' management (shares, participations, derivative products, mutual funds, bonds e.t.c.) and monetary reserves on the account of its clients, granting at the same time a minimum guaranteed return on capital after maturity date, equal to an annual of 2,50% of the contract and pays the clients, regardless of whether a smaller return on capital resulted from the portfolio management.

The Group revaluates monthly its clients' portfolio by entering in the accounting period results its deriving profits or losses. For the calculation of profits or losses from the revaluation of the managed portfolio, the pre-stated minimum guarantied return is considered, and as for this, no differences in the end of the contracts are expected.

The managed capital as at the 31st December 2004 come up to € 2.805.614 and concern 27 clients.

6. POST-DATED EVENTS

EMPHASIS debentures Starting from the 11 March 2004 debenture contract and the representation of debenture holders and under the trait of the Issue Advisor and Administrator the bank took on the management of the debenture of "EMPHASIS Information Systems S.A.". The debenture arises to €6.007.500, divided in 6.750 debentures of nominal value €890 each and lasted for thee years.

The debenture was tradable with shares of "Systems, Networks, High Technology Telecommunications S.A" and the discreet title «HITECH S.A», the shares of which are listed in the New Athens Stock Exchange Financial Market (NEXA). The exchange relationship defined by the initial contract was 1 debenture to 100 shares.

On the 7th of March 2005, the President of the Athens Stock Exchange, due to the sudden death of the President and Chief Executive of the issuing company ordered the inhibition of the issuing company's shares and bonds negotiation. The inhibition lasts until today.

The Special General Meeting of the Bank's Shareholders on 1 April 2005 proposed the acquisition of debentures from the Debenture Holders against a payment of the 50% of the nominal value of each debenture of €3.003.750.

We note that the decision above was taken by the General Meeting of the Bank Shareholders for good rumor reasons, given that there was not any legal responsibility for the settlement of debenture-holders.

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In July 2005, the decision of the General Meeting was realized and the Bank bought from the debenture-holders the pre-stated debentures against €3.003.750.

Having estimated the financial status of EMFASIS, the bank noticed the termination of the debenture and it has initiated the necessary legal acts for the satisfaction of its claims. At the same time, the Bank has performed an impairment test on the value of the debentures bought in July 2005 and calculated that based on the existing financial data of EMFASIS, the potential loss for the Bank from the non-receipt of its claims shall not overcome the amount of €600.000. Given that the Bank adopted and prepared its financial statements according to the I.A.S., following the relative clauses of IFRS, proceeded to an estimation of a relevant provision by reducing the closing period income.

Listing in the Athens Stock Exchange: The Bank, according to the decision of the Extraordinary General Meeting of Shareholders that was realized on the 1st of July 2005, decided the listing of the shares in the main Stock Exchange Market via the Public Offering for a percentage of 25% of its underlying shares.

The listing of the Bank's shares in the Athens Stock Exchange was considered intentional and necessary in order to proceed at the same time with the listing, with the merging procedures of the Bank with three companies, as referred in detail in the following paragraph.

Merging plan: On the 29 of June 2005, the Board of Directors of the Bank decided the approval of the plan for the common merging with the listed closed end funds, ARROW A.E.EX., EURODYNAMICS A.E.EX. and EXELIXI A.E.EX., by their acquisition from the Bank, according to the clauses of articles 68 and 69 of C.L.2190/1920, of L.2166/1993, L.2992/2002 and of the article 16 of L.2515/1997.

The Boards of the companies about to be merged by the Bank, also approved on 29 June 2005 the prementioned common Merging Contract Plan and was signed by all the representatives of the merged companies on 30 June 2005.

The Merging Contract Plan prepared after the agreement of the Boards about to be merged, is under the approval of the General Meetings of the merged companies and the receipt of requested, by Law, licenses and approvals from the pertinent authorities.

Bank of Greece, as a direct supervisory carrier of the Bank has already approved the Merger Contract Plan by the Decision Num. 203/4/26.7.2005 (Government Gazette 197/5.8.2005).

Acquisition of First Global A.D On the 8th of April 2005 the Group took over the 82,49% of the Share Capital of "First Global Brokers A.D" (FGB hereafter) in Belgrade (Serbia–Montenegro).

The company is a member of the Belgrade Stock Exchange and has been licensed by the supervisory authority to provide all the spectrum of the financial activities. Moreover, it provides all the spectrum of consulting services and has an expanded client basis comprising of domestic and international investors. The company possesses the 5th position in the market of bonds and the 27th in the market of shares from a total of 73 financial companies.

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According to the business plan for 2005 until 2009 the company is expected to have a stable an continuous profitability.

The decision of the Group to buy a participation in the Share Capital of the FGB is based on the fact that the Serbian market develops with rapidly and the business opportunities are significant. FGB, with the know-how it possesses may offer a significant support to Greek Companies operating in the area of Serbia-Montenegro.

The book value of the participation came up to €595.038 while the corresponding percentage over the total equity of FGB according to the financial statements on the 30th of June 2005 prepared according to the IFRS came to € 234.700.

Far from the events stated before, there were no other significant 31 December 2003 post-dated events due to be reported

NOTES APPROVAL

The notes were approved by the Board of Directors' Meeting on 24 October 2005.

Athens, 24 October 2005

THE CHAIRMAN OF THE BOARD.	THE VICE-PRESIDENT & CHIEF EXECUTIVE OFFICER	THE GENERAL MANAGER	THE FINANCIAL MANAGER
ANTONIOS I. ATHANASSOGOU ID NUM. X214152	ILIAS G. LIANOS ID NUM. K038877	ATHANASIOS I. PAPASPILIOU ID NUM. Φ008527	GEORGIOS S. NIKIFORAKIS ID NUM. Ξ107181
			Auditor's Licence Num: 0003577/99

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PROTON INVESTMENT BANK S.A.
3rd TRANSFORMED CONSOLIDATED BALANCE SHEET OF "PROTON INVESTMENT BANK S.A."
at at 31st December 2004
S.A. R.N 49341/06/b/01/31- T.R.N 099677056
Amounts in €

ASSETS	2004			2003		
1. Cash and balances with Central Bank			3.590.017,11			562.755,93
3. Loans and advances to financial institutions						
a. Sight		1.198.091,78			1.167.540,28	
b. Other receivables to financial institutions		17.264.148,07	18.462.239,85		15.218.660,52	16.386.200,80
4. Claims against clients						
a. Loans and advances to customers	44.334.533,12			28.585.238,66		
b. Other claims	17.621.204,61	61.955.737,73		17.861.430,66	46.446.669,32	
Less bad debts to customers		-452.680,43	61.503.057,30		-452.680,43	45.993.988,89
5. Bonds and other fixed income on securities						
a. Issued by the Greek government		8.239.043,26			9.104.474,81	
b. Of other issuers		3.604.099,34	11.843.142,60		6.158.762,47	15.263.237,28
6. Shares and other non-fixed income securities			31.691.884,21			28.509.773,95
7. Participation in non associates			14.260.164,26			10.249.796,46
9. Intangible assets						
a. Formation and set-up expenses	926.819,05			926.819,05		
c. Other intangible assets	2.010.221,97	2.937.041,02		1.973.004,77	2.899.823,82	
Less: Amortization		-1.952.763,89	984.277,13		-1.304.803,91	1.595.019,91
10. Property, plant & equipment						
b. Buildings- Building installations	1.204.626,36			1.204.626,36		
Less: Building depreciation	-311.908,19	892.718,17		-211.290,45	993.335,91	
c. Furniture and equipment	1.596.812,41			1.377.515,54		
Less: Furniture and equipment depreciation	-1.009.084,90	587.727,51		-672.276,42	705.239,12	
d. Other tangible assets	188.963,13			188.963,13		
Less: Depreciation of other tangible assets	-46.085,18	142.877,95	1.623.323,63	-16.610,85	172.352,28	1.870.927,31
13. Other assets			1.178.490,66			666.344,85
14. Prepaid expenses and earned income			1.715.608,13			887.512,99
TOTAL ASSETS			**146.852.204,88**			**121.985.558,37**

LIABILITIES AND SHAREHOLDERS' EQUITY	2004		2003	
I. LIABILITIES				
1. Due to other financial institutions				
a. Sight Deposits	807.623,26			
b. Time Deposits	14.500.000,00	15.307.623,26		6.800.000,00
2. Due to customers				
a. Deposits	78.809.007,30		57.710.861,32	
b. Other obligations				
ba. Sight Deposits	3.041.427,01		239.985,95	
bb. Notice Deposits	6.617.402,26		14.390.466,48	
c. Repos	5.084.293,34	93.552.129,91	8.362.196,21	80.703.509,96
4. Other liabilities		2.961.168,88		3.262.413,66
5. Pre-received income and other paid expenses		332.534,73		824.858,58
TOTAL LIABILITIES		112.153.456,78		91.590.782,20
II. SHAREHOLDERS' EQUITY				
8. Share Capital				
(1.400.000 shares of € 25 each)	35.000.000,00		35.000.000,00	
10. Reserves	5.521.799,00		1.214.898,83	
12. Retained earnings				
Balance of Retained Earnings	447.792,20		319.055,63	
Tax review differences	-579.521,28		-536.496,72	
14. Consolidation differences	-5.705.628,60	34.684.441,32	-5.705.628,60	30.291.829,14
15. Minority interest		14.306,78		102.947,03
TOTAL SHAREHOLDERS' EQUITY		34.698.748,10		30.394.776,17
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		146.852.204,88		121.985.558,37

CONSOLIDATED INCOME STATEMENT FOR 31/12/04

	2004			2003		
1.Interest & similar income						
Fixed income on securities	459.736,47			461.768,09		
Other interest and similar income	2.707.270,03	3.167.006,50		1.845.819,69	2.307.587,78	
2. Less: Interest and similar expense		-2.503.716,89	663.289,61		-1.431.675,35	875.912,43
3. Plus: Income from securities						
a. Income from shares and other non fixed income securities		391.704,99				88.961,29
c. Income from participation in associates		20.000,00	411.704,99			
4. Plus: Fees and Commission Income		13.847.411,52			13.061.540,63	
5. Less: Fees and Commission Expenses		-4.828.885,79	9.018.525,73		-2.181.021,50	10.880.519,13
6. Plus (or Less) Gains/Losses from financial transactions			2.039.713,90			-796.744,60
7. Plus: Other operating income			354.774,78			252.692,53
TOTAL OPERATING INCOME			**12.488.009,01**			**11.301.340,78**
8. Less: General Administrative Expenses						
a. Employee Expenses						
Wages and Salaries	-3.623.431,34			-3.327.346,62		
Charges of Social Nature for Pensions	-611.778,53			-594.429,47		
Other charges	-47.426,29	-4.282.636,16		-19.730,71	-3.941.506,80	
b. Other Administrative expenses		-3.880.460,57	-8.163.096,73		-3.153.179,65	-7.094.686,45
9. Less: Depreciation and Amortization			-1.114.860,58			-1.145.176,35
10. Less: Other operating expenses			-22.484,69			-13.419,21
11+12. Less: Value adjustment differences of receivable and provisions for contigent liabilities						-250.849,00
TOTAL OPERATING PROFIT			**3.187.567,01**			**2.797.209,77**
15. Plus: Extraordinary and non-operating income		78.926,91			2.034,59	
16. Less: Extraordinary and non-operating expenses		-139.329,14			-70.748,64	
17. Plus (or Minus): Extraordinary results		0,00	-60.402,23		39,02	-68.675,03
18. Net Profit before taxes			**3.127.164,78**			**2.728.534,74**
Less: Income Tax			-1.108.433,81			-844.540,55
Less: Tax review differences			-81.339,96			-452.801,95
Less: Board of Directors fees			-203.400,00			
NET PROFIT AFTER TAXES			**1.733.991,01**			**1.431.192,24**
Less: Minority Interest			-2.116,23			-1.582,98
NET GROUP' S PROFIT (AFTER TAXES)			**1.731.874,78**			**1.429.609,26**

CONSOLIDATED REFORMED CASH FLOW STATEMENT
for accounting periods closing on 31/12/04 and 31/12/03
S.A. E.N 49841/06/B/01/31- T.R.N 099877056
Amounts in €

A/A		ANALYSIS	2004	2003
A.		**Cash flows from ordinary operating activities**		
	100	***Cash inflows***		
	101	Taxes and commissions (income)	17.014.418,02	15.369.128,41
	102	Income from securities	411.704,99	88.961,29
	103	Other income	433.701,69	254.727,12
	104	Financial activities results	351.448,45	823.572,87
	105	Sales of trading securities	215.688.146,10	214.913.021,04
	107	Receivables received	24.629,49	21.173,59
	108	Deposits' increase	12.848.619,95	37.341.345,39
	109	Plus: Reduction of earned income	0,00	893.023,67
		Less: Increase of earned income	1.205.487,07	0,00
	110	Plus: Increase for revenue received in advance	4.381,75	1.044,80
	111	Plus: Reduction of other assets	0,00	729.487,40
A		***Total cash inflows (A 100)***	245.571.563,37	270.435.485,58
	200	***Cash outflows***		
	201	Interest and comission expenses	7.332.602,68	3.612.696,85
	202	General administrative expenses	8.163.096,73	7.094.688,45
	203	Other expenses	161.813,83	84.167,85
	204	Financial activities results	453.431,12	807.648,98
	205	Purchase of trading securities	206.750.331,43	252.015.497,22
	207	Loans granted	15.533.697,90	18.006.250,42
	209	Plus: Increase of Expenses paid in advance	0,00	678.822,19
		Less: Decrease of Expenses paid in advance	377.391,93	0,00
	210	Plus: Decrease of expenses payable	496.705,60	0,00
		Less: Increase of expenses payable	0,00	290.567,22
	211	Plus: Decrease of other liabilities	2.267.047,59	1.100.171,72
		Less: Increase of assets	512.146,45	0,00
	213	Taxes	1.143.378,25	-55.077,67
		Total cash outflows (A200)	**242.436.859,65**	**283.054.296,79**
		Cash flows from ordinary operating activities (A100-A200)=	**3.134.703,72**	**-12.618.811,21**
B		**Cash Flows from investing activities**		
B 100		***Cash inflows***		
	101	Participations in subsidiaries not consolidated during the previous accounting period	0,00	1.198.800,00
	102	Sales of intangible and tangible assets	0,00	10.305,03
		Total cash inflows (B100)	**0,00**	**1.209.105,03**
	200	***Cash outflows***		
	201	Purchase of securities, participations and bonds	5.503.112,68	4.757.096,00
	202	Purchase of tangible and intagible assets	256.514,07	838.810,29
		Total cash outlows (B200)	**5.759.626,75**	**5.595.906,29**
		Cash flows from investing activities (B100-B200)= B	**-5.759.626,75**	**-4.386.801,26**
C		**Cash flows from financing activities**		
	100	***Cash inflows***		
	103	Financial figures from subsidiaries' activities for the accounting period prior to the first consolidation	0,00	-2.759.959,43
	105	Increase of due to financial institutions	8.507.623,26	5.393.134,50
		Total cash inflows (C100)	**8.507.623,26**	**2.633.175,07**
C 200		***Cash outflows***		
	207	Dividends	576.000,00	216.000,00
	209	Fees to Board of Directors from period earnings	203.400,00	0,00
		Total cash outflows (C200)	**779.400,00**	**216.000,00**
		Cash flows from financing activities (C100-C200)= C	**7.728.223,26**	**2.417.175,07**
		BANK CASH FLOWS (A+/-B+/-C)	**5.103.300,23**	**-14.588.437,40**
		Plus: OPENING CASH ITEMS: 1. Cash and cash balances with Central Bank 2. Due from Financial Institutions	**16.948.956,73**	**31.537.394,13**
		CLOSING CASH ITEMS: 1. Cash and cash balances with Central Bank 2. Due from Financial Institutions	**22.052.256,96**	**16.948.956,73**

PROTON INVESTMENT BANK S.A.

REFORMED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for Periods ending at 31/12/2004 and 31/12/2003

S.A. R.N 49341/06/b/01/31- T.R.N 099677056

	SHARE CAPITAL	RESERVES	RETAINED EARNINGS	PERIOD EARNINGS	CONSOLIDATION DIFFERENCES	CAPITAL OWED TO THE BANK SHAREHOLDERS	MINORITY INTEREST	TOTAL EQUITY
2002 BALANCE	35.000.000,00	141.216,58	-1.489.064,20		-2.408.205,13	31.243.947,25	2.062.422,44	33.306.369,69
RESULTS OF ACCOUNTING PERIOD 2003				3.892.576,58		3.892.576,58		3.892.576,58
INCOME FROM PARTICIPATIONS IN ASSOCIATES				-18.000,00		-18.000,00		-18.000,00
INCOME TAX 2003				-844.540,55		-844.540,55		-844.540,55
DISTRIBUTION ENTRY 2003		1.073.682,25	1.646.928,30	-3.030.036,03	-3.297.423,47	-3.606.848,95	-1.959.475,41	-5.566.324,36
REFORMATION ENTRY 2003			-375.305,19			-375.305,19		-375.305,19
BALANCE OF ACCOUNTING PERIOD 2003	**35.000.000,00**	**1.214.898,83**	**-217.441,09**	**0,00**	**-5.705.628,60**	**30.291.829,14**	**102.947,03**	**30.394.776,17**
RESULTS OF ACCOUNTING PERIOD 2004				4.527.483,62		4.527.483,62		4.527.483,62
INCOME FROM PARTICIPATIONS IN ASSOCIATES				-575.424,00		-575.424,00		-575.424,00
INCOME TAX 2004				-515.563,30		-515.563,30		-515.563,30
DISTRIBUTION ENTRY 2004		4.306.900,17	463.533,08	-3.436.496,32		1.333.936,93	-88.640,25	1.245.296,68
REFORMATION ENTRY 2004			-377.821,07			-377.821,07		-377.821,07
BALANCE OF ACCOUNTING PERIOD 2004	**35.000.000,00**	**5.521.799,00**	**-131.729,08**	**0,00**	**-5.705.628,60**	**34.684.441,32**	**14.306,78**	**34.698.748,10**

PART V
AUDITED ACCOUNTS FOR THE THREE YEARS ENDED 29 DECEMBER 2005 FOR ARROW PORTFOLIO INVESTMENT COMPANY S.A., EURODYNAMIKI PORTFOLIO INVESTMENT COMPANY S.A. AND EXELIXI PORTFOLIO INVESTMENT COMPANY S.A.

The following accounts are the translation of the publicly available audited accounts of Arrow Portfolio Investment Company S.A., Eurodynamiki Portfolio Investment Company S.A. and Exelixi Portfolio Investment Company S.A.. The Greek originals are available at the offices of Proton.

BOARD OF DIRECTORS REPORT
"ARROW CLOSED-END FUND S.A."
S.A's R.N: 45360/06/B/00/16th Decision of Hellenic Capital Commission Market 3/181/18.01.2000

FOR THE USE OF THE ANNUAL GENERAL MEETING OF SHAREHOLDERS FOR THE PROCEEDINGS OF THE 4TH ACCOUNTING PERIOD (1/1 – 31/12/2003)

Dear Shareholders,

According to the Law and the Company's statutes, we submit to the Shareholders Annual General Meeting, the Balance Sheet and the results of the 4th accounting period ending on the 31st December 2003.

A. Accounting period results (2003)

The three year financial decrease ended in 2003 and the positive course of the markets was reflected on the economic result, which for the first time, from the initiation of the company's operations, was positive.

According to the analysis of the Income statement of the fourth accounting period 1.1.2003 – 31.12.2003, the company's portfolio returns were € 1.482.489,11 against € 1.642.757,07 for the accounting period 2002 (a 9,8% decrease), and the profits from trading securities were € 4.187.855,68, against losses of € 865.387,52 of the previous accounting period.

The results of the closed-end fund management, concerning the accounting profits of the company were € 3.198.392,44 for the total of 2003 against a loss of € 1.603.625,55 for 2002 and is stated in detail in Table 1:

Table 1

	Amounts in €
Portfolio income	1.482.489,11
Profits on securities´ transactions	4.984.361,34
Loss from financial instruments	-796.505,66
Exchange differences	-60.959,38
Total portfolio management income	**5.609385,41**
Less:	
Portfolio management expenses	2.410.992,97
Portfolio management income	**3.198.392,44**

Operating and Extraordinary income was € 2.353.620,37 against a loss of € 2.451.024,21 for 2002.

The earnings after tax for 2003 were € 2.094.374 against a loss of € 6.892.379,42 for 2002. The portfolio revaluation difference was positive € 4.557.528,73 against a negative revaluation of € 4.182.452,35 for 2002.

For the first time in the closing accounting period the company applied the clauses of L.2992 by preparing the ground for the underlying application of IAS. According to the clauses of the aforementioned law, the evaluation surplus was directly transferred in equity's "Securities Evaluation Difference of L.2992/02".

By this accounting treatment, company's equity plus the dividend are equal to the company's net worth (internal value), by making easier for the shareholder the finding of the real value of his/her investment.

In more detail, operating income for 2003, as formed in relation to the previous accounting period is stated in Table 2:

Table 2

	31-Dec-03	31-Dec-02	Change
	Euro	Euro	%
Portfolio income	1.482.489,11	1.642.757,07	- 9,8 %
Gain/ Losses from trading portfolio transactions	4.187.855,68	- 865.387,52	-
Total portfolio management income	**5.670.344,79**	**777.369,55**	**629,4 %**
Less: Portfolio management expenses	-2.410.992,97	-2.503.395,73	- 3,7 %
Less: General administrative expenses	-844.772,07	- 847.398,66	- 0,3 %
Plus: Extraordinary and non-operating income	699.581,49	1.004.691,87	- 30,4 %
Less: Extraordinary and non-operating expenses	-760.540,87	- 888.291,24	13,8 %
Operating and extraordinary results (Earnings)	**2.353.620,37**	**- 2.451.024,21**	
Less: Income tax	-259.246,37	- 258.902,84	0,1 %
Account period earnings	**2.094.374,00**	**-2.709.927,05**	**-**
Less: Revaluation Difference between Participations & Securities	0	- 4.182.452,35	-
Profit after Tax	**2.094.374,00**	**6.892379,40**	**-**

As stated before, the accounting period ended on 31.12.2003 was the first profit making from the initiation of the company's operation in 2000. As for this, the Board of Directors suggests to the General Meeting the distribution to the shareholders of a final dividend of € 652.000 (or € 0,02 per share).

B. Financial Statement

According to the Balance Sheet submitted for approval, the Accounting Net Worth (Equity) of the Company on 31.12.2003 was formed at € 77.745.148,32.

In more detail, the development of the company's share capital, from its foundation, is stated in Table 3:

Table 3

Share Capital Progress

Date of Shareholders' General Meeting	Official Government Gazette	% Change	Increase consideration:	Justification	Total	Total of Shares	Share 's nominal value
Foundation 22.02.2000	1465/ 23.02.2000	90.975.788,70	Cash	Payment of initial Share capital.	90.975.788,70	31.000.000	2,93
03.05.2001 & 03.10.2001	2115/ 10.04.2001 & 7983/ 11.09.2001	- 11.803.773,76		1. Decrease of share 's nominal value, at the amount of € 0,38, due to the Share capital decrease for the equivalent set off losses deriving from the portfolio revaluation in the 1st accounting period, amount of € 11.803.733,76.	79.172.014,94	31.000.000	2,55
03.05.2001 & 03.10.2001	2115/ 10.04.2001 & 7983/ 11.09.2001	-122.014,94		2.Decrease of share 's capital of the amount of € 122.014,94, with the formation of a special reserve, due to rounding, deriving from the transformation of the shares in drachmas to euro, to € 2,55	79.050.000,00	31.000.000	2,55
03.05.2001 & 03.10.2001	2115/ 10.04.2001 & 7983/ 11.09.2001	4.080.000	Cash	3. Decision for the company, to be listed in the Athens Exchange Market, together with increase of the share capital	83.130.000,00	32.600.000	2,55
16.12.2003	Decision of Ministry of Development K2 - 1379/30.01.2004	-10.432.000		1. Decrease of share 's nominal value, at the amount of € 0,32, due to the Share capital decrease for the equivalent set off losses deriving from the portfolio revaluation in the 1st accounting period, amount of € 10.432.000.	72.698.000,00	32.600.000	2,23

The total liabilities of the company on 31/12/2003 came up to € 2.754.928,22 against € 1.606.762,08 in 2002, an increase attributed mainly to: a) dividend distribution to the shareholders from the closing period profits and b) short-term liabilities from financial activities classified in the ordinary activity of the company (The analysis to the individual items is stated in Table 4).

Table 4

	31-Dec-03	31-Dec-02	Change
	Euro	**Euro**	**%**
Suppliers	118.871,00	106.377,16	11,70 %
Cheques payable	0,00	500,00	- 100 %
Liabilities from taxes and duties	149.890,64	140.768,81	6,50 %
Insurance companies	5.344,09	5.427,38	- 1,50 %
Dividends payable	652.000,00	0	-
Greek traders	1.802.647,47	1.212.707,34	48,60 %
Foreign traders	0	135.508,87	- 100 %
Miscellaneous creditors	7.375,02	5.472,52	34,80 %
Board of Directors benefits	18.800,00		-
Total liabilities	**2.754.928,22**	**1.606.762,08**	**71,50 %**

The company's total assets on 31/12/2003 was formed at € 80.623.959,18 against € 73.490.951,96 in 2002 by presenting an increase of 9,7%. The assets structure per category is presented in Table 5:

Table 5

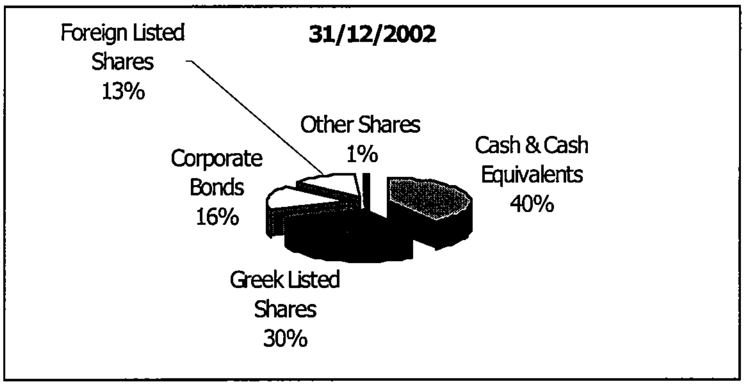
	31-Dec-03	31-Dec-02	Change
	Euro	**Euro**	**%**
Investment in securities	**54.974.855,42**	**41.122.215,30**	**33,70 %**
Shares listed in Athens Exchange	35.358.634,92	21.117.849,04	67,40 %
Shares listed in foreign Stock Exchanges	10.407.105,61	8.434.336,29	23,4 %
Non – listed shares	512.560,10	513.983,86	- 0,30 %
Debentures	327.589,54	0	-
Mutual funds	1.335.674,01	1.625,96	82046,8 %
Bonds	7.033.291,24	10.945.672,25	- 35,7 %
Cash at banks and on hand	**21.639.158,58**	**26.624.711,79**	**- 18,7 %**
Cash on hand	341,66	111,26	207,10 %
Time and sight deposits	21.638.816,92	26.624.611,53	- 18,70 %
Other assets accounts	**4.009.945,18**	**5.744.013,87**	**- 30,2 %**
Total assets	**80.623.959,18**	**73.490.951,96**	**9,70 %**

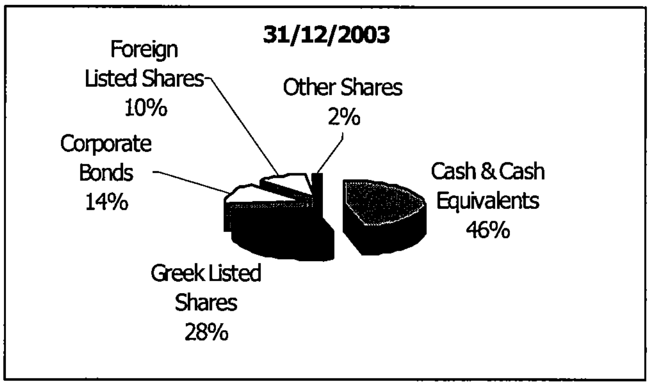
The emphasis of the investment policy concerning the portfolio of shares remained on investments in high capitalization domestic shares, with risk hedging via investments in foreign shares. The relating revaluations- so much of the sectors as of the companies- consisted of the basic criterion of our investing choices. At the same time, the derivative financial instruments were used for the hedging of any inherent risk. In some cases, the derivatives were used for the portfolio management by following the upward or downward trends.

Foreign investments regarded investments on US, UK and EU countries' shares. The currency risk from the investments in the markets outside the Eurozone was counterbalanced by the use of derivative products.

The proportional Investment Structure (including Reserves) of the company at current prices is stated in Table 5.

Table 6





In the accounting period, an average of 38,3% was invested in domestic shares, 13% was invested in foreign shares, 19,3% in Greek Government Bonds and the remaining 28,9% in financial market products and other assets. The use of derivative financial products was – 10,4%.

In more detail, the investment structure per month at current values, as a percentage over the Net Accounting Worth is stated in Table 7:

Table 7: Monthly Investment Structure

DATE	GREEK SHARES	FOREIGN SHARES	TOTAL SHARES	BONDS	CASH	DERIVATIVES
30/1/2003	22,8 %	10,4 %	33,2 %	26,9 %	39,5 %	-28,6 %
28/2/2003	26,1 %	11,4 %	37,5 %	31,5 %	30,4 %	-24,4 %
31/3/2003	26,6 %	12,8 %	39,4 %	26,7 %	33,2 %	-13,4%
30/4/2003	25,9 %	11,7 %	37,6 %	24,8 %	35,8 %	-7,2 %
30/5/2003	28,2 %	11,0 %	39,2 %	22,4 %	36,6 %	-9,6%
30/6/2003	35,5 %	10,4 %	45,9 %	21,3 %	32,8 %	-2,9 %
31/7/2003	45,2 %	12,3 %	57,5 %	18,7 %	23,9 %	-3,4 %
29/8/2003	48,4 %	15,2 %	63,6 %	18,3 %	18,1 %	-0,6 %
30/9/2003	53,0 %	15,1 %	68,1 %	11,0 %	20,9 %	-0,6 %
31/10/2003	47,9 %	15,2 %	63,1 %	9,9 %	27,0 %	-14,2%
28/11/2003	52,1 %	17,0%	69,1 %	10,1 %	20,8 %	-12,2 %
31/12/2003	48,4 %	13,5 %	61,9 %	9,9 %	28,2 %	-15,4%

During 2003, the company participated with its representatives- by exercising voting rights- to the General Meeting of the Companies, in shares on which it had invested.

C. The Capital Market trend in 2003

The accounting period of 2003 regardless of whether it consisted of a global year of reversal of the three year market downfall, it was a year with intense and the uncertainty that continued to flow in the capital markets.

The upward trend is due to the gradual recovery of the international economy and the reduction of risks for a new recession, especially in the American economy, the best of the expected company results in a period of low expectations, the reduction of the geopolitical risk after the Iraq war, while an important factor was the payment in advance of positive long-term developments.

As a result, the share indices of the bigger developed markets presented an increase between 14% and 37%.

Similar was the picture in the domestic market, which monitored significantly the upward trend of the international stock exchanges. The relative improvement of the investors' trust towards the market and the increasing interest of the foreign institutional shareholders in sight of the Olympic Games of 2004 lead to the increase of the general index of the Athens Stock Exchange by 29,5%, of the FTSE/ASE 20 by 35,4% and of the FTSE 40 by 26,8%.

The sector share indices, varied between –14,8% (the index of the textile companies) and 103,6% (the index of retail companies). In what the Portfolio Investing Companies are concerned, the change of the internal worth of the closed-end funds listed companies fluctuated between –15,9% and 29,4%.

In 2003, our company maintained its prudent- though flexible- policy, which is successfully followed from the initiation of its operation and which aims to the minimization of the retained investment risk per unit of expected return, safeguarding the investment capital from the risk of undervaluation, without restricting its increase potential, if the market conditions are favorable.

As for this, the value of the company's portfolio was in one way safeguarded from the intensive negative fluctuations of the market that lasted during the longest part of the year and then were reinforced by the increasing market operations, resulting to the internal value of the share to be increased by 10,3% on an annual basis, classifying our company on the eighth place of its sector. From the beginning of the company's operations as it is apparent in Table 8, the real share value, as measured from the internal value, decreased by –18,1% against the decrease of the basic Stock Exchange indices that fluctuates between –55,7% and –71,3%. After the results of 2003, the internal value of the company is very much close to the levels of 2000, having succeeded to counterbalance the greater capital market downfall of the last decades.

Table 8

	31/12/2003	**Initiation of operations (22/2/2000)**	**% Change**
Internal value ARROW	€ 2,40	€ 2,93	-18,1 %
General Stock Exchange Index	2.263,58	5.109,81	-55,7 %
Index FTSE/SE 20	1.169,95	2.775,61	-57,8 %
Index FTSE/SE Midcap 40	2.309,91	827,15	-71,3 %
Investing Companies Index	873,33	2.454,91	-65,9 %

D. Prospects for 2004

2004 begins with many uncertainties concerning the international economy. The devaluation of the dollar draws a new landscape in the capital markets and in a period when the weakness of America to face the structural problems of its economy (such as the double deficit in the foreign balance of transactions and the continuous debt, so much of the public sector, as of the households, that pushes the debt service expenses to particularly high levels) is evident.

Thee problems create substantial dilemmas of currency policy, making difficult the underlying decisions of the banks, about the interest rates.
On the other side the economic recovery in Europe is slower than what was initially expected, while so much the European as the Japanese Economy that were by nature exporting economies, are pressed from the empowerment of their currency in relation to the dollar.

The high rate of increase of the companies' profitability in 2003 created expectations for the accomplishment of even higher sizes, in 2004. Other factors increasing the uncertainty in the markets are the oil and merchandizes price, as well as the geopolitical risk (that is traced in an expected escalation of the international terrorism, and in the course of events in the Middle-east, in Iraq and in North Korea).

In what the domestic market is concerned, the underlying general elections in March differentiate the internal market course in the short run, while the most basic event of the year is the Olympic Games in August, thing that also differentiated the internal market. A significant indication is the structural problems of the domestic economy (high unemployment and inflation and low competitiveness), as well as the worsening of basic macroeconomic sizes (fiscal deficit, public debt, balance of payments deficit, direct investments reduction).

The structure of the company portfolio will be redefined based on the market developments and the management expectations in relation to their uncertainty.
Our aim is the maximization of the company value for its shareholders in the medium-long-term horizon.

We finally have to express our thanks to the staff and our associates for their devotion and the effective way of their duties' execution.

Athens, 27 January 2004

THE PRESIDENT & CHIEF EXECUTIVE OFFICER	THE VICE-PRESIDENT OF THE BOARD	THE HEAD OF THE ACCOUNTING DEPARTMENT
JULIA THANASSOURA **ID NUM: Ξ 328072**	**ANTONIOS KATSAOUNIS** **A.Δ.T. : Θ 900724**	**AGGELOS KIOTIS** **A.Δ.T. : X180834**

We assure that the report above, consisting of 9 pages, is that of the Auditor's Certificate, granted on 28/1/2004.

Athens 28 January 2004

THE CHARTERED ACCOUNTANT

VASSILIOS PAPPAS
I.C.A.A R.N:14381
SOL A.E.

ARROW

ARROW CLOSED END FUND S.A.

BALANCE SHEET AS AT 31st DECEMBER 2003 - 4th ACCOUNTING PERIOD (1st January - 31st December 2003) - Amounts in €

MAIN OFFICE: ATHENS / REGISTER NUMBER OF SOCIETES ANONYMES: 45360/06/B/00/16 / DECISION OF HELLENIC CAPITAL MARKET COMMITTEE BOARD/ NUM: 3/181/18.1.2000

ASSETS	31/12/2003			31/12/2002		
	Book Value	Depreciation & Amortization	Net Book Value	Book Value	Depreciation & Amortization	Net Book Value
B. SET-UP EXPENSES						
1. Forming & set-up expenses	1,379,252.55	1,103,402.03	275,850.52	1,379,252.55	827,551.52	551,701.03
4. Other forming expenses	453,248.44	247,805.36	205,443.08	453,248.44	156,296.10	296,952.34
	1,832,500.99	1,351,207.39	481,293.60	1,832,500.99	983,847.62	848,653.37
C. FIXED ASSETS						
II. Property, plant & equipment						
3. Buildings	34,330.15	13,652.60	20,677.55	34,330.15	9,876.28	24,453.87
6. Furniture & equipment	56,522.84	47,573.27	8,949.57	56,252.61	34,976.46	21,276.15
Total property plant and equipment (CII)	90,852.99	61,225.87	29,627.12	90,582.76	44,852.74	45,730.02
III. Participations and other long-term assets						
7. Other long-term assets			5,509.80			5,509.80
Total fixed assets (CII + CIII)			35,136.92			51,239.82
D. CURRENT ASSETS						
II. Receivables						
11. Miscellaneous debtors			3,241,706.99			4,354,027.13
III. Investments in securities	Domestic	Foreign	Total	Domestic	Foreign	Total
1. Stocks listed in the Stock Exchange	35,358,634.92	10,407,105.61	45,765,740.53	21,117,849.04	8,434,336.19	29,552,185.23
2. Stocks not listed in the Stock Exchange	512,560.10	0.00	512,560.10	513,983.86	0.00	513,983.86
3. Bonds	327,589.54	0.00	327,589.54	0.00	0.00	0.00
4. Shares from mutual funds	1,335,674.01	0.00	1,335,674.01	0.00	1,625.96	1,625.96
5. Stocks of companies about to be listed in the Stock Exchange to be issued	0.00	0.00	0.00	108,748.00	0.00	108,748.00
6. Greek State debentures	7,033,291.24	0.00	7,033,291.24	10,945,672.25	0.00	10,945,672.25
	44,567,749.81	10,407,105.61	54,974,855.42	32,686,253.15	8,435,962.15	41,122,215.30
IV. Cash items						
1. Cash on hand			341.66			111.26
3. Time and sight deposits			21,638,816.92			26,624,611.53
			21,639,158.58			26,624,722.79
Total Current Assets (DII + DIII + DIV)			79,857,720.99			72,100,965.22
E. DEBIT TRANSIT ACCOUNTS						
1. Deferred expenses			359.00			0.00
2. Accrued Income			249,448.67			490,093.55
			249,807.67			490,093.55
TOTAL ASSETS (B+C+D+E)			80,623,959.18			73,490,951.96
DEBIT MEMO ACCOUNTS						
3. Claims from reciprocal agreements			-19,993,765.00			-49,566,718.95

LIABILITIES	31/12/2003	31/12/2002
A. SHAREHOLDERS EQUTY		
I. Share capital		
1. Paid-up capital (32.600.000 shares of 2,23 €)	72,698,000.00	83,130,000.00
IV. RESERVES		
3. Special reserves	122,014.94	122,014.94
5. Securities revaluation difference N. 2992/2002	4,443,766.23	0.00
	4,565,781.17	122,014.94
V. RETAINED EARNINGS		
Previous period losses	0.00	-11,370,872.85
	481,367.15	0.00
	481,367.15	-11,370,872.85
Total shareholders equity (AI+AIV+AV)	77,745,148.32	71,881,142.09
B. PROVISIONS FOR CONTINGENCIES AND EXPENSES		
1. Provision for employees compensation	6,765.47	643.68
C. LIABILITIES		
II. Short-term liabilities		
1. Suppliers	118,871.00	106,377.16
2. Cheques payable	0.00	500.00
5. Taxes and duties payable	149,890.64	140,768.81
6. Insurance & pension funds withholdings account	5,344.09	5,427.38
10. Dividends payable	652,000.00	0.00
11. Miscellaneous creditors	1,828,822.49	1,353,688.73
TOTAL LIABILITIES (C II)	2,754,928.22	1,606,762.08
D. TRANSIT LIABILITY ACCOUNTS		
2. Accrued expenses	3,354.67	2,404.11
3. Options evaluation difference	113,762.50	0.00
	117,117.17	2,404.11
TOTAL LIABILITIES (A+B+C+D)	80,623,959.18	73,490,951.96
CREDIT MEMO ACCOUNTS		
3. Obligations from reciprocal agreements	19,993,765.00	49,566,718.95

NOTE:

1. The evaluation of the company's securities on 31/12/2003 occured for the first time according to the clauses of article 2 par. 2 of L. 2992/2002 and an appreciation surplus occured of 4.557.528,73 € that was transferred in the company Equity, in account "IV. 5 Securities revaluation difference of L. 2992/2002". The violation of clauses 1 and 2 of article 5 of L.1969/1991, deriving from the securities evaluation (according to L. 2992/02), is faced by deviation according to the clauses of article 7 of L.1969/1991. The evaluation of option was conducted as above, and a negative evaluation difference of € 113.762,50 arose, which was transferred in account "IV. 5 Securities evaluation difference of L. 2992/2002" and then in the liability transit account "Options evaluation difference".
2. Up until the previous accounting period, the evaluation of securities was conducted according to the clauses of article 4 par. 2 of N.1969/91.
3. By a decision of the Additional Special General Meeting of Shareholders on 16th December 2003, the share capital of the company was reduced by 10.432.000,00 € additionally reducing the nominal value of the share from 2,55 € to 2,23 € and an equivalent covering of part of the previous period losses. The relevant entries in the accounting books of the companies occured on 31/12/2003.
4. The net accounting worth of the company as at the 31/12/2003 was 78.397.148,32 and the internal share value came up to 2,40€.
5. There are no pledged assets, nor court or arbitrary cases that may affect the financial status of the company.
6. The company has been tax reviewed up until 2001.
7. The company on 31/12/03 employed 4 people

INCOME STATEMENT 01/1/2003 - 31/12/2003

	31/12/2003		31/12/2002	
I. Results from operations				
Gross income from portfolio management				
Portfolio income		1,482,489.11		1,642,757.07
Profit/ loss from trading securities		4,187,855.68		-865,387.52
Total		5,670,344.79		777,369.55
LESS :				
Portfolio management commissions				
a) Management & Custody remunerations	1,171,798.84		1,171,500.48	
β) Security trading commissions	896,735.81		970,476.19	
γ) Tax - Transfer - Athens Stock Exchange Expenses	342,458.32	2,410,992.97	361,419.06	2,503,395.73
Gross operating profit (loss) from portfolio management		3,259,351.82		-1,726,026.18
LESS : Administration expenses		844,772.07		847,398.66
Gross operating profit (loss)		2,414,579.75		-2,573,424.84
II. LESS: Extraordinary Income				
1.Extraordinary and non-operating income	699,581.49		1,004,691.87	
Mείον :1. Extraordinary and non-operating expenses	760,540.87	-60,959.38	882,291.24	122,400.63
Operating and extraordinary income (Profit/Loss)		2,353,620.37		-2,451,024.21
LESS: Total depreciation and amortization	383,732.90		385,157.14	
Less: Included in the operating cost	383,732.90	0.00	385,157.14	0.00
Less: Securities' evaluation difference		0.00		4,182,452.35
Earnings before tax		2,353,620.37		-6,633,476.56

PROFIT APPROPRIATION STATEMENT

	31/12/2003	31/12/2002
Accounting period earnings	2,353,620.37	-6,633,476.58
(-) Previous years' losses	938,872.85	-4,478,493.45
(-) Tax audit differences	3,334.00	0.00
	1,411,413.52	-11,111,970.03
LESS: Income tax L.1969/1991	-259,246.37	-258,902.84
Earnings after tax	1,152,167.15	-11,370,872.87
Profit distribution is as follows:		
2. Dividends (0,02 € per share)	652,000.00	0.00
7. BoD benefits	18,800.00	0.00
8. Retained earnings	481,367.15	0.00
Total	1,152,167.15	0.00

Athens, 27 January 2004

THE PRESIDENT OF THE BOARD & CHIEF EXECUTIVE — JULIA THANASSOURA, ID NUM. 328072

THE VICE-PRESIDENT OF THE BOARD — ANTONIS KATSAOUNIS, ID NUM. 900724

THE CHIEF OF THE ACCOUNTING DEPARTMENT — KIOTIS G. AGGELOS, ID NUM. 180834

AUDITORS' CERTIFICATE

To the Shareholders of "ARROW: CLOSED END FUND S.A."

We audited the Financial Statements above, as well as the relative Notes and Cash Flow Statement of "ARROW: CLOSED AND FUND S.A." of the accounting period ended on 31st December 2003. Our audit was conducted according to the clauses of article 37 of C.L. 2190/1920 "about Stockholding Companies", the clauses of L. 1969/1991 "about Closed End Fund Companies" and the audit procedures we considered necessary, based on the principles and rules of auditing followed by the Institute of Chartered Accountants and are in line to the basic principles of International Auditing Standards. The company provided to us all its books and records, as well as the information and explanations required for the safe conduct of our audit. The company applied correctly the Greek General Chart of Accounts. The inventory method was not modified in relation to the previous accounting period, besides the case of the company Note No1. We verified the reconcilliation of the Board of Directors Report to the General Assebly of the Shareholders via the corresponding Financial Statements. The Notes include the information prescribed from par. 1 of article 43a of C.L: 2190/1920, while the Cash Flow Statement has been prepared based on the financial statements and the books and records code. In our opinion, the Financial Statements above, which derive from the books and records of the company, depict together with the Notes and cash flow statement, after considering our notes under the Balance Sheet, the property structure and the financial state of the company at the 31st December 2003, as well as the accounting period results closing at that date, plus the Operating Cash Flows for this accounting period, based on the relative clauses and the same as the previous accounting period generally accepted accounting principles in effect- except for note No1.

Athens 28 January 2004

THE CHARTERED ACCOUNTANT

VASSILIS K. PAPPAS
REGISTER NUMBER: 14381
SOL S.A.

ARROW Closed End Fund S.A.

Cash Flow Statement 2003- 4th Accounting Period (1st January- 31st December 2003) - amounts in€

Head Office: Athens- S.A. Register Number M.A.E. 45360/06/B/00/16 - Decision of the BoD of Hellenic Capital Commission Market No. 3/181/18.1.2000

	A/A	Analysis	Amounts in euro	
		Cash flows from ordinary operating activities	**2003**	**2002**
A	100	**Cash inflows**		
	101	Sales		
	102	Other operating income		
	103	Extraordinary income	699,581.49	1,004,691.87
	104	Prior years' income		
	105	Interest collected (deposits e.t.c.)	568,841.14	1,242,612.36
	106	Income from securities	913,647.97	400,144.71
	107	Tradable securities sales	96,593,023.58	153,859,686.46
	108	Reduction of receivables collected	1,110,320.14	
		Less		
	109	Purchase of tradeable securities	101,700,279.29	144,417,983.89
	110	Increase of receivables collected	0.00	1,851,200.45
		Total cash inflows (A 100)	-1,814,864.97	10,237,951.06
A	200	**Cash outflows**		
	201	Portfolio management expenses	2,410,992.97	2,503,395.73
	202	General administrative expenses	454,917.38	462,241.52
	203	R & D expenses		
	204	Distribution costs		
	205	Underemployment / inaction expenses		
	206	Other expenses	760,540.87	882,291.24
	207	Increase of inventories		
	208	Increase of prepayments and accrued income		
	209	Reduction ofaccruals and deferred income		
	210	Reduction of short – term liabilities (except for banks)		
		Less		
	211	Decrease of inventories		
	212	Decrease of prepayments and accrued income	240,285.88	401,257.74
	213	Increase ofaccruals and deferred income	950.56	2,404.11
	214	Increase of short – term liabilities (except for banks)	468,244.31	1,187,193.54
		Total cash outflows (A200)	2,916,970.47	2,257,073.10
A	300	**Cash outflows from taxes**		
	301	Income taxes	259,246.37	258,902.84
	302	Non incorporated in operation taxes		
	303	Tax Audit differences	3,334.00	0.00
	304	Reduction of liabilities from taxes		
		Less		
	305	Increase of liabilities from taxes	9,121.83	39,247.47
		Total cash outflows from taxes (A300)	253,458.54	219,655.37
		Cash flows from ordinary operating activities A100-A200-A300=A	**-4,985,293.98**	**7,761,222.59**
		Cash Flows from investing activities		
B	100	**Cash inflows**		
	101	Sales of intangible assets		
	102	Sales of tangible assets		
	103	Sale of titles & participations		
	104	Decrease of long term receivables		
	105	Income from titles & participations		
	106	Interest collected (long - term e.t.c receivables)		
		Total cash inflows (B100)	0.00	0.00
B	200	**Cash outflows**		
	201	Purchases of intangible assets		
	202	Purchases of tangible assets	270.23	994.42
	203	Purchase of titles & participations		
	204	Increase of long term receivables	0.00	290.40
	205	Increase of formation expenses	0.00	141,685.51
		Total cash outflows (B200)	270.23	142,970.33
		Cash flows from investing activities B100-B200=B	**-270.23**	**-142,970.33**
C		**Cash flows from financing activities**		
	100	**Cash inflows**		
	101	Share capital and share premium increase collected		
	102	Asset subsidies collected		
	103	Increase of long - term liabilities		
	104	Increase of short - term liabilities (bank accounts)		
		Total cash inflows (Γ100)	0.00	0.00
C	200	**Cash outflows**		
	201	Reduction (repayment) of share capital		
	202	Repayment of asset subsidies		
	203	Decrease of long - term liabilities		
	204	Decrease of short - term liabilities (bank accounts)		
	205	Interest paid		
	206	Dividends paid		
	207	Distribution of earnings to employees		
	208	Board of directors' fees from the earnings of the period		
		Total cash outflows (C200)		
		Cash flows from financing activities C100-C200=C	**0.00**	**0.00**
		Cash flows (A+B+C)	**-4,985,564.21**	**7,618,252.26**
		Plus: Opening cash items	**26,624,722.79**	**19,006,470.53**
		CLOSING CASH ITEMS	**21,639,158.58**	**26,624,722.79**

Athens, 27th January 2004

The Chairman of BoD & Managing Directoı	The Vice President of BoD	The Chief Financial Officer
Thanassoura Ioulia ID.No. Ξ 328072	Katsaounis Antonis ID.No. Θ 900724	Kiotis Angelos ID.No. X 180834

Auditor's Report on Cash Flow Statement

We audited the above Cash Flow Statement of the company Arrow Closed End Fund Societe Anonyme for the accounting period from 01.01-31.12.2003. In our opinion, the above Cash Flow Statement truly presents the inflows and outflows of the current financial year of ARROW Closed End Fund S.A..

Athens, 28th January 2004
The Chartered Accountant,

Vassilis K.Pappas
ID.No. - SOEL: 14381
S.O.L. S.A

NOTES ON THE ACCOUNTS
OF THE BALANCE SHEET AS AT 31 DECEMBER 2003
(in accordance with the provisions of article 43a of law 2190/1920, as applicable)
OF THE COMPAMY
"ARROW CLOSED-END FUND A.E."
(Company Reg. 45360/06/B/00/16 DECIS. EC 3/181/18.01.2000

1. ESTABLISHMENT AND STRUCTURE OF FINANCIAL STATEMENTS VARIANCES FOR THE PURPOSE OF PRESENTING THE COMPANY'S STATE OF AFFAIRS

a) Article 42a par. 3: Variance from relevant provisions on the establishment of annual financial statements considered necessary in order to present the company's state of affairs in accordance with par. 2 of the above article.	None
b) Article 42b par. 1: Variance from the principle of immutability as regards the structure and form of the balance sheet and of the profit and loss account.	None
c) Article 42b par. 2: Entry in the relevant account of an item relating to several mandatory accounts.	No such case
d) Article 42b par. 3: Adjustments in the structure and headings of accounts with Arabic numerals, if so required by the specific nature of the company.	No such case
e) Article 42b par. 4: Combination of balance sheet accounts which correspond to Arabic numerals to which (combination) of this provision apply.	No such case
f) Article 42b par. 5: Adjustments of prior year's items for comparison purposes.	No adjustments necessary
g) Article 43b par. 2: Added due to article 6of P.D. 325/1994 (Exchange rate between Drachma and Euro), in cases were annual financial statements were also published in Euro	The financial statements were published in Euro

2. VALUATION OF ASSETS

a) Article 43a par. 1-a: Methods for the valuation of assets and calculation of depreciation as well as provisions for any devaluation of assets.

1. Tangible assets (plant in non owned buildings) were revalued at acquisition cost plus any, improvements or additions less with the depreciations of article 43 of Law 2190/1920 and P.D 299/2003

2. There was no need for fixed assets' impairement

3. Revaluation of securities at 31/12/2003 was done for the first time according to article 2 par. 2 of Law

	2992/2002 and a positive revaluation of € 4.557.528,73 were accounted for in Equity in the account «IV. 5 Revaluation differences on securities of Law 2992/2002». The exceed in limits set in par. 1 and 2 of article 5 of Law 1969/1991, that may derive from the revaluation of secuties (according to Law 2992/02), is treated as a deviation under the stipulations of article 7 of Law 1969/1991. The Closed End Fund must under the rules of article 7 of Law 1969/91 sell those securities that hold in excess of the limits set in par. 1 and 2 of article 5 of Law 1969/91 due to the revaluation of securities according to Law 2992/02, within one year since the first day of the implementation of the Law, meaning the latest at 31/12/2004. Attached is a Table of Investments as at 31/12/2003. 4. Revaluation of options was made as above and a negative revaluation of Euro 113.762,50 which was presented in account: "IV.5 Revaluation differences on securities of Law 2992/2002" and on account "Revaluation differences of options" of Transit Credit Account.
b) Article 43a par. 1-a: Basis for the conversion of assets denominated in foreign currency and procedure for treating exchange differences.	1.Securities in Foreign Currency were revalued using the Exchange Rate as at 31.12.2003 as this was defined by European Central Bank and the exchange difference was present in the account: "Revaluation differences on securities of Law 2992/2002" 2.Cash and cash balances in Foreign Currency (sight accounts) were revalued using the Exchange Rate as at 31.12.2003 as this was defined by European Central Bank and exchange differences arose as follows: a) Debit exchange differences of Euro 47.229,61 were accounted for in the account extraordinary expenses and b) Credit exchange differences of Euro 0,01 were accounted for in the account extraordinary income
c) Article 43 par. 2: Variance from the methods and basic principles of valuation. Use of special valuation methods.	Revaluation of securities as at 31.12.2003 was done for the first time according to stipulations of article 2 par. 2 of Law 2992/2002, at fair value on 31.12.2003. Last year's revaluation of securities portfolio was done according to article 4 par.2 of Law 1969/1991 at the lower total value between the acquisition cost and the fair value (using the average December 2003 prices of the Athens Stock Exchange)
d) Article 43 par. 7-b: Change in the method used for calculating the cost value or production cost of stocks and securities.	See above
e) Article 43 par. 7-c: Statement of the difference between the valuation price of stocks and securities and their current market value, if significant.	The revaluation of securities was done at their fair values and a positive revaluation of Euro 4.443.766,23 is presented in Company's Equity in the account: "Revaluation Differences on Securities of Law 2992/2002".

f) Article 43 par. 9: Analysis and explanation of the revaluation of fixed assets, in accordance with a special law, and presentation of the "revaluation reserve" account.

No such case

3. FIXED ASSETS AND FORMATION EXPENSES

a) Article 42e par. 8: Changes in fixed assets and formation expenses (amortization).

At the end of these notes there is a relevant table.

b) Article 43 par. 5-d: Analysis of additional depreciation.

There was no additional depreciation.

c) Article 43 par. 5-e: Provision for devaluation of fixed tangible assets.

None

d) Article 43 par. 3-e: Analysis and explanation of the amounts under formation expenses (amortization) relating to the fiscal year.

In the balance sheet account "Formation & Set up expenses" is analysed as follows:

-Tax on capital increase	909,757.89
-Nottary's expenses	10,755.69
-Athens attorneys' union	454,952.31
-Set up expenses	3,786.66
-Other share capital increase expenses	442,232.53
- Software	11,015.91
Total acquisition cost	**1,832,500.99**

e) Article 43 par. 3-c: The amounts and accounting procedure for foreign exchange differences which occurred during this year on payment (installments) and/or valuation of loans or prepayments, used exclusively for the purchase of fixed assets.

There are no loans in foreign currency for any acquisition of tangible assets.

f) Article 43 par. 4 a and b: Analysis and explanation of items "research and development expenses", "concessions and royalties" and "goodwill".

No such items.

4. INVESTMENTS

a) Article 43a par. 1-b: Participating interest in the capital of other companies in excess of 10%.	None
b) Participation interest in other companies, where the company has unlimited liability	None
c) Article 43a par. 1-o: Preparation of consolidated financial statements including the company's own financial statements.	No such case

5. STOCKS

a) Article 43a par. 1-k: Valuation of stocks in derogation to the valuation rules of article 43 for tax relief purposes.	None
b) Article 43a par. 1-j: Differences arising from the revaluation of current assets and reasons for such differences.	The revaluation of securities was done at their fair values and a positive revaluation of Euro 4.443.766,23 is presented in Company's Equity in the account: "Revaluation Differences on Securities of Law 2992/2002".

6. SHARE CAPITAL

a) Article 43a par. 1-d: Classes of shares making up the share capital.

Shares category: Common anonymous

Number	Nominal value (€)	Total value (€)
32.600.000	2,23	72.698.000

According to the resolution of the First Extraordinary Repeated General Meeting of the Shareholders dated 16th December 2003 the company's share capital was decreased by the amount of € 10.432.000,00 with a relative decrease of the share's nominal value from € 2,55 to € 2,23 in order to equally cover part of the retained losses brought forward from previous accounting years.

b) Article 43a par. 1-c: New shares issued in the year to increase share capital.	Not existed
c) Article 43a par. 1-e and 42e par. 10: New share certificates and incorporated rights.	Not existed
d) Article 43a par. 1-p: Purchase of own shares in this year.	No purchase

7. PROVISIONS AND LIABILITIES

a) Article 42e par. 14-d: Analysis of the account "other provisions," if the amount is significant.	Relates to provision for staff idemnity from which the amount of € 6.121,79 was accounted for in the current year.
b) Article 43a par. 1-g: Financial commitments arising from agreements etc. which are not disclosed in memo accounts. Payment of special monthly allowances and financial commitments in respect of affiliated companies.	Not existed

c) Article 43a par. 1-l: Significant tax amounts which may be due, tax amounts that may be charged to this or previous years, if they have not already been disclosed in liabilities or provisions.	Not existed
d) Article 43a par. 1-f: Long term liabilities in excess of five years covered by liens.	Not existed
e) Article 43a par. 1-f: Liabilities covered by liens.	Not existed

8. PREPAYMENTS, ACCRUALS AND DEFERRED INCOME (TRANSIT DEBIT ACCOUNTS)

a) Article 42e par. 12: Analysis of accounts "deferred expenses", "earned income", "accrued expenses" and "Revaluation on options".

a) The account "deferred expenses" with a total balance of € 359,00 relates to a subscription in the Greek Union of Chamber and Commerce for the year 2004
b) The account "earned income" has a total amount of € 249.448,67 and is analysed as follows: Swaps' accrued interest € 4,26, bonds accrued interest € 245.944,41, dividend of "COSMOTE" € 3.500,00

c) The account "accrued expenses"

9. MEMO ACCOUNTS

Article 42e par. 11: Analysis of memo accounts not included in information presented in par. 10 below.

None

10. GUARANTEES AND LIENS

Article 42e par. 9: Guarantees and liens issued by the company.

None

11. FEES, ADVANCES AND LOANS TO MANAGEMENT

a) Article 43a par. 1-m: Fees to company's executives and directors.

None

b) Article 43a par. 1-m: Liabilities arising or contracted in relation to allowances to company executives and directors who left during the year.

None

d) Article 43a par. 1-n: Prepayments and loans to directors (members of the board of directors and trustees) and other accounts to be paid.

None

12. PROFIT AND LOSS ACCOUNT

a) Article 43a par. 1-h: Turnover per category of activity and geographical areas. (Turnover is presented as specified in article 42e par. 15, section a).

Turnover is broken down as follows:

1. Sales of finished and semi-finished products	1,379,089.93
2. Sales of subproducts & residues	5,112.13
3. Sales of services - advertisements	269,805.61
Total	1,654,007.67

b) Article 43a par. 1-i: Average staff employed during the year and staff categories with total cost. It is noted that "administrative staff" includes staff who receive a monthly salary and "workers" are the wage-earners.

1. Average number of staff: 3
2. Average number of staff per category of staff:
- Administrative staff: 3
3. Personnel expenses and fees
- Administrative personnel

- Salaries	61,352.55
- Social security and allowances	17,114.83
Total	78,467.38

c) Article 42e par. 15-b: Analysis of extraordinary and non operating expenses and income (namely the accounts "extraordinary and non operating income" and "extraordinary and non operating expenses").	1. Extraordinary and non operating expenses	
	- Exchange differences	345.51
	- Various expenses	1,056.55
If balances in the accounts "extraordinary losses" and "extraordinary profit" are significant, in accordance with the stipulation of article 43a 1-m, there is an analysis of them (based on the accounts 81.03 provided by the Greek Chart of Accounts).	Total	1,402.06
	2. Extraordinary and non operating income	
	- Exchange differences	7.74
	- Various income	7.81
	Total	15.55
d) Article 42e par. 15-b: Analysis of accounts "prior years' income", "income from prior years' provisions" and "prior years' expenses".	1. Prior years' expenses	
	- Other expenses from prior years	32.90

13. OTHER INFORMATION REQUIRED IN ORDER TO PRESENT THE COMPANY'S FINANCIAL STRUCTURE

a) Article 43a par. 1-q: Any other information required by special provisions of the law applicable or that is considered necessary in order to present a more complete picture about the company's financial structure to shareholders and third parties.	None

Piraeus 24 February 2005

THE PRESIDENT OF THE BOARD OF DIRECTORS

THEM. ALAFOUZOS
Identity Card no Σ 052655

A MEMBER OF THE BOARD

CATHERINE PEROT
A.Δ. 751501018388

THE HEAD OF THE FINANCIAL SERVICES DEPARTMENT

CHRISTOS AGRAFIOTIS
Identity Card no Σ 579455

It is certified that the above notes on the accounts which consist of 6 pages including the table presenting changes in fixed assets are the ones mentioned in the auditor's opinion which I issued on 24 February 2005.

PIRAEUS 24 FEBRUARY 2005
THE CHARTERED ACCOUNTANT

SOTIRIS CONSTANTINOU
SOEL Reg. no 13671
GRANT THORNTON S.A.
CHARTERED ACCOUNTANTS

BOARD OF DIRECTORS REPORT

"ARROW CLOSED-END FUNDS S.A."

S.A's R.N: 45360/06/B/00/16 DEC. Capital Market Committee 3/181/18.01.2000

FOR THE USE OF THE ANNUAL GENERAL ASSEMBLY OF SHAREHOLDERS

FOR THE PROCEEDINGS OF THE 5TH ACCOUNTING PERIOD

(1/1 – 31/12/2004)

Dear Shareholders,

According to the Law and the Company's Charter of Incorporation, we submit to the Shareholders Annual General Meeting, the Balance Sheet and the results of the 5th accounting period closing on the 31st December 2004.

A. Accounting period results (2004)

For a second consecutive accounting period, in 2004, the positive trend of the capital market resulted to a positive result for our company.

Particularly, according to the analysis of the fifth accounting year results (1.1.2004 – 31.12.2004), the portfolio income was € 998.572,34 against € 1.482.489,11 in 2003 (33% reduction), while the profits from securities trading increased by 194% at € 12.330.562,11 against € 4.187.855,68 in the previous accounting period.

The management results had a similarly positive course regarding the accounting profits of the company, forming at € 8.920.074,70 for the whole of 2004, against € 3.198.392,44 in 2003 (a 179% increase) and are stated in detail in Table 1:

Table 1

	Amounts in €
Portfolio income	998.572,34
Profits on securities´ transactions	12.442.824,07
Loss from financial instruments	-112.261,96
Exchange differences	-1.635.716,14
Total portfolio management income	**11.693.418,31**
Less:	
Portfolio management expenses	2.773.343,61
Portfolio management income	**8.920.074,70**

The operating and extraordinary results were € 7.991.549,00 profits against € 2.353.620,37 for 2003.

Earnings after taxes for 2004 increased by 266% to € 7.662.865,86 against € 2.094.374,00 for 2003. The portfolio evaluation occurred according to the clauses of L.2992 and L.1969/91, based on the average price of December 2004. A negative evaluation difference of € 1.816.028,01 resulted, that was directly transferred in Equity, in "Securities evaluation difference of L.2992/02".

From the portfolio evaluation, with the closing price on 31/12/2004, a positive evaluation difference of € 860.978,62 resulted, which was considered on the calculation of the share internal value, on that date.

In detail, the results of the accounting period 2004, formed in relation to the previous accounting period, are stated in Table 2 :

Table 2:

	31-Dec-04	31-Dec-03	Change
	Euro	**Euro**	**%**
Portfolio income	998.572,34	1.482.489,11	-32,6%
Gain/ Losses from trading portfolio transactions	12.330.562,11	4.187.855,68	194,4%
Total portfolio management income	13.329.134,45	5.670.344,79	135,1%
Less: Portfolio management expenses	-2.773.343,61	-2.410.992,97	15,0%
Less: General administrative expenses	-928.525,70	-844.772,07	9,99%
Plus: Extraordinary and non-operating income	647.797,10	699.581,49	-7,4%
Less: Extraordinary and non-operating expenses	-2.283.513,24	-760.540,87	200,2%
Operating and extraordinary results (Earnings)	**7.991.549,00**	**2.353.620,37**	**239,5%**
Less: Income tax	-328.683,14	-259.246,37	26,8%
Account period earnings	**7.662.865,86**	**2.094.374,00**	**265,9%**

The dividend distribution policy decided by the Board of Directors, initiated in 2003, and bearing in mind the positive result of 2004 as well as the perspectives for 2005, proposes to the General Assembly of Shareholders the total dividend distribution of € 3.260.000 (or € 0,10 per share), which corresponds to a dividend return of 3,9 % , based on the closing price on 31/12/2004.

According to the article 10 of L.1969/91 and article 34 of the Company's Memorandum of Association, the earnings appropriation table was formed as such:

Appropriation Account		
	31-Dec-04	**31-Dec-03**
Accounting period Earnings	**7.991.549,00**	**2.353.620,37**
(+) Previous years' losses/gains	481.367,15	-938.872,85
(-) Tax audit differences	0,00	-3.334,00
	8.472.916,15	1.411.413,52
Less: Income tax L. 1969/1991	-328.683,14	-259.246,37
Earnings after tax	8.144.233,01	1.152.167,15
Profit distribution is as follows:		
2. Dividends (0,10 € per share)	3.260.000,00	652.000,00
4. Article 10 N.1969/91 special reserve	4.402.865,86	0,00
7. Board of Directors benefits	0,00	18.800,00
8. Retained earnings	481.367,15	481.367,15
Total	**8.144.233,01**	**1.152.167,15**

B. Financial Statement

According to the Balance Sheet submitted, the Accounting Net Worth (Owners' Equity) of the company on 31.12.2004 was € 80.331.986,17.

In detailed, the development of the company share capital is stated in the Annual Report (par. 3.2 about share capital).

The total liabilities of the company on 31/12/2004 came up to € 4.766.152,95 against € 2.754.928,22 in 2003, an increase mainly attributed to the closing period's increased divided distribution (The items' analysis is stated in Table 3).

Table 3

	31-Dec-04	31-Dec-03	Change
	Euro	Euro	%
Suppliers	121.442,74	118.871,00	2,2%
Cheques payable	537,29	0,00	
Liabilities from taxes and duties	186.074,72	149.890,64	24,1%
Insurance companies	4.856,25	5.344,09	-9,1%
Dividends payable	3.264.460,00	652.000,00	400,7%
Greek traders	1.181.912,41	1.802.647,47	-34,4%
Miscellaneous creditors	6.869,54	7.375,02	-6,9%
Board of Directors benefits	0,00	18.800,00	-
Total liabilities	4.766.152,95	2.754.928,22	73,0%

The Total Assets of the company on 31/12/2004 was formed at € 85.157.254,48 against € 80.623.959,18 in 2003 presenting an increase of 5,6%. The correction of assets per category is stated in Table 4:

Table 4

	31-Dec-04	31-Dec-03	Change
	Euro	Euro	%
Investment in securities	**47.789.200,17**	**54.974.855,42**	**-13,1%**
Shares listed in Athens Exchange	34.887.299,29	35.358.634,92	-1,3%
Shares listed in foreign Stock Exchanges	7.938.987,94	10.407.105,61	-23,7%
Non – listed shares	606.238,40	512.560,10	18,3%
Debentures	916.309,91	327.589,54	179,7%
Mutual funds	1.396.894,63	1.335.674,01	4,6%
Bonds	2.043.470,00	7.033.291,24	-70,9%
Cash at banks and on hand	**35.947.569,25**	**21.639.158,58**	**66,1%**
Cash on hand	245,29	341,66	-28,2%
Time and sight deposits	35.947.323,96	21.638.816,92	66,1%
Other assets accounts	**1.420.485,06**	**4.009.945,18**	**-64,6%**
Total assets	**85.157.254,48**	**80.623.959,18**	**5,6%**

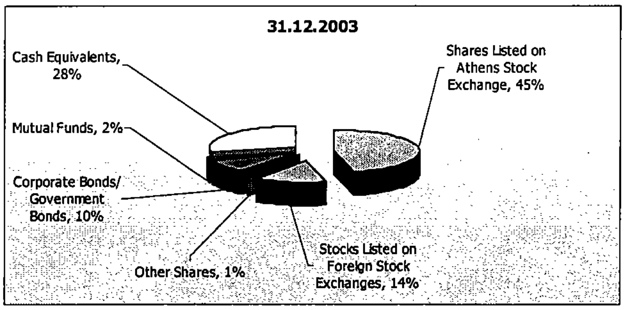
DATE	DOMESTIC SHARES	FOREIGN SHARES	TOTAL SHARES	BONDS	CASH	DERIVATIVES
30/1/2004	55,3%	19,7%	75,0%	7,8%	17,2%	-16,1%
27/2/2004	48,8%	19,5%	68,3%	7,2%	24,4%	-19,5%
31/3/2004	50,5%	18,2%	68,7%	7,4%	23,9%	-15,2%
30/4/2004	29,5%	14,2%	43,7%	6,8%	49,5%	-14,8%
28/5/2004	39,1%	15,9%	55,0%	7,5%	37,5%	-15,6%
30/6/2004	41,7%	15,9%	57,6%	7,4%	35,0%	-12,3%
30/7/2004	43,2%	15,9%	59,1%	6,6%	34,4%	-11,4%
31/8/2004	45,1%	15,3%	60,4%	4,2%	35,4%	-13,6%
30/9/2004	44,5%	11,7%	56,2%	2,7%	41,1%	-14,5%
29/10/2004	37,0%	11,7%	48,7%	2,0%	49,3%	-15,5%
30/11/2004	40,9%	10,7%	51,6%	3,6%	44,8%	-18,5%
31/12/2004	44,6%	9,6%	54,2%	3,6%	42,3%	-18,4%

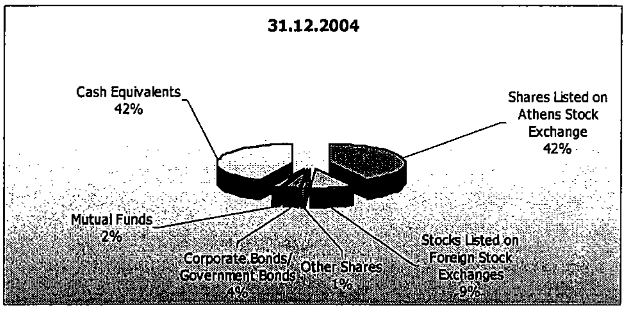
The emphasis of the investment policy concerning the portfolio of shares remained on investments in high capitalization domestic shares, with risk hedging via investments in foreign shares. The relating evaluations so much of the sectors as of the companies consisted of the basic criterion of our investing choices. At the same time, the derivative financial instruments were used for the hedging of any inherent risk. In some cases, the derivatives were used for the portfolio management by following the upward or downward trends.

Foreign investments regarded investments on US, UK and EU countries' shares.

The proportional Investment Structure (including Reserves) of the company at current prices is stated in Table 5.

Table 5





In the whole accounting period, a percentage of 43,35% was on average invested in domestic shares, 14,86% was invested in foreign shares, 5,57% in Bonds and the remaining 36,23% in money market products. The use of derivatives resulted to an average of –15,45%.

More in detail, the structure of monthly investments, at current values, as a percentage over the Net Accounting Worth, is stated in Table 6:

Table 6: Monthly Investment Structure

During 2004, the Company participated with its representatives- through exercising its voting rights- in the General Meetings of Shareholders; on the shares of whom it had invested.

C. The capital markets trend in 2004

Accounting period 2004 was globally a year of capital market stabilization with intense fluctuations as a result of its intensively upward course in 2003.

Briefly, the factors that lead to intensive market fluctuations were:

- The beginning of the upward interest rates cycle from the American Central Bank, that reinforced the attractiveness of investments on the shares instead of the bonds.

- The enforcement of the Euro exchange rate against the American dollar, the increase of the oil prices that have an important increasing effect on the production cost and a negative effect on the expected increase of its profitability. On the other side, the companies' extended effort for the reduction of their operating cost partially offsets only the aforementioned effect.
- The stability of the labor market, the increasing cost of the security systems, the underfinanced pension systems, and the increased deficits of the bigger global economies, remain important problems for the global and domestic economy.

As a result of the aforementioned, the main international financial ratios of the mature markets presented a positive annual change that fluctuated from 3% to 20%.

In Greece, the change of the political leadership and the successful conduct of the Olympic Games had a positive effect on the behavior of the investors.

The general index was increased by 23% and the FTSE/XAA 20 by 32% mainly because of the active participation of foreign institutional shareholders in Bank shares, while the other sectional indices of S.E. presented a change between –51% και +44%.

In 2004, our company maintained its conservative- though flexible- policy, which is successfully followed from the initiation of its operation and which aims to the minimization of the retained investment risk per unit of expected return, safeguarding the investment capital from the risk of undervaluation, without restricting its increase potential of it, if the market conditions are favorable.

As for this, the value of the company's portfolio was in one way safeguarded from the intensive negative fluctuations of the market that lasted during the longest part of the year, and then reinforced from the increasing market operations, resulting to the internal value of the share to be increased by 8,5% on an annual basis, classifying our company on the sixth place of its sector. From the beginning of the company's operation as it is apparent in Table 7, the real share value, as it is measured from the internal value, decreased by –11% against the decrease of the basic Stock Exchange indices, that fluctuates between –72,1% and –45,5%.

Table 7

	31/12/2004	Initiation of operations (22/2/2000)	% Change
Internal value ARROW CEFSA	€ 2,59	€ 2,93	-11,0%
General Stock Exchange Index	2.786,18	5.109,81	-45,5%
Index FTSE/SE 20	1.547,47	2.775,61	-44,2%
Index FTSE/SE Midcap 40	2.309,91	827,15	-72,1%
Investing Companies Index	993,85	2.454,91	-59,5%

(1) The dividend of 2003 has been considered
(2) The value as at 22/2/2000 has been adjusted, due to the index adjustment.

The consistent investment policy of our company, in combination to the recovery, attracted the investors' interest. The share negotiation price, on 31/12/2004, was formed at 2,57, €, marginally lower than the internal value, increased by 21,2% from 31/12/2003.

D. Perspectives for 2005

The accounting period 2005 starts with accounting evaluations of listed companies, positive estimates on the long-run, and mobility perspectives in the sector of acquisitions and mergers.

The new economic staff, with a succession of laws, such as the development and the modification of the tax regime, aims to the reinforcement of private sector investments and the encouragement of direct foreign expenses.

The restriction of fiscal deficits, the enforcement of the competition of companies, and the post-Olympic euphoria consist of positive factors for the course of the Greek Economy and the Stock Exchange, for 2005 onwards.

On the very opposite, there are significant uncertainties in the international system from factors, such as the effect in the European Economies from the more general weakening of the Dollar, the expected further increase of the oil price, the effect on the Balance Sheet from the application of International Accounting Standards, the obvious weakness of the American economy to face its structural problems, even with a weaker currency, and the geopolitical risks which remain high.

The structure of the company portfolio will be redefined based on the developments in the markets and the expectations of management in relation to the developments. The management strategy is after the safeguarding of the company's capital from the uncertainties existing in the international economy and the international capital markets, as well as the utilization of any upward capital market operations for the realization of profits and the increase of the company's investing capital.

Our aim is to maximize the company value in the long-run.

We finally have to express our thanks to the staff and our associates for their devotion and the effective execution of their tasks.

Athens, 20 January 2005

THE PRESIDENT & CHIEF EXECUTIVE	THE VICE-PRESIDENT OF THE BOARD	THE HEAD OF THE ACCOUNTING DEPARTMENT
JULIA THANASSOURA **ID. NUM. : X 661017**	**ANTONIOS KATSAOUNIS** **ID. NUM. : Θ 900724**	**AGGELOS KIOTIS** **ID. NUM. : X180834**

We ascertain that the report above that consists of 8 pages, is that stated in the Auditor's Certificate granted on 21/1/2005.

Athens, 21 January 2005

THE CHARTERED AUDITOR

FEDON TZORAS
I.C.A.A R.N:14911
S.O.L S.A.

ARROW

ARROW: CLOSED END FUND S.A.

BALANCE SHEET AS AT 31st DECEMBER 2004 - 5th ACCOUNTING PERIOD (1st January - 31st December 2004) - amounts in €

MAIN OFFICE: ATHENS / SOCIETES ANONYMES REGISTER NUMBER (M.A.E.): 45360/06/B/00/16 / DECISION OF HELLENIC CAPITAL MARKET COMMITTEE BOARD/ NUM: 3/181/18.1.2000

ASSETS	31/12/2004			31/12/2003		
B. SET-UP EXPENSES	Book Value	Depreciation & Amortization	Net Book Value	Book Value	Depreciation & Amortization	Net Book Value
1. Formation & set-up expenses	1,379,252.55	1,379,252.55	0.00	1,379,252.55	1,103,402.03	275,850.52
4. Other formation expenses	457,000.84	340,217.23	116,783.61	453,248.44	247,805.36	205,443.08
	1,836,253.39	1,719,469.78	116,783.61	1,832,500.99	1,351,207.39	481,293.60
C. FIXED ASSETS						
II. Property, plant & equipment						
3. Buildings	34,330.15	17,428.92	16,901.23	34,330.15	13,652.60	20,677.55
6. Equipment	58,707.90	56,066.60	2,641.30	56,522.84	47,573.27	8,949.57
Total property plant and equipment (CII)	93,038.05	73,495.52	19,542.53	90,852.99	61,225.87	29,627.12
III. Participations and other long-term assets						
7. Other long-term assets			5,669.80			5,509.80
Total fixed assets (CII + CIII)			25,212.33			35,136.92
D. CURRENT ASSETS						
II. Receivables						
11. Miscellaneous debtors			1,204,122.88			3,243,706.99
III. Investments in securities	Domestic	Foreign	Total	Domestic	Foreign	Total
1. Stock listed in the Stock Exchange	34,887,299.29	7,938,987.94	42,826,287.23	35,358,634.92	10,407,105.61	45,765,740.53
2. Stock not listed in the Stock Exchange	606,238.40	0.00	606,238.40	512,560.10	0.00	512,560.10
3. Bonds	570,918.90	345,391.01	916,309.91	327,589.54	0.00	327,589.54
4. Shares from mutual funds	1,396,894.63	0.00	1,396,894.63	1,335,674.01	0.00	1,335,674.01
5. Greek State debentures	2,043,470.00	0.00	2,043,470.00	7,033,291.24	0.00	7,033,291.24
	39,504,821.22	8,284,378.95	47,789,200.17	44,567,749.81	10,407,105.61	54,974,855.42
IV. IV. Cash in bank and on hand						
1. Cash on hand			245.29			341.66
3. Time and sight deposits			35,947,323.96			21,638,816.92
			35,947,569.25			21,639,158.58
Total Current Assets (DII + DIII + DIV)			84,940,892.30			79,857,720.99
E. DEBIT TRANSIT ACCOUNTS						
1. Deferred expenses			844.00			359.00
2. Accrued income			73,522.24			249,448.67
			74,366.24			249,807.67
TOTAL ASSETS (B+C+D+E)			85,157,254.48			80,623,959.18
DEBIT MEMO ACCOUNTS						
3. Claims from reciprocal agreements			-18,159,364.00			-19,993,765.00

LIABILITIES	31/12/2004	31/12/2003
A. SHAREHOLDERS EQUITY		
I. Share capital		
1. Paid-up	72,698,000.00	72,698,000.00
(32.600.000 shares of 2,23€)		
IV. RESERVES		
3. Special reserves	122,014.94	122,014.94
4. Article 10 L.1969/91 special reserves	4,402,865.86	0.00
5. Securities revaluation difference N. 2992/2002	2,627,738.22	4,443,766.23
	7,152,619.02	4,565,781.17
V. RETAINED EARNINGS		
Accounting period profit	481,367.15	481,367.15
Total shareholders equity (AI+AIV+AV)	80,331,986.17	77,745,148.32
B. PROVISIONS FOR CONTINGNCIES AND EXPENSES		
1. Provision for employees compensation	6,765.47	6,765.47
C. LIABILITIES		
II. Short-term liabilities		
1. Suppliers	121,442.74	118,871.00
2. Cheques payable	537.29	0.00
5. Taxes and duties payable	186,074.72	149,890.64
6. Insurance & pension funds withholdings account	4,856.25	5,344.09
10. Dividends payable	3,264,460.00	652,000.00
11. Miscellaneous creditors	1,188,781.95	1,828,822.49
TOTAL LIABILITIES (C II)	4,766,152.95	2,754,928.22
D. CREDIT TRANSIT ACCOUNTS		
2. Accrued expenses	3,539.39	3,354.67
3. Options evaluation difference	48,810.50	113,762.50
	52,349.89	117,117.17
TOTAL LIABILITIES (A+B+C+D)	85,157,254.48	80,623,959.18
CREDIT MEMO ACCOUNTS		
3. Obligations from reciprocal agreements	18,159,364.00	19,993,765.00

Notes:

1. The securities evaluation on 31/12/2004 was conducted according to the clauses of article of article.2.par.2. of L.2992/2002 and the article 4 par.2 of L.1969/91. The deriving negative evaluation difference 1.816.028,0€ was directly transferred to Equity in account "IV. 5 Securities evaluation difference of L. 2992/2002". The options evaluation was conducted at the current price on 31/12/2004, and a negative evaluation difference of€ 48.810,50, was derived, that was transferred to the credit transit account "Option evaluation difference" and in the Income of the accounting period.
2. From the portfolio of securities evaluation with the closing price at 31/12/2004 a positive revaluation surplus of 860.978,62€ was derived, forming the net accounting worth of the company at 84.452.964,79 € and its internal value per share 2,59 €.
3. There are no pledged assets, neither court or arbitrary cases that may affect the compaany's financial statement.
4. The company has been tax reviewed until 2001 included.
5. The company employed 4 people on the 31/12/2004.
6. The total revenues of the company is classified in Code 652.9 of Statistical Code 2003

INCOME STATEMENT 01/1/2004 - 31/12/2004

		31/12/2004		31/12/2003
I. Results from operations				
Gross income from portfolio management				
Portfolio income		998,572.34		1,482,489.11
Profit/ loss from trading securities		12,330,562.11		4,187,855.68
Total		13,329,134.45		5,670,344.79
LESS :				
Portfolio management commissions				
a) Management & Custody remunerations	1,326,935.98		1,171,798.84	
b) Security trading commissions	713,407.58		896,735.81	
c) Tax - Transfer - Athens Stock Exchange Expenses	733,000.05	2,773,343.61	342,458.32	2,410,992.97
Gross operating profit (loss) from portfolio management		10,555,790.84		3,259,351.82
LESS : Administration expenses		928,525.70		844,772.07
Gross operating profit (loss)		9,627,265.14		2,414,579.75
II. LESS: Extraordinary Income				
1.Extraordinary and non-operating Income	647,797.10		699,581.49	
Less :1. Extraordinary and non-operating expenses	2,283,513.24	-1,635,716.14	760,540.87	-60,959.38
Operating and extraordinary income (Profit/Loss)		7,991,549.00		2,353,620.37
LESS: Total depreciation and amortization	385,555.84		383,732.90	
Less: Those incorporated in the operating cost	385,555.84	0.00	383,732.90	0.00
Earnings before tax		7,991,549.00		2,353,620.37

PROFIT APPROPRIATION STATEMENT

	31/12/2004	31/12/2003
Accounting period Earnings	7,991,549.00	2,353,620.37
(-) Prior years' losses	481,367.15	-938,872.85
(-) Tax audit differences	0.00	-3,334.00
	8,472,916.15	1,411,413.52
LESS: Income tax L.1969/1991	-328,683.14	-259,246.37
Earnings after tax	8,144,233.01	1,152,167.15
Profit distribution is as follows:		
2. Dividends (0,10€ per share)	3,260,000.00	652,000.00
4. Article 10 N.1969/91 special reserve	4,402,865.86	0.00
7. Board of Directors benefits	0.00	18,800.00
8. Retained earnings	481,367.15	481,367.15
Total	8,144,233.01	1,152,167.15

Athens, 20 January 2005

THE PRESIDENT OF THE BOARD & CHIEF EXECUTIVE	THE VICE-PRESIDENT OF THE BOARD	THE CHIEF OF THE ACCOUNTING DEPARTMENT
JULIA THANASSOURA ID NUM. 328072	ANTONIS KATSAOUNIS ID NUM. 900724	KIOTIS G. AGGELOS ID NUM. 180834

Auditor's Certificate

To the Shareholders of "ARROW CLOSED END FUND S.A."

We audited the Financial Statements above, as well as the corresponding Notes and Cash Flow Statement of "ARROW CLOSED END FUND S.A. of the accounting period closing on the 31st December 2004. Our audit was conducted according to the clauses of article 37 of C.L: 2190/1920 "concerning common stock companies", the clauses of L. 1969/1991 "about Portfolio Investment Companies" and the audit procedures that we considered appropriate, based on the principles and the rules of auditing followed by the Institute of Chartered Auditors - Accountants and is according to the basic principles of I.A.S. We were provided the books and records kept by the company, as well as the necessary information and explanations we requested. T company applied properly the Greek General Accounting Scheme. The inventory method was not modified in relation to the previous accounting period, apart from our observation. We reconciliated the content of the Management Report to the General Assembly of Shareholders with the corresponding Financial Statements. The Notes include the information prescribed from paragraph 1 of article 43a of C.L: N.2190/1920, while the Cash Flow Statement has been prepared based on the financial statements and the books and records kept by the company. From the audit above we conclude that: The company evaluated its portfolio at the average price of December, while in the previous accounting period at the current value on 31/12. If the evaluation was as in the previous accounting period, the deriving negative evaluation difference would be lower by 860.978,6€ and the Company equity would be equivalently increased. In our opinion, the Financial Statements above, which derive from the books and records of the company together with the Notes and the Cash Flow Statement- having considered the compa notes under the Balance Sheet- present a true and fair picture of the asset structure and the financial position of the company on the 31st December 2004, as well as the Income Statement of the Accounting Period closing on that date and the Cash Flows from the activities of the company for this accounting period, based on the corresponding clauses and accounting princip in effect that are no different than those applied by the company in the previous accounting period, apart from the case of our observation.

Athens 21 January 2005
The Chartered Auditor

FEDON Z. TZORAS
G.I.C.A.A R.N: 14911
S.O.L S.A.

ARROW Closed End Fund S.A.

Cash Flow Statement 2004- 5th Accounting Period (1st January- 31st December 2004) - amounts in€

Head Office: Athens- S.A.΄ Register Number M.A.E. 45360/06/B/00/16 - Decision of the BoD of Hellenic Capital Commission Market No. 3/181/18.1.2000

	A/A	Analysis	Amounts in €	
		Cash flows from ordinary operating activities	**2004**	**2003**
A	100	**Cash inflows**		
	101	Sales		
	102	Other operating income		
	103	Extraordinary income	647,247.10	699,581.49
	104	Prior years' income		
	105	Interest received (deposits etc.)	233,286.00	568,841.14
	106	Income from securities	765,286.34	913,647.97
	107	Tradable securities sales	166,583,603.80	96,593,023.58
	108	Reduction of receivables received	2,039,584.11	1,110,320.14
		Less		
	109	Purchase of tradeable securities	148,883,414.49	101,700,279.29
	110	Increase of receivables collected		
		Total cash inflows (A 100)	21,385,592.90	-1,814,864.97
A	200	**Cash outflows**		
	201	Portfolio management expenses	2,773,343.61	2,410,992.97
	202	General administrative expenses	542,969.86	454,917.38
	203	R & D expenses		
	204	Distribution costs		
	205	Underemployment / inaction expenses		
	206	Other expenses	2,283,513.24	760,540.87
	207	Increase of inventories		
	208	Increase of prepayments and accrued income		
	209	Reduction ofaccruals and deferred income	64,767.28	0.00
	210	Reduction of short – term liabilities (except for banks)	618,619.35	0.00
		Less		
	211	Decrease of inventories		
	212	Decrease of prepayments and accrued income	175,441.43	240,285.88
	213	Increase ofaccruals and deferred income	0.00	950.56
	214	Increase of short – term liabilities (except for banks)	0.00	468,244.31
		Total cash outflows (A200)	6,107,771.91	2,916,970.47
A	300	**Cash outflows from taxes**		
	301	Income taxes	328,683.14	259,246.37
	302	Not included in operation taxes		
	303	Tax Audit differences	0.00	3,334.00
	304	Reduction of liabilities from taxes		
		Less		
	305	Increase of liabilities from taxes	36,184.08	9,121.83
		Total cash outflows from taxes (A300)	292,499.06	253,458.54
		Cash flows from ordinary operating activities A100-A200-A300=A	**14,985,321.93**	**-4,985,293.98**
		Cash Flows from investing activities		
B	100	**Cash inflows**		
	101	Sales of intangible assets		
	102	Sales of tangible assets	550.00	0.00
	103	Sale of titles & participations		
	104	Decrease of long term receivables		
	105	Income from titles & participations		
	106	Interest collected (long - term e.t.c receivables)		
		Total cash inflows (B100)	550.00	0.00
B	200	**Cash outflows**		
	201	Purchases of intangible assets		
	202	Purchases of tangible assets	7,208.86	270.23
	203	Purchase of titles & participations		
	204	Increase of long term receivables	160.00	0.00
	205	Increase of formation expenses	3,752.40	0.00
		Total cash outflows (B200)	11,121.26	270.23
		Cash flows from investing activities B100-B200=B	**-10,571.26**	**-270.23**
C		**Cash flows from financing activities**		
C	100	**Cash inflows**		
	101	Share capital and share premium increase collected		
	102	Asset subsidies received		
	103	Increase of long - term liabilities		
	104	Increase of short - term liabilities (bank accounts)		
		Total cash inflows (C100)	0.00	0.00
C	200	**Cash outflows**		
	201	Reduction (repayment) of share capital		
	202	Repayment of asset subsidies		
	203	Decrease of long - term liabilities		
	204	Decrease of short - term liabilities (bank accounts)		
	205	Interest paid		
	206	Dividends paid	647,540.00	0.00
	207	Distribution of earnings to employees		
	208	Board of directors΄ fees from the earnings of the period	18,800.00	0.00
		Total cash outflows (C200)	666,340.00	0.00
		Cash flows from financing activities C100-C200=C	**-666,340.00**	**0.00**
		Cash flows (A+B+C)	**14,308,410.67**	**-4,985,564.21**
		Plus: Opening cash items	**21,639,158.58**	**26,624,722.79**
		CLOSING CASH ITEMS	**35,947,569.25**	**21,639,158.58**

Athens, 20th January 2005

The Chairman of BoD & Managing Director	The Vice President of BoD	The Chief Financial Officer
Thanassoura Ioulia	Katsaounis Antonis	Kiotis Angelos
ID. No. X 661017	ID.No. Θ 900724	Α.Δ.Τ. Χ 180834

Auditor΄s Report on Cash Flow Statement

We audited the above Cash Flow Statement of the company Arrow Closed End Fund Societe Anonyme for the accounting period from 01.01-31.12.2003. In our opinion, the above Cash Flow Statement truly presents the inflows and outflows of the current financial year of ARROW Closed End Fund S.A..

Athens, 21th January 2005

The Chartered Accountant,

Faedon Z. Tzoras
I.D.No. S.O.E.L.: 14911
S.O.L. Auditing Company S.A.

ARROW
PORTFOLIO INVESTMENTS S.A
Company Reg. 45360/06/B/00/16 DECIS. EC 3/181/18.01.2000

NOTES ON THE ACCOUNTS
OF THE BALANCE SHEET AS AT 31 DECEMBER 2004
in accordance with the provisions of article 43a of law 2190/1920, as applicable

1. Preparation and structure of financial statements. Variances for the purpose of presenting the company´ s state of affairs.

(a)	**Article 42a par. 3:** Variance from relevant provisions on the preparation of annual financial statements considered necessary in order to present the company's state of affairs in accordance with par. 2 of the above article.	None
(b)	**Article 42b par. 1:** Variance from the principle of consistency as regards the structure and form of the balance sheet and of the profit and loss account.	None
(c)	**Article 42b par. 2:** Entry in the relevant account of an item relating to several mandatory accounts.	No such case
(d)	**Article 42b par. 3:** Adjustments in the structure and headings of accounts with Arabic numerals, if so required by the specific nature of the company.	No such case
(e)	**Article 42b par. 4:** Combination of balance sheet accounts which correspond to Arabic numerals to which (combination) of this provision apply.	No such case
(f)	**Article 42b par. 5:** Adjustments of prior year's items for comparison purposes.	No such case
(g)	**Article 43b par. 2:** Added due to article 6of P.D. 325/1994 (Exchange rate between Drachma and Euro), in cases were annual financial statements were also published in Euro	The financial statements were published in Euro.

2. Valuation of assets

(a)	a) **Article 43a par. 1-a:** Methods for the valuation of assets and calculation of depreciation as well as provisions for any devaluation of assets.	1. Tangible assets (plant in non owned buildings) were revalued at acquisition cost plus any, improvements or additions less with the depreciations of article 43 of Law 2190/1920 and P.D 299/2003. 2. There was no need for fixed assets' impairement. 3. Revaluation of securities at 31/12/2004 was done for the first time according to article 2 par. 2 of Law 2992/2002 and article 4 par. 2 of Law 1969/1991 concerning Portfolio Investments S.A. Companies, the negative revaluation of 1.816.028,01 € were accounted for in Equity in the account «IV. 5 Securities revaluation difference of Law 2992/2002». Attached is a Table of Investments as at 31/12/2004. 4. Revaluation of options was made at the current price as at 31/12/2004 and a negative revaluation of Euro 48.810,50 which was accounted for in the Transit Liability Account: "Revaluation differences of options" and in the profit and loss account of the accounting period.
(b)	**Article 43a par. 1-a:** Basis for the conversion of assets denominated in foreign currency and procedure for treating exchange differences.	1.Securities in Foreign Currency were revalued using the Exchange Rate as at 31.12.2004 as this was defined by European Central Bank and the exchange difference was present in the account: "Securities revaluation difference of Law 2992/2002" 2. Cash and cash equivalent balances in Foreign Currency (sight accounts) were revalued using the Exchange Rate as at 31.12.2004 as this was defined by European Central Bank and exchange differences arose as follows: a) Debit exchange differences of Euro 56.153,80 were accounted for in the account extraordinary expenses and b) Credit exchange differences of 16,58 Euro were accounted for in the item "extraordinary income".
(c)	**Article 43 par. 2:** Variance from the methods and basic principles of valuation. Use of special valuation methods.	Revaluation of tradable securities as at 31.12.2004 was according to stipulations of article 2 par. 2 of Law 2992/2002 and of article 4 par. 2 of Law 1969/1991 (using as fair value the average December 2004 prices of the Athens Stock Exchange). Last year's revaluation of securities portfolio was done according to article 2 par.2 of Law 2992/2002, using as fair value the closing price on 31/12/2003 of the Athens Stock Exchange. In the current accounting period, the revaluation of non-tradeable securities was

done according to the stipulations of article 4 par. 2b of Law 1969/1991. In the previous accounting period the revaluation was done at the acquisition cost.

(d) Article 43 par. 7-b: Change in the method used for calculating the cost value or production cost of stocks and securities.	See above
(e) Article 43 par. 7-c: Statement of the difference between the valuation price of stocks and securities and their current market value, if significant.	The revaluation of securities was done at their fair values at 31/12/2004 and there was a positive revaluation of Euro 860.978,62, the net book value was € 84.452.964,79 and the internal share value was € 2,59.
(f) Article 43 par. 9: Analysis and explanation of the revaluation of fixed assets, in accordance with a special law, and presentation of the "revaluation reserve" account.	No such case

3. Fixed assets and set – up expenses

(a) Article 42e par. 8: Changes in fixed assets and set - up expenses (amortization).	At the end of these notes there is a relevant table.
(b) Article 43 par. 5-d: Analysis of additional depreciation.	There was no additional depreciation.
(c) Article 43 par. 5-e: Provision for devaluation of fixed tangible assets.	None
(d) Article 43 par. 3-e: Analysis and explanation of the amounts under formation expenses (amortization) relating to the accounting period.	In the balance sheet account "Formation & Set up expenses" is analysed as follows:

	Euro
Tax on capital increase.	909.757,89
Nottary´s expenses	10.755,69
Athens attorneys´union	454.952,31
Set – up expenses	3.786,66
Other share capital increase expenses	442.232,53
Software	14.768,31
Total acquisition cost	**1.836.253,39**

(e)	**e) Article 43 par. 3-c:** The amounts and accounting procedure for foreign exchange differences which occurred during this year on payment (installments) and/or valuation of loans or prepayments, used exclusively for the purchase of fixed assets.	There are no loans in foreign currency for any acquisition of tangible assets.
(f)	**Article 43 par. 4 a and b:** Analysis and explanation of items "research and development expenses", "concessions and royalties" and "goodwill".	No such items.

4. Investments

(a)	**Article 43a par. 1-b:** Participating interest in the capital of other companies in excess of 10%.	None
(b)	b) Participation interest in other companies, where the company has unlimited liability.	None
(c)	**Article 43a par. 1-o:** Preparation of consolidated financial statements including the company's own financial statements.	No such case

5. Stocks

(a)	**Article 43a par. 1-k:** Valuation of stocks in deviation from the valuation rules of article 43 for tax exeption purposes.	None
(b)	**Article 43a par. 1-j:** Differences arising from the revaluation of current assets and reasons for such differences.	Revaluation of tradable securities as at 31.12.2004 was done according to stipulations of article 2 par. 2 of Law 2992/2002 and of article 4 par. 2 of Law 1969/1991 (using as fair value the average December 2004 prices of the Athens Stock Exchange). Last year's revaluation of securities portfolio was done according to article 2 par.2 of Law 2992/2002, using as fair value the closing price on 31/12/2003 of the Athens Stock Exchange. In the current accounting period, the revaluation of non-tradeable securities was done according to stipulations of article 4 par. 2b of Law 1969/1991. In the previous accounting period the revaluation was done at the acquisition cost.

6. Share Capital

(a)	**Article 43a par. 1-d:** Classes of shares making up the share capital.	Shares category: Common anonymous

Number	Nominal Value (€)	Total value (€)
32.600.000	2,23	72.698.000

According to the resolution of the Extraordinary General Meeting of the Shareholders dated on 22th April2004 the conversion of the shares of the company from common anonymous to common nominal was decided, which was completed at 21/06/2004.

(b)	**Article 43a par. 1-c:** New shares issued in the year to increase share capital.	Not existed
(c)	**Article 43a par. 1-e and 42e par. 10:** New share certificates and incorporated rights.	Not existed
(d)	**Article 43a par. 1-p:** Purchase of own shares in this year.	No purchase

7. Provisions and Liabilities

(a)	**Article 42e par. 14:** Analysis of the account "other provisions," if the amount is significant.	Relates to provision for staff compensation from which the amount of € 6.765,47 was accounted for in the current year.
(b)	**Article 43a par. 1-g:** Financial commitments arising from agreements etc. which are not disclosed in memo accounts. Payment of special monthly allowances and financial commitments in respect of associated companies.	Not existed
(c)	**Article 43a par. 1-l:** Significant tax amounts which may be due, tax amounts that may be charged to this or previous years, if they have not already been disclosed in liabilities or provisions.	Not existed
(d)	**Article 43a par. 1-f:** Pledged long term liabilities in excess of five years.	Not existed
(e)	**Article 43a par. 1-f:** Pledged liabilities.	Not existed

8. Prepayments, accruals and deferred income (transit credit accounts)

(a)	**Article 42e par. 12**: Analysis of accounts "deferred expenses", "Accounting period revenue receivable", "accrued expenses" and "Revaluation on options".	a) The account "deferred expenses" with a total balance of €844,00 relates to a €372,00 subscription in the Greek Chamber of Industry and Commerce for 2005, as well as € 472,00 concerning software maintenance for the year 2005, from P.C.S S.A. b) The account "Accounting period revenue receivable" has a total amount of € 73.522,24 and is analysed as follows: Swaps' accrued interest € 29,29, bonds accrued interest € 73.492,95. c) The account "accrued expenses" has a total amount of € 3.539,39 and is analysed as follows: provision for Hellenic Capital Market Committees´ fees for the second semester of 2004 € 2.404,11 , provision for telecommunications expenses € 269,00 , provision for electricity expenses € 500,00 , provision for NETONE € 338,28 , provision for water expenses € 28,00. d) The item "Revaluation on options" has a total amount of € 48.810,50 and concern the revaluation of options using the closing price on 31/12/2004 of the Athens Stock Exchange.

9. Memo accounts

Article 42e par. 11: Analysis of memo accounts not included in information presented in par. 10 below.	Memo accounts concern the Nominal Value of Derivatives which the company possess € 18.159.364,00

10. Guarantees and pledges granted

Article 42e par. 9: Guarantees and pledges granted by the company.	None

11. Fees, advances and loans to management

(a)	**Article 43a par. 1-m:** Fees to company's executives and directors.	None
(b)	**Article 43a par. 1-m:** Liabilities arising or contracted in relation to allowances to company executives and directors who left during the year.	None
(c)	**Article 43a par. 1-n:** Prepayments and loans to directors (members of the board of directors and trustees) and other accounts to be paid.	None

12. Profit and Loss Account

(a)	**Article 43a par. 1-h:** Turnover per category of activity and geographical areas. (Turnover is presented as specified in article 42e par. 15, section a).	1. Securities´ income 998.572,34 2. Profits on securities´ transactions 12.330.562,11 **Total** **13.329.134,45**
(b)	**Article 43a par. 1-i:** Average staff employed during the year and staff categories with total cost. It is noted that "administrative staff" includes staff who receive a monthly salary and "workers" are the wage-earners.	a) Average number of staff: 4 β) Expenses and fees of administrative staff Euro -Salaries 87,876,73 -Social Contributions 20.913,36 **TOTAL** **108.790,09**
(c)	**Article 42e par. 15-b:** Analysis of extraordinary and non operating expenses and income (namely the accounts "extraordinary and non operating income" and "extraordinary and non operating expenses"). If balances in the accounts "extraordinary losses" and "extraordinary profit" are significant, according to the stipulation of article 43a 1-m, there is an analysis of them (based on the accounts 81.03 provided by the Greek Chart of Accounts).	- The account " Extraordinary and non operating expenses" is analyzed as follows: a) exchange differences from the sale of securities abroad € 2.283.513,24 - The account " Extraordinary and non operating income" is analyzed as follows: a) exchange differences from the sale of securities abroad € 98.957,08. β) swap exchange differences € 548.276,83. γ) Other extraordinary and non – operating income € 13,19 - The account "extraordinary earnings" is analyzed as follows: a) Earnings from the sale of P/C € 550,00.
(d)	**Article 42e par. 15-b:** Analysis of accounts "prior years' income", "income from prior years' provisions" and "prior years' expenses".	None

13. Other information required in order to present the company´s financial structure.

Article 43a par. 1-q: Any other information required by special provisions of the law applicable or that is considered necessary in order to present a more complete picture about the company's financial structure to shareholders and third parties.	The company was reviewed by tax authorities for the years 2000-2001.

Athens, 20 January 2005

THE PRESIDENT OF THE BOARD OF DIRECTORS AND THE	**THE VICE PRESIDENT OF THE BOARD OF DIRECTORS**	**THE HEAD OF THE ACCOUNTING SERVICES**

MANAGING DIRECTOR		**DEPARTMENT**
JULIA THANASOURA **ID NUM. : X 661017**	**ANTONIOS KATSAOUNIS** **ID NUM.: Θ 900724**	**AGGELOS KIOTIS** **ID NUM.: X 180834**

-It is certified that the above notes on the accounts which consist of 8 pages including the table presenting changes in fixed assets are the ones mentioned in the auditor's opinion which I issued on 21/01/2005.

Athens, 21 January 2005
THE CHARTERED ACCOUNTANT

FAIDON Z. TZORAS
SOL Reg. no: 14911
S.O.L. S.A.

ARROW

CLOSED END FUND S.A.

DATA FOR THE ACCOUNTING PERIOD STARTING FROM 1st APRIL UNTIL 29th DECEMBER 2005 FOR THE ACQUISITION OF THE SOCIETE ANONYME " PROTON INVESTMENT BANK S.A."
SOCIETES ANONYMES REGISTER NUMBER (M.A.E.): 45360/06/B/00/16 45360/06/B/00/16 - MAIN OFFICE: ATHENS, KANARI 24, P.C: 10674

BALANCE SHEET
as at 29nth December 2005

(Amounts in €)	Note	29/12/2005
ASSETS		
Property, plant & equipment	4	1.11
Total fixed assets		**1.11**
Other receivables	5	162,399.02
Short-term investments	6	45,007,653.05
Cash on hand and cash in bank	7	50,439,134.67
Total current assets		**95,609,186.74**
Total assets		**95,609,187.85**
LIABILITIES		
Other long-term liabilities	9	6,765.47
Total long-term liabilities		**6,765.47**
Suppliers	10	519.29
Taxes and duties payable	11	23,041.17
Other current liabilities	12	461.00
Total short-term liabilities		**24,021.46**
Total equity	8	**95,578,400.92**
TOTAL LIABILITIES		**95,609,187.85**

INCOME STATEMENT
for accounting period from 1st April 2005 until 29th of December 2005

(Amounts in €)	Note	01/04-29/12/2005
Gross income from portfolio management	13	
Portfolio income	13.1	1,576,762.41
Income from trading securities	13.2	12,459,825.88
Minus: Portfolio management commissions	14.1	1,513,038.45
Gross profit		**12,523,549.84**
Administrative expenses	14.2	420,958.49
Earnings before taxes		**12,102,591.35**
Income tax	11.2	0.00
Earnings after taxes		**12,102,591.35**
Earnings per share		0.37

STATEMENT OF CHANGES IN EQUITY
of the accounting period 1st April 2005 - 29 December 2005

(Amounts in €)	29-Dec-05
Opening equity as at 1-4-2005	83,475,809.57
Accounting methods changes (I.F.R.S. Adjustments)	-
Opening equity after accounting methods changes	83,475,809.57
Accounting period earnings after taxes	12,102,591.35
Closing Equity	**95,578,400.92**

ADDITTIONAL REPORTING

Notes:

1. The company has had a tax review until 2004 included.
2. The company has no pledged assets.
3. There are no court or arbitrary decisions that may have a significant effect on the operation of the company.
4. The number of the staff employed on the 29/12/05 comes up to 4 persons.
5. According to the Decision of the Ministry of Development K2-16707/30-12-2005, on 30-12-2005, the merging of the company with PROTON INVESTMENT BANK S.A. with EXELIXI CLOSED END FUND S.A. and ARROW CLOSED END FUND S.A. was commonly decided via the acquisition of EURODYNAMIC CLOSED END FUND S.A., ARROW CLOSED END FUND S.A., and EXELIXI CLOSED END FUND S.A., from PROTON INVESTMENT BANK S.A., according to the clauses of articles 68 par.1, 69 C.L: 2190/1920, of L: 2166/1993, of L. 2992/2002 and article 16 of L. 2515/1997
6. No income tax provision was formed, because the final income of the accounting period will be specified in the financial statements of the acquisitor "PROTON Inv esting Bank S.A."

ATHENS, 29 DECEMBER 2005

THE PRESIDENT OF THE BOARD & CHIEF EXECUTIVE OFFICER	THE VICE-PRESIDENT OF TE BOARD	THE CHIEF OF ACCOUNTING DEPARTMENT
JULIA THANASSURA ID NUM. X-661910	ANTONIS KATSAOUNIS ID NUM. Θ-900724	AGGELOS KIOTIS ID NUM. X-180834

AUDITOR'S CERTIFICATE
Towards the Board of Directors of "ARROW CLOSED END FUND S.A."

We audited the special financial statements of "ARROW CLOSED END FUND S.A." attached, concerning the period from 1st April until the 29th of December 2005. The preparation of the financial statements are the responsibility of the company's Management. Our responsibility is restricted to the formation of an opinion on the financial statements, based on the audit conducted. Our audit was conducted according to the Greek Audit Standards that are in line with the International Audit Standards. These Standards require the formation and conduct of the audit work in a way that it ascertains that the financial statements are free of substantial insufficiencies and omissions. Our audit includes the assessment- on a sample basis- of evidence that support the items and information included in the financial statements. The audit also includes the evaluation of accounting principles followed, the Management estimates, and more generally, the presentation of information in the financial statements. We support that our audit provides a sufficient basis for the formation of our report. In our opinion, the prementioned financial statements- that were prepared for the acquisition of the company from "PROTON Investment Bank S.A.", as noted in detail in the company Notes stated, present a true and fair view of the the financial position of the Company on the 29th of December 2005 and the results of its operations, as well as the changes of equity from the 1st April until the 29th of December 2005, according to the International Accounting Standards that have been adopted by the European Union.

ATHENS, 29 DECEMBER 2005
THE CHARTERED ACCOUNTANT

VASILIOS PAPPAS
REGISTER NUMBER: 14381
SOL S.A.

ARROW

ARROW PORTFOLIO INVESTMENT S.A.

M.A.E 45360/06/B/00/16

License no. from the Hellenic Capital Commission Market

3/181/18.01.2000

ARROW Closed End Fund S.A.

Financial statements for

the period

From 1 April to

29 December 2005

In accordance with

International Financial Reporting Standards

(IFRS)

December 2005

ARROW PORTFOLIO INVESTMENT S.A.

M.A.E 45360/06/B/00/16

License no. from the Hellenic Capital Commission Market 3/181/18.01.2000

Notes on the accounts of the Financial Statements 2005

(for the period from 01 April 2005 to 29 December 2005)

(Amounts are reported in euro)

1. General information

ARROW Closed End- Fund ´s exclusive objective is to manage a portfolio of investment titles and is subject to Law 1969/1991 "regarding portfolio investment and mutual funds companies", stipulations for the modernization and clearance of the Capital Market, as applicable today, as well as corporate Law 2190/1920. Therefore, the company is also subject to the stipulations of the Ethical Code for Mutual Funds Companies and Portfolio Investment Companies (decision of Hellenic Capital Market Committee 132/2/19.05.1998).

The company was established in 2000, it was granted an operation license by the Capital Market Committee at the meeting on 18.01.2000 (3^{rd} issue /181^{st} meeting) and on 22.02.2000 it was granted a license for incorporation further to the approval of its statutes (initial and amending) through decision no K2-1627/22.02.2000 of the Assistant Minister of Development (Government Gazette 1465/23.02.2000). It is registered in the Register of Societes Anonyme of the General Secretary of Trade of the Ministry of Development under no 45360/06/B/00/16.

The company's name based on its statutes is "ARROW S.A. PORTFOLIO INVESTMENT" and distinctive title "ARROW A.E.E.X.". For the company's international transactions its name may be written in the foreign language, either translated or in Latin letters.

The company's head offices are in the Municipality of Athens. The company's offices are situated on the 4^{th} floor, at 24 Kanari str. (tel: 210-3390790, 210-3390561, fax:210-3603328) in a leased area.

The Company's duration according to its statutes has been set to fifty years and commences from 22.02.2000 when the decision regarding its establishment license and the approval of the company's statutes by the Ministry of Development were recorded in the register of societes anonyme.

According to article 2 in its statutes the company's objective is:

1. to manage a portfolio of investment titles, as those are specified in article 1 of law 1969/91. In particular, investment titles are considered to be shares, bonds, securities, shares in mutual funds, deposit certificates in accordance with article 9 in law 148/67, interest-bearing Government notes and other stock exchange items.

2. To achieve its objective, the company may cooperate with any natural or legal entity pursuing similar goals or operating in the capital market sector, as well as participate in companies with such objectives in compliance with the law as applicable.

Since the company's establishment, its objective has not been amended.

- There are no litigious or under arbitration claims of the company nor any court decisions which might have a significant impact on the financial situation or operation of the Company.

2. Financial instruments (items)

The company's basic financial tools are cash, bank deposits, short term investments, short term receivables and payables. Given the short term nature of those tools, the company's management believes that their fair value is the same as the one disclosed in the company's accounting records including the Portfolio (short term investments), regarding which, management states that "it is held for commercial reasons". In that case the initial recognition is at fair value without being charged with expenses for carrying out the transaction, and then it is also evaluated at fair value through the income statement according to IFRS 39.

- There are no pledges on the fixed assets.

3. Transactions in foreign currency

Transactions in foreign currency are converted to euro at the fixing exchange rate on the Rates Reporting List of the European Central Bank as at the date of the transaction. On the date of reporting on the financial statement, monetary asset items (portfolio and sight deposits in foreign currency) in foreign currency are converted to euro at the exchange rate applicable as at that date. Exchange differences arising from the conversion are recorded in the income statement.

4. Fixed assets

4.1 Accounting principles

a) Fixed assets are disclosed in the financial statements at their cost value. Those values are disclosed reduced by depreciation imposed by the law.
The estimated useful life per category of fixed assets is as follows:
Buildings and technical works: 11 years
Furniture and fixtures: 5 years

- The company does not own any real estate.

b) Regarding intangible assets which had been capitalized in the past and were being amortized in parts in accordance with the Greek law, as at 31.12.2004 it was necessary to amortize immediately their unamortized balance in accordance with IFRS charging net equity by an equal amount.

4.2 Analysis of tangible fixed assets

Tangible assets as at 29 December 2005 were as follows:

TANGIBLE ASSETS as at 29.12.2005									
	Acquirement value			Total of Acquirement value	Accumulated Depreciations			Total of depreciations	Un-depreciated total
	Balance	Acquirement	Decreases		Balance	Depreciation	Decreases		
TANGIBLE ASSETS	**31.03.05**	**2005**	**2005**	**29.12.05**	**31.03.05**	**2005**	**2005**	**29.12.05**	**29.12.05**
(Property. Plant & equipment)	**€**	**€**	**€**	**€**	**€**	**€**	**€**	**€**	**€**
Buildings - Constructions	34.330,15	-	-	34.330,15	18.373,00	15.957,15	-	34.330,15	0,00
Furniture and other equipments	60.983,50	125,50		61.109,00	59.833,20	1.274,69		61.107,89	1,11
TOTAL	**95.313,65**	**125,50**		**95.439.15**	**78.206,20**	**17.231,84**		**95.438,04**	**1,11**

- There are no encumbrances on the fixed assets of the company.

5. Other receivables

5.1 Accounting principles

Receivables are disclosed at their accounting balances because it is not necessary to prepay them at current value due to their short term nature.

5.2 "Other receivables"

The account "other receivables" as at 29.12.2005 is broken down as follows:

Income tax paid in advance	64.736,01
Accrued interests on bonds	40.523,87
Other Claims	57.139,14
Total	**162.399,02**

6. Short term investments

6.1 Accounting principles

To classify and evaluate security investments the company applied IFRS 32 & 39. Given the object of transactions, its portfolio was considered "to be held for trading purposes" and was evaluated as follows:

(a) For securities and derivatives negotiable in an organized market in Greece or abroad, the fair value used was the closing price on the balance sheet date.

(c) For securities non-negotiable in an organized market the fair value used was the net equity as disclosed in the last published balance sheets of the companies which have been audited by chartered accountants.

6.2 Analysis of the account "short term investments"

The account "short term investments" as at 29 December 2005, as disclosed in the published investment table of the company includes the following:

Shares listed in the Athens Stock Exchange	35.684.959,32
Domestic Shares not listed	602.209,60
Shares listed in Foreign Stock Exchange	4.868.779,96
Mutual funds	1.635.753,89
Domestic Corporate Bonds	406.518,90
Foreign Bonds	1.809.431,38
Total	**45.007.653,05**

7. Cash at bank and in hand

7.1 Accounting principles

Cash at bank and in hand include cash in the company's cash register, cash equivalent, such as sight deposits, short term deposits and sight deposits in foreign currency.

7.2 Cash

This account as at 29.12.2005 includes the following:

Cash on hand	59,60
Sight deposits	44.784.174,69
Time deposits	3.000.000,00
Foreign exchange Deposits (in USD)	2.654.765,18
Foreign exchange Deposits (in GBP)	135,20
Total	**50.439.134,67**

Balances in euro

Foreign exchange deposits (USD)	3.139.259,82
Foreign exchange deposits (GBP)	93,06

Balances in foreign currency

Sight deposits are evaluated at fair value that is the initial investment.
Deposits in foreign currency (US dollars, English pounds) derive from the sale of shares abroad.
As at the date of preparation of the Interim Financial Statement, monetary asset items (sight deposits in foreign currency) in foreign currency are converted to euro at the exchange rate given by the European Central Bank as at that date. Exchange differences arising from the conversion are recorded in the income statement.

8. Share capital – reserves – retaining earnings

The company's share capital amounts to **€72.698.000** and it is divided in **32.600.000** common registered shares at the nominal value of **€2,23** each. The shares of "ARROW Portfolio Investment Company S.A." have been listed on the Athens Stock Exchange since January 2002.

The item "Reserves" includes the following accounts:

Entry accr. to 10N. 1969/91	4.402.865,86
Reserve valuation balance N.2992/2002	2.627.738,22
Reserves from the conversion of shares in Euro	122.014,94
Total reserve	**7.152.619,02**

The item "accumulated retained earnings" includes the following accounts:

Retained earnings balance	3.625.190,55
Accounting period earnings	12.102.591,35
Total earnings	**15.727.781,90**

9. Rights of employees, number of employees and cost of payroll

9.1 Rights of personnel

The company's liabilities to personnel regarding future benefits based on the time of service have been disclosed based on the Greek law and amount to € **6.765,47 thousand.** Further adjustment was not deemed necessary due to the limited number of staff.

9.2 Number of staff and cost of payroll

The number of staff in the company as at 29.12.2005 as well as the cost of payroll for 2005 were as follows:

Staff	**29.12.2005**
Employees	4
Cost	**29.12.2005**
Salaries	71.214,48
Social Contribution Charges	19.393,51
Total	**90.607,99**

10. Suppliers

This account is broken down as follows:

C. COTTAS OE	54,50
I. SIATRAS EE	75,00
CLEANING CARE	188.58
MICROMEDIA-BRITANIA	201,21
Total	**519,29**

11. Taxes and contributions and tax in accordance with law 1969/1991

11.1 Tax law

In accordance with par. 3 article 16, law 1969/1991, as applicable, the company must pay annual tax at the rate of 0,3% on the average of investments at current values plus cash disclosed in the quarterly tables of portfolio investments in accordance with article 16 law 1969/1991, as applicable. The payment of this tax ends the tax liability of the company and its shareholders with the exception of income tax withheld upon collection of interest from the portfolio investment company in compliance with par. 2, article 16, law 1969/1991.

11.2 Tax in accordance with law 1969/1991

The tax charge of the period was calculated based on the above mentioned tax law. The calculation of deferred tax was not considered necessary due to the particular tax law regarding profit of current period that may be calculated by the tax authorities in future years, because there is no difference between accounting and tax basis. (tax is calculated at current prices).

The company has been inspected by the tax authorities up to year 2004 included.

11.3. Amounts due from tax and contributions

This account includes the following:

Tax Liabilities	14.267,17
Social contribution paybles	8.774,00
TOTAL	**23.041,17**

12. Other current liabilities

12.1 Accounting principles

Current liabilities pertaining to dividends payable and miscellaneous creditors are disclosed at their accounting balances because it is not necessary to prepay them at current value due to their short term nature.

12.2. Current liabilities

This account as at 29.12.2005 includes the following:

Dividends payable	461,00
Total	**461,00**

13. Gross income

13.1 Portfolio income

The "item" Portfolio income is recognized and recorded in the income statement and includes: a) dividends from shares, b) interest on sight deposits of other investments treated as sight deposits, c) income from interest on bonds and other investments treated as bonds.

Income from dividends is recognized as income at the date it is derived, for listed shares, or as at the date the balance sheet is approved for non-listed shares.
In particular the item "portfolio income" as at 29.12.2005 includes the following:

Dividends	869.437,52
Interests on Deposits	637.707,58
Interests on Bonds	69.617,31
Total	**1.576.762,41**

13.2 Results from sale and purchase of securities

Results (profit/loss) from sale and purchase of securities (shares, bonds, mutual funds, derivatives etc.) are recognized and reported in income statement as well as the results from the evaluation of securities at the end of each period to which the company's financial statements pertain.

Additionally, the item "gross income from portfolio management" includes exchange differences (debit or credit) from transactions or evaluation.

The item "gross income from portfolio management" as at 29.12.2005 includes the following:

Profit from trading with:	
Shares listed in the Athens Stock Exchange	12.890.135,46
Shares listed in foreign exchanges	1.251.639,87
Mutual Funds	220.845,57
Non-listed shares	44.656,00
Corporate Bonds	6.944,19
Financial derivatives	-2.161.141,23
Foreign Currencies	206.746,02
Total	**12.459.825,88**

14. Expenses for portfolio management and other expenses

14.1 Expenses for portfolio management

Expenses for portfolio management include all expenses pertaining to the company's investing activity in all the markets where it operates. Their analysis is as follows:

Custodian fees	847.124,08
Brokerage & transaction expenses	293.146,56
Taxes & other operating expenses	372.767,81
Total	**1.513.038,45**

14.2 Administrative expenses

Their analysis is as follows:

Staff Cost	93.629,40
Other fees	134.563,67
General expenses	345.827,73
Depreciations	17.231,84
Total	**420.958,49**

15. Important facts

On 30.12.2005 the company's merger with the companies PROTON Investment Bank S.A., EXELIXI Closed End- Fund S.A.and ARROW Closed End- Fund S.A. was completed – decision no K2-16707/30-12-2005 of the Ministry of Development. The merger was accomplished, through the absorption of the portfolio investment societes anonyme ARROW Closed End-Fund, EXELIXI Closed End- Fund S.A., and EURODYNAMIKH Closed End- Fund S.A. by the banking company PROTON Investment Bank S.A. according to the stipulations of articles 68 par. 1, 69 of law 2190/1920, law 2166/1993, law 2992/2002 and article 16 of law 2515/1997.

ARROW

ARROW: CLOSED END FUND S.A.

SOCIETES ANONYMES REGISTRER NUMBER (M.A.E.): 45360/06/B/00/16

HELLENIC CAPITAL COMMISSION MARKET BOARD DECISION: 3/181/18.1.2000

KANARI 24, ATHENS, P.C: 10674

TRANSFORMATION BALANCE SHEET AS AT 31-3-2005 (ACCOUNTING PERIOD FROM 1st JANUARY 2005 UNTIL 31 MARCH 2005)

TRANSFORMATION BALANCE SHEET

Amounts in €

	Note	31/03/2005	31/12/2004
ASSETS			
Property, plant & equipment	4	17,106.95	19,542.53
Total fixed assets		**17,106.95**	**19,542.53**
Other receivables	5	2,316,968.99	1,284,158.92
Short-term investments	6	48,863,917.42	48,650,178.79
Cash on hand and cash in bank	7	33,238,667.61	35,947,569.25
Total current assets		**84,419,554.02**	**85,881,906.96**
TOTAL ASSETS		**84,436,660.97**	**85,901,449.49**
LIABILITIES			
Other long-term liabilities	9	6,765.47	6,765.47
Total long-term liabilities		**6,765.47**	**6,765.47**
Suppliers	10	110,154.64	121,442.74
Taxes and duties payable	11	70,552.03	190,930.97
Other current liabilities	12	773,379.26	4,506,129.13
Total short-term liabilities		**954,085.93**	**4,818,502.84**
Share capital	8	72,698,000.00	72,698,000.00
Reserves	8	7,152,619.02	7,152,619.02
Undistributable accumulated profits	8	3,625,190.55	1,225,562.16
Total equity		**83,475,809.57**	**81,076,181.18**
TOTAL LIABILITIES		**84,436,660.97**	**85,901,449.49**

CASH FLOW STATEMENT (DIRECT METHOD)

Amounts in €

	31/03/2005	31/03/2004
Cash Flows from Operating Activities		
Income from Portfolio Management	31,333,360.25	70,913,256.18
Payments from portfolio management	-30,012,069.49	-68,351,379.24
Employees remuneration	-28,590.88	-36,640.65
Tax payments (or tax rebates received)	-199,034.05	-127,205.03
Other payments	-3,800,292.37	-5,522,027.21
Total inflows (outflows) from operating activities (a)	**-2,706,626.54**	**-3,123,995.95**
Cash flows from Investing Activities		
Payments for fixed asset acquisitions	-2,275.10	-8,337.82
Income from fixed asset disposals		2,185.06
Total inflows (outflows) from investing activities (b)	**-2,275.10**	**-6,152.76**
Cash flows from financing activities (c)	**0.00**	**0.00**
Opening reserves	**35,947,569.25**	**21,639,158.58**
Closing reserves	**33,238,667.61**	**18,509,009.87**

INCOME STATEMENT

Amounts in €

	Note	31/03/2005	31/03/2004
Gross income from portfolio management	13	3,096,482.56	7,456,298.21
Minus: Portfolio management expenses	14	482,865.35	945,084.52
Gross profit		**2,613,617.21**	**6,511,213.69**
Administrative expenses	14	151,804.58	191,107.66
Earnings before taxes		**2,461,812.63**	**6,320,106.03**
Income tax	11	62,184.24	69,911.95
Earnings after taxes	15	**2,399,628.39**	**6,250,194.08**
Earnings per share		**0.07**	**0.19**

STATEMENT OF CHANGES IN EQUITY

Amounts in €

	31/03/2005	31/03/2004
Opening equity (1/1/2005 and 1/1/2004 correspondingly)	81,076,181.18	77,263,854.72
Accounting period profit after taxes	2,399,628.39	6,250,194.08
Closing equity (31/3/2005 and 31/3/2004 correspondingly)	83,475,809.57	83,514,048.80

EQUITY ADJUSTMENT TABLE

Based on I.F.R.S.

Amounts in €

	01/01/2005	01/01/2004
Equity as previously depicted by Greek Accounting Standards		
Share Capital	72,698,000.00	72,698,000.00
Reserves	7,152,619.02	4,565,781.17
Undistributable accumulated profits	481,367.15	481,367.15
Total equity	**80,331,986.17**	**77,745,148.32**
I.F.R.S. adjustments		
Reversed accumulated depreciation of set-up expenses	275,850.52	1,103,402.03
Elimination of set-up expenses	0.00	-1,379,252.55
Reversed accumulated depreciation of other set-up expenses	92,411.87	247,805.36
Eliminations of other installation expenses	-3,752.40	-453,248.44
Difference from evaluating investments at their current value	860,978.62	0.00
Total Equity Adjustmens as at 31/12/2003	-481,293.60	0.00
	744,195.01	**-481,293.60**
Equity according to I.F.R.S		
Share capital	72,698,000.00	72,698,000.00
Reserves	7,152,619.02	4,565,781.17
Undistributable accumulated profits	1,225,562.16	73.55
Total equity	**81,076,181.18**	**77,263,854.72**

ADDITTIONAL INFORMATION:

1. The company has had a tax review up until the accounting period of 2004. **2.** There are no pledged assets on the company's fixed assets. **3.** There are no court or arbitrary cases that may have a significant effect on the operation of the company. **4.** The company's employed staff on 31/3/05 was 4 people. **5.** The Board of Directors commonly decided on the 30th of March 2005 the initiation of the merging of PROTON Investing Bank with EXELIXI CLOSED-END FUND S.A. and EURODYNAMIC CLOSED-END FUND S.A. through the acquisiton of the portfolio investing companies ARROW CLOSED-END FUNDS S.A., EXELIXI CLOSED-END FUNDS S.A., and EURODYNAMIC CLOSED-END FUNDS S.A. from PROTON INVESTING BANK S.A., according to the clauses of a 68 par. 1, 69 of C.L.. 2190/1920, of L. 2166/1993, of L. 2992/2002 and article 16 of L. 2515/1997, with a common transformation balance sheet date on the 31st March 2005.

ATHENS, 29 DECEMBER 2005

THE PRESIDENT OF THE BOARD & CHIEF EXECUTIVE OFFICER	THE VICE-PRESIDENT OF THE BOARD	E CHIEF OF THE ACCOUNTING DEPARTME
JULIA THANASSURA ID NUM. X-661910	ANTONIS KATSAOUNIS ID NUM. Θ-900724	AGGELOS KIOTIS ID NUM. X-180834

ARROW Closed End Fund S.A.

Transformation Balance Sheet

as at 31.3.2005

for the period

from January 1

to March 31, 2005

in accordance with

International Financial Reporting

Standards (IFRS)

Adopted by the European Union

It is certified that the attached financial statements are the ones approved by the Board of Directors of ARROW Closed End Fund S.A. on 29/6/2005 further to its decision on 30.03.2005 regarding the beginning of procedures for merging the company with the banking company PROTON Investment Bank S.A. along with the companies EXELIXI Closed End Fund S.A. and EURODYNAMIC Closed End Fund S.A., through the absorption of the portfolio investment societes anonyme ARROW Closed End Fund S.A., EXELIXI Closed End Fund S.A., and EURODYNAMC Closed End Fund S.A. by the banking company PROTON Investment Bank S.A. according to the stipulations of articles 68 par. 1, 69 of law 2190/1920, law 2166/1993, law 2992/2002 and article 16 of law 2515/1997, with transformation balance sheet date March 31, 2005.

Ioulia K. Thanassoura
President of the Board of Directors of
ARROW A.E.E.X.

2005

AUDITOR'S REPORT

To the Shareholders of "ARROW Closed End Fund S.A."

We have reviewed the attached financial statements of "ARROW Closed End Fund S.A.", as of and for the period ended 31 March 2005. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with the Greek Auditing Standards, which are based on the International Standards on Auditing. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the company's management, evaluating the overall financial statement presentation as well as assessing the consistency of the Board of Directors' report with the aforementioned financial statements. We believe that our audit provides a reasonable basis for our opinion.

In our opinion the aforementioned financial statements, which were compiled for the company's absorption with transformation balance sheet date 31.3.2005, further to the board of directors decision on 30.03.2005 regarding the beginning of procedures for merging the company with the banking company PROTON Investment Bank S.A. along with the companies EXELIXI Closed End Fund S.A. and EURODYNAMIC Closed End Fund S.A., through the absorption of the portfolio investment societes anonyme ARROW Closed End Fund S.A., EXELIXI Closed End Fund S.A., and EURODYNAMIC Closed End Fund S.A. by the banking company PROTON Investment Bank S.A. according to the stipulations of articles 68 par. 1, 69 of law 2190/1920, law 2166/1993, law 2992/2002 and article 16 of law 2515/1997, with transformation balance sheet date March 31, 2005, give a true and fair view of the financial position of the company as of 31 March 2005, and of the results of its operations as well as changes in its capital and reserves and its cash flows for the year then ended in accordance with the International Accounting Standards adopted by the European Union.

Athens 29 June 2005
The Chartered Accountant

Vassilios K. Pappas
SOEL Reg. no 14381
SOL S.A.

ARROW Closed End Fund S.A.
M.A.E. 45360/06/B/00/16
No. License from the Hellenic Capital Commission Market 3/181/18.01.2000

Notes on the accounts of the transformation balance sheet as at 31.3.2005
(for the period from 01 January 2005 to 31 March 2005)

(Amounts have been reported in euro)

1. General information

ARROW Closed End Fund 's exclusive objective is to manage a portfolio of movable values and is subject to law 1969/1991 "regarding portfolio investment and mutual funds companies", stipulations for the modernization and clearance of the Capital Market, as applicable today, as well as Law 2190/1920. Therefore the company is also subject to the stipulations of the Ethical Code for Mutual Funds Companies and Portfolio Investment Companies (decision of Capital Market Committee 132/2/19.05.1998).

The company was established in 2000, it was granted a license for operation by the Capital Market Committee at the meeting on 18.01.2000 (3rd issue /181th meeting) and on 22.02.2000 it was granted a license for incorporation further to the approval of its statutes (initial and amending) through decision no K2-1627/22.02.2000 of the Assistant Minister of Development (Government Gazette 1465/23.02.2000). It is registered in the Register of Societes Anonyme of the General Secretary of Trade of the Ministry of Development under no 45360/06/B/00/16.

The company's name based on its statutes is "ARROW Closed End Fund S.A." and distinctive title "ARROW Closed End Fund S.A.". For the company's international transactions its name may be written in the foreign language, either translated or in Latin letters.

The company's head offices are in the Municipality of Athens. The company's offices are situated on the 4th floor, at 24 Kanari str. (tel: 210-3390790, 210-3390561, fax:210-3603328) in a rented area.

The Company's duration according to its statutes has been set to fifty years and commences from 22.02.2000 when the decision regarding its establishment license and the approval of the company's statutes by the Ministry of Development were recorded in the register of societes anonyme.

According to article 2 in its statutes the company's objective is:

1. to manage a portfolio of movable values, as those are specified in article 1 of law 1969/91. In particular movable values are considered to be shares, bonds, securities, shares in mutual funds, certificates for deposits in accordance with article 9 in law 148/67, interest-bearing Government notes and other stock exchange items.

2. To achieve its objective, the company may cooperate with any natural or legal person pursuing similar goals or operating in the capital market sector, as well as participate in companies with such objectives in compliance with the law as applicable.

Since the company's establishment its objective has not been amended.

The financial statements adjusted as at 31/03/2005 in accordance with IFRS were approved by the company's board of directors on 5/12/2005, they will be posted on the website of the company www.arrowaeex.gr , and will be accessible to the public for at least two years as stipulated by law 3301/2004.

- There are no litigious or under arbitration claims of the company nor any court decisions which might have a significant impact on the financial situation or operation of the Company.

2. Financial instruments

The company's basic financial tools are cash, bank deposits, short term investments, short term receivables and payables. Given the short term nature of those tools, the company's management believes that their fair value is the same as the one disclosed in the company's accounting records including the Portfolio (short term investments), regarding which the management states that "it is held for commercial reasons". In that case the initial recognition is at fair value without being charged with expenses for carrying out the transaction, and then it is also evaluated at fair value through the income statement according to IFRS 39.

- There are no pledges on the fixed assets.

3. Transactions in foreign currency

Transactions in foreign currency are converted to euro at the fixing exchange rate on the Exchange Rates Reporting List of the European Central Bank as at the date of the transaction. On the balance sheet date, monetary asset items (portfolio and sight deposits in foreign currency) in foreign currency are converted to euro at the exchange rate applicable as at that date. Exchange differences arising from the conversion are recorded in the income statement.

4. Fixed assets

4.1 Accounting principles

a) Fixed assets are disclosed in the financial statements at their cost value. Those values are disclosed reduced by depreciation imposed by the law.
Estimated duration of useful life per category of fixed assets is as follows:
Buildings and technical works: 11 years
Furniture and fixtures: 5 years

- The company does not own any immovable property.

b) Regarding intangible assets which had been capitalized in the past and were being amortized in parts in accordance with the Greek law, as at 31.3.2005 it was necessary to amortize immediately their unamortized balance in accordance with IFRS charging net equity by an equal amount.

4.2 Analysis of tangible fixed assets

Tangible assets as at 31 March were as follows:

TANGIBLE ASSETS 31.03.2005									
	Acquirement value			Total of Acquirement value	Accumulated Depreciations			Total of depreciations	Un-depreciated total
	Balance	Acquirement	Decreases		Balance	Depreciation	Decreases		
TANGIBLE ASSETS	**31.12.04**	**01-31.03.05**	**01-31.03.05**	**31.03.05**	**31.12.04**	**01-31.03.05**	**01-31.03.05**	**31.03.05**	**31.03.05**
Property, plant & equipment	**€**	**€**	**€**	**€**	**€**	**€**	**€**	**€**	**€**
Buildings - Constructions	34.330,15	-	-	34.330,15	17.428,92	944,08	-	18.373	15.957,15
Furniture and other equipments	58.707,90	2.275,60	-	60.983,00	56.066,60	3.766,60	-	59.833,20	1.149,80
TOTAL	**93.038,05**	**2.275,60**	**0**	**95.313,15**	**73.495,52**	**4.710,68**	**0**	**78.206,2**	**17.106,95**

- There are no encumbrances on the fixed assets of the company.

5. Other receivables

5.1 Accounting principles

Receivables are disclosed at their accounting balances because it is not necessary to prepay them at current value due to their short term nature.

5.2 "Other receivables"

The account "other receivables" as at 31.3.2005 is broken down as follows:

Account of tied up capital SHARELINK	50.000,00
Account of tied up capital (insurance) PROTON SEC. A.X.E.Π.E.Y.	490.646,90
PROTON SEC. A.X.E.P.E.Y.	1.701.095,78
Other Claims	75.226,31
Total	**2.316.968,99**

6. Short term investments

6.1 Accounting principles

The account "short term investments" includes the portfolio of the company, for which the management states that "it is held for trading purposes". In that case the initial recognition is a fair value without being charged with the expenses for the transaction, and then it is also evaluated at fair value through the income statement as stipulated by IFRS 39.

Fair values for shares listed on the Athens Stock Exchange are prices published on the date of reporting of the prepared financial statement with the exception of the bonds of the company EMPHASIS which after recent developments, our company's board of directors decided to evaluated them at the 50% of their cost value.
Fair value for the units in mutual funds held by the company are the published prices of the mutual fund management company as at the date of the reporting of the financial statement.
Fair value for bonds and shares listed on foreign stock exchanges are considered to be the prices posted electronically on BLOOMBERG as at the date of reporting of the prepared financial statement.
Fair value for financial derivatives listed on the Derivatives Athens Stock Exchange are considered to be published prices as at the date of reporting of the prepared financial statement.
Fair value for derivative financial products listed on the Stock Exchanges of Derivatives abroad are considered to be prices posted electronically on BLOOMBERG as at the date of reporting of the prepared financial statement.

Fair value for non listed shares is considered to be the net equity of those companies based on the last published balance sheets of them which are audited by chartered accountants.

6.2 Analysis of the account "short term investments"

The account "short term investments" as at 31 March 2005, as disclosed in the published investment table of the company includes the following:

I	Portfolio Synthesis	Pieces	Acquisition´s Average Price €	Price as at 31.03.2005	Total Acquisition Price €	Total Price as at 31.03.2005 €	Value Difference
1	Shares						
	Shares Listed on Athens Stock Exchange						
	ALPHA BANK	65.000	25,99	26,06	1.689.132,86	1.693.900,00	4.767,14
	AGROTIKI BANK	20.000	5,94	5,62	118.800,00	112.400,00	-6.400,00
	NATIONAL BANK OF GREECE	130.000	24,91	26,10	3.238.389,19	3.393.000,00	154.610,81
	EMPORIKI BANK	53.820	23,79	20,38	1.280.564,80	1.096.851,60	-183.713,20
	BANK OF GREECE	36.000	96,40	101,05	3.470.400,00	3.637.800,00	167.400,00
	BANKS				**9.797.286,85**	**9.933.951,60**	**136.664,75**
	ALTIUS	89.110	1,39	1,42	123.722,90	126.536,20	2.813,30
	NEW MILLENIUM	100.000	1,59	1,61	159.000,00	161.000,00	2.000,00
	AIOLIKI	39.310	2,63	2,28	103.273,60	89.626,80	-13.646,80
	ACTIVE INVESTMENT	120.350	1,04	1,04	125.164,00	125.164,00	0,00
	DIAS	21.610	1,10	1,18	23.855,33	25.499,80	1.644,47
	GREEK PORTFOLIO INVESTMENT COMPANY	144.540	2,80	2,51	404.712,00	362.795,40	-41.916,60
	EXELIXI	8.488.910	0,78	0,88	6.621.349,80	7.470.240,80	848.891,00
	EURODYNAMIC	727.460	2,42	2,44	1.760.453,20	1.775.002,40	14.549,20
	INVESTMENT COMPANIES				**9.321.530,83**	**10.135.865,40**	**814.334,57**
	ATTICA S.A.	125.000	2,90	2,91	362.543,91	363.750,00	1.206,09
	HOLDING COMPANIES				**362.543,91**	**363.750,00**	**1.206,09**
	COSMOTE	85.000	14,03	13,62	1.192.940,00	1.157.700,00	-35.240,00
	FORTHNET	278.490	4,98	4,64	1.385.637,71	1.292.193,60	-93.444,11
	GREEK TELECOMMUNICATIONS	40.030	13,32	13,62	533.216,05	545.208,60	11.992,55
	TELECOMMUNICATIONS				**3.111.793,76**	**2.995.102,20**	**-116.691,56**
	HELLENIC OIL	250.000	8,26	7,72	2.065.177,84	1.930.000,00	-135.177,84
	REFINERIES				**2.065.177,84**	**1.930.000,00**	**-135.177,84**
	D.E.I.	35.000	21,76	22,24	761.479,86	778.400,00	16.920,14
	ELECTRIC ENERGY				**761.479,86**	**778.400,00**	**16.920,14**
	E.I.D.A.P.	265.000	4,96	5,88	1.314.400,00	1.558.200,00	243.800,00
	WATER SUPPLY				**1.314.400,00**	**1.558.200,00**	**243.800,00**
	MINOAN LINES	325.000	1,92	3,00	624.000,00	975.000,00	351.000,00
	MARITIME				**624.000,00**	**975.000,00**	**351.000,00**
	INFORMER	526.700	2,95	2,88	1.551.345,70	1.516.896,00	-34.449,70
	IT COMPANY				**1.551.345,70**	**1.516.896,00**	**-34.449,70**
	TELETIPOS	50.000	4,20	3,32	210.000,00	166.000,00	-44.000,00
	T.V.- ENTERTAINMENT				**210.000,00**	**166.000,00**	**-44.000,00**
	M.I. MAILIS	30.000	3,88	3,98	116.384,62	119.400,00	3.015,38
	MINING COMPANIES				**116.384,62**	**119.400,00**	**3.015,38**
	INTRAMET	65.000	1,04	0,88	67.600,00	57.200,00	-10.400,00
	METKA	135.000	5,31	5,24	716.551,27	707.400,00	-9.151,27
	METALLICAL PRODUCTS				**784.151,27**	**764.600,00**	**-19.551,27**
	INTRAKOM	137.500	3,98	3,86	547.250,00	530.750,00	-16.500,00
	ELECTRONIC EQUIPMENT				**547.250,00**	**530.750,00**	**-16.500,00**
	F.H.L. H. KYRIAKIDIS	140.000	2,37	2,32	332.000,00	324.800,00	-7.200,00
	S & B MANUFACTORING PRODUCTS	65.840	5,78	5,74	380.743,31	377.921,60	-2.821,71
	AGET HERCULES	20.000	9,06	9,64	181.214,29	192.800,00	11.585,71
	NON- METALLICAL, MINERAL & CEMENT PRODUCTS				**893.957,60**	**895.521,60**	**1.564,00**
	ELMEC PRODUCTS	267.000	1,62	1,66	432.540,00	443.220,00	10.680,00
	RIDENCO	110.000	1,10	0,98	121.000,00	107.800,00	-13.200,00
	VOGIATZOGLOU SYSTEMS	125.500	2,50	2,48	313.750,00	311.240,00	-2.510,00
	WHOLESALE				**867.290,00**	**862.260,00**	**-5.030,00**
	SPRIDER	20.000	1,97	1,86	39.400,00	37.200,00	-2.200,00
	DUTY FREE SHOPS	40.000	14,30	21,40	572.059,60	496.000,00	-76.059,60
	RETAIL				**611.459,60**	**533.200,00**	**-78.259,60**
	GERMANOS	36.270	22,79	23,74	826.509,20	861.049,80	34.540,60
	MOBILE TELECOMMUNICATIONS				**826.509,20**	**861.049,80**	**34.540,60**
	COCA- COLA	5.000	20,02	19,40	100.100,00	97.000,00	-3.100,00
	DISTILLERY				**100.100,00**	**97.000,00**	**-3.100,00**
	O.L.TH.	41.790	7,19	8,36	300.492,80	349.364,40	48.871,60
	O.L.P.	60.000	10,46	10,92	627.600,00	655.200,00	27.600,00
	TRANSPORTATIONS (PORT COMPANIES)				**928.092,80**	**1.004.564,40**	**76.471,60**
	G.E.K.	100.000	3,78	3,30	377.719,32	330.000,00	-47.719,32
	REAL ESTATE MANAGEMENT				**377.719,32**	**330.000,00**	**-47.719,32**
	ATHENS S.A.	45.330	0,76	0,82	34.543,80	37.170,60	2.626,80
	MIHANIKI S.A.	15.000	1,83	1,81	27.450,00	27.150,00	-300,00
	CONSTRUCTIONS				**61.993,80**	**64.320,60**	**2.326,80**
	FOLLI- FOLLIE	35.000	21,69	21,90	759.032,11	766.500,00	7.467,89
	JEWELERRY CONSTRUCTION				**759.032,11**	**766.500,00**	**7.467,89**
	NIREUS	43.890	1,47	1,46	64.646,50	64.079,40	-567,10
	VIVARIUM COMPANY				**64.646,50**	**64.079,40**	**-567,10**
	FEEDUS	455.850	1,36	1,47	620.943,80	670.099,50	49.155,70
	IMPORTANT CHANGE ACTIVITY				**620.943,80**	**670.099,50**	**49.155,70**
	Total				**36.679.089,37**	**37.916.510,50**	**1.237.421,13**
	K. VLAHOPOULOS	2.880	87,93	71,72	253.238,40	206.553,60	-46.684,80
	PROBANK	100.000	3,53	3,51	353.000,00	351.000,00	-2.000,00
	SHARES NOT LISTED				**606.238,40**	**557.553,60**	**-48.684,80**
	Total I.1				**37.285.327,77**	**38.474.064,10**	**1.188.736,33**

	Portfolio Synthesis	Pieces	Acquisition´s Average Price €	Price as at 31.03.2005	Total Acquisition Price €	Total Price as at 31.03.2005 €	Value Difference
2	**Corporate Bonds**						
	Ridenco Bonds	639	2,0640	2,0640	1.318,90	1.318,90	0,00
	Emphasis Bonds	640	890,00	445,00	569.600,00	284.800,00	-284.800,00
	Total I.2				**570.918,90**	**286.118,90**	**-284.800,00**
3	Mutual Funds						
	Proton M/ F International Bond- Mega Trends	164.581,07	6,7051	6,7729	1.103.532,52	1.114.691,12	11.158,60
	Proton M/F Gross Domestic	24.000	6,4623	6,5517	155.095,20	157.240,80	2.145,60
	Proton M/ F International Bonds- High Income	24.000	6,0144	5,9511	144.345,60	142.826,40	-1.519,20
	Total I.3.				**1.402.973,32**	**1.414.758,32**	**11.785,00**
4	**Cash & Cash Equivalents**						
	Cash on hand				432,67	432,67	0,00
	Sight Deposits & margin accounts derivatives				2.548.234,94	2.548.234,94	0,00
	Total I.4.				**2.548.667,61**	**2.548.667,61**	**0,00**
5	**Other**						
	Time Deposits				30.690.000,00	30.690.000,00	0,00
	Total I.5.				**30.690.000,00**	**30.690.000,00**	**0,00**
	Total Investments on domestic Market (I)				**72.497.887,60**	**73.413.608,93**	**915.721,33**
II	**Foreign Investmemts**						
1	**Listed Shares**						
	Cisco Systems Inc. Com.	20.000	13,80	13,80	275.995,23	275.995,06	-0,17
	Lucent Technologies Inc.	75.000	2,26	2.12	169.416,34	159.094,42	-10.321,92
	Microsoft Cooperation	7.500	19.71	18,64	147.833,50	139.829,53	-8.003,97
	Motorola Inc.	10.000	12,05	11,55	120.518,80	115.473,62	-5.045,18
	Tim Hellas Telecom.	120.000	13,77	16,24	1.651.861,10	1.949.398,33	297.537,23
	USA Shares (Nasdaq)				**2.365.624,97**	**2.639.790,96**	**274.165,99**
	Citigroup Inv.	7.000	35,57	34,67	249.016,04	242.656,59	-6.359,45
	India Fund Inc.	9.000	20,19	20,96	181.672,60	188.622,34	6.949,74
	Pfizer	15.000	19,71	20,26	295.653,86	303.957,11	8.303,25
	Reebok Intl Ltd	4.000	33,63	34,17	134.525,36	136.686,21	2.160,85
	Shares Japan	78.000	8.27	8,08	644.815,87	630.546,13	-14.269,74
	USA Shares (Nyse)				**1.505.683,73**	**1.502.468,38**	**-3.215,35**
	Deutche Bank	6.000	67,82	66,55	406.935,00	399.300,00	-7.635,00
	DT Telekom	30.000	15,96	15,40	478.886,00	462.000,00	-16.886,00
	SAP AG	3.000	128,37	124,31	385.106,60	372.930,00	-12.176,60
	GERMAN SHARES (Frankfurt)				**1.270.927,60**	**1.234.230,00**	**-36.697,60**
	INTERFUND	2.574.000	0.14	0.15	355.942,39	378.658,91	22.716,52
	CYPRUS SHARES(Lefcosia)				**355.942,39**	**378.658,91**	**22.716,52**
	AIR FRANCE	24.000	14,63	13,87	351.060,00	332.880,00	-18.180,00
	CREDIT AGRICOLE	10.000	22,95	20,97	229.512,12	209.700,00	-19.812,12
	ST MICROELECTRONICS	26.000	14,18	12,84	368.768,75	333.840,00	-34.928,75
	FRENCH SHARES (Paris)				**949.340,87**	**876.420,00**	**-72.920,87**
	ROYAL BANK OF SCOTLAND	15.000	25.21	24,46	378.083,63	366.884,53	-11.199,10
	BRITISH SHARES (London)				**378.083,63**	**366.884,53**	**-11.199,10**
	TELECOM ITALIA	150.000	2,49	2,41	373.975,00	361.950,00	-12.025,00
	ITALIAN SHARES (Milan)				**373.975,00**	**361.950,00**	**-12.025,00**
	PORTUGAL TELECOM	39.000	9,53	9,04	371.490,01	352.560,00	-18.930,01
	PORTUGAL SHARES(Lisbon)				**371.490,01**	352.560,00	**-18.930,01**
	Total				**7.571.068,20**	**7.712.962,78**	**141.894,58**
	Corporate Bonds						
	ATTICA 3,33% 24/3/2015	500.000	1.000	1,002	500.000,00	500.750,00	750,00
	FIX FIRST INVEST 7,5% 1/2/2008	180.000	0.995	1,038	179.100,00	186.786,00	7.686,00
	MOBTEL 9,75% 30/1/2008	350.000	0,778	0,82	272.450,63	288.477,32	16.026,69
	Total				**951.550,63**	**976.013,32**	**24.462,69**
	Total investments of foreign market (II)				**8.522.618,83**	**8.688.976,10**	**166.357,27**
	TOTAL SUM (I) + (II)				**81.020.506,43**	**82.102.585,03**	**1.082.078,60**
III	**DOMESTIC DERIVATIVES**						
1	**FUTURE OPTIONS**						
	APR/05(FTSE 20)	-1.235		1.570,85		-9.699.998,75	
	TOTAL III.1.					**-9.699.998,75**	
2	**OPTIONS**						
	FTSE-20 APR/05(C 1625)	-15	18,50	8,66	-1.387,50	-649,50	738,00
	FTSE-20 APR/05(C 1650)	-100	20,69	4,52	-10.343,75	-2.260,00	8.083,75
	FTSE-20 APR/05(P 1650)	-150	20,83	83,61	-15.625,00	-62.707,50	-47.082,50
	Total III.2.				**-27.356,25**	**-65.617,00**	**-38.260,75**
IV	**FOREIGN DERIVATIVES**						
1	**FUTURE OPTIONS**						
	FDAX JUN/05	-32		4.362,50		-3.490.000,00	
	FGBL JUN/05	-2		118,61		-237.220,00	
	FGBM JUN/05	-5		112,59		-562.950,00	
	TOTAL IV.1.					**-4.290.170,00**	

Notes:

1. The current value of listed shares was determined according to the closing price of 31.03.2005.
2. For non listed shares, as current value was received their net equity, according to the most recent financial statements audited from a Chartered Accountant.
3. The nominal value of the financial derivatives was calculated based on the closing price of 31.03.2005.
4. The internal value of Arrow´s bond was € 2,56.

The difference from the evaluation (profits) of "short term investments" and "derivative financial products" at their fair value as at the date of reporting in the financial statement amounts to **€1.237 thousand** pertaining to shares in Greece, **€142 thousand** pertaining to shares abroad, **€24 thousand** pertaining to bonds abroad, **€12 thousand** pertaining to mutual funds in Greece, while the difference from evaluation (losses) of "short term investments" and "derivative financial products" at their fair value as at the date of reporting in the financial statement amounts to € **49 thousand** pertaining to shares in Greece non listed, **€285 thousand** pertaining to bonds in Greece, and **€38 thousand** pertaining to options in Greece.

5. Cash at bank and in hand

6.2 Accounting principles

Cash at bank and in hand include cash in the company's cash register, cash equivalent, such as sight deposits, short term deposits and sight deposits in foreign currency.

6.3 Cash at bank and in hand

This account as at 31.03.2005 includes the following:

Balances in euro

Sight deposits and cash on hand	2.072.948,61
Time deposits	30.690.000,00
Deposits in foreign currency (USD)	475.358,72
Deposits in foreign currency (GBP)	360,28
Total	**33.238.667,61**

Balances in foreign currency

Foreign exchange deposits (USD)	616.255,05 USD
Foreign exchange deposits (GBP)	248,05 GBP

Sight deposits are evaluated at their fair value which is the initial investment.
Deposits in foreign currency (US dollars, English pounds) derive from sale of shares abroad.
As at the date of preparation of Interim Financial Statement, monetary asset items (sight deposits in foreign currency) in foreign currency are converted to euro at the exchange rate given by the European Central Bank as at that date. Exchange differences arising from the conversion are recorded in income statement.

6. Share capital – reserves

The company's share capital amounts to **€72.698.000** and is divided in **32.600.000** common registered shares at nominal value **€2,23** each. The shares of "ARROW Portfolio Investment Company S.A." have been listed on the Athens Stock Exchange since January 2002.

- The account reserves includes the following accounts:

Special Reserve, Article 10N. 1969/91	4.402.865,86
Difference arising from shares valuation L.2992/2002	2.627.738,22
Special Reserve from the conversion of share capital in Euro	122.014,94
Total reserve	**7.152.619,02**

- The account accumulated retained profit includes the following accounts:

Balance Retained earnings	1.225.562,16
Earnings for the period (01.01.2005-31.03.2005)	2.399.628,39
Total earnings	**3.625.190,55**

The shares of the company have a wide dispersion, according with the Share Register of the Company, at the date of the approval of the transformation financial statements. The Management & Supervision bodies participating to the company's Share capital are as following:

Name	Status	Percentage (%) of Participation to the Share Capital
Ioulia K. Thanassoura	Chairman of the BoD & Managing Director	2,5676 %
Antonios G. Katsaounis	Vice President	0,0460 %
Sivilla E.Aziz	Member of the BoD	0,0359 %
Vaislis K. Pappas	Chartered Accountant	0,0012 %
Agelos G. Kiotis	Chief Financial Officer	0,0002 %

7. **Rights of employees, number of employees and cost of payroll**

6.4 Rights of personnel

The company decided to readjust the future employee benefits, based on the previous service of the employees, and the readjustment amounted to € **6.765,47 thousand.** Further adjustment was not deemed necessary due to the limited number of staff.

6.5 Number of staff and payroll expenses

The number of staff in the company as at 31.03.2005 and 31.03.2004 as well as the payroll expenses for the quarter in 2005 and 2004 were as follows:

Personnel	31.03.2005	31.03.2004
Number of Employees	4	3

	1st Trimester 2005	1st Trimester 2004
Staff Cost	22.013,79	31.500,17
Social Contribution Charges	6.177,09	5.139,94
Total Cost	**28.190,88**	**36.640,65**

8. Suppliers

This account is analyzed as follows:

PROTON ASSET MANAGEMENT A.E.P.EY.	99.351,29
TSOUTSANOS NIKOLAOS	10.000,00
Other suppliers	803,35
Total	**110.154,64**

9. Taxes and contributions and tax in accordance with law 1969/1991

6.6 Tax

In accordance with par. 3 article 16, law 1969/1991, as applicable, the company is obliged to pay annual tax at the rate of 0,3% on the average of investments at current values plus cash disclosed in the quarterly tables of portfolio investments in accordance with article 16 law 1969/1991, as applicable. The payment of this tax ends the tax liability of the company and its shareholders with the exception of income tax withheld upon collection of interest from the portfolio investment company in compliance with § 2, article 16, law 1969/1991.

6.7 Tax in accordance with law 1969/1991

The tax charge of the period was calculated based on the above mentioned tax law. The calculation of deferred tax was not considered necessary due to the particular tax law regarding profit of current period that may be calculated by the tax authorities in future years, because there is no difference between accounting and tax basis. (tax is calculated at current prices).

Tax in accordance with law 1969/1991 and swap tax is recorded in income statement and amounts to € 62.184,24 thousand for the current period (1.1.2005-31.03.2005).

The company has been inspected by the tax authorities up to year 2004.

6.8 Amounts due from tax and contributions

This account includes the following:

Tax Liabilities	68.266,23
Social Contribution payables	2.285,80
Total	**70.552,03**

10. Other current liabilities

6.9 Accounting principles

Current liabilities pertaining to dividends payable and miscellaneous creditors are disclosed at their accounting balances because it is not necessary to prepay them at current value due to their short term nature.
Liabilities arising from options, listed on the Athens Derivatives Exchange, have been disclosed at their fair value as included in the published financial statements.

6.10 Current liabilities

This account as at 31.03.2005 includes the following:

Dividends Payable	4.460,00
Creditors	696.392,01
Liabilities arising from options	65.617,00
Other Liabilities	6.910,25
Total	**773.379,26**

11. Gross income

6.11 Portfolio Income

Proceeds in portfolio are recognized and recorded in income statement and include: a) dividends from shares, b) interest on sight deposits of other investments treated as sight deposits, c) income from interest on bonds and other investments treated as bonds.
Income from dividends is recognized as income at the date it is derived, for listed shares, or as at the date the balance sheet is approved for non listed shares.
In particular the account "proceeds in portfolio" as at 31.03.2005 includes the following:

Dividends	170.035,70
Interests on Deposits	167.776,02
Interests on Bonds	10.329,32
Total	**348.141,04**

6.12 Results from sale and purchase of securities

Results (profit/loss) from sale and purchase of securities (shares, bonds, mutual funds, derivatives etc.) are recognized and reported in income statement as well as the results from the evaluation of securities at the end of each period to which the company's financial statements pertain.

Additionally the account "gross income from portfolio management" includes exchange differences (debit or credit) from transactions or evaluation.

The account "gross income from portfolio management" as at 31.03.2005 includes the following:

Profit arising from trading with:	
Shares listed in the Athens Stock Exchange	2.613.496,06
Shares listed in foreign Exchange	739.324,76
Mutual Funds	11.785,00
Non listed shares	-48.684,80
Corporate Bonds	-240.260,44
Financial Derivatives	-254.978,25
Foreign Currencies	-72.340,81
Total	**2.748.341,52**

6.13 Company's investing activities

Business segment is the part of the business activity of the Company which is subject to risks and earnings different from the ones in other sectors.
Geographical segment is the part of the company's business activity in a specific financial environment which is subject to risks and earnings different from the ones in other financial environments.
Per geographical segment the analysis of income generated from the company's investing activities is as follows:

Incomes of Investments	Greece	EU Countries	Other Counties	United States of America	Total balance of the Company
Dividends	157.390,22	-	5.937,88	6.707,60	170.035,70
Interests on deposits	167.866,02	-	-	-	167.866,02
Interests on bonds	6.101,85	4.137,47	-	-	10.239,32
Profit arising from share 's transactions	2.564.811,26	31.992,71	92.637,16	614.694,89	3.304.136,02
Mutual funds	11.785,00	-	-	-	11.785,00
Corporate Bonds	-264.723,13	24.462,69	-	-	-240.260,44
Financial derivatives	-196.433,25	-58.545,00	-	-	-254.978,25
Foreign Currency					-72.340,81
Total	**2.446.797,97**	**2.047,87**	**98.575,04**	**621.402,49**	**3.096.482,56**

12. Expenses for portfolio management and other expenses

6.14 Expenses for portfolio management

Expenses for portfolio management include all expenses pertaining to the company's investing activity in all the markets where it operates. Their analysis is as follows:

Management & Custody Fees	276.897,67
Brokerage & Transactions Expenses	106.086,11
Taxes & other operating expenses	99.881,57
Total	**482.865,35**

6.15 Administrative expenses

The analysis is the following:

Staff Cost	28.590,88
Other fees	38.819,34
General expenses	79.683,68
Depreciations	4.710,68
Total	**151.804,58**

13. Profit of the period – appropriation

Net profits after taxes were € 2.399.628,39 and entirely transferred to the account "accumulated retained profit" increasing the company's net equity by the same amount.

14. Important facts

The company 's board of directors on 30 March 2005 decided to begin procedures for merging the company with the banking company PROTON Investment Bank S.A. along with the companies EXELIXI Closed End Fund S.A. and EURODYNAMIC Closed End Fund S.A., through the absorption of the portfolio investment societes anonyme ARROW Closed End Fund S.A., EXELIXI Closed End Fund S.A., and EURODYNAMIC Closed End Fund S.A. by the banking company PROTON Investment Bank S.A. according to the stipulations of articles 68 par. 1, 69 of law 2190/1920, law 2166/1993, law 2992/2002 and article 16 of law 2515/1997, with transformation balance sheet date March 31, 2005.

BOARD OF DIRECTORS REPORT

OF "EURODYNAMIC CLOSED-END FUNDS S.A."

S.A. R.N: 45870/06/B/00/37 CAPITAL COMMITTEE DECISION 11/188/04.04.2000

TOWARDS THE ANNUAL GENERAL MEETING OF SHAREHOLDERS

FOR THE PROCEEDINGS OF THE 4th ACCOUNTING PERIOD

(1/1 – 31/12/2003)

Dear Shareholders,

According to the Law and the Memorandum of Association, we submit to the Annual Meeting of Shareholders, the Balance Sheet and the results of the fourth accounting year that closed on the 31st December of 2003.

A. THE FINANCIAL RESULTS OF 2003

The accounting period of 2003 was a very profitable period for our company. We took advantage of the upward trend of the capital market and we proceeded to the necessary increases of investments to company's share titles with perfect development and return perspectives. At the same time we counterbalanced the share risk by using derivatives financial products. The aim of our investment policy was and remains the safeguarding and the increase of the internal value of the company's share. According to the analysis of the Income Account of the 4th accounting period 01.01.2003 – 31.12.2003, the portfolio returns were formed at € 303.762,42 against € 368.413,33 for the accounting period 2002 (reduction of 17,55 %), and the profits from the trading of securities were € 1.181.088,97 against losses of € 238.092,49 for 2002.

The operating results, as far as the accounting profit of the company is concerned were € 1.005.529,67, for the whole of 2003 and are stated in detail in Table 1:

Table 1

	€
Portfolio Income	303.762,42
Profits from Securities Trading	1.436.705,17
Losses from derivatives	- 255.616,20
Total	**1.484.851,39**
Profits from Time Currency Activities	59.893,96
Total management income	**1.544.745,35**
Minus:	
Portfolio Management Expenses	539.215,68
Operating result	**1.005.529,67**

Operating and extraordinary results were profits of € 460.767,42 against losses of € 894.811,96 for the accounting period 2002.

The Net Profit for 2003 were earnings of € 406.636,48 against losses of € 2.264.348,55 of the accounting period 2002.

We note that in the Accounting Period Earnings, the positive differences arising from the 31.12.2003 revaluation are not included, based on L.2992/2002, of € 1.023.328,61, transferred in the liabilities in a special reserves account.

In contrast to the accounting period 2002, the negative revaluation difference of € 1.322.509,10 had been transferred on its whole in the accounting period income.

The accounting treatment of the revaluation surpluses, that is in line with N.2992/2002, consists a clear way of presentation of the accounting state of the company.

In detail, the accounting period results for 2003, as formed in relation to the previous accounting period are presented in Table 2:

Table 2

	31.12.03	**31.12.02**	**Change**
	€	**€**	**%**
Portfolio income	303.762,42	368.413,33	-17,55
Profit/Loss from Securities trading	1.181.088,97	-238.092,49	596,06
Total Gross Management Income	**1.484.851,39**	**130.320,84**	1.039,38
LESS: Portfolio Management Expenses	539.215,68	655.559,17	-17,74
LESS: Administrative Expenses	385.463,28	345.465,34	11,58
PLUS: Extraordinary and Non-operating Income	68.298,20	141.294,65	-51,66
LESS: Extraordinary and Non-operating Expenses	167.703,21	165.402,94	1,39
Operating and Extraordinary Income (Profits/Loss)	**460.767,42**	**-894.811,96**	
LESS: Income Tax	- 54.130,94	-47.027,49	
Net Accounting Period Income Before revaluation differences	**406.636,48**	**-941.839,45**	
PLUS: Securities revaluation differences	1.023.328,61	-1.322.509,10	
Net Accounting Period Earnings	**1.429.965,09**	**-2.264.348,55**	

B. ECONOMIC STATEMENT

According to the submitted for approval Balance Sheet, the Accounting Equity of the Company on 31.12.2003 is formed to € 18.013.895,31.

In detail, the development of the company's share capital, from its formation, is stated on Table 3:

Table 3

SHARE CAPITAL DEVELOPMENT

General Meeting Date	Government Gazzette	Amount of Change	Way of increase	Justification	Share Capital	Total Shares	Nominal Share Value
Foundation 19.04.2000	2824/ 20.04.2000	20.542.920,03	Cash	Payment of Initial Share Capital	20.542.920,03	7.000.000	2,9347
07.03.2001 & 01.08.2001	7810/ 05.09.2001	-2.182.565,87		A. Reduction of the nominal share value by € 0,31 due to share capital impairment for the covering of losses from negative portfolio revaluations of the 1st Accounting Period of € 2.182.565,88.	18.360.354,15	7.000.000	2,6229
07.03.2001 & 01.08.2001	7810/ 05.09.2001	-20.354,15		B. Share Capital impairment of € 20.354,15 with special reserve formation, due to the conversion of the nominal share from drch to €	18.340.000,00	7.000.000	2,62
07.03.2001 & 01.08.2001	7810/ 05.09.2001	1.480.300,00	Cash	C. Decision for the listing of the company shares in the Main Market of the Athens Stock Exchange του with a simultaneous increase of the Share capital of € 1.480.300,00	19.820.300,00	7.565.000	2,62

The total liabilities of the company on 31/12/2003 comes up to € 252.601,14 against € 113.617,74 in 2002, an increase mainly attributed to short-term liabilities from financial activities, that are classified in the ordinary activity of the company, the analysis of each individual item is stated in Table 4.

Table 4

	31.12.03 €	31.12.02 €	Change %
Suppliers	30.098,75	28.722,69	4,79
Checks payable	1.173,88	1.890,40	- 37,90
Taxes & Duties payable	37.028,56	31.013,27	19,40
Insurance funds	2.198,57	3.733,29	- 41,11
Domestic Stockbrokers	156.485,42	18.174,13	761,03
Foreign Stockbrokers	-	30.083,96	-
Miscellaneous Creditors	25.615,96	-	-
TOTAL LIABILITIES	**252.601,14**	**113.617,74**	**122,33**

The total assets of the company on 31/12/2003 come up to € 18.271.252,99 against € 16.705.730,99 in 2002. The assets structure per category is stated in Table 5:

Table 5

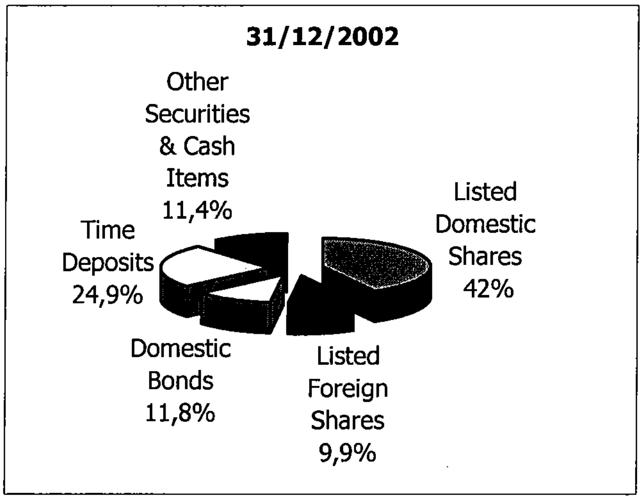
	31.12.03 €	31.12.02 €	Change %
Investments in Securities			
Shares listed in the Stock Exchange	9.103.667,95	6.717.253,74	35,53
Shares listed in foreign Stock Exchanges	2.076.849,45	1.453.198,11	42,92
Shares to be listed in the Stock Exchange	-	72.478,00	
Greek Government Bonds	1.399.697,66	1.817.853,73	- 23,00
Other parties' bonds	121.273,32	-	
Shares of domestic Mutual Funds	869.370,21	-	
Shares of foreign Mutual Funds	-	1.445,91	
Cash Items	3.532.210,20	5.621.843,12	
Cash on Hand	279,05	129,47	115,53
Sight and time deposits	3.531.931,15	5.621.713,65	- 37,17
Other asset accounts	1.168.184,20	1.021.658,38	14,34
TOTAL ASSETS	**18.271.252,99**	**16.705.730,99**	**9,37**

The emphasis of the share portfolio investment policy kept on being in high capitalization domestic shares with increased investment percentage, in relation to the previous years, of investment in foreign shares, where it was appreciated that company titles with rare profitability prospects and operations development and attractive relative evaluations are offered. At the same time, the derivative financial products were used for the offsetting of the unavoidable risk of these placements. In some cases the derivatives were also used for the more effective portfolio management of the portfolio, by following the stated upward and downward trends.

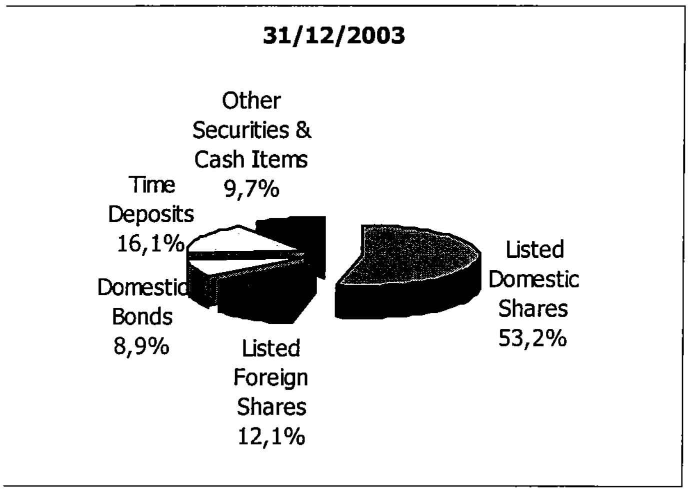
Foreign investments concerned placements on US, Eurozone and other European companies' shares. The financial risk from investments in US markets was counterbalance with financial product derivatives negotiated in the Athens Stock Exchange, excluding some cases in the first months of the accounting period where Management resorted to non-financial derivative products, since there was no corresponding products negotiated in the Stock Exchange.

The percentage structure of the company Investments (including the Reserves) at current prices is stated in Table 6. .

Table 6



At current prices 31.12.02	**€**	**%**
Listed domestic shares	6.486.833,40	42%
Listed Foreign Shares	1.530.237,43	9,9%
Domestic Bonds	1.817.853,73	11,8%
Time Deposits	3.857.353,16	24,9%
Other Securities and Cash Items	1.765.935,87	1,4%
TOTAL	**15.458.213,59**	**100%**



At current prices 31.12.03	€	%
Listed Domestic Shares	9.103.667,95	53,2%
Listed Foreign Shares	2.076.849,45	12,1%
Domestic Bonds	1.520.970,98	8,9%
Time Deposits	2.750.175,04	16,1%
Other Securities and Cash Items	1.651.405,37	9,7%
TOTAL	**17.103.068,79**	**100%**

More specific, on average, a percentage of 45,01% was invested in domestic shares, 10,72% was invested in foreign shares (US and Europe), 16,15% in Greek Government Bonds and remaining 18,28% in other money market products and other assets. The use of derivative financial products was formed on an average of 12,10%.

In detail, per month, the structure of investments in current values as a percentage over the Net Accounting Position per month is stated in Table 7:

Table 7: Monthly Investment Structure

DATE	DOMESTIC SHARES	FOREIGN SHARES	TOTAL SHARES	BONDS	TOTAL CASH ITEMS	DERIVATIVES
31/01/03	38,41 %	9,42 %	47,83 %	19,94 %	24,52 %	11,81 %
28/02/03	38,37 %	9,32 %	47,69 %	24,45 %	20,97 %	16,45 %
31/03/03	38,07 %	10,22 %	48,29 %	24,87 %	18,02 %	7,34 %
30/04/03	35,68 %	8,80 %	44,48 %	23,55 %	19,64 %	9,98 %
30/05/03	34,70 %	7,94 %	42,64 %	19,28 %	25,51 %	12,78 %
30/06/03	37,35 %	7,52 %	44,87 %	18,56 %	26,75 %	18,95 %
31/07/03	53,52 %	9,91 %	63,43 %	13,48 %	13,91 %	10,40 %
29/08/03	52,35 %	12,29 %	64,64 %	13,05 %	10,72 %	14,34 %
30/09/03	54,64 %	12,31 %	66,95 %	10,13 %	12,65 %	11,08 %
31/10/03	53,42 %	14,04 %	67,46 %	8,88 %	16,03 %	12,45 %
28/11/03	53,11 %	15,38 %	68,49 %	8,77 %	11,00 %	8,95 %
31/12/03	50,54 %	11,53 %	62,07 %	8,78 %	19,61 %	10,68 %

During 2003, the Company participated with its representatives, by exercising the voting rights, in the General Meetings of the Companies, in the shares of whom it had invested.

C. THE CAPITAL MARKET TREND IN 2003

After three consecutive years of financial downfall and price retreat at the levels found in 1998, the capital markets recovered in 2003 and moved to higher levels. The share indices of the more developed markets presented an increase between 16% and 37%.

The recovery of the market shares was based on the removal of uncertainties in relation to the financial recovery, initially in America and then in Europe, in the gradual acceleration of the economic activity in America and at a smaller degree in Europe, on the improvement of the company results and of the companies' profitability, while there was a transitory restrictions of the geopolitical risk based on the Developments in Iraq. All these factors together improved substantially the investors' psychology.

The domestic capital market observed the upward course o the international capital markets, assisted by the relative recovery of the company results, instead of the fact that there was a further worsening of the basic macroeconomic sizes (inflation, fiscal deficit, current trade deficit) and delay of structural changes. A basic financial characteristic of 2003 was also the retreat of important companies from the Stock Exchange. The General Stock Exchange Index increased by 29,5%, the index of high capitalization companies (FTSE ASE 20) increased by 35,4% and the index of medium capitalization companies (FTSE 40) by 26,8%. All the individual sector indices increased, except the indices of construction and non-metallic mineral. The investment companies' index increased by 54,2%.

As the intensive fluctuations in the capital markets continued during the longest time-period of 2003, instead of the upward tension of the markets, especially in the second term, the company followed the conservative investment strategy, lead not only by the safeguarding, but also the increase of the value of the company's capital. The result was that the total internal value of the company increased by € 1.655.824,11 in 2003 and the internal value of the share was formed at € 2,38, presenting an increase of 10,12%. This return classified our company ninth in the sector of listed Closed-end Funds, according to the official data of the Union of Institutional Shareholders.

The comparative course of the share EURODYNAMIC in relation to the Stock Exchange Indices is stated in Table 8:

Table 8

	31.12.03	31.12.02	% Change
Internal Value of EURODYNAMIC	€2,38	€ 2,16	10,19%
Financial Price of EURODYNAMIC share	€ 2,29	€ 1,95	17,44%
General Index of Athens Stock Exchange	2.263,58	1.748,42	29,46%
FTSE ASE 20	1.169,95	863,90	35,43%
FTSE Midcap 40	237,71	187,51	26,77%
Investing Companies Index	837,33	543,10	54,17%

D. THE SHARE

On 5 October 2001 began the negotiation of 7.565.000 shares of the company in the Main Market of Athens Stock Exchange.

The closing price in each month's last session, as well as of the monthly volume of transactions is stated in Table 9:

Table 9

DATE	CLOSING PRICE	MINIMUM PRICE PER MONTH	MAXIMUM PRICE PER MONTH	VOLUME OF TRANSACTIONS PER MONTH (PIECES)	VALUE OF TRANSATIONS
31/01/03	€ 1,85	€ 1,76	€ 1,95	230.740	€ 417.315,20
28/02/03	€ 1,88	€ 1,76	€ 1,88	33.760	€ 60.715,20
31/03/03	€ 1,88	€ 1,67	€ 1,99	52.610	€ 92.153,90
30/04/03	€ 1,75	€ 1,66	€ 1,82	99.330	€ 169.810,60
30/05/03	€ 1,95	€ 1,72	€ 2,00	187.900	€ 358.722,80
30/06/03	€ 2,11	€ 1,93	€ 2,24	94.770	€ 195.210,10
31/07/03	€ 2,20	€ 2,00	€ 2,20	50.890	€ 108.325,20
29/08/03	€ 2,30	€ 2,15	€ 2,49	34.290	€ 75.780,00
30/09/03	€ 2,34	€ 2,20	€ 2,45	32.970	€ 74.136,60
31/10/03	€ 2,25	€ 2,20	€ 2,44	18.680	€ 42.306,90
28/11/03	€ 2,30	€ 2,20	€ 2,34	13.370	€ 29.712,80
31/12/03	€ 2,29	€ 2,19	€ 2,29	43.780	€ 98.425,60
ΣΥΝΟΛΟ				**893.090**	**€ 1.722.614,90**
% ΣΥΝΟΛΟΥ ΜΕΤΟΧΩΝ				**11,81%**	

E. Prospects for 2004

The international environment remains volatile and 2004, so much for the shares, as for the bonds, while the capital markets have already discounted and revaluated accordingly many of the expected positive developments. The new regime formed to the parities of exchange by the general weakening of the dollar, and the Euro's boost, as well as the apparent weakness of USA to face the structural problems of their economy (high public and private debt and double deficit of the external transactions balance) created thoughts for the development of significant sizes of the global economy and as for this, fluctuations are formed in the capital markets, during the whole year, despite of the dynamics apparent in the beginning of the accounting period.

Moreover, the domestic capital market is expected to be further affected, from a row of potential positive and negative factors:

- The imminent political elections.
- The Olympic Games of Athens 2004.
- The Application of International Accounting Standards for the depiction of Greek Company financial sizes.
- The unfavorable macro-economic sizes.

The portfolio of our company still contains included company shares of the domestic and global economy, which have perfect operational and return development perspectives. In fluctuation periods, an effort to increase the placements negotiated in discount, so that the portfolio of the company is hedged to any trend, so that in case of a down-trend losses are restricted, while in case of an up-trend profits are secured. The exact allocation of investment values in the portfolio of the company will be redefined based on the developments of the market.
We aim to maximize the company value for its shareholders in the medium-long term horizon.

We finally have to express our thanks to our staff and to our colleagues, for their devotion and the effective execution of their duties.

Athens, 29 January 2004

THE PRESIDENT	THE CHIEF EXECUTIVE	THE ECONOMIC DIRECTOR
NIKOLAOS AMPATZHS ID NUM : Λ 146715	ANASTASIOS SINOPOULOS ID NUM: Π 572333	THEOD. P. PLATSATOURAS ID NUM: Σ 548917

- We ascertain that the report above consisting of eight (8) pages is that stated in the Auditor's Report, granted with date 29/01/2004.

Athens, 29/01/2004
The Chartered Auditor

KOSTAS. I. MALISSOVAS
I.C.A.A. R.N: 11281
BKR S.A.

ΕΥΡΩΔΥΝΑΜΙΚΗ

ΑΝΩΝΥΜΗ ΕΤΑΙΡΕΙΑ ΕΠΕΝΔΥΣΕΩΝ ΧΑΡΤΟΦΥΛΑΚΙΟΥ

Eurodynamic Closed End Fund S.A.

BALANCE SHEET AS AT 31st DECEMBER 2003 - 4rth ACCOUNTING YEAR (1st JANUARY - 31st DECEMBER 2003)

HEAD OFFICE: ATHENS / S.A.´s R.N. 45870/06/B/00/37 HELLENIC CAPITAL COMMISSION MARKET, BoD´s Decision: 11/188/04-04-2000 (amounts in €)

ASSETS	2003 Book Value	2003 Depreciation	2003 Net book value	2002 Book Value	2002 Depreciation	2002 Net book value
B. INSTALLATION EXPENSES						
1. Formation and set-up expenses	632,513.22	409,738.47	222,774.75	631,569.22	282,518.33	349,050.89
C. FIXED ASSETS						
II. Property, plant & equipment						
3. Buildings and technical installations	14,673.51	5,836.48	8,837.03	14,673.51	4,222.39	10,451.12
6. Furniture and equipment	58,215.26	44,409.07	13,806.19	58,117.26	33,824.39	24,292.87
	72,888.77	50,245.55	22,643.22	72,790.77	38,046.78	34,743.99
III. Participations and other long-term assets						
7. Other long term assets			4,111.66			4,111.66
Total fixed assets (CII + CIII)			26,754.88			38,855.65
D. CURRENT ASSETS						
II. Receivables						
11. Miscellaneous debtors			857,077.10			519,853.17
III. Investments in securities						
1a. Shares listed in the stock-exchange			9,103,667.95			6,717,253.74
1b. Shares listed in the foreign stock-exchanges			2,076,849.45			1,453,198.11
1c. Shares to be listed in the SE			-			72,478.00
3a. Greek Government Bonds			1,399,697.66			1,817,853.73
3b. Other parties bonds			121,273.32			-
4a. Shares from domestic mutual funds			869,370.21			-
4b. Shares from foreign mutual funds			-			1,445.91
			13,570,858.59			10,062,229.49
. Cash items						
1. Cash on hand			279.05			129.47
3a. Sight deposits			781,756.11			1,764,360.49
3b. Time deposits			2,750,175.04			3,857,353.16
			3,532,210.20			5,621,843.12
Total current assets (DII + DIII + DIV)			17,960,145.89			16,203,925.78
E. DEBIT TRANSIT ACCOUNTS						
2. Accounting period revenues receivable			61,577.47			113,898.67
GRAND TOTAL OF ASSETS (B+C+D+E)			18,271,252.99			16,705,730.99
DEBIT MEMO ACCOUNTS						
3. Claims from reciprocal agreements			-3,657,652.00			-7,799,405.48

LIABILITIES	2003	2002
A. SHAREHOLDERS EQUITY		
I. Share Capital		
(7.565.000 shares at €2,62)		
1. Paid-up	19,820,300.00	19,820,300.00
IV. Reserves		
3. Special Reserves	20,354.15	20,354.15
3a. L.2992/2002 securities' evaluation defferences	1,023,328.61	-
	1,023,328.61	20,354.15
V. RETAINED EARNINGS		
Acounting period profits carried forward	406,636.48	-2,264,348.55
Prior years' losses carried forward	-3,256,723.93	-992,375.38
	-2,850,087.45	-3,256,723.93
Total equity (AI+AIV+AV)	18,013,895.31	16,583,930.22
PROVISIONS FOR CONTINGENCIES AND		
B. OTHER EXPENSES		
1. Provision for employee remuneration	2,953.46	4,988.94
C. LIABILITIES		
1. Suppliers	30,098.75	28,722.69
2a. Cheques payable (post-dated)	1,173.88	1,890.40
5. Liabilities from taxes and duties	37,028.56	31,013.27
6. Insurance Funds	2,198.57	3,733.29
11. Miscellaneus Creditors	182,101.38	48,258.09
Total liabilities (CII)	252,601.14	113,617.74
D. CREDIT TRANSIT ACCOUNTS		
1. Accrued expenses	1,803.08	3,194.09
GRAND TOTAL OF LIABILITIES (A+B+C+D)	18,271,252.99	16,705,730.99
	0	0
CREDIT MEMO ACCOUNTS		
3. Obligations from reciprocal agreements	-3,657,652.00	-7,799,405.48

NOTES:
1) The evaluation of investments in securities occured at the current value of 31-12-2003 according to the clauses of article 2, par. 2 of L.2992/2002 and the positive difference of €1.023,328,61, that arose, was transfered in "3a. Securities' evaluation differences (positive)- N.2992/2002". **2)** The internal value of the share in curent prices as at 31-12-2003, came up to €2,38. **3)** 4 people are employed in the company. **4)** The company's total revenues of €1.484.851,39 is classified in 652.9 of STACODE 03.

INCOME STATEMENT
of 31st DECEMBER 2003 (1st JANUARY - 31st DECEMBER 2003)

	2003			2002	
I. OPERATING RESULT					
Gross income from Portfolio Management					
Portfolio income			303,762.42		368,413.33
Profits from securities' trading			1,181,088.97		-238,092.49
Total			1,484,851.39		130,320.84
Less: Expenses from portfolio management			539,215.68		655,559.17
Gross operating results			945,635.71		-525,238.33
Less: Administration expenses			385,463.28		345,465.34
Total Operating Results			560,172.43		-870,703.67
II. LESS: Extraordinary results					
1. Extraordinary and non-operating income	65,912.21			141,294.65	
3. Prior period income	2,385.99	68,298.20		-	
Less: 1. Extraordinary and non-operating expenses		167,703.21	99,405.01	165,402.94	24,108.29
Operating and extraordinary income (profits)			460,767.42		-894,811.96
Less: Total Depreciation and Amortization		139,418.91		142,910.91	
Less: Depreciation and Amortization included in operating cost		139,418.91	-	142,910.91	-
Less: Participations and securities evaluation differences			-		1,322,509.10
NET EARNINGS BEFORE TAXES			460,767,42		-2,217,321.06

PROFIT APPROPRIATION TABLE

	2003	2002
Net accounting period earnings	460,767.42	-2,217,321.06
(-) Prior periods' income	406,636.48	0.00
Total	54,130.94	-2,217,321.06
Less: 1. Income Tax L.1969/1991	54,130.94	47,027.49
Retained Losses	-	-2,264,348.55

Athens 29 January 2004

The Chairman of the Board of Directors	The Chief Executive	The Chief Financial Officer
NIKOLAOS AMPATZIS ID NUM.: Α 146715	ANASTASIOS SINOPOULOS ID NUM.: Π 572333	THEODOROS PLATSATOURAS ID NUM.: Σ 548917

AUDITOR'S CERTIFICATE
For the use of the shareholders of "EURODYNAMICS CLOSED END FUND S.A."

We reviewed the above Financial Statements and the corresponding Notes, as well as the Cash Flow Statement of "EURODYNAMIC CLOSED END FUND S.A." of the accounting period closing in 31 December 2003. Our audit as conducted according to the clauses of article 37 of C.L.2190/1920 "about S.As", the clauses of L.1969/1991 "about Portfolio Investing Companies, Mutual Shares companies e.t.c." and the audit procedures we considered appropriate, based on the principles and audit rules followed by the Institute of Chartered Auditors and are in line with the basic principles of International Audit Standards. We received all the company books and records we requested, as well as all the significant information and explanations we requested. The company correctly applied the Greek Charter of Accounts. The inventory method was not modified in relation to the previous accounting period. We verified the reconciliation of the Management Report content of the Board of Directors towards the Gereral Assembly of the Shareholders, with the relevant Financial Statements. The Appendix includes the information prescribed by par. 1 of article 43a of C.L: 2190/1920, while the Cash Flows Statement has been prepared based on the Financial Statements and the books and records of the company. In our opinion, the Financial Statements above, that derive from the books and records of the comapany, represent a true and fair view of the asset structure and the "Financial Position" of the company on the 31st December 2003 as well as the closing accounting period results as well as the Cash Flows from the company activities for this accounting period, based on the corresponding clauses and accounting principles in effect, that have been generally accepted and are not different from those applied by the company during the previous accounting period, apart from the case of the securities' evaluation, stated in the company notes with num. 1

Athens, 29 January 2004
THE CHARTERED AUDITOR

KOSTAS I. MALISSOVAS
G.I.A.A R.N: 11281
BKR S.A.

NOTES TO THE ACCOUNTS
OF THE BALANCE SHEET AS AT 31 DECEMBER 2003
(in accordance with the provisions of article 43a of law 2190/1920, as applicable)
OF THE COMPAMY
"EURODYNAMICS A.E."
(Company Reg. 45870/06/B/00/37)

1. ESTABLISHMENT AND STRUCTURE OF FINANCIAL STATEMENTS VARIANCES FOR THE PURPOSE OF PRESENTING THE COMPANY'S STATE OF AFFAIRS

a) Article 42a par. 3: Variance from relevant provisions on the establishment of annual financial statements considered necessary in order to present the company's state of affairs in accordance with par. 2 of the above article.	None
b) Article 42b par. 1: Variance from the principle of immutability as regards the structure and form of the balance sheet and of the profit and loss account.	None
c) Article 42b par. 2: Entry in the relevant account of an item relating to several mandatory accounts.	No such case
d) Article 42b par. 3: Adjustments in the structure and headings of accounts with Arabic numerals, if so required by the specific nature of the company.	No such case
e) Article 42b par. 4: Combination of balance sheet accounts which correspond to Arabic numerals to which (combination) of this provision apply.	No such case
f) Article 42b par. 5: Adjustments of prior year's items for comparison purposes.	No adjustments necessary
g) Article 43b par. 2: Added due to article 6of P.D. 325/1994 (Exchange rate between Drachma and Euro), in cases were annual financial statements were also published in Euro	The financial statements were published in Euro

2. VALUATION OF ASSETS

a) Article 43a par. 1-a: Methods for the valuation of assets and calculation of depreciation as well as provisions for any devaluation of assets.	non owned buildings) were revalued at acquisition cost plus any, improvements or additions less with the depreciations of article 43 of Law 2190/1920 and P.D 2. There was no need for fixed assets' impairement

3. Revaluation of securities at 31/12/2003 was done according to Law 2992/2002, at their fair values. Profit on revaluation was € 1.023.328,61 and was accounted for in Equity in a

b) Article 43a par. 1-a: Basis for the conversion of assets denominated in foreign currency and procedure for treating exchange differences.

1.Securities in Foreign Currency were revalued using the Exchange Rate as at 31.12.2003 and the exchange differences were accounted for against Profit

c) Article 43 par. 2: Variance from the methods and basic principles of valuation. Use of special valuation methods.

None

d) Article 43 par. 7-b: Change in the method used for calculating the cost value or production cost of stocks and securities.

None

e) Article 43 par. 7-c: Statement of the difference between the valuation price of stocks and securities and their current market value, if significant.

Revaluation of securities as at 31.12.2003 was done according to Law 2992/2002, at fair value on 31.12.2003

f) Article 43 par. 9: Analysis and explanation of the revaluation of fixed assets, in accordance with a special law, and presentation of the "revaluation reserve" account.

No such case

3. FIXED ASSETS AND FORMATION EXPENSES

a) Article 42e par. 8: Changes in fixed assets and formation expenses (amortization).

At the end of these notes there is a relevant table.

b) Article 43 par. 5-d: Analysis of additional depreciation.

There was no additional depreciation.

c) Article 43 par. 5-e: Provision for devaluation of fixed tangible assets.

None

d) Article 43 par. 3-e: Analysis and explanation of the amounts under formation expenses (amortization) relating to the fiscal year.

"Intangible assets" account concerns expenses for:

- Software 298.30

e) Article 43 par. 3-c: The amounts and accounting procedure for foreign exchange differences which occurred during this year on payment (installments) and/or valuation of loans or prepayments, used exclusively for the purchase of fixed assets.

There are no loans in foreign currency for any acquisition of tangible assets.

f) Article 43 par. 4 a and b: Analysis and explanation of items "research and development expenses", "concessions and royalties" and "goodwill".	No such items.

4. INVESTMENTS

a) Article 43a par. 1-b: Participating interest in the capital of other companies in excess of 10%.	None
b) Participation interest in other companies, where the company has unlimited liability	None
c) Article 43a par. 1-o: Preparation of consolidated financial statements including the company's own financial statements.	No such case

5. STOCKS

a) Article 43a par. 1-k: Valuation of stocks in derogation to the valuation rules of article 43 for tax relief purposes.	None
b) Article 43a par. 1-j: Differences arising from the revaluation of current assets and reasons for such differences.	31/12/2003 was done according to stipulations of Commerce Law for Societe Anonyme and stipulations of the legislation concerning the Closed End Funds (Law N.2190/1920 & Law N.

6. SHARE CAPITAL

a) Article 43a par. 1-d: Classes of shares making up the share capital.

Shares category: Common anonymous

Number	Nominal value (€)	Total value
7.565.000	2,62	19.820.300

b) Article 43a par. 1-c: New shares issued in the year to increase share capital.	Not existed
c) Article 43a par. 1-e and 42e par. 10: New share certificates and incorporated rights.	Not existed
d) Article 43a par. 1-p: Purchase of own shares in this year.	No purchase

7. PROVISIONS AND LIABILITIES

a) Article 42e par. 14-d: Analysis of the account "other provisions," if the amount is sianificant.	Not existed
b) Article 43a par. 1-g: Financial commitments arising from agreements etc. which are not disclosed in memo accounts. Payment of special monthly allowances and financial commitments in respect of affiliated companies.	Not existed

c) Article 43a par. 1-l: Significant tax amounts which may be due, tax amounts that may be charged to this or previous years, if they have not already been disclosed in liabilities or provisions.	Not existed
d) Article 43a par. 1-f: Long term liabilities in excess of five years covered by liens.	Not existed
e) Article 43a par. 1-f: Liabilities covered by liens.	Not existed

8. PREPAYMENTS, ACCRUALS AND DEFERRED INCOME (TRANSIT DEBIT ACCOUNTS)

a) Article 42e par. 12: Analysis of accounts "earned income" and "accrued expenses".

The account "earned income" has a total amount of € 61.577,47 and is analysed as follows: Swaps' The balance of the account "accrued expenses" concerns provision for Hellenic Capital Market Committee's

9. MEMO ACCOUNTS

Article 42e par. 11: Analysis of memo accounts not included in information presented in par. 10 below.

All memo accounts concern the total Nominal Values of the derivatives held by the

CONTRACTS / FUTURES / OPTIONS IN THE ATHENS DERIVATIVES EXCHANGE:

TYPE	QUANTITY
Futures on FTASE 20 IF (01,	75
Options on JAN/03 (C 950)	-40
Options on JAN/03 (C 1000)	-50
Options on JAN/03 (C 850)	-155
Options on JAN/03 (C 900)	-130
Options on FEB/03 (C 900)	-50
Options on FEB/03 (P 800)	-50
Options on FEB/03 (P 850)	-90
Options on FEB/03 (P 900)	-25
Options on MAR/03 (C 900)	-5
Options on MAR/03 (C 950)	-100
Options on MAR/03 (C 1050)	-120
Options on JUN/03 (C 900)	-190
Options on JUN/03 (C 950)	-50
Options on JUN/03 (C 1000)	-110
Options on JUN/03 (C 1050)	-290

CONTRACTS IN THE GERMAN DERIVATIVES EXCHANGE:

TYPE	QUANTITY
Options on DAX FEB/03 (C	-50

STOCK REPOS

SHARES	NUMBER	QUANTITY
COCA COLA	9.400	94
GREEK	PETROLIUM	200
	INTRAKOM A.E	100

10. GUARANTEES AND LIENS

Article 42e par. 9: Guarantees and liens issued by the company.

Not existed

11. FEES, ADVANCES AND LOANS TO MANAGEMENT

a) Article 43a par. 1-m: Fees to company's executives and directors.

None

b) Article 43a par. 1-m: Liabilities arising or contracted in relation to allowances to company executives and directors who left during the year.	None
d) Article 43a par. 1-n: Prepayments and loans to directors (members of the board of directors and trustees) and other accounts to be paid.	None

12. PROFIT AND LOSS ACCOUNT

a) Article 43a par. 1-h: Turnover per category of activity and geographical areas. (Turnover is presented as specified in article 42e par. 15, section a).

	€
1. Portfolio income	303,762.42
2. Profit on securities	1,181,088.97
Total	**1,484,851.39**

b) Article 43a par. 1-i: Average staff employed during the year and staff categories with total cost. It is noted that "administrative staff" includes staff who receive a monthly salary and "workers" are the wage-earners.

a. Average number of staff:

b. Personnel cost

	€
- Salaries	77,106.34
- Social security and	16,526.61
Total	**93,632.95**

c) Article 42e par. 15-b: Analysis of extraordinary and non operating expenses and income (namely the accounts "extraordinary and non operating income" and "extraordinary and non operating expenses").	1. Extraordinary and non operating expenses account Exchange differences on the sale of securities	**€** 165,402.67
If balances in the accounts "extraordinary losses" and "extraordinary profit" are significant, in accordance with the stipulation of article 43a 1-m, there is an analysis of them (based on the accounts 81.03 provided by the Greek Chart of Accounts).	2. Extraordinary and non a) Exchange differences on the sale of securities	44,953.59
	b) Exchange differences on S	93,896.79
d) Article 42e par. 15-b: Analysis of accounts "prior years' income", "income from prior years' provisions" and "prior years' expenses".	Not existed	

13. OTHER INFORMATION REQUIRED IN ORDER TO PRESENT THE COMPANY'S FINANCIAL STRUCTURE

a) Article 43a par. 1-q: Any other information required by special provisions of the law applicable or that is considered necessary in order to present a more complete picture about the company's financial structure to shareholders and third parties.	We donnot consider it necessary

Athens, 21 January 2004

THE PRESIDENT OF THE BOARD OF DIRECTORS	THE MANAGING DIRECTOR
NIKOLAOS AMPAZIS Identity Card no Λ 146715	ANASTASIOS SINOPOULOS Identity Card no Π 572333

THE CHIEF FINANCIAL OFFICER

THEOD.P.PLATSATOURAS
Identity Card no Σ 548917

It is certified that the above notes on the accounts which consist of eight (8) pages is the one mentioned in the auditor's opinion which I issued on 27/01/2004.

Athens, 27 January 2004
THE CHARTERED ACCOUNTANT

KOSTAS I. MALISOVAS
SOEL Reg. no 11281
BKR PROTYPOS ELEGKTIKH A.E

LIST OF FIXED ASSETS AND FORMATION EXPENSES

	BALANCES AS AT 31.12.2002	ADDITIONS IN 2003	BALANCES AS AT 31.12.2003	CUMULATIVE DEPRECIATIONS UP TO 31.12.2002	DEPRECIATIONS OF 2003	CUMULATIVE DEPRECIATIONS UP TO 31.12.2003	NET BOOK VALUE AS AT 31.12.2003
	EURO						
BUILDINGS AND CONSTRUCTIONS	34,330.15	_	34,330.15	9,876.28	3,776.32	11,652.60	20,677.55
FURNITURE AND OTHER EQUIPMENTS	56,252.61	270.23	56,522.84	34,976.46	12,596.81	47,573.27	8,949.57
FORMATION EXPENSES	1,379,252.55	_	1,379,252.55	827,551.52	275,850.51	1,103,402.03	275,850.52
OTHER FORMATION EXPENSES	453,248.44	_	453,248.44	156,296.10	91,509.26	247,805.36	205,443.08

ΕΥΡΩΔΥΝΑΜΙΚΗ
ΑΝΩΝΥΜΗ ΕΤΑΙΡΕΙΑ ΕΠΕΝΔΥΣΕΩΝ ΧΑΡΤΟΦΥΛΑΚΙΟΥ

EURODYNAMIC Closed End Fund S.A.

BALANCE SHEET AS AT 31st DECEMBER 2004 - 5th ACCOUNTING PERIOD (1st JANUARY - 31st DECEMBER 2004)

HEAD OFFICE: ATHENS / SOCIETE ANOMYMES REGISTRATION NUMBER. 45870/06/B/00/37 CAPITAL MARKET COMMITTEE DECISION 11/188/04-04-2000 (amounts in€)

ASSETS	2004			2003		
	Book Value	Amortization	Net Book Value	Book Value	Amortization	Net Book Value
B. SET-UP EXPENSES						
1. Formation & Set-up expenses	632,513.22	632,513.22	-	632,513.22	409,738.47	222,774.75
C. FIXED ASSETS						
II. Property, plant & equipment						
3. Buildings & building-fixed installations	14,673.51	7,450.57	7,222.94	14,673.51	5,836.48	8,837.03
6. Furniture & other equipment	59,436.56	50,229.03	9,207.53	58,215.26	44,409.07	13,806.19
	74,110.07	57,679.60	16,430.47	72,888.77	50,245.55	22,643.22
III. Participations and other long-term claims						
7. Other long-term claims			4,111.66			4,111.66
Total fixed assets (CII + CIII)			20,542.13			26,754.88
D. CURRENT ASSETS						
II. Receivables						
11. Miscellaneous Debtors			428,122.00			857,077.10
III. Investments in Securities						
1a. Shares listed in the Athens Stock Exchange			8,385,846.23			9,103,667.95
1b. Shares listein foreign Stock Exchanges			1,892,821.59			2,076,849.45
1c. Shares to be listed in the Athens Stock Exchange			-			-
3a. Greek Government Bonds			475,479.50			1,399,697.66
3b. Thirt parties' bond			547,407.79			121,273.32
4a. Participations in domestic mutual-funds			914,881.79			869,370.21
4b. Participations in foreign mutual-funds			-			-
			12,216,436.90			13,570,858.59
IV. Cash items						
1. Cash on hand			123.94			279.05
3a. Sight deposits			527,547.19			781,756.11
3b. Time deposits			6,025,382.76			2,750,175.04
			6,553,053.89			3,532,210.20
Total Current Assets (DII + DIII + DIV)			19,197,612.79			17,960,145.89
E. DEBIT TRANSIT ACCOUNTS						
2. Accrued income receivable			11,926.77			61,577.47
TOTAL ASSETS (B+C+D+E)			19,230,081.69			18,271,252.99
DEBIT MEMO ACCOUNTS						
3. Claims from reciprocal agreements			-4,303,007.47			-3,657,652.00

LIABILITIES	2004	2003
A. SHAREHOLDER' S EQUITY		
I. Share Capital		
(7.565.000 shares of nominal value € 2,25)		
1. Paid-up	17,021,250.00	19,820,300.00
IV. Reserves		
3. Special reserves	20,354.15	20,354.15
3a. Securities (positive) revaluation differences- L.2992/2002	1,016,288.94	1,023,328.61
	1,036,643.09	1,043,682.76
V. Retained Earnings		
Period's profit carried forward	2,316.98	406,636.48
Prior period losses carried forward	-	-3,256,723.93
	2,316.98	-2,850,087.45
Total equity (AI+AIV+AV)	18,060,210.07	18,013,895.31
B. PROVISIONS FOR CONTINGENCIES AND EXPENSES		
1. Provision for employees compensation	4,707.74	2,953.46
C. LIABILITIES		
II. Short-term liabilities		
1. Suppliers	33,624.46	30,098.75
2a. Outstanding cheques payable (post-dated)	320.00	1,173.88
5. Taxes and duties payable	43,694.74	37,028.56
6. Insurance and pension fund dues	3,253.37	2,198.57
10. Dividends payable	960,755.00	-
11. Miscellaneous creditors	121,713.23	182,101.38
Total Liabilities (CII)	1,163,360.80	252,601.14
D. CREDIT TRANSIT ACCOUNTS		
1. Accrued expenses	1,803.08	1,803.08
TOTAL LIABILITIES (A+B+C+D)	19,230,081.69	18,271,252.99
CREDIT MEMO ACCOUNTS		
3. Liabilities from reciprocal agreements	-4,303,007.47	-3,657,652.00

NOTES: 1) By the decision of Special General Assembly of the Shareholders on the 18-10-2004, the share capital was impaired by € 2.799.050,00 aiming to cover equally prior years' losses. The impairment was realized by reducing the nominal value of the shares from 2,62 € to 2,25 €. **2)** The revaluation of investments in securities occured at the current value as at the 31-12-2004 (average prices of December), according to the clauses of article 2 par. 2 of L.2992/2002. The negative difference of € 7.039,67 arising was transferred to equity and was offset with positive prior years' differences. **3)** The internal value of the share at current prices as at 31-12-2004 comes up to 2,55 €, though the value of investments at current prices as at 31-12-2004 comes up to the amount of € 12.482.106,82. **4)** In the oresent accounting period and due to the application of IAS from 2005, set-up expenses were totally depreciated. **5)** 4 employees work work in the company. **6)** The company's total revenues of € 2.073.216,44 are classified in 652.9 of STACODE 03.

INCOME STATEMENT
of 31st December 2004 (1st JANUARY - 31st DECEMBER 2004)

	2004			2003		
I. OPERATING RESULTS						
Gross Revenues from Portfolio Management						
Portfolio income			246,550.53			303,762.42
Profits from securities trading			1,826,665.91			1,181,088.97
Total			2,073,216.44			1,484,851.39
Less: Portfolio Management Expenses			646,811.15			539,215.68
Gross operating profit			1,426,405.29			945,635.71
Less: Administrative Expenses			364,532.61			385,463.28
Total operating results			1,061,872.68			560,172.43
II. PLUS: Extraordinary Results						
1. Extraordinary and non-operating income	200,952.95			65,912.21		
3. Prior period income	-	200,952.95		2,385.99	68,298.20	
Less: 1. Extraordinary and non-operating expenses		81,156.20	119,796.75		167,703.21	99,405.01
Operating and extraordinary results			1,181,669.43			460,767.42
LESS: Depreciation & Amortization		230,208.80			139,418.91	
Less: Normal depreciation included in the operating cost		132,025.87	98,182.93		139,418.91	-
RESULTS BEFORE TAX			1,083,486.50			460,767,42

PROFIT APPROPRIATION STATEMENT

	2004	2003
Earnings before taxes	1,083,486.50	460,767,42
(-) Prior period losses	51,037.45	406,636.48
Total	1,032,449.05	54,130.94
Less: 1. Income tax N.1969/1991	69,377.07	54,130.94
Earnings after tax	963,071.98	-
The appropriation of profits is as follows:		
2. Dividends	960,755.00	-
8. Retained earnings	2,316.98	-
	963,071.98	-

Athens, 27 January 2005

THE CHAIRMAN OF THE BOARD	THE CHIEF EXECUTIVE	THE HEAD OF THE ACCOUNTING DEPARTMENT
NIKOLAOS AMPATZHS ID NUM: Λ 146715	ANASTASIOS SINOPOULOS ID NUM: Π 57233	ALEXANDROS TZIVELEKIDIS ID NUM: Λ 122181

AUDITOR'S REPORT
Towards the Shareholders of "EURODYNAMIC CLOSED END FUND S.A."

We audited the Financial Statements above, the Notes and the Cash Flow Statement of "EURODYNAMIC CLOSED END FUND S.A." of the accounting period closing at 31st December 2004. Out audit was conducted according to the clauses of par. 37 of C.L: 2190/1920 "regarding Societe Anonymes", the clauses of L. 1969/1991 "regarding Portfolio Investment and Mutual Fund Companies, e.t.c." and the audit procedures we concidered appropriate, based on the principles and the rules of auditing followed by the Greek Institute of Chartered Auditors, which are in line with the International Audit Standards. The company provided us with all the books, records and necessary information that we requested for the conduct of our audt. The company applied properly the Greek Charter of Accounts. The inventory method in relation to the previous accounting period was not modified. We verified the reconciliation of the content of the Management Report towards the General Assembly of the Shareholders, with the relevant Financial Statements. The Note includes all information prescribed by par. 1 of article 43a of C.L: 2190/1920, while the Cash Flows Statement has been prepared based on the Financial Statements and books and records. In our opinion, the Financial Statements above, deriving from the books and records of the company, represent togeher with the Notes and the Cash Flows Statement- considering the company notes- a true and fair view of the asset structure and the financial state of the company as at 31st December 2004 and the results of the accounting period that closed on that date, as well as the Cash Flows from the activities of the company for the closing accounting period, based on the relative clauses and the generally accepted accounting principles in effect, that are no different from those applied by the company in the previous accounting period, apart from the case of set-up expenses amortization, stated in the notes of the company with num. 4.

Athens, 28th of January 2005
THE CHARTERED AUDITOR

KLEONIKI P. LIKARDOPOULOU
G.I.C.A.A R.N: 16281
BKR S.A.

BOARD OF DIRECTORS REPORT

OF "EURODYNAMICS CLOSED-END FUND S.A."

S.A. R.N: 45870/06/B/00/37 CAPITAL COMMITTEE DECISION 11/188/04.04.2000

TOWARDS THE ANNUAL GENERAL MEETING OF SHAREHOLDERS

FOR THE PROCEEDINGS OF THE 5th ACCOUNTING PERIOD

(1/1 – 31/12/2004)

Dear Shareholders,

According to the Law and the Memorandum of Association, we submit to the Annual Meeting of Shareholders, the Balance Sheet and the results of the fifth accounting year that closed on the 31st December of 2004.

A. THE FINANCIAL RESULTS OF 2004

The accounting period of 2004 was a stabilizing accounting period with intensive fluctuations for the capital markets. We took advantage of these fluctuations to the company's benefit, by realizing for a second consecutive year a positive result. We adjusted the investments in companies' share titles, following the market fluctuations and choosing shares with perfect prospects for operation results' expansion and satisfactory financial liquidity. The total portfolio risk was counterbalanced by the usage of derivative financial products.

The aim of our investment policy was and remains the securing, and the increase of the internal value of our company's share. According to the analysis of the P&L account of the fifth accounting period 01.01.2004 – 31.12.2004, the portfolio income was formed at € 246.550,53 against € 303.762,42 of 2003 (18,8% reduction), and the profits from securities trading were increased by 54,7% and were formed at € 1.826.665,91 against € 1.181.088,97 of 2003.

For the whole 2004, the period's accounting profit was formed at € 1.426.405,29 and is stated in detail in Table 1 :

Table 1

	€
Portfolio income	246.550,53
Profits from Securities trading	2.020.720,35
Derivative losses	-194.054,44
Total period revenue	**2.073.216,44**
Less:	
Portfolio management expenses	646.811,15
Net period earnings	**1.426.405,29**

The Operating and Extraordinary earnings were profits € 1.083.486,50 against € 460.767,42 for 2003 (a 135,1% increase).

Increased by 149,4%, was the earnings after taxes of 2004. In particular, the fifth accounting period closed with profits of € 1.014.109,43, against profits of € 406.636,48 for 2003. Offsetting the prior period losses of €51.037,45, the distributable profits for 2004 were € 963.071,98.

The portfolio revaluation was according to the clauses of L.2992/2002 and L.1969/91, where the average price of December 2004 was taken as the current price. A negative revaluation difference of € 7.039,67 resulted, that was directly transferred in "Securities' revaluation difference of L.2992/02".

From the evaluation of the portfolio, by the closing price on 31/12/2004, a revaluation surplus of € 265.669,92 resulted, that was considered in the calculation of the internal value of the share, on that date.

In more detail, the accounting period results of 2004, as formed in relation to the previous accounting period, are stated in Table 2 :

Table 2

	31.12.04	**31.12.03**	**Change**
	€	**€**	**%**
Portfolio income	246.550,53	303.762,42	-18,83
Gain from securities trading	1.826.665,91	1.181.088,97	54,66
Total gross portfolio management income	**2.073.216,44**	**1.484.851,39**	**39,62**
Less: Portfolio management expenses	646.811,15	539.215,68	19,95
LESS: Administration management expenses	462.715,54	385.463,28	20,04
PLUS: Extraordinary & Non-operating Revenues	200.952,95	68.298,20	194,23
LESS: Extraordinary & Non-operating Expenses	81.156,20	167.703,21	-51,61
Operating and extraordinary earnings	**1.083.486,50**	**460.767,42**	**135,15**
LESS: Income Tax	69.377,07	54.130,94	28,17
Net accounting period profits	1.014.109,43	406.636,48	149,39
LESS: Prior periods losses	51.037,45	406.636,48	
Net Retained Earnings to be Distributed	**963.071,98**	-	

The Board of Directors has the pleasure to suggest to the General Meeting of Shareholders the distribution of total dividends of € 960.755,00 (or € 0,127 per share) which corresponds to a dividend return of 5,25%, based on the closing price of your share on 31/12/2004. The profit distribution table is formed as below:

PROFIT APPROPRIATION

	2004	**2003**
Net Accounting Period Earnings	1.083.486,50	460,767,42
(-) Prior period earnings	51.037,45	406.636,48
Total	1.032.449,05	54.130,94
Less: 1. Income tax N.1969/1991	69.377,07	54.130,94
Distributable profits	**963.071,98**	-
The profit appropriation is as such:		
2. Dividends	960.755,00	-
8. Profits carried forward	2.316,98	-
	963.071,98	-

B. FINANCIAL STATEMENT

According to the submitted and under approval Balance Sheet, the Company's Accounting Net Worth (Shareholders Equity) on 31.12.2004 is formed at € 18.060.210,07.

In more detail, the development of the company's share capital, from its formations, is stated in Table 3:

Table 3

SHARE CAPITAL DEVELOPMENT

General Meeting Date	Government Gazette	Amount of Change	Way of Increase	Justification	Share Capital	Total Shares	Share Nominal Value
Formation 19.04.2000	2824/ 20.04.2000	20.542.920,03	Cash	Payment of initial share capital	20.542.920,03	7.000.000	2,9347
07.03.2001 & 01.08.2001	7810/ 05.09.2001	-2.182.565,87		A. Devaluation of the nominal value of the share by € 0,31 due to share capital impairment for the covering of losses from negative portfolio revaluations of the 1st Accounting Period of € 2.182.565,88.	18.360.354,15	7.000.000	2,6229
07.03.2001 & 01.08.2001	7810/ 05.09.2001	-20.354,15		B. Share Capital impairment of € 20.354,15 by special reserve formation, due to share nominal value conversion in €	18.340.000,00	7.000.000	2,62
07.03.2001 & 01.08.2001	7810/ 05.09.2001	1.480.300,00	Μετρητά	C. Decision for the listing of the Company Shares in the Main Market of the Athens Stock Exchange with a simultaneous Share Capital increase of € 1.480.300,00	19.820.300,00	7.565.000	2,62
18.10.2004	14060/ 24.11.2004	0	-	A. Change of shares from common unanimous to common nominal	19.820.300,00	7.565.000	2,62
18.10.2004	14060 / 24.11.2004	- 2.799.050,00		B. Decrease of the nominal value of the share by € 0,37 due to Share Capital impairment of € 2.799.050,00 for the offsetting of prior period losses	17.021.250,00	7.565.000	2,25

The total liabilities of the company on 31/12/2004 comes up to €1.163.360,80 against € 252.601,14 in 2003, an increase mainly attributed to the dividend distribution towards the Shareholders. The analysis to the individual items is stated in Table 4.

Table 4

	31.12.04 €	31.12.03 €	Change %
Suppliers	33.624,46	30.098,75	11,71
Checks payable	320,00	1.173,88	-72,74
Taxes and duties payable	43.694,74	37.028,56	18,00
Insurance funds	3.253,37	2.198,57	47,98
Dividends payable	960.755,00	-	
Stock-brokers	109.032,47	156.485,42	-30,32
Miscellaneous Creditors	12.680,76	25.615,96	-50,50
TOTAL LIABILITIES	**1.163.360,80**	**252.601,14**	**360,55**

Total assets on 31/12/2004 comes up to € 19.230.081,69, against € 18.271.252,99 in 2003. The correction of Assets per category is stated in Table 5:

Table 5

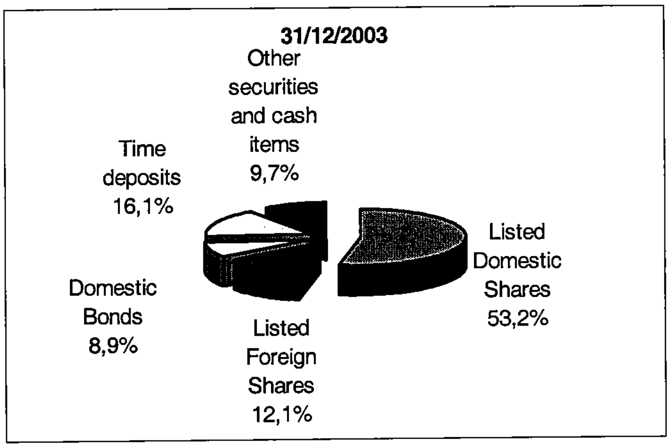
	31.12.04 €	31.12.03 €	Change %
Investments in Securities			
Shares listed in the Athens Stock Exchange	8.385.846,23	9.103.667,95	-7,88
Shares listed in Foreign Stock Exchange	1.892.821,59	2.076.849,45	-8,86
Greek Government Bonds	475.479,50	1.399.697,66	-66,03
Other parties bonds	547.407,79	121.273,32	351,38
Shares from Domestic Mutual Funds	914.881,79	869.370,21	5,24
Cash items			
Cash on hand	123,94	279,05	- 55,59
Sight and time deposits	6.552.929,95	3.531.931,15	85,53
Other asset accounts	460.590,90	1.168.184,20	-60,57
TOTAL ASSETS	**19.230.081,69**	**18.271.252,99**	**5,25**

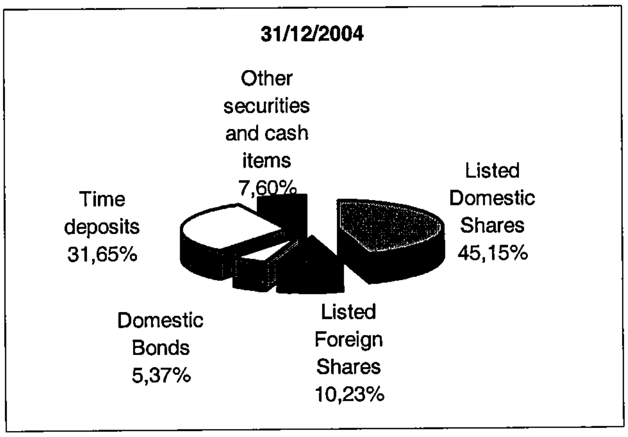
The emphasis of the investment policy concerning the portfolio of shares remained on investments in high capitalization domestic shares, with increasing investment percentage in foreign shares in relation to the previous years, where it was estimated the company titles with super profitability, operation expectations and relative revaluations are offered. At the same time, the derivative financial instruments were used for the hedging of any inherent risk. In some cases, the derivatives were used for the more efficient portfolio management by following the estimated upward or downward market trends.

Foreign investments regarded investments on US, UK and EU countries' shares.

The proportional Investment Structure (including Reserves) of the company at current prices is stated in Table 6.

Table 6





More specific, on average, a percentage of 45,15% was invested in domestic shares, 10,23% was invested in foreign shares (US and Europe), 5,37% in Greek Government Bonds and the remaining 39,25% in other financial market products and other Assets. The usage of the derivative financial products was formed on average at 22,31%.

More in detail, per month, the structure of investments in current values as a percentage over the Net accounting worth is stated in Table 7:

Table 7: Monthly Investment Structure

DATE	DOMESTIC SHARES	FOREIGN SHARES	TOTAL SHARES	GREEK GOVERNMENT BONDS	OTHER SECURITIES AND CASH ITEMS	TIME DEPOSITS	DERIVATIVES
30/01/04	50,00%	15,68%	65,68%	10,91%	4,72%	12,74%	35,18%
27/02/04	47,27%	17,24%	64,51%	8,35%	4,74%	21,91%	63,04%
31/03/04	47,93%	14,74%	62,67%	7,78%	4,75%	17,17%	61,68%
30/04/04	31,69%	14,46%	46,15%	10,37%	4,73%	33,28%	22,98%
28/05/04	38,96%	17,01%	55,97%	10,20%	4,72%	25,25%	27,05%
30/06/04	40,90%	17,19%	58,09%	10,22%	4,80%	23,60%	17,55%
30/07/04	42,13%	16,78%	58,91%	9,09%	4,77%	24,68%	15,01%
31/08/04	44,40%	15,81%	60,21%	5,38%	4,77%	25,79%	12,29%
30/09/04	45,47%	12,89%	58,36%	5,39%	4,74%	32,84%	17,49%
29/10/04	36,86%	12,82%	49,68%	3,72%	4,73%	38,00%	20,01%
30/11/04	41,46%	10,64%	52,10%	3,72%	4,70%	35,30%	19,82%
31/12/04	45,15%	10,23%	55,38%	5,37%	7,60%	31,65%	22,31%

During 2004, the Company participated with its representatives, by exercising its minority rights, in the General Meetings of the Shareholders, in shares of whom it had invested.

C. THE CAPITAL MARKETS TREND IN 2004

Accounting period 2004 was globally a year of capital market stabilization, after their thorough recovery in 2003. The indices of the shares of the developed markets presented an increase between 3% and 20%.

The beginning of the upward interest rates cycle from the American Central Bank, against Euro and Yen and the stability of international macroeconomic issues (labor market, insurance and pension systems e.t.c) created the creation of fluctuations in the markets.

The domestic market was very much affected from the change to the political leadership and the successful conduct of the Olympic Games.

The General Athens Stock Exchange Index increased by 23 %, the index of high capitalization companies (FTSE ASE 20) increased by 32% and the index of medium capitalization companies (FTSE 40) was reduced by -2,8%. The individual segment indices presented a mixed performance with high returns (44,3%) from the Bank Index and medium or even negative changes from the rest, which presented a change of up to -51%.

In 2004, our company maintained its prudent- though flexible- policy. The result was that the total internal value of the company was increased by € 1.272.739,68 in 2004 and the internal value of the share was formed at € 2,55, presenting an increase of 7,10%. This return classified our company ninth in the sector of listed Closed End Fund Companies, according to the official data of the Institutional Investors Union.

Already after the profitable earnings of 2004, the internal worth of the company is very close to its initial worth from its formation, presenting accumulated losses of 12,6%, while the relevant losses of the capital market indices overpass the 35%.

The comparative course of the share elements of EURODYNAMICS in relation to the Indices of the Stock Exchange stated in Table 8:

Table 8

	31.12.04	31.12.03	% Change
EURODYNAMICS CLOSED-END FUNDS S.A. internal worth	€2,55	€2,38	7,10%
EURODYNAMICS CLOSED-END FUNDS S.A. financial share price	€2,42	€ 2,29	5,68%
SE General Index	€2.786,18	€2,263,58	23,09%
FTSE ASE 20	€1.547,47	€1.169,95	32,27%
FTSE Midcap 40	€ 2.309,91	€2.377,10	-2,83%
Company investment index	€993,85	€ 837,33	18,69%

D. THE SHARES

Following the decision of the Extraordinary General Meeting of 18th October 2004 a) the company shares were converted from common anonymous to common nominal. From the 15th December of 2004 7.565.000 common nominal shares are negotiated in the Main Stock Exchange. b) the nominal value of the share was reduced by € 0,37 due to the Share Capital (€ 2.799.050,00) impairment, for offsetting previous periods' losses.

The monthly closing price, as well as the monthly volume of transactions, is stated in Table 9:

Table 9

DATE	CLOSING PRICE	MINIMUM PRICE PER MONTH	MAXIMUM PRICE PER MONTH	VOLUME OF TRANSACTIONS (PIECES) PER MONTH	VALUE OF TRANSACTIONS
30/01/04	€ 2,29	€ 2,19	€ 2,29	153.830	€ 343.077,00
27/02/04	€ 2,30	€ 2,28	€ 2,33	185.770	€ 427.337,60
31/03/04	€ 2,30	€ 2,21	€ 2,30	21.500	€ 48.741,70
30/04/04	€ 2,39	€ 2,28	€ 2,39	113.540	€ 265.486,30
28/05/04	€ 2,40	€ 2,28	€ 2,40	148.570	€ 348.017,70
30/06/04	€ 2,39	€ 2,35	€ 2,39	59.250	€ 140.421,80
30/07/04	€ 2,39	€ 2,36	€ 2,40	46.350	€ 110.140,40
31/08/04	€ 2,39	€ 2,34	€ 2,39	57.270	€ 135.783,00
30/09/04	€ 2,39	€ 2,31	€ 2,40	61.420	€ 145.714,00
29/10/04	€ 2,37	€ 2,33	€ 2,40	47.070	€ 111.811,70
30/11/04	€ 2,36	€ 2,32	€ 2,38	139.500	€ 327.284,50
31/12/04	€ 2,42	€ 2,29	€ 2,44	2.587.270	€ 6.243.318,30
TOTAL				**3.621.340**	**€ 8.647.134,00**
TOTAL % OF SHARES				**47,87 %**	

E. EXPECTATIONS FOR 2005

The year 2005 starts with a mixed picture for the international system, so much at a capital market level, as at a macroeconomic level. From the one side, the capital markets keep on performing dynamics and measured optimism for the development of macroeconomic sizes, on the other side though, worries and contemplations arise from the generalized weakening of the dollar and its effect in Europe and Eastern Asia, the rise of the oil prices, from the continuing weakness so much of the US to face the structural problems of their economy, as of the Europe to face the pressures of safety systems. Moreover lots of question-marks arise from the expected effects on the companies' balance sheets from the introduction of the International Financial Reporting Standards and the continuous geopolitical tensions.

In the internal market, there is sufficient optimism based on the expectations for privatization and restructuring of the public enterprises portfolio, to the expectations of company reclassifications, with acquisitions/ mergers, but also to the positive effects of the new tax legislation. Beyond the efforts to expand the economic activity and reinforce the investments, the basic axis of the new financial policy is the restriction of the public sector deficits and the effort of fiscal reformation.

The company portfolio consists of selected domestic company shares and world economy shares, which have positive prospects for activity development and grand foundational sizes. The exact allocation of investment values in the portfolio of the company will be redefined based on the market development.

Our aim would be the maximization of the company worth for its shareholders in a medium-term horizon and the avoidance of taking on an increased market risk in front of the current uncertainties of the international system.

We finally have to express our thanks towards the staff and our associates, for their devotion and the effective way of their task execution.

Athens, 27th of January 2005

THE PRESIDENT	THE CHIEF EXECUTIVE	THE HEAD OF THE ACCOUNTING DEPARTMENT
NIKOLAOS AMPATZHS **ID NUM : Λ 146715**	**ANASTASIOS SINOPOULOS** **ID NUM: Π 572333**	**ALEXANDROS TZIVELEKIDIS** **ID NUM: Λ 122181**

- We ascertain that the report above, consisting of nine ***(9) pages, is that stated in the Auditor's Certificate, granted on 28/01/2004.***

Athens, 28/01/2005
THE CHARTERED AUDITOR

KLEONIKI P. LIKARDOPOULOU
I.C.A.A R.N: 16281
BKR S.A.

EURODYNAMIC Closed End Fund S.A.

Cash Flow Statement 2004- Accounting Period (1st January- 31st December 2004) - amounts in €

Head Office: Athens- S.A.´ Register Number M.A.E. 45870/06/B/00/37

	A/A	Analysis	Amounts in € 31-12-2004	31-12-2003
		Cash flows from ordinary operating activities		
A	100	**Cash inflows**		
	101	Sales	-	-
	102	Other operating income	-	-
	103	Extraordinary income	200,952.95	65,912.21
	104	Prior years' income	-	-
	105	Interest received (deposits κ.λ.π)	65,783.27	117,188.90
	106	Income from securities	180,767.26	186,573.52
	107	Tradable securities sales	23,008,661.16	17,655,333.46
	108	Reduction of receivables received	428,955.10	-
		Less		
	109	Purchase of tradeable securities	-19,834,613.23	-18,959,544.98
	110	Increase of receivables received	-	-337,223.93
		Total cash inflows (A 100)	**4,050,506.51**	**-1,271,760.82**
A	200	***Cash outflows***		
	201	Portfolio management expenses	646,811.15	539,215.68
	202	General administrative expenses	230,752.46	245,693.86
	203	R & D expenses	-	-
	204	Distribution costs	-	-
	205	Underemployment / inaction expenses	-	-
	206	Other expenses	81,156.20	167,703.21
	207	Increase of inventories	-	-
	208	Increase of prepayments and accrued income	-	-
	209	Reduction ofaccruals and deferred income	-	1,391.01
	210	Reduction of short – term liabilities (except for banks)	56,661.52	-
		Less	-	-
	211	Decrease of inventories	-	-
	212	Decrease of prepayments and accrued income	-49,650.70	-52,321.20
	213	Increase ofaccruals and deferred income	-	-
	214	Increase of short – term liabilities (except for banks)	-	-132,968.11
		Total cash outflows (A200)	**965,730.63**	**768,714.45**
A	300	***Cash outflows from taxes***		
	301	Income taxes	69,377.07	54,130.94
	302	Non incorporated in operation taxes	-	-
	303	Tax Audit differences	-	-
	304	Reduction of liabilities from taxes	-	-
		Less	-	-
	305	Increase of liabilities from taxes	-6,666.18	-6,015.29
		Total cash outflows from taxes (A300)	**62,710.89**	**48,115.65**
		Cash flows from ordinary operating activities A100-A200-A300=A	**3,022,064.99**	**-2,088,590.92**
		Cash Flows from investing activities		
B	100	***Cash inflows***		
	101	Sales of intangible assets	-	-
	102	Sales of tangible assets	-	-
	103	Sale of titles & participations	-	-
	104	Decrease of long term receivables	-	-
	105	Income from titles & participations	-	-
	106	Interest collected (long - term e.t.c receivables)	-	-
		Total cash inflows (B100)	**-**	**-**
B	200	***Cash outflows***		
	201	Purchases of intangible assets	-	-
	202	Purchases of tangible assets	1,221.30	98.00
	203	Purchase of titles & participations	-	-
	204	Increase of long term receivables	-	-
	205	Increase of formation expenses	-	944.00
		Total cash outflows (B200)	**1,221.30**	**1,042.00**
		Cash flows from investing activities B100-B200=B	**-1,221.30**	**-1,042.00**
C		**Cash flows from financing activities**		
C	100	***Cash inflows***		
	101	Receipt of increase of share capital and share premium	-	-
	102	Receipt of grants for assets	-	-
	103	Increase of long - term liabilities	-	-
	104	Increase of short - term liabilities (bank accounts)	-	-
		Total cash inflows (C100)	**-**	**-**
C	200	***Cash outflows***		
	201	Reduction (repayment) of share capital	-	-
	202	Repayment of grants for assets	-	-
	203	Decrease of long - term liabilities	-	-
	204	Decrease of short - term liabilities (bank accounts)	-	-
	205	Interest paid	-	-
	206	Dividends paid	-	-
	207	Distribution of earnings to the employees	-	-
	208	Board of directors´ fees from the earnings of the period	-	-
		Total cash outflows (C200)	**-**	**-**
		Cash flows from financing activities C100-C200=C	**-**	**-**
		Cash flows (A+B+C)	**3,020,843.69**	**-2,089,632.92**
		Plus: Opening cash items	**3,532,210.20**	**5,621,843.12**
		CLOSING CASH ITEMS	**6,553,053.89**	**3,532,210.20**

Athens, 27th January 2005

The Chairman of BoD	The Vice President of BoD	The Chief Financial Officer
Nikolaos Ampatzis	**Anastasios Sinopoulos**	**Alexandros Tzivelekidis**
ID. No.: A 146715	**ID. No.: Π 572333**	**ID. No.: A 122181**

Auditor´s Report on Cash Flow Statement

We audited the above Cash Flow Statement of the company Eurodynamic Closed End Fund Societe Anonyme for the accounting period from 01.01-31.12.2004. In our opinion the above Cash Flow Statement truly presents the inflows and outflows of the current financial year of EURODYNAMIC Closed End Fund S.A..

Athens, 28th January 2005

The Chartered Accountant,

Kleoniki P. Likardopoulou
Reg. No. SOEL: 16281
BKR S.A.

NOTES TO THE ACCOUNTS
OF THE BALANCE SHEET AS AT 31 DECEMBER 2004

(IN ACCORDANCE WITH THE PROVISIONS OF ARTICLE 43A OF LAW 2190/1920, AS APPLICABLE)

OF THE COMPANY "EURODYNAMICS A.E."

(COMPANY REG. 45870/06/B/00/37)

1. ESTABLISHMENT AND STRUCTURE OF FINANCIAL STATEMENTS. VARIANCES FOR THE PURPOSE OF PRESENTING THE COMPANY'S STATE OF AFFAIRS.

(a)	**Article 42a par. 3:** Variance from relevant provisions on the establishment of annual financial statements considered necessary in order to present the company's state of affairs in accordance with par. 2 of the above article.	None.
(b)	**Article 42b par. 1:** Variance from the principle of immutability as regards the structure and form of the balance sheet and of the profit and loss account.	None.
(c)	**Article 42b par. 2:** Entry in the relevant account of an item relating to several mandatory accounts.	No such case.
(d)	**Article 42b par. 3:** Adjustments in the structure and headings of accounts with Arabic numerals, if so required by the specific nature of the company.	No such case.
(e)	**Article 42b par. 4:** Combination of balance sheet accounts which correspond to Arabic numerals to which (combination) of this provision apply.	No such case.
(f)	**Article 42b par. 5:** Adjustments of prior year's items for comparison purposes.	No adjustments necessary.

2. VALUATION OF ASSETS.

(a)	**Article 43a par. 1-a:** Methods for the valuation of assets and calculation of depreciation as well as provisions for any devaluation of assets.	1. Tangible assets (plant in non owned buildings) were revalued at acquisition cost plus any, improvements or additions less with the depreciations of article 43 of Law 2190/1920 and P.D 299/2003 (attached is a Table of Tangible Assets) 2. There was no need for fixed assets' impairment. 3. Revaluation of securities at 31/12/2004 was done according to Law 2992/2002, at their fair values (average December prices). Loss on revaluation was € 7.039,67 and was accounted for in Equity and was setted – off with previous years´ positive revaluations.
(b)	**Article 43a par. 1-a:** Basis for the conversion of assets denominated in foreign currency and procedure for treating exchange differences.	Securities in Foreign Currency were revalued using the Exchange Rate as at 31.12.2004 and the exchange differences were accounted for against Profit & Loss Account of the period.

(c)	**Article 43 par. 2:** Variance from the methods and basic principles of valuation. Use of special valuation methods.	None.
(d)	**Article 43 par. 7-b:** Change in the method used for calculating the cost value or production cost of stocks and securities.	None.
(e)	**Article 43 par. 7-c:** Statement of the difference between the valuation price of stocks and securities and their current market value, if significant.	The fair value of securities on 31.12.2004 was € 12.482.106,82 and a positive revaluation of € 265.669,92 came up.
(f)	**Article 43 par. 9:** Analysis and explanation of the revaluation of fixed assets, in accordance with a special law, and presentation of the "revaluation reserve" account.	No such case.

3. FIXED ASSETS AND FORMATION EXPENSES.

(a)	**Article 42e par. 8:** Changes in fixed assets and formation expenses (amortization).	There are changes only in fixed assets, concerning purchases of electronic media (P/C) € 1.221,30.
(b)	**Article 43 par. 5-d:** Analysis of additional depreciation.	There was no additional depreciation.
(c)	**Article 43 par. 5-e:** Provision for devaluation of fixed tangible assets.	None.
(d)	**Article 43 par. 3-e:** Analysis and explanation of the amounts under formation expenses (amortization) relating to the fiscal year.	None.
(e)	**Article 43 par. 3-c:** The amounts and accounting procedure for foreign exchange differences which occurred during this year on payment (installments) and/or valuation of loans or prepayments, used exclusively for the purchase of fixed assets.	There are no loans in foreign currency for any acquisition of tangible assets.
(f)	**Article 43 par. 4 a and b:** Analysis and explanation of items "research and development expenses", "concessions and royalties" and "goodwill".	No such items.

4. INVESTMENTS.

(a)	**Article 43a par. 1-b:** Participating interest in the capital of other companies in excess of 10%.	None.
(b)	Participation interest in other companies, where the company has unlimited liability	None.
(c)	**Article 43a par. 1-o:** Preparation of consolidated financial statements including the company's own financial statements.	No such case.

5. STOCKS.

(a) Article 43a par. 1-k: Valuation of stocks in derogation to the valuation rules of article 43 for tax relief purposes.

None.

(b) Article 43a par. 1-j: Differences arising from the revaluation of current assets and reasons for such differences.

Except for securities΄ revaluation differences mentioned above, there were no other revaluation differences.

6. SHARE CAPITAL.

(a) Article 43a par. 1-d: Classes of shares making up the share capital.

NUMBER COMMON ORDINARY SHARES	*NOMINAL VALUE*	*TOTAL VALUE*
7.565.000	**€ 2,25**	**€ 17.021.250,00**

The Extraordinary General Shareholders Meeting, held on 18-10-2004, decided upon the company΄ s share capital decrease by 2.799.050,00 in order to equally set off losses brought forward from previous years. The decrease was done by reducing the nominal of shares from 2,62 € to 2,25 €. The shares from anonymous were converted to nominal.

(b) Article 43a par. 1-c: New shares issued in the year to increase share capital.

Not existed.

(c) Article 43a par. 1-e and 42e par. 10: New share certificates and incorporated rights.

Not existed.

(d) Article 43a par. 1-p: Purchase of own shares in this year.

No purchase.

7. PROVISIONS AND LIABILITIES.

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

Not existed.

(b) Article 43a par. 1-g: Financial commitments arising from agreements etc. which are not disclosed in memo accounts. Payment of special monthly allowances and financial commitments in respect of affiliated companies.

Not existed.

(c) Article 43a par. 1-l: Significant tax amounts which may be due, tax amounts that may be charged to this or previous years, if they have not already been disclosed in liabilities or provisions.

Not existed.

(d) **Article 43a par. 1-f:** Long term liabilities in excess of five years covered by liens. — Not existed.

(e) **Article 43a par. 1-f:** Liabilities covered by liens. — Not existed.

8. PREPAYMENTS, ACCRUALS AND DEFERRED INCOME (TRANSIT DEBIT ACCOUNTS).

Article 42e par. 12: Analysis of accounts "earned income" and "accrued expenses".

The account "earned income" has a total amount of € 11.926,77 concerns bonds΄ and other securities΄ accrued interest.
The balance of the account "accrued expenses" concerns provision for Hellenic Capital Market Committee's subscription for the second semester of 2004 of € 1.803,08.

9. MEMO ACCOUNTS.

Article 42e par. 11: Analysis of memo accounts not included in information presented in par. 10 below.

In memo accounts various positions are monitored on CONTRACTS / FUTURES / OPTIONS IN THE ATHENS DERIVATIVES EXCHANGE:

TYPE	QUANTITY
Futures on FTASE 20 IF (01/05)	-225
Options on OFT40M0 1/05 (P2250)	-20
Options on JAN/05 (C1500)	-15
Options on JAN/05 (C1550)	-25

And
CONTRACTS IN THE GERMAN DERIVATIVES EXCHANGE:

Futures on FDAX – ERX (03/05)	-7
Futures on FGBL – ERX (03/05)	-5
Futures on FGBM – ERX (03/05)	-6

10. GUARANTEES AND LIENS.

Article 42e par. 9: Guarantees and liens issued by the company. — Not existed.

11. FEES, ADVANCES AND LOANS TO MANAGEMENT.

(a) **Article 43a par. 1-m:** Fees to company's executives and directors. — Fees were granted to members of the Board of Directors, according to a special agreement that was signed with them, € 56.777,35.

(b) **Article 43a par. 1-m:** Liabilities arising or contracted in relation to allowances to company executives and directors who left during the year. — None.

(c) **Article 43a par. 1-n:** Prepayments and loans to directors (members of the board of directors and trustees). — None.

12. PROFIT AND LOSS ACCOUNT.

(a) **Article 43a par. 1-h:** Turnover per category of activity and geographical areas. (Turnover

1.Portfolio income €
246.550,53

is presented as specified in article 42e par. 15, section a).	2.Profit on securities transactions (buy/sell) € 1.826.665,91 **TOTAL € 2.073.216,44**
(b) Article 43a par. 1-i: Average staff employed during the year and staff categories with total cost. It is noted that "administrative staff" includes staff who receive a monthly salary and "workers" are the wage-earners.	α) Average number of staff: 4 β) Personnel cost: -Salaries € 61.812,48 -Social securities and allowances € 14.003,64 ***TOTAL* € 75.816,12**
(c) Article 42e par. 15-b: Analysis of extraordinary and non operating expenses and income (namely the accounts "extraordinary and non operating income" and "extraordinary and non operating expenses"). If balances in the accounts "extraordinary losses" and "extraordinary profit" are significant, in accordance with the stipulation of article 43a 1-m, there is an analysis of them (based on the accounts 81.03 provided by the Greek Chart of Accounts).	- The account extraordinary and non-operating expenses includes € 81.156,20 that mainly concern που αφορούν exchange differences on the sale of securities abroad. - The account extraordinary and non – operating income includes exchange differences in USD and GBP, on the sale of securities abroad and credit exchange differences on Synthetic Swap.
d) Article 42e par. 15-b: Analysis of accounts "prior years' income", "income from prior years' provisions" and "prior years' expenses".	Not existed.

13. OTHER INFORMATION REQUIRED IN ORDER TO PRESENT THE COMPANY΄ S FINANCIAL STRUCTURE.

Article 43a par. 1-q: Any other information required by special provisions of the law applicable or that is considered necessary in order to present a more complete picture about the company's financial structure to shareholders and third parties.	We donnot consider it necessary.

Athens, 27 January 2005

THE PRESIDENT	THE MANAGING DIRECTOR	THE HEAD OF THE ACCOUNTING SERVICES DEPARTMENT
NIKOLAOS AMPAZIS **Identity Card no: Λ 146715**	**ANASTASIOS SINOPOULOS** **Identity Card no : Π 572333**	**ALEX. TZEVELEKIDIS** **Identity Card no : Λ 122181**

-It is certified that the above notes on the accounts which consist of eight (6) pages is the one mentioned in the auditor's opinion which I issued on 28/01/2005.

Athens, 28 / 01 / 2005
The Chartered Accounted

KLEONIKI P. LIKARDOPOULOU
SOEL Reg. no: 16281
BKR PROTYPOS ELEGKTIKH A.E

ΕΥΡΩΔΥΝΑΜΙΚΗ
ΑΝΩΝΥΜΗ ΕΤΑΙΡΕΙΑ ΕΠΕΝΔΥΣΕΩΝ ΧΑΡΤΟΦΥΛΑΚΙΟΥ

Eurodynamic Closed End Fund S.A.

Financial Statements for the Period from 1st APRIL-29th DECEMBER 2005, for the requirements of the acquisition of the company PROTON INVESTMENT BANK S.A."

S.A.' s R.N. 45870/06/B/00/37 - MAIN OFFICE: ATHENS, 24 KANARI , 10674

BALANCE SHEET
as at 29th of December 2005

(Amounts in €)	29/12/2005
ASSETS	
Property, plant and equipment	2,829.77
Total fixed assets	**2,829.77**
Other receivables	38,289.10
Short-term investments	10,112,424.35
Cash items	10,798,829.92
Total current liabilities	**20,949,543.37**
TOTAL ASSETS	**20,952,373.14**
LIABILITIES	
Other long-term liabilities	0.00
Total long-term liabilities	**0.00**
Suppliers	2,855.20
Taxes and charges due	17,551.51
Other current liabilities	4,586.09
Total short-term liabilities	**24,992.80**
Total Equity	**20,927,380.34**
TOTAL LIABILITIES	**20,952,373.14**

INCOME STATEMENT
of 1 April 2005-29 December 2005

(Amounts in €)	01/04-29/12/2005
Gross income from Portfolio Management	
Portfolio income	280,578.17
Income from securities trading	2,696,789.84
Less: Portfolio management expenses	339,752.06
Gross Profit	**2,637,615.95**
Other revenues	-
Total	**2,637,615.95**
Administrative expenses	238,315.34
Earnings before taxes	**2,399,300.61**
Income tax	0.00
Profit after tax	**2,399,300.61**
Earnings per share	0.32

STATEMENT OF CHANGES IN EQUITY
of 1 April 2005 until 29 December 2005

(Amounts in €)	29-Dec-05
Opening owners' equity 1-4-2005	18,528,079.73
Accounting method changes (IFRS adjustments)	-
Opening equity after accounting method changes	18,528,079.73
Earnings after taxes	2,399,300.61
Closing equity	**20,927,380.34**

CASH FLOW STATEMENT

	1/4-29/12/2005
SECUITIES (TRADING PORTFOLIO)	
Opening balance 1-4-2005	**13,100,513.90**
Accounting period purchases 1/4-29/12/05	2,264,670.63
Sales (in book value or previous evaluation)	-6,628,952.36
Revaluation 29-12-2005	1,376,192.20
Closing balance 29-12-2005	**10,112,424.37**

	1/4-29/12/2005
TANGIBLE ASSETS	
BOOK VALUE	
Opening Balance 1-4-2005	74,110.07
Addittions/Impairments	0.00
Closing balance 29-12-2005	**74,110.07**
DEPRECIATION	
Opening balance 1-4-2005	59,463.51
ACCOUNTING PERIOD DEPRECIATION	11,816.79
Closing period balance 29-12-2005	**71,280.30**
NET BOOK VALUE	**2,829.77**

ADDITIONAL INFORMATION

Notes:

1. The company had been tax reviewed until the financial year 2004.
2. The company has no pledged assets.
3. There are no sub-judice or arbitrary cases, expected to affect significantly the company's operation.
4. The Company employed on 29/12/05, 2 people.
5. On 30-12-2005 the merging of the company with "PROTON Investment Bank S.A.", "EXELIXI CLOSED-END FUND S.A." and "ARROW CLOSED-END FUND S.A." was accomplished-Ministry of Development Decisions num. K2-16707/30-12-2005. The merging was realised by acquiring "EURODYNAMIC CLOSED-END FUND S.A.", "ARROW CLOSED-END FUND S.A." and "EXELIXI CLOSED-END FUND" from PROTON Investment Bank S.A., according to the clauses of articles 68 par.1, 69 of C.L: 2190/1920, of L: 2166/1993, of L: 2992/2002 and of article 16 od L: 2515/1997.
6. No income tax provision was formed, since the final accounting period result will be specified in the financial statements of the acquiring company "PROTON Investing Bank S.A."

Athens, 29th December 2005

THE CHAIRMAN OF THE BOARD	THE CHIEF EXECUTIVE	THE HEAD OF THE ACCOUNTING DEPARTMENT
NIKOLAOS AMPATZIS	ANASTASIOS SINOPOULOS	ALEXANDROS TZIVELEKIDIS
ID NUM. Λ-146715	ID NUM. Π-572333	ID NUM. Λ-122181

AUDITOR'S REPORT
Towards the Board of Directors "EURODYNAMIC CLOSED END FUND S.A."

We audited the above financial statements prepared for the merging of "EURODYNAMIC Closed End Fund S.A.", concerning the period 1st April-29 December 2005. The above financial statements are the responsibility of management. Our responsibility is limited to the formation of an opinion over the financial statements prepared for the merging, based on our audit conducted. Our audit was conducted according to the Greek Audit Standards that are in line with International Audit Standards. These Standards require the planning and execution of the audit work, fairly assuring that the financial statements prepared for the merging are free of substantial omissions and inaccuracies. The audit includes the examination, on a sample basis, of evidence supporting the amounts and the information included in the financial statements prepared for the merging. The audit also includes the appraisal of accounting principles followed, management' s estimations and more generally, the presentation of information in the financial statements prepared for the merging. We also believe that the audit conducted provides a sufficient basis for the formation of our report. In our opinion, the above financial statements prepared for the acquisition of the company by "PROTON Investment Bank S.A.", as stated in detail in the company notes, present a true and fair view of the financial position of the Company on the 29th of December 2005 as well as the results of its operations and the changes in the Shareholders equity, as well as the information for the cash flows of the company for the period from 1st April until the 29th of December 2005, according to the International Accounting Standards, that have been adopted by the EU.

Athens, 29 December 2005
THE CHARTERED AUDITOR

KLEONIKI P. LIKARDOPOULOU
G.I.C.A.A R.N: 16281
BKR S.A.

ΕΥΡΩΔΥΝΑΜΙΚΗ

ΑΝΩΝΥΜΗ ΕΤΑΙΡΕΙΑ ΕΠΕΝΔΥΣΕΩΝ ΧΑΡΤΟΦΥΛΑΚΙΟΥ

EURODYNAMIC Closed- End Fund S.A.

Financial Statements
From 1 April to
29 December 2005
In accordance with
International Financial Reporting Standards (IFRS),
as adopted from the EU,
for the merger with Proton Investment Bank S.A.

NICOLAOS M. ABAZIS
PRESIDENT OF THE BOD
EURODYNAMIC CLOSED END FUND S.A.

2005

EURODYNAMIC Closed End Fund S.A.

M.A.E. 45870/06/B/00/37

No. License from the Hellenic Capital Commission Number 11/188/04.04.2000

Notes on the accounts of the Interim Financial Statements of the 1st trimester of 2005

(for the period from 01 January 2005 to 31 March 2005)

Amounts have been reported in euro)

1. General information

Eurodynamic Closed End Fund 's exclusive objective is to manage a portfolio of movable values and is subject to law 1969/1991 "regarding portfolio investment and mutual funds companies", stipulations for the modernization and clearance of the Capital Market, as applicable today, as well as Law 2190/1920.

As a Closed End Fund, Eurodynamic is also subject to the stipulations of the Ethical Code for Mutual Funds Companies and Portfolio Investment Companies (decision of Capital Market Committee 132/2/19.05.1998).

The company was established in 2004 with the notarial document 41582/05.04.2000, of the notary Maria Poulatza- Agrevi, as it was amended with the notarial document 41627/19.04.2000, of the same notary.

Eurodynamic was granted a license for operation by the Hellenic Capital Market, at the meeting of BoD on 04.04.2000 (11th issue /188th meeting) and on 19.04.2000 it was granted a license for incorporation further to the approval of its statutes (initial and amending) through decision no K2-4725/19.04.2000 of the Assistant Minister of Development (Government Gazette 2824/20.04.2000). It is registered in the Register of Societes Anonyme of the General Secretary of Trade of the Ministry of Development under no 45870/06/B/00/37.

The company's name based on its statutes is «Eurodynamic Closed End Fund Societe Anonyme» and distinctive title « Eurodynamic Closed End Fund S.A.». According to the decision of the General Assembly of the Shareholders on 07.03.2001 for the company's international transactions its name may be written in the foreign language, either translated or in Latin letters.

The company's head offices are in the Municipality of Athens. The company's offices are situated on the 4th floor, at 24 Kanari str. (tel: 210-3390790, 210-3390561, fax:210-3603328) in a leased area.

The Company's duration according to its statutes has been set to fifty years and commences from 19.04.2000 when the decision regarding its establishment license and the approval of the company's statutes by the Ministry of Development were recorded in the register of societes anonyme.

According to article 2 in its statutes the company's objective is:

1. to manage a portfolio of movable values, as those are specified in article 1 of law 1969/91. In particular movable values are considered to be shares, bonds, securities, shares in mutual funds, certificates for deposits in accordance with article 9 in law 148/67, interest-bearing Government notes and other stock exchange items.

2. To achieve its objective, the company may cooperate with any natural or legal person pursuing similar goals or operating in the capital market sector, as well as participate in companies with such objectives in compliance with the law as applicable.

Since the company's establishment its objective has not been amended.

The interim financial statements as at 31.03.2005 in accordance with IFRS were approved by the company's BoD on 25.04.2005, they will be posted on the website of the company www.eurodynamics.gr, and will be accessible to the public for at least two years as stipulated by Law 3301/2004.

- There are no litigious or under arbitration claims of the company nor any court decisions which might have a significant impact on the financial situation or operation of the Company.

2. Financial tools (items)

The company's basic financial tools are cash, bank deposits, short term investments, short term receivables and payables. Given the short term nature of those tools, the company's management believes that their fair value is the same as the one disclosed in the company's accounting records including the Portfolio (short term investments), regarding which the management states that "it is held for commercial reasons". In that case the initial recognition is at fair value without being charged with expenses for carrying out the transaction, and then it is also evaluated at fair value through the income statement according to IFRS 39.

➢ There are no pledges on the fixed assets.

3. Transactions in foreign currency

Transactions in foreign currency are converted to euro at the fixing exchange rate on the Rates Reporting List of the European Central Bank as at the date of the transaction. On the date of reporting on the financial statement, monetary asset items (portfolio and sight deposits in foreign currency) in foreign currency are converted to euro at the exchange rate applicable as at that date. Exchange differences arising from the conversion are recorded in the income statement.

4. Fixed assets

4.1 Accounting principles

a) Fixed assets are disclosed in the financial statements at their cost value (before 1st of January 2005- date of transition to International Financial Reporting Standards). Those values are disclosed reduced by depreciation imposed by the law.

Estimated duration of useful life per category of fixed assets is as follows:
Buildings and technical works: 9 years
Furniture and fixtures: 6,5 years
PCs: 4 years

- The company does not own any immovable property.

b) Regarding intangible assets which had been capitalized in the past and were being amortized in parts in accordance with the Greek law, as at 31.3.2005 it was necessary to amortize immediately their unamortized balance in accordance with IFRS charging net equity by an equal amount.

4.2 Analysis of tangible fixed assets

Tangible assets as at 31 December were as follows:

TANGIBLE ASSETS OF PROPERTY FACTS 29.12.2005									
	Acquirement value			Total of Acquirement value	Accumulated Depreciations			Total of depreciations	Un-depreciated total
	Balance	Acquirement	Decreases		Balance	Depreciation	Decreases		
TANGIBLE	**31.12.04**	**01.04-29.12.05**	**01.04 -29.12.05**	**29.12.05**	**31.12.04**	**01.04-29.12.05**	**01.04 -29.12.05**	**29.12.05**	**29.12.05**
ASSETS	**€**	**€**	**€**	**€**	**€**	**€**	**€**	**€**	**€**
Buildings - Constructions	14.673,51	-	-	14.673,51	7.854,10	6.819,41	-	14.673,51	-
Furniture and other equipments	59.436,56	-	-	59.436,56	51.609,41	4.997,38	-	56.606,79	.2.829.77
TOTAL	**74.110,07**	**0**	**0**	**74.110,07**	**57.463,51**	**11.816,79**	**0**	**71.280,30**	**2.829,77**

- There are no encumbrances on the fixed assets of the company.

5. Other receivables

5.1 Accounting principles

Receivables are disclosed at their accounting balances because it is not necessary to prepay them at current value due to their short term nature.

5.2 "Other receivables"

The account "other receivables" as at 29.12.2005 includes the following:

Tax paid for the first semester of 2005	14.095,61
Accrual interests arising from investments	20.081,83
Other Claims	4.111,66
Total	**38.289,10**

6. Short term investments

6.1 Accounting principles

The account "short term investments" includes the portfolio of the company, for which the management states that "it is held for trading purposes". In that case the initial recognition is a fair value without being charged with the expenses for the transaction, and then it is also evaluated at fair value through the income statement as stipulated by IFRS 39.
Fair values for shares listed on the Athens Stock Exchange are prices published on the date of reporting of the prepared financial statement with the exception of the bonds of the company Emfasis which after recent developments, our company's board of directors decided to evaluated them at the 50% of their cost value.
Fair value for the units in mutual funds held by the company are the published prices of the mutual fund management company as at the date of the reporting of the financial statement.
Fair value for bonds and shares listed on stock exchanges abroad are considered to be the prices posted electronically on BLOOMBERG as at the date of reporting of the prepared financial statement.
Fair value for financial derivatives listed on the Derivatives Athens Stock Exchange are considered to be published prices as at the date of reporting of the prepared financial statement.
Fair value for derivative financial products listed on the Stock Exchanges of Derivatives abroad are considered to be prices posted electronically on BLOOMBERG as at the date of reporting of the prepared financial statement.

7. Cash at bank and in hand

7.1 Accounting principles

Cash at bank and in hand include cash in the company's cash register, cash equivalent, such as sight deposits, short term deposits and sight deposits in foreign currency.

7.2 Cash at bank and in hand

This account as at 29.12.2005 includes the following:

Balances in Euro

Sight deposits and cash	9.957.542,5
Deposits on foreign exchange (USD)	841.248,38
Deposits on foreign exchange (GBP)	39,04
Total	**10.798.829,92**

Balances in foreign currency

Deposits of foreign exchange (USD)	221.579,26 USD
Deposits of foreign exchange (GBP)	76,66 GBP
Deposits of foreign exchange (CHF)	1,39 CHF

Sight deposits are evaluated at their fair value which is the initial investment.

Deposits in foreign currency (US dollars, English pounds) derive from sale of shares abroad. As at the date of preparation of Interim Financial Statement, monetary asset items (sight deposits in foreign currency) in foreign currency are converted to euro at the exchange rate given by the European Central Bank as at that date. Exchange differences arising from the conversion are recorded in income statement.

8. Share capital – reserves

8.1 Share capital

The company's share capital amounts to € **17.021.250** and it is divided in **7.565.000** common registered shares at nominal value € **2,25** each. The shares of "Eurodynamic Closed End Fund S.A." have been listed on the Athens Stock Exchange since October 2001.

8.2 Reserves

The account reserves includes the following accounts:

Special Reserve from the conversion of share capital in Euro	20.354,15
Difference arising from shares valuation L.2992/2002	1.023.328,61
Total	**1.043.682,76**

8.3 Accumulated Profits

The account accumulated Profits includes profits distributable, transferred to next fiscal year that amount to € 463.146,97 and profits of the current period 29.12.2005, transferred to the next period that amount to € 1.134.742,03.

The shares of the company have a wide dispersion, according with the Share Register of the Company, at the date of the approval of the transformation financial statements. The Management & Supervision bodies participating to the company's Share capital are as following:

Name	Status	Percentage (%) of Participation to the Share Capital
Nikolaos Abazis	Chairman of the BoD & Managing Director	3,1074 %
Fotios Mitsakis	Member of the BoD	0,0015 %
Sofia Komna	Member of the BoD	0,0007 %

9. Rights of employees, number of employees and cost of payroll

9.1 Rights of personnel

The company decided to readjust the future employee benefits, based on the previous service of the employees. After the readjustment, the amount of € 3.210,79 arose and is illustrated on «Other current liabilities».

9.2 Number of staff and cost of payroll

The number of staff in the company as at 29.12.2005 and the payroll cost for 2005 were as follows:

Staff	**29.12.2005**
Employees	2

Cost	**01.04 – 29.12.2005**
Salaries	31.023,44
Social Contribution Charges	8.705,18
Total	**39.728,62**

10. Suppliers

This account is analyzed as follows:

PALIVOS EBEE	2.855,20
Total	**2.855,20**

11. Taxes and contributions and tax in accordance with law 1969/1991

11.1 Tax

In accordance with par. 3 article 16, law 1969/1991, as applicable, the company is obliged to pay annual tax at the rate of 0,3% on the average of investments at current values plus cash disclosed in the quarterly tables of portfolio investments in accordance with article 16 law 1969/1991, as applicable. The payment of this tax ends the tax liability of the company and its shareholders with the exception of income tax withheld upon collection of interest from the portfolio investment company in compliance with § 2, article 16, law 1969/1991, at the time of interests received from the company.

11.2 Tax in accordance with law 1969/1991

The tax charge of the period was calculated based on the above mentioned tax law. The calculation of deferred tax was not considered necessary due to the particular tax law regarding profit of current period that may be calculated by the tax authorities in future years, because there is no difference between accounting and tax basis (Tax is calculated at current prices).

The company has been tax reviewed from fiscal year 2000 to 2004.

11.3 Amounts due from tax and contributions

This account includes the following:

Tax Liabilities	14.375,09
Social Contribution payables	3.176,42
Total	**17.551,51**

12. Other current liabilities

12.1 Accounting principles

Current liabilities pertaining to dividends payable and sundry creditors are disclosed at their accounting balances because it is not necessary to prepay them at current value due to their short term nature.
Liabilities arising from options, listed on the Athens Derivatives Exchange, have been disclosed at their fair value as included in the published financial statements.

12.2 Current liabilities

This account as at 29.12.2005 includes the following:

Dividends Payable	3.201,79
Future employee benefits obligations	8.166,98
Total	**36.732,20**

13. Gross income

13.1 Proceeds in portfolio

Proceeds in portfolio are recognized and recorded in income statement and include: a) dividends from shares, b) interest on sight deposits of other investments treated as sight deposits, c) income from interest on bonds and other investments treated as bonds.
Income from dividends is recognized as income at the date it is derived, for listed shares, or as at the date the balance sheet is approved for non listed shares.
In particular the account "proceeds in portfolio" as at 29.02.2005 includes the following:

Dividends from Greek Shares	100.220,40
Dividends from Foreign Shares	38.616,81
Interests on Deposits	128.189,39
Interests on Bonds	13.551,57
Total	**280.578,17**

13.2 Results from sale and purchase of securities

Results (profit/loss) from sale and purchase of securities (shares, bonds, mutual funds, derivatives etc.) are recognized and reported in income statement as well as the results from the evaluation of securities at the end of each period to which the company's financial statements pertain.

Additionally the account "gross income from portfolio management" includes exchange differences (debit or credit) from transactions or evaluation.

The account "gross income from portfolio management" as at 29.12.2005 includes the following:

Profit arising from trading with:	
Shares listed in the Athens Stock Exchange	2.570.959,85
Shares listed in foreign Exchange	205.553,88
Mutual Funds	132.394,79
Corporate Bonds	-6.696,08
Financial Derivatives	-252.371,07
Foreign Currencies	46.948,47
Total	**2.696.789,84**

14. Expenses for portfolio management and other expenses

14.1 Expenses for portfolio management

Expenses for portfolio management include all expenses pertaining to the company's investing activity in all the markets where it operates. Their analysis is as follows:

Management & Custody Fees	217.944,77
Brokerage & Transactions Expenses	54.713,74
Taxes & other operating expenses	67.093,55
Total	**339.752,06**

14.2 Administrative expenses

The analysis of the administrative expenses is as follows:

Staff Cost	39.728,62
Other fees	114.257,37
Fees to third parties	22.603,79
Tax Advances	14.671,96
Other Expenses	34.513,98
Interests payable	73,31
Depreciations	11.816,79
Extraordinary & non operating expenses	649,52
Total	**238.315,34**

ΕΥΡΩΔΥΝΑΜΙΚΗ

ΑΝΩΝΥΜΗ ΕΤΑΙΡΕΙΑ ΕΠΕΝΔΥΣΕΩΝ ΧΑΡΤΟΦΥΛΑΚΙΟΥ

Eurodynamic Closed End Fund S.A.

S.A.´s Register Number M.A.E.: 45870/06/B/00/37

Decision of the BoD of Hellenic Capital Commission Market No: 11/188/4.4.2000

MAIN OFFICE: ATHENS, KANARI 24, 10674

Information for the accounting period **01 January 2005 - 31 March 2005**

The following statements aim to provide information on the financial position and results of EURODYNAMIC PORTFOLIO INVESTMENTS S.A. We therefore advise the reader, before s/he proceeds to any type of investment activity choice or other transaction with the Company, to address the site of the company **www.eudynamics.gr** for the interim financial statements of the company based on the I.F.R.S, as well as the auditor's report when required.

BALANCE SHEET

as at 31st March 2005

(Amounts in €)	Note	31/03/2005	31/12/2004
ASSETS			
Property, plant & equipment	4	14,646.56	16,430.47
Total fixed assets		**14,646.56**	**16,430.47**
Other receivables	5	393,711.19	335,186.76
Short-term investment	6	13,100,513.88	12,482,106.82
Cash on hand and cash in bank	7	5,121,297.10	6,553,053.89
Total current assets		**18,615,522.17**	**19,370,347.47**
TOTAL ASSETS		**18,630,168.73**	**19,386,777.94**
LIABILITIES			
Other long-term liabilities		0.00	0.00
Total long-term liabilities		**0.00**	**0.00**
Suppliers	10	43,112.75	33,624.46
Liabilities from tax and other charges	11	22,244.05	46,948.11
Other short-term liabilities	12	36,732.20	980,325.38
Total short-term liabilities		**102,089.00**	**1,060,897.95**
Total Equity	8	**18,528,079.73**	**18,325,879.99**
TOTAL LIABILITIES		**18,630,168.73**	**19,386,777.94**

CASH FLOW STATEMENT

(DIRECT METHOD)

(Amounts in €)	31/03/2005	31/03/2004
Cash flows from Operating Activities		
Income from portfolio management	3,327,594.26	13,370,904.34
Payments from portfolio management	-3,704,149.94	-13,718,048.86
Employee remuneration (related to employees)	-20,728.03	-17,926.72
Tax payments (or tax rebates)	-38,702.33	-28,266.50
Other payments	-995,770.75	166,360.73
Total inflows (outflows) from operating activities (a)	**-1,431,756.79**	**-226,977.01**
Total inflows (ouflows) from investing activities (b)	**0.00**	**0.00**
Total inflows (outflows) from financing activities (c)	**0.00**	**0.00**
Net decrease of accounting period cash on hand and in bank (a)+(b)+(c)	**-1,431,756.79**	**-226,977.01**
Opening cash and cash equivalents	**6,553,053.89**	**3,532,210.20**
Closing cash and cash equivalents	**5,121,297.10**	**3,305,233.19**

INCOME STATEMENT

of the accounting period of 1st January 2005 until 31st March 2005

(Amounts in €)	Note	31/03/2005	31/03/2004
Gross income from portfolio management	13		
Portfolio income	13.1	118,515.14	23,334.78
Income from trading securities	13.2	321,202.44	1,529,727.01
Less: Portfolio Management Expenses	14.1	130,091.31	219,758.80
Gross Profit		**309,626.27**	**1,333,302.99**
Other income		0.00	0.00
Total		**309,626.27**	**1,333,302.99**
Administrative expenses	14.2	93,423.33	61,026.35
Earnings before tax		**216,202.94**	**1,272,276.64**
Income tax	11.2	14,003.20	13,621.89
Earnings after tax		**202,199.74**	**1,258,654.75**
Earnings per Share		0.03	0.17

EQUITY ADJUSTMENT RECONCILIATION TABLE

based on International Financial Reporting Standards

(Amounts in €)	31/12/2004	31/12/2003
Opening equity according to G.A.S.		
Share Capital	17,021,250.00	19,820,300.00
Special Reserve of converting Share Capital in Euro	20,354.15	20,354.15
Securities evaluation difference N. 2992/2002	1,016,288.94	1,023,328.61
Accumulated profits	2,316.98	(2,850,087.45)
Total	**18,060,210.07**	**18,013,895.31**
Accounting method changes (I.F.R.S adjustments)		
Reversal of Foundation and Set-up expenses depreciation	-	409,738.47
Removal of foundation and set-up expenses	-	(632,513.22)
Reversal of (negative) investment evaluation difference with December average prices.	7,039.67	-
Investment evaluation difference on current value	258,630.25	-
Total	**265,669.92**	**(222,774.75)**
Equity according to I.F.R.S.		
Share Capital	17,021,250.00	19,820,300.00
Special Reserve for converting Share Capital in €	20,354.15	20,354.15
Securities' evaluation difference N. 2992/2002	1,023,328.61	1,023,328.61
Accumulated profits	260,947.23	(3,072,862.20)
Total	**18,325,879.99**	**17,791,120.56**

STATEMENT OF CHANGES IN EQUITY

of the accounting period 1 January 2005 until 31 March 2005

(Amounts in €)	31/03/2005	31/03/2004
Opening equity	18,325,879.99	18,013,895.31
Accounting methods transformation (I.F.R.S. adjustments)	-	-222,774.75
Opening equity after accounting method changes	18,325,879.99	17,791,120.56
Earnings after tax	202,199.74	1,258,654.75
	18,528,079.73	19,049,775.31
Suggested / distributed dividends (earnins)		
Share capital increase		
Drafted capital above par		
Share capital impairment		
Own shares purchased		
Closing equity	**18,528,079.73**	**19,049,775.31**

ADDITIONAL INFORMATION

Notes:

1. The company has not been tax reviewed by its foundation (5 non-reviewed accounting periods).
2. The company has no pledges for security over its fixed assets.
3. There are no sub-judice or arbitrary decisions that may affect significantly the economic operation of the company.
4. The number of employees on 31/3/05 is 2 people.
5. By the 30th March 2005 Decision of the Administrative Council of the company, the merging of the Company with PROTON INVESTMENT BANK S.A. with EXELIXI PORTFOLIO INVESTMENT S.A. and ARROW Closed End Fund S.A. was commonly decided via the acquisition of EURODYNAMIC Closed End Fund S.A., ARROW Closed End Fund S.A., and EXELIXI Closed End Fund S.A., from PROTON INVESTMENT BANK S.A., according to the clauses of articles 68 par.1, 69 C.L: 2190/1920, of L: 2166/1993, of L. 2992/2002 and article 16 of I. 2515/1997, with a common transformation balance sheet date on the 31st of March 2005.

Athens 25th of April 2005

PRESIDENT OF THE BOARD	CHIEF EXECUTIVE OFFICER	CHIEF OF THE ACCOUNTING DEPARTMENT
NIKOLAOS AMPATZIS	ANASTASIOS SINOPOULOS	ALEXANDROS TZIVELEKIDIS
ID NUM. A-146715	ID NUM. Π-572333	ID NUM. A-122181

ΕΥΡΩΔΥΝΑΜΙΚΗ

ΑΝΩΝΥΜΗ ΕΤΑΙΡΕΙΑ ΕΠΕΝΔΥΣΕΩΝ ΧΑΡΤΟΦΥΛΑΚΙΟΥ

EURODYNAMIC Closed- End Fund S.A.

Financial Statements
For the period from 1st January
to 31st March 2005
In accordance with
International Financial Reporting Standards (IFRS),
as adopted from the EU.

It is certified that the attached financial statements are the ones approved by the Board of Directors of Eurodynamic Closed End Fund S.A. on 25.04.2005, published through Press and had been announced on the company ´s site www.eudynamics.gr. It should be mentioned, that the published financial statements for the period 01.01- 31.03.2005, intend to inform the reader, but they don't provide an integral depiction of the financial position and of the results of the company, according to the International Accounting Standards. In addition, it should be mentioned, that due to simplification, in the published on Press information, some shortenings and reclassifications have been made.

NICOLAOS M. ABAZIS

PRESIDENT OF THE BoD

EURODYNAMIC CLOSED END FUND S.A.

2005

REVIEW REPORT

To the Shareholders of "Eurodynamic Closed End Fund S.A."

We have reviewed the attached financial statements of "Eurodynamic Closed End Fund S.A.", as of and for the period ended 31 March 2005. These financial statements are the responsibility of the company's management.

We conducted our audit in accordance with the Greek Auditing Standards, which are based on the International Auditing Standards.

The essential analysis of the information included on the interim financial statements and the assurance of adequate explanations for the issues came up to the financial services of the company, compose the main part of our review.

The range of our review, is significantly minor towards to the audit conducted for the issue of an audit report, where the goal is the formation and configuration of a complete opinion on the financial statements. Therefore, this report does not demonstrate an audit report.

Based on the conducted review, we confirm that we have not traced items that would require substantial changes to the aforementioned interim financial statements, so that the compliance with International Accounting Standards, adopted by the European Union, is secured

ATHENS, 26TH APRIL 2005
THE CHARTERED ACCOUNTANT

KLEONIKI P. LIKARDOPOULOU

SOEL REG. NUMBER: 16281
BKR S.A.

EURODYNAMIC Closed End Fund S.A.

M.A.E. 45870/06/B/00/37

No. License from the Hellenic Capital Commission Number 11/188/04.04.2000

Notes on the accounts of the Interim Financial Statements of the 1st trimester of 2005

(for the period from 01 January 2005 to 31 March 2005)

Amounts have been reported in euro)

1. General information

Eurodynamic Closed End Fund 's exclusive objective is to manage a portfolio of movable values and is subject to law 1969/1991 "regarding portfolio investment and mutual funds companies", stipulations for the modernization and clearance of the Capital Market, as applicable today, as well as Law 2190/1920.

As a Closed End Fund, Eurodynamic is also subject to the stipulations of the Ethical Code for Mutual Funds Companies and Portfolio Investment Companies (decision of Capital Market Committee 132/2/19.05.1998).

The company was established in 2004 with the notarial document 41582/05.04.2000, of the notary Maria Poulatza- Agrevi, as it was amended with the notarial document 41627/19.04.2000, of the same notary.

Eurodynamic was granted a license for operation by the Hellenic Capital Market, at the meeting of BoD on 04.04.2000 (11th issue /188th meeting) and on 19.04.2000 it was granted a license for incorporation further to the approval of its statutes (initial and amending) through decision no K2-4725/19.04.2000 of the Assistant Minister of Development (Government Gazette 2824/20.04.2000). It is registered in the Register of Societes Anonyme of the General Secretary of Trade of the Ministry of Development under no 45870/06/B/00/37.

The company's name based on its statutes is «Eurodynamic Closed End Fund Societe Anonyme» and distinctive title « Eurodynamic Closed End Fund S.A.». According to the decision of the General Assembly of the Shareholders on 07.03.2001 for the company's international transactions its name may be written in the foreign language, either translated or in Latin letters.

The company's head offices are in the Municipality of Athens. The company's offices are situated on the 4th floor, at 24 Kanari str. (tel: 210-3390790, 210-3390561, fax:210-3603328) in a leased area.

The Company's duration according to its statutes has been set to fifty years and commences from 19.04.2000 when the decision regarding its establishment license and the approval of the company's statutes by the Ministry of Development were recorded in the register of societes anonyme.

According to article 2 in its statutes the company's objective is:

1. to manage a portfolio of movable values, as those are specified in article 1 of law 1969/91. In particular movable values are considered to be shares, bonds, securities, shares in mutual funds, certificates for deposits in accordance with article 9 in law 148/67, interest-bearing Government notes and other stock exchange items.

2. To achieve its objective, the company may cooperate with any natural or legal person pursuing similar goals or operating in the capital market sector, as well as participate in companies with such objectives in compliance with the law as applicable.

Since the company's establishment its objective has not been amended.

The interim financial statements as at 31.03.2005 in accordance with IFRS were approved by the company's BoD on 25.04.2005, they will be posted on the website of the company www.eurodynamics.gr, and will be accessible to the public for at least two years as stipulated by Law 3301/2004.

- There are no litigious or under arbitration claims of the company nor any court decisions which might have a significant impact on the financial situation or operation of the Company.

2. Financial tools (items)

The company's basic financial tools are cash, bank deposits, short term investments, short term receivables and payables. Given the short term nature of those tools, the company's management believes that their fair value is the same as the one disclosed in the company's accounting records including the Portfolio (short term investments), regarding which the management states that "it is held for commercial reasons". In that case the initial recognition is at fair value without being charged with expenses for carrying out the transaction, and then it is also evaluated at fair value through the income statement according to IFRS 39.

- There are no pledges on the fixed assets.

3. Transactions in foreign currency

Transactions in foreign currency are converted to euro at the fixing exchange rate on the Rates Reporting List of the European Central Bank as at the date of the transaction. On the date of reporting on the financial statement, monetary asset items (portfolio and sight deposits in foreign currency) in foreign currency are converted to euro at the exchange rate applicable as at that date. Exchange differences arising from the conversion are recorded in the income statement.

4. Fixed assets

4.1 Accounting principles

a) Fixed assets are disclosed in the financial statements at their cost value (before 1st of January 2005- date of transition to International Financial Reporting Standards). Those values are disclosed reduced by depreciation imposed by the law.

Estimated duration of useful life per category of fixed assets is as follows:
Buildings and technical works: 9 years
Furniture and fixtures: 6,5 years

- The company does not own any immovable property.

b) Regarding intangible assets which had been capitalized in the past and were being amortized in parts in accordance with the Greek law, as at 31.3.2005 it was necessary to amortize immediately their unamortized balance in accordance with IFRS charging net equity by an equal amount.

4.2 Analysis of tangible fixed assets

Tangible assets as at 31 December were as follows:

TANGIBLE ASSETS OF PROPERTY FACTS 31.03.2005									
	Acquirement value			**Total of Acquirement value**	**Accumulated Depreciations**			**Total of depreciations**	**Un-depreciated total**
	Balance	**Acquirement**	**Decreases**		**Balance**	**Depreciation**	**Decreases**		
TANGIBLE	**31.12.04**	**01-31.03.05**	**01-31.03.05**	**31.03.05**	**31.12.04**	**01-31.03.05**	**01-31.03.05**	**31.03.05**	**31.03.05**
ASSETS	**€**	**€**	**€**	**€**	**€**	**€**	**€**	**€**	**€**
Buildings - Constructions	14.673,51	-	-	14.673,51	7.450,57	403,53	-	7.854,10	6.819,41
Furniture and other equipments	59.436,56	-	-	59.436,56	50.229,03	1.380,38	-	51.609,41	7.827,15
TOTAL	**74.110,07**	**0**	**0**	**74.110,07**	**57.679,60**	**1.783,91**	**0**	**59.463,51**	**14.646,56**

- There are no encumbrances on the fixed assets of the company.

5. Other receivables

5.1 Accounting principles

Receivables are disclosed at their accounting balances because it is not necessary to prepay them at current value due to their short term nature.

5.2 "Other receivables"

The account "other receivables" as at 31.03.2005 includes the following:

Account of tied up capital (insurance) PROTON SEC. A.X.E.Π.E.Y.	315.230,55
PROTON SEC. A.X.E.Π.E.Y.	63.513,93
Other Claims	14.966,71
Total	**393.711,19**

6. Short term investments

6.1 Accounting principles

The account "short term investments" includes the portfolio of the company, for which the management states that "it is held for trading purposes". In that case the initial recognition is a fair value without being charged with the expenses for the transaction, and then it is also evaluated at fair value through the income statement as stipulated by IFRS 39.
Fair values for shares listed on the Athens Stock Exchange are prices published on the date of reporting of the prepared financial statement with the exception of the bonds of the company Emfasis which after recent developments, our company's board of directors decided to evaluated them at the 50% of their cost value.
Fair value for the units in mutual funds held by the company are the published prices of the mutual fund management company as at the date of the reporting of the financial statement.
Fair value for bonds and shares listed on stock exchanges abroad are considered to be the prices posted electronically on BLOOMBERG as at the date of reporting of the prepared financial statement.
Fair value for financial derivatives listed on the Derivatives Athens Stock Exchange are considered to be published prices as at the date of reporting of the prepared financial statement.
Fair value for derivative financial products listed on the Stock Exchanges of Derivatives abroad are considered to be prices posted electronically on BLOOMBERG as at the date of reporting of the prepared financial statement.

6.2 Analysis of the account "short term investments"

The account "short term investments" as at 31 March 2005, as disclosed in the published investment table of the company includes the following:

	PORTFOLIO	Pieces	Acquisition´s Average Price €	Price as at 31.03.2005	Total Acquisition Price €	Total Price as at 31.03.2005 €	Value Difference
I	**DOMESTIC INVESTMENTS**						
1	**Shares Listed on Athens Stock Exchange**						
	NATIONAL BANK OF GREECE	35.000	25,0035	26,10	875.122,45	913.500,00	38.377,55
	GENIKI BANK	16.000	9,9499	8,58	159.198,40	136.960,00	-22.238,40
	ALPHA BANK	10.000	26,1765	26,06	261.764,83	260.600,00	-1.164,83
	BANK OF GREECE	7.471	96,4000	101,05	720.204,40	754.944,55	34.740,15
	EMPORIKI BANK	9.800	23,5128	20,38	230.425,60	199.724,00	-30.701,60
	BANKS				**2.246.715,68**	**2.265.728,55**	**19.012,87**
	AIOLIKI CLOSED END FUND SA	23.000	2,6524	2,28	61.004,70	52.440,00	-8.564,70
	ELLIN CLOSED END FUND SA	8.130	2,7435	2,51	22.304,80	20.406,30	-1.898,50
	EXELIXI CLOSED END FUND SA	1.458.030	0,7800	0,88	1.137.263,40	1.283.066,40	145.803,00
	ACTIVE INVESTMENT CLOSED END FUND SA	60.810	1,0400	1,04	63.242,40	63.242,40	0,00
	ARROW CLOSED END FUND SA	702.420	2,5700	2,56	1.805.219,40	1.798.195,20	-7.024,20
	GLOBAL CLOSED END FUND SA	14.200	2,9900	3,42	42.458,00	48.564,00	6.106,00
	ALTIUS CLOSED END FUND SA	69.670	1,3900	1,42	96.841,30	98.931,40	2.090,10
	INVESTMENT COMPANIES				**3.228.334,00**	**3.364.845,70**	**136.511,70**
	G.E.K.	22.000	37.954	3,30	83.498,00	72.600,00	-10.898,00
	REAL ESTATE MANAGEMENT				**83.498,00**	**72.600,00**	**-10.898,00**
	OTE	15.000	13,4345	13,62	201.516,98	204.300,00	2.783,02
	COSMOTE	20.000	14,1408	13,62	282.815,00	272.400,00	-10.415,00
	TELECOMMUNICATIONS				**484.331,98**	**476.700,00**	**-7.631,98**
	O.L.TH.	18.800	8,3392	8,36	156.777,20	157.168,00	390,80
	O.L.P.	10.000	10,4600	10,92	104.600,00	109.200,00	4.600,00
	TRANSPORTATIONS (PORT COMPANIES)				**261.377,20**	**266.368,00**	**4.990,80**
	INFORMER	60.840	2,9347	2,88	178.549,90	175.219,20	-3.330,70
	IT COMPANY				**178.549,90**	**175.219,20**	**-3.330,70**
	KRI-KRI	10.000	5,0072	4,86	50.072,20	48.600,00	-1.472,20
	FOODS				**50.072,20**	**48.600,00**	**-1.472,20**
	E.I.D.A.P.	27.480	4,9600	5,88	136.300,80	161.582,40	25.281,60
	WATER SUPPLY				**136.300,80**	**161.582,40**	**25.281,60**
	MINOAN LINES	23.000	1,9200	3,00	44.160,00	69.000,00	24.840,00
	SHIPPING COMPANIES				**44.160,00**	**69.000,00**	**24.840,00**
	METKA	25.000	5,7922	5,24	144.805,69	131.000,00	-13.805,69
	METALLICAL PRODUCTS				**144.805,69**	**131.000,00**	**-13.805,69**
	INTRAKOM	40.000	3,9800	3,86	159.200,00	154.400,00	-4.800,00
	ELECTRONIC EQUIPMENT				**159.200,00**	**154.400,00**	**-4.800,00**
	OPAP	6.500	22,7764	22,48	148.046,67	146.120,00	-1.926,67
	BETTING GAMES				**148.046,67**	**146.120,00**	**-1.926,67**
	PLAISIO COMPUTERS	9.000	9,6478	9,14	87.073,06	82.260,00	-4.813,06
	INFORMATION TECHN. STORES				**87.073,06**	**82.260,00**	**-4.813,06**
	ATTICA	40.300	3,0947	2.91	124.717,62	117.273,00	-7.444,62
	FOURLIS	5.000	6.060	6.30	30.300,00	31.500,00	1.200,00
	HOLDING AND CONSULTING COMPANIES				**155.017,62**	**148.773,00**	**-6.244,62**
	D.E.I.	8.000	21,5042	22,24	172.033,58	177.920,00	5.886,42
	ELECTRIC ENERGY				**172.033,58**	**177.920,00**	**5.886,42**
	J&P AVAX	30.000	4,4359	3,50	133.075,80	105.000,00	-28.075,80
	AKTOR	30.000	3,2563	2,89	97.690,00	86.700,00	-10.990,00
	CONSTRUCTIONS				**230.765,80**	**191.700,00**	**-39.065,80**
	KAE	6.000	13,8617	12,40	83.170,00	74.400,00	-8.770,00
	RETAIL MARKET				**83.170,00**	**74.400,00**	**-8.770,00**
	THRAKIS PLASTIC	50.000	1,1948	1,09	59.738,22	54.500,00	-5.238,22
	TEXTTILE FACTORY				**59.738,22**	**54.500,00**	**-5.238,22**
	S&B MINERAL	15.000	5,7800	5,74	86.700,00	86.100,00	-600,00
	NO METALLIC MINERALS				**86.700,00**	**86.100,00**	**-600,00**
	MAILLIS	13.040	3,9461	3,98	51.457,60	51.899,20	441,60
	MINING COMPANIES				**51.457,60**	**51.899,20**	**441,60**
	KLEEMAN HELLAS	12.000	5,0644	4,96	60.772,74	59.520,00	-1.252,74
	ENGINEARING AND EQUIPMENT				**60.772,74**	59.520,00	**-1.252,74**
	FOLLI-FOLLI	7.500	22,1581	21,90	166.185,94	164.250,00	-1.935,94
	JEWELLERY				**166.185,94**	**164.250,00**	**-1.935,94**
	ELMEC SPORTS	36.500	1,6200	1,66	59.130,00	60.590,00	1.460,00
	RIDENCO	41.000	1,0984	0,98	45.035,00	40.180,00	-4.855,00
	GR. SARANTIS	20.000	5,6760	5,84	113.520,00	116.800,00	3.280,00
	WHOLESALE				**217.685,00**	**217.570,00**	**-115,00**
	GERMANOS	4.000	22,8745	23,74	91.497,87	94.960,00	3.462,13
	MOBILE PHONE SERVICES				**91.497,87**	**94.960,00**	**3.462,13**
	GREEK PETROLEUM	36.000	8,1588	7,72	293.716,30	277.920,00	-15.796,30
	REFINERIES				**293.716,30**	**277.920,00**	**-15.796,30**
	TOTAL SHARES ISSUED IN S.E.				**8.921.205,85**	**9.013.936,05**	**92.730,20**
	TOTAL DOMESTIC SHARES				**8.921.205,85**	**9.013.936,05**	**92.730,20**
2A	**GREEK GOVERNMENT BONDS**						
	OED 18/05/11 5,35%	100.000	1,1098	1,1080	110.980,00	110.800,00	-180,00
	TOTAL				**110.980,00**	**110.800,00**	**-180,00**
2B	**LEGAL ENTITIES BONDS**						
	INFORMATION SYSTEM EMPHASIS	615	890,0000	445,0000	547.350,00	273.675,00	-273.675,00
	RIDENCO	28	2,0639	2,064	57,79	57,79	0,00
	TOTAL				**547.407,79**	**273.732,79**	**-273.675,00**
3	**MUTUAL FUNDS**						
	PROTON MEGA TRENDS-INTERNATIONAL	92.488,213	6,7051	6,7729	620.142,72	626.413,42	6.270,70
	PROTON DOMESTIC SELECT UBS	24.000	6,4623	6,5517	155.095,20	157.240,80	2.145,60
	TOTAL				**775.237,92**	**783.654,22**	**8.416,30**
4	**CASH**						
	CASH ON HAND				504,17	504,17	0,00
	SIGHT DEPOSITS				1.036.023,48	1.036.023,48	0,00
	TOTAL				**1.036.527,65**	**1.036.527,65**	**0,00**

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II	**FOREIGN INVESTMENTS**						
1	**ISSUED SHARES**						
	USA						
	NASDAQ						
	STET HELLAS	30.000	13,7655	16,2450	412.965,26	487.349,58	74.384,32
	I SHARES INC	12.000	8,1077	8,0839	97.292,28	97.007,10	-285,18
	NYSE						
	PFIZER	4.000	19,5361	20,2638	78.144,34	81.055,23	2.910,89
	LEHMAN BROTHERS	1.000	70,8038	72,6319	70.803,76	72.631,90	1.828,14
	UK				**659.205,64**	**738.043,81**	**78.838,17**
	LONDON STOCK EXCHANGE						
	ROYAL BANK OF SCOTLAND	4.100	24,8575	24,4590	101.915,94	100.281,77	-1.634,17
	BT GROUP	27.000	3,0512	2,9847	82.381,89	80.588,24	-1.793,65
	BRITISH SKY ORD	10.000	8,4447	8,4314	84.446,95	84.313,73	-133,22
	WOOD GROUP	30.000	2,2718	2,2004	68.153,38	66.013,07	-2.140,31
	TOTAL				**336.898,16**	**331.196,81**	**-5.701,35**
	FRANCE						
	PARIS STOCK EXCHANGE						
	BNP BARIBAS	2.000	53,7625	54,65	107.525,00	109.300,00	1.775,00
	SOCIETE GENERAL	2.000	79,6350	80,15	159.270,00	160.300,00	1.030,00
	STMICROELECTRONICS	7.995	14,0779	12,84	112.552,75	102.655,80	-9.896,95
	FRANCE TELECOM	4.000	23,6999	23,10	94.799,45	92.400,00	-2.399,45
	CREDIT AGRICOLE	3.500	22,5134	20,97	78.796,90	73.395,00	-5.401,90
	AIR FRANCE-KLM	8.000	14,7178	13,87	117.742,00	110.960,00	-6.782,00
	LUIS VUITON	1.500	56,02	57,70	84.030,00	86.550,00	2.520,00
	PUBLICIS GROUPE SA	4.000	23,7363	23,68	94.945,20	94.720,00	-225,20
	SCHNEIDER ELECTRIC	1.500	60,90	60,45	91.350,00	90.675,00	-675,00
	CAP GEMINI	3.000	27,5433	26,90	82.630,00	80.700,00	-1.930,00
	TOTAL				**1.023.641,30**	**1.001.655,80**	**-21.985,50**
	GERMAN						
	FRANCFURT STOCK EXCHANGE						
	SAP AG	600	124,6500	124,31	74.790,00	74.586,00	-204,00
	DEUTCHE BANK	1.350	65,1800	66,550	87.993,00	89.842,50	1.849,50
	THYSSEN KRUPP	5.000	16,8570	15,890	84.285,00	79.450,00	-4.835,00
	TOTAL				**247.068,00**	**243.878,50**	**-3.189,50**
	HOLLAND						
	AMSTERDAM STOCK EXCHANGE						
	UNILEVER NV	2.000	51,0960	52,50	102.192,00	105.000,00	2.808,00
	TPS-AMS	2.000	21,3125	21,95	42.625,00	43.900,00	1.275,00
	TOTAL				**144.817,00**	**148.900,00**	**4.083,00**
	ITALY						
	MILAN STOCK EXCHANGE						
	BCO POP VR E NO	9.000	14,5640	14,40	131.076,00	129.627,00	-1.449,00
	TOTAL				**131.076,00**	**129.627,00**	**-1.449,00**
	BELGIUM						
	BRUSSELS STOCK EXCHANGE						
	MOBISTAR	1.000	67,9850	67,75	67.985,00	67.750,00	-235,00
	TOTAL				**67.985,00**	**67.750,00**	**-235,00**
	PORTUGAL						
	LISBON STOCK EXCHANGE						
	PT TELECOM SGPS N	10.000	9,3492	9,04	93.492,00	90.400,00	-3.092,00
	TOTAL				**93.492,00**	**90.400,00**	**-3.092,00**
	SPAIN						
	MADRID STOCK EXCHANGE						
	BANCO BILBAO VIZCAYA ARGENTA	5.500	13,0695	12,56	71.882,00	69.080,00	-2.802,00
	TOTAL				**71.882,00**	**69.080,00**	**-2.802,00**
	TOTAL OF STOCKS ISSUED IN FOREIGN STOCK EXCHANGE				**2.776.065,10**	**2.820.531,92**	**44.466,82**
2	**LEGAL ENTITIES BONDS**	100.000	0,9981	0,978589	99.810,00	97.858,90	-1.951,10
	THYSSEN KRUPP				**99.810,00**	**97.858,90**	**-1.951,10**
	TOTAL						
	TOTAL FOREIGN INVESTMENT				**2.875.875,10**	**2.918.390,82**	**42.515,72**
	GENERAL AMOUNT OF INVESTMENTS				**18.667.234,31**	**18.537.041,53**	**-130.192,78**
III	**DOMESTIC DERINATIVES**						
1	**FUTURES OPTIONS**						
	FTASE 20 APR/05	-249		1.570,85	-1.955.708,24	-1.955.708,24	0,00
	TOTAL III.1.				**-1.955.708,24**	**-1.955.708,24**	**0,00**
2	**OPTIONS**						
	APR/05 (C1650)	-35	21,14	4,52	-3.700,00	-791,00	2.909,00
	APR/05 (P1650)	-55	21,68	83,61	-5.962,50	-22.992,75	-17.030,25
	TOTAL III.2				**-9.662,50**	**-23.783,75**	**-14.121,25**
	TOTAL INVESTMENTS IN DOMESTIC DERIVATIVES(III)				**-1.965.370,74**	**-1.979.491,99**	**-14.121,25**
IV	**FOREIGN DERIVATIVES**						
	GERMANY						
1	**FUTURES**						
	FDAX-ERX(06/2005)	-9		4.362,50	981.562,50	981.562,50	0,00
	FGBM-ERX(06/2005)	-3		112,59	337.770,00	337.770,00	0,00
	TOTAL IV.1.				**1.319.332,50**	**1.319.332,50**	**0,00**
	TOTAL INVESTMENTS IN FOREIGN DERIVATIVES(IV)						
	TOTAL INVESTMENTS DERIVATIVES(III+IV)				**-646.038,24**	**-660.159,49**	**-14.121,25**

Notes:

1. The current value of securities negotiated in organized money markets was based on the closing prices as at 31.03.2005.
2. The Greek Government Bonds were revaluated on the listed price of the bond as at 31.03.2005.
3. The investments on foreign currency were revaluated on the fixing price of European Central Bank as at 31.03.2005.

4. The accrual interest of fixed income securities were accounted until 31.03.2005 and amount to € 5.031,50.
5. The internal value of the share on 31.03.2005 (current value) was € 2,45.

The difference from the evaluation (profits) of "short term investments" and "derivative financial products" at their fair value as at the date of reporting in the financial statement amounts to € **92.730,20** pertaining to shares in Greece, **€44.466,82** pertaining to foreign shares, and **€8.416,30** pertaining to mutual funds in Greece, while the difference from evaluation (losses) of "short term investments" and "derivative financial products" at their fair value as at the date of reporting in the financial statement amounts to € **273.855,00** pertaining to Greek Corporate Bonds, **€1.951,10** pertaining to Foreign Corporate Bonds, and **€14.121,25** pertaining to options in Greece.

7. Cash at bank and in hand

7.1 Accounting principles

Cash at bank and in hand include cash in the company's cash register, cash equivalent, such as sight deposits, short term deposits and sight deposits in foreign currency.

7.2 Cash at bank and in hand

This account as at 31.03.2005 includes the following:

Balances in Euro

Sight deposits and cash	550.265,96
Time deposits	4.400.000,00
Deposits on foreign exchange (USD)	170.918,90
Deposits on foreign exchange (GBP)	111,34
Deposits on foreign exchange (CHF)	0,90
Total	**5.121.297,10**

Balances in foreign currency

Deposits of foreign exchange (USD)	221.579,26 USD
Deposits of foreign exchange (GBP)	76,66 GBP
Deposits of foreign exchange (CHF)	1,39 CHF

Sight deposits are evaluated at their fair value which is the initial investment.
Deposits in foreign currency (US dollars, English pounds, CHF) derive from sale of shares abroad.
As at the date of preparation of Interim Financial Statement, monetary asset items (sight deposits in foreign currency) in foreign currency are converted to euro at the exchange rate given by the European Central Bank as at that date. Exchange differences arising from the conversion are recorded in income statement.

8. Share capital – reserves

8.1 Share capital

The company's share capital amounts to € **17.021.250**and it is divided in **7.565.000** common registered shares at nominal value € **2,25** each. The shares of "Eurodynamic Closed End Fund S.A." have been listed on the Athens Stock Exchange since October 2001.

8.2 Reserves

The account reserves includes the following accounts:

Special Reserve from the conversion of share capital in Euro	20.354,15
Difference arising from shares valuation L.2992/2002	1.023.328,61
Total	**1.043.682,76**

8.3 Accumulated Profits

The account accumulated Profits includes profits distributable, transferred to next fiscal year that amount to € 260.947m23 and profits of the current period 31.03.2005, transferred to the next period that amount to € 202.199,74.

The shares of the company have a wide dispersion, according with the Share Register of the Company, at the date of the approval of the transformation financial statements. The Management & Supervision bodies participating to the company´s Share capital are as following:

Name	Status	Percentage (%) of Participation to the Share Capital
Nikolaos Abazis	Chairman of the BoD & Managing Director	3,1074 %
Nikolaos Giannopoulos	Vice President	0,4890 %
Sofia Komna	Member of the BoD	0,0007 %

9. Rights of employees, number of employees and cost of payroll

9.1 Rights of personnel

The company decided to readjust the future employee benefits, based on the previous service of the employees. After the readjustment, the amount of € 3.210,79 arose and is illustrated on «Other current liabilities».

9.2 Number of staff and cost of payroll

The number of staff in the company as at 31.03.2005 and 31.03.2004 as well as the cost of payroll for the quarter in 2005 and 2004 were as follows:

Personnel	31.03.2005	31.03.2004
Number of Employees	**2**	**4**

	1st Trimester 2005	1st Trimester 2004
Staff Cost	16.785,21	14.659,50
Social Contribution Charges	3.942,82	3.267,22
Total Cost	**20.728,03**	**17.926,72**

10. Suppliers

This account is analyzed as follows:

PROTON ASSET MANAGEMENT A.E.P.EY.	28.411,92
B.K.R. S.A.	11.564,00
Other suppliers	3.136,83
Total	**43.112,75**

11. Taxes and contributions and tax in accordance with law 1969/1991

11.1 Tax

In accordance with par. 3 article 16, law 1969/1991, as applicable, the company is obliged to pay annual tax at the rate of 0,3% on the average of investments at current values plus cash disclosed in the quarterly tables of portfolio investments in accordance with article 16 law 1969/1991, as applicable. The payment of this tax ends the tax liability of the company and its shareholders with the exception of income tax withheld upon collection of interest from the portfolio investment company in compliance with § 2, article 16, law 1969/1991, at the time of interests received from the company.

11.2 Tax in accordance with law 1969/1991

The tax charge of the period was calculated based on the above mentioned tax law. The calculation of deferred tax was not considered necessary due to the particular tax law regarding profit of current period that may be calculated by the tax authorities in future years, because there is no difference between accounting and tax basis (Tax is calculated at current prices).

Tax in accordance with law 1969/1991 and swap tax is recorded in income statement and amounts to € 14.003,20 thousand for the current period (1.1.2005-31.03.2005).

The company has not been inspected by the tax authorities since 2000 (6 fiscal years in total), as a result the tax obligations of the company have not been determined. However, the company complies with a special tax law, therefore it would be no material effect on the financial position of the company after a future tax audit.

11.3 Amounts due from tax and contributions

This account includes the following:

Tax Liabilities	18.995,61
Social Contribution payables	3.248,44
Total	**22.244,05**

12. Other current liabilities

12.1 Accounting principles

Current liabilities pertaining to dividends payable and sundry creditors are disclosed at their accounting balances because it is not necessary to prepay them at current value due to their short term nature.
Liabilities arising from options, listed on the Athens Derivatives Exchange, have been disclosed at their fair value as included in the published financial statements.

12.2 Current liabilities

This account as at 31.03.2005 includes the following:

Dividends Payable	3.201,79
Creditors	8.166,98
Liabilities arising from options	23.783,75
Other Liabilities	1.579,68
Total	**36.732,20**

13. Gross income

13.1 Proceeds in portfolio

Proceeds in portfolio are recognized and recorded in income statement and include: a) dividends from shares, b) interest on sight deposits of other investments treated as sight deposits, c) income from interest on bonds and other investments treated as bonds.
Income from dividends is recognized as income at the date it is derived, for listed shares, or as at the date the balance sheet is approved for non listed shares.
In particular the account "proceeds in portfolio" as at 31.03.2005 includes the following:

Dividends from Greek Shares	81.262,10
Dividends from Foreign Shares	3.864,77
Interests on Deposits	29.129,60
Interests on Bonds	4.258,67
Total	**118.515,14**

13.2 Results from sale and purchase of securities

Results (profit/loss) from sale and purchase of securities (shares, bonds, mutual funds, derivatives etc.) are recognized and reported in income statement as well as the results from the evaluation of securities at the end of each period to which the company's financial statements pertain.

Additionally the account "gross income from portfolio management" includes exchange differences (debit or credit) from transactions or evaluation.

The account "gross income from portfolio management" as at 31.03.2005 includes the following:

Profit arising from trading with:	
Shares listed in the Athens Stock Exchange	437.613,65
Shares listed in foreign Exchange	217.142,45
Mutual Funds	10.103,50
Corporate Bonds	-271.840,15
Financial Derivatives	-40.135,75
Foreign Currencies	-31.681,26
Total	**321.202,44**

13.3 Company's investing activities

Business sector is the part of the business activity of the Company which is subject to risks and earnings different from the ones in other sectors.
Geographical sector is the part of the company's business activity in a specific financial environment which is subject to risks and earnings different from the ones in other financial environments.
Per geographical segment the analysis of income generated from the company's investing activities is as follows:

Incomes of Investments	Greece	EU Countries	Other Counties	United States of America	Total balance of the Company
Dividends	81.262,10	-	2.434,53	1.430,24	85.126,87
Interests on deposits	29.129,60	-	-	-	29.129,60
Interests on bonds	4.102,85	155,82	-	-	4.258,67
Profit arising from share 's transactions	437.613,65	22.503,25	43.662,84	150.976,36	654.756,10
Mutual funds	10.103,50	-	-	-	10.103,50
Corporate Bonds	-269.889,05	-1.951,10	-	-	-271.840,15
Financial derivatives	-24.768,25	-15.367,50	-	-	-40.135,75
Foreign Currency	-	-	-11.444,21	-20.237,05	-31.681,26
Total	**267.554,40**	**5.340,47**	**34.653,16**	**132.169,55**	**439.717,58**

14. Expenses for portfolio management and other expenses

14.1 Expenses for portfolio management

Expenses for portfolio management include all expenses pertaining to the company's investing activity in all the markets where it operates. Their analysis is as follows:

Management & Custody Fees	78.112,66
Brokerage & Transactions Expenses	9.118,50
Taxes & other operating expenses	42.860,15
Total	**130.091,31**

14.2 Administrative expenses

The analysis of the administrative expenses is as follows:

Staff Cost	20.728,03
Other fees	31.346,16
Fees to third parties	8.603,15
Tax Advances	17.100,80
Other Expenses	13.861,28
Depreciations	1.783,91
Total	**93.423,33**

15. Important facts

The company 's board of directors on 30 March 2005 decided to begin procedures for merging the company with the banking company PROTON Investment Bank S.A. along with the companies EXELIXI Closed End Fund S.A. and ARROW Closed End Fund S.A., through the absorption of the portfolio investment societes anonyme ARROW Closed End Fund S.A., EXELIXI Closed End Fund S.A., and EURODYNAMIC Closed End Fund S.A. by the banking company PROTON Investment Bank S.A. according to the stipulations of articles 68, par. 1, 69 of law 2190/1920, law 2166/1993, law 2992/2002 and article 16 of law 2515/1997, with transformation balance sheet date March 31, 2005.

BOARD OF DIRECTORS' MANAGEMENT REPORT TO THE GENERAL ASSEMBLY OF SHAREHOLDERS

(12TH ACCOUNTING PERIOD 1/1/2003 - 31/12/2003)

In the twelfth accounting period, EXELIXI realized profits from portfolio management of € 6.766.007,12, against profits of €1.784.992,33 in 2002, the structure of which is stated beneath:

	2003	2002	Change
Profits from trading securities	5.324.410,40	245.849,16	2065,72%
Dividends	1.044.010,56	833.977,78	25,18%
Interest income	397.586,16	705.165,39	-43,61%
TOTAL	***6.766.007,12***	***1.784.992,33***	***279,04%***

As it seems, the important increase of the company gross income is due to the proper strategy and prudent tactic followed by the company, and the increased income deriving from the profits from trading securities.

The portfolio management expenses came up to €2.482.478,61, noting an increase of 6,30% against 2002.

For 2003, management reduced administration expenses of € 704.005,05 by 13,55%.

Earnings before taxes of EXELIXI were €3.376.471,00 against losses of €1.893.814,31 in 2002 .

According to the revaluation of portfolio expenses on 31/12/2003 there were evaluation surpluses of €3.190.941,98, which offset "Losses from Portfolio revaluation".

The profit distribution table of the 2003 is formed as such:

Net period earnings		3.376.471,00
Prior periods' result		-11.025.702,33
Profit from securities revaluation L.2992/2002 of 2003	3.190.941,98	
Prior period losses from portfolio revaluation to be offset, carried forward	-3.190.941,98	-
		-7.649.231,33
Plus: Other taxes not incorporated in the Operating Cost		-344.214,49
Retained losses		***-7.993.445,82***

Due to prior period losses that overbalance the accounting period profits of 2003, no dividend is due for distribution.

As far as the other balance sheet items are concerned, company investments in securities on the 31/12/2003, were as follows:

- Listed company shares	37.085.004,51
- Shares of listed companies in foreign stock exchanges	8.491.185,93
- Non-listed shares	2.905,00
- Greek Government Bonds	9.102.762,36
- Shares of domestic mutual funds	1.335.674,01
- Dividend coupons receivable	2.586,87
TOTAL INVESTMENTS	***56.020.118,68***

SHARE TREND

The internal value of the share as at the 31.12.2003 was formed with current prices at €0,85 while the stock-exchange price was at €0,81. The lower price for the year on 11/03/2003 was formed at €0,65, while the higher price of the accounting period was formed at €0,96 on 25/08/2003.

BALANCE SHEET ACCOUNTS ANALYSES

ASSETS

The total Assets of the Company came up to €73.544.452,52.

Installation expenses

After the removal of depreciation of €1.924.032,81, the closing accounting period formation and set-up expenses of €2.301.515,15, were 377.482,34.

Fixed Assets

Fixed assets (Buildings & Building Installations and Furniture & Fittings) of €85.807,89, after the removal of €80.131,85 depreciation in the closing accounting period, came up to €5.676,04.

Miscellaneous Shareholders

€ 348,78 relates to debit balance of debtors and creditors.

Investments in Securities

Investments on shares listed in the Athens Stock Exchange came up to €37.085.004,51.
An amount of €2.905,00 is invested in shares listed in the Athens Stock Exchange.
An amount of €8.491.185,93 is invested in shares listed in foreign Stock Exchanges.
An amount of €9.102.762,36 is invested in Greek Government Bonds.
An amount of €1.335.674,01 is invested in domestic Mutual Fund Shares.
An amount of €2.586,87 relates to dividend coupons receivable.
The total Investment in Securities came up to €56.020.118,68.

Cash Items

Cash items came up to €12.184.602,24, out of which €84.276,89 relates to sight and time deposits, of €12.100.112,42 in foreign currency and an amount of €212,93 in cash.

Transit accounts

Deferred expenses of €25,01 relate to a contribution to a newspaper. Accrued revenues receivable of €1.397,01 relate to accrued taxes.

LIABILITIES

Share Capital
The share capital of the company is €124.173.000,00, divided in €85.050.000 common nominal shares of €1,46 each.

Premium on capital stock
€ 69.332,36 derived from the company's share capital increase in 1992 (157.500 shares X 150 drch.).

Losses from portfolio revaluation
€ 43.705.616,95 derived from the total of negative revaluations of the 2000, 2001 and 2002 less the evaluation surplus of 2003.

Retained Earnings
€ 7.993.445,82 is retained losses.

Provisions for contingencies and expenses
€ 6.795,30 comprises of the 40% of the provision for employee compensation due to employment termination according to L.2190/1920.

Dividends Payable
Represents an amount of €37.494,35, relating to prior period dividends.

More information over the size of the Financial Statement is stated in the Notes.

THE CHAIRMAN OF THE BOARD.

PARASKEVAS TH. TSOUKALAS

We ascertain that the Directors' Report above, consists of four (4) pages and is stated in the Auditor's Certificate, granted on 27/1/2004

ATHENS 27/01/2004
The Chartered Auditor

Stergios V. Pappas

EXELIXI CLOSED-END FUND S.A.

BALANCE SHEET AS AT 31st DECEMBER 2003 - 12th ACCOUNTING PERIOD

SA´s REGISTER NUMBER 24749/06/B/91/48, LICENCE NUMBER 58544/B.734/7.8.91 (AMOUNTS IN €)

ASSETS	2003 BOOK VALUE	2003 ACCUMULATED DEPRECIATION	2003 NET BOOK VALUE	2002 BOOK VALUE	2002 ACCUMULATED DEPRECIATION	2002 NET BOOK VALUE
B. SET-UP EXPENSES						
1. Formation and set-up expenses	1,301,443.28	1,091,024.35	210,418.93	1,301,443.28	848,180.52	453,262.76
4a. Other set-up expenses	1,000,071.87	833,008.46	167,063.41	1,000,071.87	652,073.53	347,998.34
TOTAL SET-UP EXPENSES	2,301,515.15	1,924,032.81	377,482.34	2,301,515.15	1,500,254.05	801,261.10
C. FIXED ASSETS						
II. Property, plant and equipment						
3. Buildings	-	-	-	49,784.76	15,863.60	33,921.16
6. Machinery & other mechanical equipment	85,807.89	80,131.85	5,676.04	86,174.73	72,716.47	13,458.26
Total tangible assets	85,807.89	80,131.85	5,676.04	135,959.49	88,580.07	47,379.42
III. Participations and other long-term assets						
Other long-term assets			-			9,684.52
TOTAL FIXED ASSETS			5,676.04			57,063.94
D. CURRENT ASSETS						
II. Receivables						
8. Blocked Deposits			4,954,802.42			4,901,428.23
11. Miscellaneous debtors			348.78			2,626,283.79
			4,955,151.20			7,527,712.02
III. Investments in securities						
1. Shares listed in the Athens Stock Exchange			37,085,004.51			28,093,726.58
1b. Shares listed in Foreign Stock Exchanges			8,491,185.93			4,852,767.07
2. Greek State Debentures			9,102,762.36			3,500,713.97
3. Shares not listed in the Athens Stock Exchange			2,905.00			120,176.08
4. Shares from domestic mutual funds			1,335,674.01			979,428.40
4a. Shares from foreign mutual funds			-			4,100,429.22
7a. Dividend Coupons Receivable			2,586.87			10,039.03
Total Investments in Securities			56,020,118.68			41,657,280.35
IV. Cash Items						
1. Cash on hand			212.93			5,929.65
3. Time and sight deposits			84,276.89			790,514.37
3a. Sight and time deposits in Foreign Currency			12,100,112.42			15,884,835.16
Total Cash in bank and on hand			12,184,602.24			16,681,279.18
TOTAL CURRENT ASSETS (DII+DIII+DIV)			73,159,872.12			65,866,271.55
E. DEBIT TRANSIT ACCOUNTS						
1. Deferred expenses			25.01			-
2. Accrued income			1,397.01			2,046.83
3. Securities evaluation differences			0.00			25,926,765.36
TOTAL TRANSIT ACCOUNTS			1,422.02			25,928,812.19
TOTAL ASSETS (B+C+D+E)			73,544,452.52			92,653,408.78
DEBIT MEMO ACCOUNTS						
2. Warranties and collateral securities debit accounts			-			1,349.96
3. Claims from reciprocal agreements			11,688,060.41			4,379,096.88
			11,688,060.41			4,380,446.84

LIABILITIES AND SHAREHOLDERS´ EQUITY	2003	2002
A. SHAREHOLDERS´ EQUITY		
I. Share Capital (85.050.000 common shares € 1,46.)		
1. Paid-up	124,173,000.00	124,798,239.18
II. Share premium	69,332.36	69,332.36
IV. Reserves		
3. Losses from portfolio evaluation N.2992/2002 to be offset	-43,705,616.95	-20,969,793.57
V. Retained earnings		
Retained Losses	-7,993,445.82	-11,650,941.51
TOTAL EQUITY (AI+AII+AIV+AV)	72,543,269.59	92,246,836.46
B. PROVISION FOR RISK AND EXPENSES		
1. Provision for employees compensation	6,795.30	1,760.82
C. LIABILITIES		
II. Short term liabilities		
1. Suppliers	115,613.82	109,743.90
2a. Checks payable	-	98,393.53
5. Taxes and duties payable	140,634.13	149,098.01
6. Insurance & pension fund withholding accounts	3,904.12	3,430.92
10. Dividends Payable	37,494.35	41,012.18
11. Miscellaneous Creditors	692,953.57	468.25
TOTAL LIABILITIES (CII)	990,599.99	402,146.79
D. CREDIT TRANSIT ACCOUNTS		
2. Accrued expenses	3,787.64	2,664.71
TOTAL LIABILITIES AND SHAREHOLDERS´ EQUITY (A+B+C+D)	73,544,452.52	92,653,408.78
CREDIT MEMO ACCOUNTS		
2. Warranties and collateral securities credit accounts	-	1,349.96
3. Obligations from reciprocal agreements	11,688,060.41	4,379,096.88
	11,688,060.41	4,380,446.84

NOTES:

1). In 2003 the Share Capital was impaired by 625.239,18 € by an offset of losses, for the rounding of the nominal value of the share due to its converting in €.

2). The arising evaluation surplus on 31/12/2003 of 3.190.941,98 offset a portion of "Losses from portfolio evaluation" N.2992/2002".

3). The internal value of the share with December 2003 average price was 0,84 minutes, while with closing prices on 31.12.2003 it was 0,85 cents.

4). On 31.12.2003 the company employed 4 people.

5). The Company transferred the asset account E3 "Differences from securities evaluation" of€ 25.926.765,36 according to L. 2992/2002 in AIV3 "Losses from portfolio evaluation L.2992/2002".

PROFIT AND LOSS ACCOUNT AS AT 31st DECEMBER (01/01-31/12/03)

		2003		2002
		€		€
I. OPERATING RESULTS				
Portfolio income		1,441,596.72		1,539,143.17
Profit from trading securities		5,324,410.40		245,849.16
		6,766,007.12		1,784,992.33
Less: Production expenses (Portfolio management expenses)		2,482,478.61		2,335,191.31
Accounting period gross profit		4,283,528.51		-550,198.98
Revenues from Incidental Activities		18,453.40		39,752.27
		4,301,981.91		-510,446.71
Less: 1. Administrative Expenses		704,005.05		814,427.31
Operating income		3,597,976.86		-1,324,874.02
3. Debit interest and bank expenses		7,680.31		9,785.94
Total results (profits-losses) from portfolio management		3,590,296.55		-1,334,659.96
EXTRAORDINARY RESULTS				
Plus: Extraordinary & Non-operating Income	386,876.98		712,183.23	
Less: Extraordinary & Non-Operating Expenses	-600,702.53	-213,825.55	-1,271,337.58	-559,154.35
		3,376,471.00		-1,893,814.31
Minus: Depreciation and Amortization	433,268.50		444,815.61	
Minus: Those included in operating cost	433,268.50	-	444,815.61	-
Earnings before taxes		3,376,471.00		-1,893,814.31

PROFITS APPROPRIATION TABLE

		2003	2002
Accounting period net profit		3,376,471.00	-1,893,814.31
Previous periods' losses		-11,025,702.33	-9,424,381.74
Profit from security evaluation 2003 N.2992/2002	3,190,941.98		
Protfolio evaluation losses from previous periods to be offset	-3,190,941.98	-	-
		-7,649,231.33	-11,318,196.05
Plus: 2. Other taxes not included In the operating cost		-344,214.49	-332,745.46
Retained Losses		-7,993,445.82	-11,650,941.51

ATHENS 26 JANUARY 2004

THE PRESIDENT OF THE BOARD	THE VICE-PRESIDENT OF THE BOARD OF DIRECTORS AND MANAGING DIRECTOR	THE CHIEF FINANCIAL OFFICER
PARASKEYAS TSOUKALAS ID NUM. E 178955	SOTIRIOS I. MARGARITIS ID NUM. Λ 702262	MELETIOS P. BABEKOS ID NUM. Σ 129874

AUDITOR'S CERTIFICATE

To the Shareholders of "CLOSED-END FUND S.A."

We audited the Financial Statements above, as well the relative Notes and the Cash Flows Statement of "EXELIXI CLOSED END FUND S.A." of the accounting period closing on the 31st December 2003. Our audit was conducted according to the stipulations of article 37 of C.L: 2190/1920 "concerning Societe Anonymes", of L. 1969/1991 "concerning Portfolio Investing Companies" and the audit procedures we concidered appropriate, based on the principles and the audit rules followed by the Greek Institute of Chartered Accountants that base on the basic principles of International Audit Standards. The company provided us the books and records, as well as the necessary information and explanations we required. The company applied properly the Greek Charter of Accounts.
The inventory method was not modified in relation to the previous accounting period apart from remark No 1. We verified the content of the Managment Report to the General Assembly of Shareholders, with the relevant Financial Statement. The Notes include the information prescribed by par. 1 of clause 43a of C.L: 2190/1920, while the Cash Flow Statement has been prepared based on the financial statments and the books and records kept by the company
From the audit above, the following came up: 1). The Company, by complying to L.2992/2002 it evaluated its portfolio at the current price 31/12 while in the previous year at December's average price. If it evaluated as in the previous accounting period the evaluation surplus would be lower by€ 840.000,00.
2).The company has not had a tax review for 1999 up to 2003 included, and therefore its tax obligations for these periods have not been settled.
In our opinion, the Financial Statements above, that derive from the books and records of the company, together with the Notes and the Cash Flow Statement, after the company notes above have been considered, present a true and fair view of the asset structure and financial position of the company on the 31st December of 2003, as well as the results of operations of the accounting period closing on that date, as well as the Cash Flows from the company operations for that accounting period, based on the relative clauses and generally acceptec accounting principles in effect, that do not vary from the ones used in the previous accounting period.

Athens, 27 January 2004

The Chartered Auditor

STERGIOS V. PAPPAS
Reg. no SOEL 16701
S.O.L S.A

EXELIXI CLOSED END FUND S.A.
CASH FLOW STATEMENT
for the accounting period ending on 31/12/2003
S.A΄ s R.N 24749/06/B/91/48

A/A	Analysis	2003 EURO	2002 EURO
A	**Cash flows from ordinary operating activities**		
A	100 ***Cash inflows***		
	101 Sales		
	102 Other operating income	18,453.40	39,752.27
	103 Extraordinary income	386,876.98	712,183.23
	104 Prior years' income		
	105 Interest received (deposits κ.λ.π)	372,878.10	899,866.26
	106 Income from securities	1,032,875.08	4,586,253.64
	107 Tradable securities sales	115,839,640.86	114,965,168.17
	108 Reduction of receivables	2,572,560.82	
	Less		
	109 Purchase of tradeable securities	121,651,283.27	107,575,525.42
	110 Increase of receivables		5,326,132.64
	Total cash inflows (A 100)	**-1,427,998.03**	**8,301,565.51**
A	200 ***Cash outflows***		
	201 Production expenses (portfolio management expenses)	2,482,478.61	2,335,191.31
	202 General administrative expenses	265,702.07	369,008.30
	203 R & D expenses		
	204 Distribution costs		
	205 Underemployment / inaction employee expenses		
	206 Other expenses	568,855.73	1,271,337.58
	207 Increase of inventories		
	208 Increase of prepayments and accrued income		
	209 Reduction ofaccruals and deferred income		
	210 Reduction of short – term liabilities (except for banks)		217,037.07
	Less		
	211 Decrease of inventories		
	212 Decrease of prepayments and accrued income	624.81	59,446.82
	213 Increase of accruals and deferred income	1,122.93	2,664.71
	214 Increase of short – term liabilities (except for banks)	600,434.91	
	Total cash outflows (A200)	**2,714,853.76**	**4,130,462.73**
A	300 ***Cash outflows from taxes***		
	301 Income taxes		
	302 Non incorporated in operation taxes	344,214.49	332,745.46
	303 Tax Audit differences		
	304 Reduction of liabilities from taxes	8,463.88	
	Less		
	305 Increase of liabilities from taxes		5,643.47
	Total cash outflows from taxes (A300)	**352,678.37**	**327,101.99**
	Cash flows from ordinary operating activities (A 100 - A 200 - A 300) = A	**-4,495,530.16**	**3,844,000.79**
B	**Cash Flows from investing activities**		
B	100 ***Cash inflows***		
	101 Sales of intangible assets		
	102 Sales of tangible assets	366.84	
	103 Sale of titles & participations		
	104 Decrease of long term receivables	9,684.52	
	105 Income from titles & participations		
	106 Interest collected (long - term e.t.c receivables)		
	Total cash inflows (B100)	**10,051.36**	
B	200 ***Cash outflows***		
	201 Purchases of intangible assets		
	202 Purchases of tangible assets		3,830.75
	203 Purchase of titles & participations		
	204 Increase of long term receivables		
	205 Increase of formation expenses		
	Total cash outflows (B200)		**3,830.75**
	Cash flows from investing activities (B 100 - B 200) = B	**10,051.36**	**-3,830.75**
Γ	**Cash flows from financing activities**		
Γ	100 ***Cash inflows***		
	101 Receipt of increase of share capital and share premium		
	102 Receipt of grants for assets		
	103 Increase of long - term liabilities		
	104 Increase of short - term liabilities (bank accounts)		
	Total cash inflows (Γ100)		
Γ	200 ***Cash outflows***		
	201 Reduction of share capital		
	202 Repayment of grants for assets		
	203 Decrease of long - term liabilities		
	204 Decrease of short - term liabilities (bank accounts)		
	205 Interest paid	7,680.31	9,785.94
	206 Dividends paid	3,517.83	280.56
	207 Distribution of earnings to the employees		
	208 Board of directors΄ fees from the earnings of the period		
	Total cash outflows (Γ200)	**11,198.14**	**10,066.50**
	Cash flows from financing activities (Γ 100 - Γ 200) = Γ	**-11,198.14**	**-10,066.50**
	Cash flows (A+B+Γ)	**-4,496,676.94**	**3,830,103.54**
	Plus: Opening cash items	**16,681,279.18**	**12,851,175.64**
	CLOSING CASH ITEMS	**12,184,602.24**	**16,681,279.18**

Athens, 26 January 2004

THE PRESIDENT OF THE BOARD	THE GENERAL DIRECTOR	THE HEAD OF THE ACCOUNTING DEPARTMEN
PARASKEVAS TH. TSOUKALAS	SOTIRIOS I. MARGARITIS	MELETIOS P. MPEMPEKC
ID NUM. E 178955	ID NUM. Λ 702262	ID NUM. Σ 1298

AUDITOR´S REPORT

We reviewed the Cash Flow Statement Above of EXELIXI S.A.
for the accounting period 2003 and is that stated in the auditor´s certificate dated on 27/01/2004
for the Financial Statements of this accounting period.
In our opinion the aforementioned Cash Flow Statement presents a true and fair view of the Cash Inflows
and outflows for the company´s current accounting period activities.

Athens 27 January 2004
The Chartered Accountant

STERGIOS V. PAPPAS
REG. No SOEL 16701
SOL S.A.

NOTES TO THE ACCOUNTS
OF THE BALANCE SHEET AS AT 31 DECEMBER 2003
(in accordance with the provisions of article 43a of law 2190/1920, as applicable)
OF THE COMPAMY
"EXELIXI CLOSED-END FUND A.E."
(Company Reg. 24749/06/B/91/48 License No. 58544/B.734/7.8.91)

1. ESTABLISHMENT AND STRUCTURE OF FINANCIAL STATEMENTS
VARIANCES FOR THE PURPOSE OF PRESENTING THE COMPANY'S STATE OF AFFAIRS

a) Article 42a par. 3: Variance from relevant provisions on the establishment of annual financial statements considered necessary in order to present the company's state of affairs in accordance with par. 2 of the above article.	None
b) Article 42b par. 1: Variance from the principle of immutability as regards the structure and form of the balance sheet and of the profit and loss account.	None
c) Article 42b par. 2: Entry in the relevant account of an item relating to several mandatory accounts.	No such case
d) Article 42b par. 3: Adjustments in the structure and headings of accounts with Arabic numerals, if so required by the specific nature of the company.	No such case
e) Article 42b par. 4: Combination of balance sheet accounts which correspond to Arabic numerals to which (combination) of this provision apply.	No such case
f) Article 42b par. 5: Adjustments of prior year's items for comparison purposes.	The account N.11. "Various Debtors" of the Current Assets totaling of € 7.527.712,02 was adjusted as "Various Debtors" for the amount of € 2.626.283,79 and "Blocked Deposits" (account N.8) for the amount of € 4.901.428.23

2. VALUATION OF ASSETS

a) Article 43a par. 1-a: Methods for the valuation of assets and calculation of depreciation as well as provisions for any devaluation of assets.

1. Tangible assets were revalued at their acquisition cost plus any, improvements or additions less the depreciations as required by Law

2. There was no need for fixed assets' impairement

3. Securities

In variation of stipulations of par.2 article 4 of Law N. 1969/1991 the company revalued its securities according to article 2 of Law 2992/2002, at the fair value of the total portfolio. Consideration for fair values:

-For listed shares in the Athens Stock Exchange the price as at 31.12.2003

-For non Greek shares their listed price as at 31.12.2003 based on Bloomberg information

-For the Greek Government Bonds their listed price as at 31.12.2003

-For non listed shares their internal net book value based n the last published Balance Sheet under the rules of article 28 of PD 186/1992

-For Greek mutual funds their price as at 31.12.2003

-For non Greek mutual funds their price as at 31.12.2003

The acquisition cost was calculated using the sequential balances method

b) Article 43a par. 1-a: Basis for the conversion of assets denominated in foreign currency and procedure for treating exchange differences.

Sight and time deposits, securities and receivables denominated in Foreign Currency were revalued using the Exchange Rate as at 31.12.2003. Exchange differences were accounted for in the company's current year's Profit and Loss. More specificaly: Debit exchange differences amounted to € 568.855,73 and credit exchange differences amounted to € 386.864,60

c) Article 43 par. 2: Variance from the methods and basic principles of valuation. Use of special valuation methods.

None

d) Article 43 par. 7-b: Change in the method used for calculating the cost value or production cost of stocks and securities.

None

e) Article 43 par. 7-c: Statement of the difference between the valuation price of stocks and securities and their current market value, if significant.

The positive revaluation of securities as at 31.12.2003 amounted to € 3.190.941,98. The analysis is as follows:

	Acquisition Cost	Revaluation	Positive/Negative Revaluation
Listed shares in the Athens Stock Exchange	35,468,247.71	37,085,004.51	1,616,756.80
Non listed shares in the Athens Stock Exchange	120,176.08	2,905.00	-117,271.08
Shares listed shares in foreign Stock Exchange Markets	7,014,472.78	8,491,185.93	1,476,713.15
Greek Mutual funds	1,140,000.00	1,335,674.01	195,674.01
Greek Bonds	9,083,693.26	9,102,762.36	19,069.10
	52,826,589.83	**56,017,531.81**	**3,190,941.98**

Was the revaluation calculated by using the averages December listed prices (instead of the y/e listed prices) did the positive revaluation amount to € 2.347.221,63, that is € 843.720,35 less than the actual revaluation.

f) Article 43 par. 9: Analysis and explanation of the revaluation of fixed assets, in accordance with a special law, and presentation of the "revaluation reserve" account.

No such case

3. FIXED ASSETS AND FORMATION EXPENSES

a) Article 42e par. 8: Changes in fixed assets and formation expenses (amortization).

Table of changes in fixed assets and formation expenses

Accounting No	Acquisition cost as at 31/12/02	Decreases in 2003	Acquisition cost as at 31/12/03	Cumulative Depreciations & Amortisations up to 31.12. 2002	Depreciations of year 2003	Decreases in 2003	Net book value
11	49,784.76	49,784.76	-	15,863.60	2,074.36	17,937.96	-
14	86,174.73	366.84	85,807.89	72,716.47	7,415.38		5,676.04
16	2,301,515.15	-	2,301,515.15	1,500,254.05	423,778.76		377,482.34
Total	**2,437,474.64**	**50,151.60**	**2,387,323.04**	**1,588,834.12**	**433,268.50**	**17,937.96**	**383,158.38**

b) Article 43 par. 5-d: Analysis of additional depreciation.

There was no additional depreciation.

c) Article 43 par. 5-e: Provision for devaluation of fixed tangible assets.

None

d) Article 43 par. 3-e: Analysis and explanation of the amounts under formation expenses (amortization) relating to the fiscal year.

No such items

e) Article 43 par. 3-c: The amounts and accounting procedure for foreign exchange differences which occurred during this year on payment (installments) and/or valuation of loans or prepayments, used exclusively for the purchase of fixed assets.

There are not such loans

f) Article 43 par. 4 a and b: Analysis and explanation of items "research and development expenses", "concessions and royalties" and "goodwill".

No such items

4. INVESTMENTS

a) Article 43a par. 1-b: Participating interest in the capital of other companies in excess of 10%.	None
b) Article 43a par. 1-b that was amended due to article 3, P.D 326/1994: In cases were an AE (or ΕΠΕ or EE shares) have a participation interest in other companies (for example in OE), where the AE (or ΕΠΕ or EE shares) has unlimited liability	No such case
c) Article 43a par. 1-o: Preparation of consolidated financial statements including the company's own financial statements.	No such case

5. STOCKS

a) Article 43a par. 1-k: Valuation of stocks in derogation to the valuation rules of article 43 for tax relief purposes.	None
b) Article 43a par. 1-j: Differences arising from the revaluation of current assets and reasons for such differences.	None

6. SHARE CAPITAL

a) Article 43a par. 1-d: Classes of shares making up the share capital.

Shares category: Common anonymous

Number	Nominal value (€)
85.050.000	1,46

In 2003 the company's share capital was decreased by the amount of € 625.239,18 with an equal netting of losses in order to round the nominal value of the shares (due to the euro conversion)

b) Article 43a par. 1-c: New shares issued in the year to increase share capital.	Not issued
c) Article 43a par. 1-e and 42e par. 10: New share certificates and incorporated rights.	Not issued
d) Article 43a par. 1-p: Purchase of own shares in this year.	No purchase

7. PROVISIONS AND LIABILITIES

a) Article 42e par. 14-d: Analysis of the account "other provisions," if the amount is significant.	Provision for staff idemnity amounting to € 6.795,30 according to article 42 of Law 2190/1920
b) Article 43a par. 1-g: Financial commitments arising from agreements etc. which are not disclosed in memo accounts. Payment of special monthly allowances and financial commitments in respect of affiliated companies.	Not existed
c) Article 43a par. 1-l: Significant tax amounts which may be due, tax amounts that may be charged to this or previous years, if they have not already been disclosed in liabilities or provisions.	Not existed. The company has been audited by the tax authorities up to the financial year 1998
d) Article 43a par. 1-f: Long term liabilities in excess of five years covered by liens.	Not existed
e) Article 43a par. 1-f: Liabilities covered by liens.	Not existed

8. PREPAYMENTS, ACCRUALS AND DEFERRED INCOME (TRANSIT DEBIT ACCOUNTS)

a) Article 42e par. 12: Analysis of accounts "deferred expenses", "earned income", "accrued expenses" and "Revaluation on options".	a) The account "deferred expenses" with a total balance of € 25,01 relates to a subscription in a newspaper for the year 2004 b) The account "earned income" has a total amount of € 1.397,01 and concerns accrued interest as at 31.12.2003 c) The account "accrued expenses" includes: common expenses for November amounting to € 131,53, provision for Hellenic Capital Market Committee's fees for the second semester of 2003 € 2.404,11, provision for telecommunication expenses € 1.252,00

9. MEMO ACCOUNTS

Article 42e par. 11: Analysis of memo accounts not included in information presented in par. 10 below.	All memo accounts concern the total Nominal Values of derivatives held by the company amounting to € 11.688.060,41. More specifically: a) Contracts on futures: 11.512.024,16, b) Contracts on options: 176.036,25

10. GUARANTEES AND LIENS

Article 42e par. 9: Guarantees and liens issued by the company.	Not existed

11. FEES, ADVANCES AND LOANS TO MANAGEMENT

a) Article 43a par. 1-m: Fees to company's executives and directors.	Mr Sotiris Margaritis received an annual salary amounting to € 38.425,02 as a consideration for his services as the company's General Management
b) Article 43a par. 1-m: Liabilities arising or contracted in relation to allowances to company executives and directors who left during the year.	None
d) Article 43a par. 1-n: Prepayments and loans to directors (members of the board of directors and trustees) and other accounts to be paid.	None

12. PROFIT AND LOSS ACCOUNT

a) Article 43a par. 1-h: Turnover per category of activity and geographical areas. (Turnover is presented as specified in article 42e par. 15, section a).

	€
1. Portfolio income	1,441,596.72
2. Profit on securities transactions (buy-sell)	5,324,410.40
Total	**6,766,007.12**

b) Article 43a par. 1-l: Average staff employed during the year and staff categories with total cost. It is noted that "administrative staff" includes staff who receive a monthly salary and "workers" are the wage-earners.

It is mentioned that as "administative personnel" is staff that is paid with a salary
1. Average number of staff: 4
2. Administrative personnel expenses and fees

	€
- Salaries	58,504.95
- Social security and allowances	20,754.97
Total	**79,259.92**

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

If balances in the accounts "extraordinary losses" and "extraordinary profit" are significant, in accordance with the stipulation of article 43a 1-m, there is an analysis of them (based on the accounts 81.02 and 81.03 provided by the Greek Chart of Accounts).

	€
1. Extraordinary and non operating expenses account includes	
a) Debit exchange differences	568,855.73
b) Loss derived from destroyed fixed assets due to the removal of the company's offices	31,846.80
Total	**600,702.53**
2. Extraordinary and non operating income account	
a) Credit exchange differences	386,876.98

d) Article 42e par. 15-b: Analysis of accounts "prior years' income", "income from prior years' provisions" and "prior years' expenses".

Not existed

13. OTHER INFORMATION REQUIRED IN ORDER TO PRESENT THE COMPANY'S FINANCIAL STRUCTURE

a) Article 43a par. 1-q: Any other information required by special provisions of the law applicable or that is considered necessary in order to present a more complete picture about the company's financial structure to shareholders and third parties.

Not existed

Athens, 26 January 2004

THE PRESIDENT OF THE BOARD OF DIRECTORS

PARASKEYAS TH.TSOUKALAS

THE VICE PRESIDENT OF THE BOARD OF DIRECTORS AND GENERAL MANAGER

SOTIRIS I.MARGARITIS

THE HEAD OF THE ACCOUNTING SERVICES DEPARTMENT

MELETIOS P. MPAMPEKOS

It is certified that the above notes to the accounts which consist of 8 pages is the one mentioned in the auditor's opinion which I issued on 27/01/2004.

Athens, 27 January 2004
THE CHARTERED ACCOUNTANT

STERGIOS V.PAPPAS

NOTES TO THE ACCOUNTS OF THE BALANCE SHEET as at

31 DECEMBER 2003

In accordance with the provisions of article 43a of Law 2190/1920, as applicable of the Company EXELIXI CLOSED-END FUND S.A.

Company Reg. 24749/06/B/91/48 License No. 58544/B.734/7.8.91

Par. 1. Establishment and structure of Financial Statements.

Variances for the purpose of presenting the company's state of affairs.

a) Article 42a par. 3: Variance from relevant provisions on the establishment of annual financial statements considered necessary in order to present the company's state of affairs in accordance with par. 2 of the above article.

None.

b) Article 42b par. 1: Variance from the principle of immutability as regards the structure and form of the balance sheet and of the profit and loss account.

None.

c) Article 42b par. 2: Entry in the relevant account of an item relating to several mandatory accounts.

No such case.

d) Article 42b par. 3: Adjustments in the structure and headings of accounts with Arabic numerals, if so required by the specific nature of the company.

No such case.

e) Article 42b par. 4: Combination of balance sheet accounts which correspond to Arabic numerals to which (combination) of this provision apply.

No such case.

f) Article 42b par. 5: Adjustments of prior year's items for comparison purposes..

In the income statement the account "Production expenses (Portfolio Management expenses)" 2.482.478,61 euro is analyzed as follows: a) "Fees for portfolio management and custodian fees" 1.225.858,49 euro, b)."Brokerage and transaction commissions" 839.641,27 euro και c) "Taxes and other expenses on securities transactions" 416.978,85 euro.

Par. 2. Valuation of assets

a) Article 43a par. 1-a: Methods for the valuation of assets and calculation of depreciation as well as provisions for any devaluation of assets.

1. Tangible assets were revalued at their acquisition cost plus any, improvements or additions less the depreciations as required by Law.

2. There was no need for fixed assets' impairement

3. Securities

In variation of stipulations of par.2 article 4 of Law N. 1969/1991 the company revalued its securities according to article 2 of Law 2992/2002, at the fair value of the total portfolio. Consideration for fair values:

-For listed shares in the Athens Stock Exchange the average December 2004 prices.

-For non Greek shares the average December prices based on Bloomberg information.

-For the Greek Government Bonds the average December 2004 prices.

-For non listed shares their internal net book value based n the last published Balance Sheet under the rules of article 28 of PD 186/1992.

-For Greek mutual funds the average December 2004 prices.

The acquisition cost was calculated using the sequential balances method.

b) Article 43a par. 1-a: Basis for the conversion of assets denominated in foreign currency and procedure for treating exchange differences.

Sight and time deposits, securities and receivables denominated in Foreign Currency were revalued using the Exchange Rate as at 31.12.2004. Exchange differences were accounted for in the company's current year's Profit and Loss. More specifically: Debit exchange differences amounted to € 270.032,43 and credit exchange differences amounted to € 210.771,04 €.

c) Article 43 par. 2: Variance from the methods and basic principles of valuation. Use of special valuation methods.

None.

d) Article 43 par. 7-b: Change in the method used for calculating the cost value or production cost of stocks and securities.

None.

e) Article 43 par. 7-c: Statement of the difference between the valuation price of stocks and securities and their current market value, if significant.

The negative revaluation of securities as at 31.12.2004 amounted to € -469.974,49. The analysis is as follows:

	Acquisition Cost	Revaluation	Positive/Negative Revaluation
Listed shares in the Athens Stock Exchange	45.831.277,83	45.627.818,38	-203.459,45
Non listed shares in the Athens Stock Exchange	2.905,00	1,00	-2.904,00
Shares listed shares in foreign Stock Exchange Markets	11.123.895,88	10.738.445,74	-385.450,14
Greek Mutual funds	1.335.674,01	1.396.895,22	61.221,21
Greek Bonds	3.789.375,79	3.849.993,68	60.617,89
	62.083.128,51	**61.613.154,03**	**-469.974,49**

Was the revaluation calculated by using the y/e December 2004 listed prices (instead of the average December 2004 listed prices) did the positive revaluation amount to € 640.952,47, and the portfolio and the shareholders equity would be presented increased by € 1.110.926,96 (640.952,47 + 469.974,49).

f) Article 43 par. 9: Analysis and explanation of the revaluation of fixed assets, in accordance with a special law, and presentation of the "revaluation reserve" account.

No such case.

Παρ. 3. Fixed assets and formation expenses

a) Article 42e par. 8: Changes in fixed assets and formation expenses (amortization).

Table of changes in fixed assets and formation expenses 2004

Accounting No	Acquisition cost as at 31/12/03	Increases in 2004	Acquisition cost as at 31/12/04	Cumulative Depreciations & Amortisations up to 31.12. 2003	Depreciations of year 2004	Net book value 31/12/04
14	85.807,89		85.807,89	80.131,85	4.152,55	1.523,49
16	2.301.515,15	49.500,00	2.351.015,15	1.924.032,81	385.298,77	41.683,57
Total	**2.387.323,04**	**49.500,00**	**2.436.823,04**	**2.004.164,66**	**389.451,32**	**43.207,06**

b) Article 43 par. 5-d: Analysis of additional depreciation.

There was no additional depreciation.

c) Article 43 par. 5-e: Provision for devaluation of fixed tangible assets.

None.

d) Article 43 par. 3-e: Analysis and explanation of the amounts under formation expenses (amortization) relating to the fiscal year.

Legal services amounted to 49.500,00 euro.

e) Article 43 par. 3-c: The amounts and accounting procedure for foreign exchange differences which occurred during this year on payment (installments) and/or valuation of loans or prepayments, used exclusively for the purchase of fixed assets.

There are no such loans.

f) Article 43 par. 4 a and b: Analysis and explanation of items "research and development expenses", "concessions and royalties" and "goodwill".

No such items.

Par. 4. Investments

a) Article 43a par. 1-b: Participating interest in the capital of other companies in excess of 10%.

None.

b) Article 43a par. 1-b that was amended due to article 3, P.D 326/1994: In cases were an AE (or LTD or EE shares) have a participation interest in other companies (for example in OE), where the AE (or LTD or EE shares) has unlimited liability.

No such case.

c) Article 43a par. 1-o: Preparation of consolidated financial statements including the company's own financial statements.

No such case.

Par. 5. Stocks

a) Article 43a par. 1-k: Valuation of stocks in derogation to the valuation rules of article 43 for tax relief purposes.

None.

b) Article 43a par. 1-j: Differences arising from the revaluation of current assets and reasons for such differences.

None.

Par. 6. Share Capital

a) Article 43a par. 1-d: Classes of shares making up the share capital.

85.050.000 common ordinary shares of nominal value 1,46 euro each.

b) Article 43a par. 1-c: New shares issued in the year to increase share capital.

Not issued.

c) Article 43a par. 1-e and 42e par. 10: New share certificates and incorporated rights.

Not issued.

d) Article 43a par. 1-p: Purchase of own shares in this year.

No purchase.

Par. 7. Provisions and liabilities.

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

Provision for staff idemnity amounting to € 10.283,28 according to article 42 of Law 2190/1920.

b) Article 43a par. 1-g: Financial commitments arising from agreements etc. which are not disclosed in memo accounts. Payment of special monthly allowances and financial commitments in respect of affiliated companies..

Not existed.

c) Article 43a par. 1-l: Significant tax amounts which may be due, tax amounts that may be charged to this or previous years, if they have not already been disclosed in liabilities or provisions.

Not existed. The company has been audited by the tax authorities up to the financial year 1998.

d) Article 43a par. 1-f: Long term liabilities in excess of five years covered by liens.

Not existed.

e) Article 43a par. 1-f: Liabilities covered by liens.

Not existed.

Par. 8. Prepayments, accruals and deferred income (Transit Debit Accounts)

a) Article 42e par. 12: Analysis of accounts "deferred expenses", "earned income", "accrued expenses" and "Revaluation on options".

The account "earned income" has a total amount of € 2.421,72 and concerns accrued interest as at 31.12.2004. The account "accrued expenses" includes provision for Hellenic Capital Market Committee's fees for the second semester € 2.404,11, custodian fees for December 2.137,76 and telecommunication expenses € 641,00. The account "deferred expenses" with a total balance of € 320,67 relates to a subscription in a newspaper for the year 2005.

Par. 9. Memo Accounts

Article 42e par. 11: Analysis of memo accounts not included in information presented in par. 10 below.

α) Reciprocal agreements

Contracts on Futures	15.718.346,25
Contracts on options	79.868,75
Total	**15.798.215,00**

Par. 10. Guarantees and liens

Article 42e par. 9: Guarantees and liens issued by the company.

Not existed.

Par. 11. Fees, advances and loans to management.

a) Article 43a par. 1-m: Fees to company's executives and directors.

Mr Sotiris Margaritis received an annual salary amounting to € 70.208,30 as a consideration for his services as the company's General Management.

b) Article 43a par. 1-m: Liabilities arising or contracted in relation to allowances to company executives and directors who left during the year.

None.

d) Article 43a par. 1-n: Prepayments and loans to directors (members of the board of directors and trustees) and other accounts to be paid.

None.

Par. 12. Profit and Loss Account

a) Article 43a par. 1-h: Turnover per category of activity and geographical areas.

The portfolio management gross income is analyzed as follows:

Portfolio income	1.248.605,07
Profit on securities transactions (buy-sell)	8.457.291,22
Total	**9.705.896,29**

b) Article 43a par. 1-i: Average staff employed during the year and staff categories with total cost.

It is noted that "administrative staff" includes staff who receive a monthly salary and "workers" are the wage-earners.

Number of staff 3

Salaries	54.743,55
Social security and allowances	23.417,52
Total	**78.161,07**

c) Article 42e par. 15-b: Analysis of extraordinary and non operating expenses and income (namely the accounts "extraordinary and non operating income" and "extraordinary and non operating expenses").If balances in the accounts "extraordinary losses" and "extraordinary profit" are significant, in accordance with the stipulation of article 43a 1-m, there is an analysis of them (based on the accounts 81.02 and 81.03 provided by the Greek Chart of Accounts).

1. Extraordinary and non operating income account

Exchange differences (credit)	210.771,04
Miscellaneous	26,57
	210.797,61

2. Extraordinary and non operating expenses

Exchange differences (debit)	270.032,43
Miscellaneous	5,31
	270.037,74

d) Article 42e par. 15-b: Analysis of accounts "prior years' income", "income from prior years' provisions" and "prior years' expenses".

Not existed.

e) Article 43e par. 1-q: Any other information required by special provisions of the law applicable.

Not existed.

e) Article 43a par. 1-q: Any other information required by special provisions of the law applicable or that is considered necessary in order to present a more complete picture about the company's financial structure to shareholders and third parties.

Not existed.

Athens, 18 January 2005

THE PRESIDENT OF THE BOARD OF DIRECTORS	THE VICE PRESIDENT OF THE BOARD OF DIRECTORS AND MANAGING DIRECTOR	THE HEAD OF THE ACCOUNTING SERVICES DEPARTMENT
PARASKEVAS TH. TSOUKALAS	SOTIRIS I. MARGARITIS	MELETIOS P. BABEKOS

It is certified that the above notes to the accounts which consist of 7 pages is the one mentioned in the auditor's opinion which I issued on 20/01/2005.

Athens, 20.01.2005
Ioannis Karalis
Chartered Accountant

BOARD OF DIRECTORS' MANAGEMENT REPORT TO THE GENERAL ASSEMBLY OF SHAREHOLDERS

(13TH ACCOUNTING PERIOD 1/1/2004 - 31/12/2004)

In the thirteen accounting period, EXELIXI realized profits from portfolio management of € 9.705.896,29, against profits of €6.776.007,12 in 2003, the structure of which is stated beneath:

	2004	2003	Change
Profits from trading securities	8.457.291,22	5.324.410,40	58,83%
Dividends	948.018,43	1.044.010,56	-9,19%
Interest income	300.586,64	397.586,16	-24,40
Total	**9.705.896,29**	**6.766.007,12**	43,45%

As it seems, the important increase of the company gross income is due to the proper strategy and prudent tactic followed by the company, and the increased income deriving from the profits from trading securities.

The portfolio management expenses came up to € 3.189.094,57, noting an increase of 28,46% against 2003, due to the enhanced management that is a perquisite for the sensitive financial environment, the increase of the assets of the company and furthermore due to the performance fee that the company received.

For 2004, management reduced administration expenses of € 675.756,54 by 4 %.

Earnings before tax of EXELIXI amounted to € 5.780.640, 31 against losses of € 3.376.471, 00 in 2002.

According to the revaluation of portfolio expenses on 31.12.2004, there was a surplus of € 469.974,49, which offset "Losses from Portfolio revaluation".

The profit distribution table 2004 is formed as follows:

Net period earnings	5.780.640,31
Prior periods' result	-7.993.445,82
	-2.212.805,51
Plus: Other taxes not incorporated in the Operating Cost	-331.304,55
Retained Losses	**-2.544.110,06**

Due to prior period losses that overbalance the accounting period profits of 2004, no dividend is due for distribution.

As far as the other balance sheet items are concerned, company investments in securities on the 31.12.2004, were as follows:

Listed company shares	45.627.818,38
Shares of listed companies in foreign stock exchanges	10.738.445,74
Non-listed shares	1,00
Greek Government Bonds	3.942.603,14
Shares of domestic mutual funds	1.396.895,22
Dividend coupons receivable	5.833,04
Total Investments	***61.711.596,52***

SHARE TREND

The internal value of the share as at the 31.12.2004 was formed with current prices at €0,92 while the stock-exchange price was at €0,81. The lower price for the year on 22/03/2004 was formed at € 0,66, while the higher price of the accounting period was formed at €0,85 on 02/02/2004.

BALANCE SHEET ACCOUNTS ANALYSES

ASSETS

The total Assets of the Company came up to € 77.522.630, 86.

Installation expenses
The set up expenses primarily amounted to € 2.351.015, after removing the depreciation of the current year (€2.309.331,58), amounted to € 41.683,57.

Fixed Assets
Fixed assets (Buildings & Building Installations and Furniture & Fittings) of €85.807,89, after the removal of € 84.284,40 depreciation in the closing accounting period, came up to € 1.523,49.

Miscellaneous Shareholders
€ 160.340,66 relates to debit balance of debtors and creditors.

Investments in Securities
Investments on shares listed in the Athens Stock Exchange came up to €45.627.818,38.

An amount of € 1,00 is invested in non listed shares.
An amount of €10.738.445,74 is invested in shares listed in foreign Stock Exchanges.
An amount of € 3.942.603,14 is invested in Greek Government Bonds.
An amount of € 1.396.895,22 is invested in domestic Mutual Fund Shares.
An amount of € 5.833,04 relates to dividend coupons receivable.
The total Investment in Securities came up to €61.711.596,52.

Cash Items
Cash items came up to € 14.409.430,83, out of which € 95.116,37 relates to sight and time deposits, and €14.309.843,38 in foreign currency and an amount of € 4.471,08 in cash.

Transit accounts
Deferred expenses of € 320,67 are related with a contribution to Press. Accrued revenues receivable of €2.421,72 relate to accrued taxes.

LIABILITIES

Share Capital
The share capital of the company is €124.173.000,00, divided in €85.050.000 common nominal shares of €1,46 each.

Premium on capital stock
€ 69.332,36 derived from the company's share capital increase in 1992 (157.500 shares X 150 drch.).

Losses from portfolio revaluation
The amount of € 44.175.591,44 derived from the total of negative revaluations of the 2000, 2001, 2002 and 2004 less the evaluation surplus of 2003.

Retained Earnings
The amount of € 2.544.110,06 is retained losses.

Provisions for contingencies and expenses
The amount of € 10.238,28 comprises of the 40% of the provision for employee compensation due to employment termination according to L.2190/1920.

Dividends Payable
Represents an amount of € 36.958,77, relating to prior period dividends.

More information over the size of the Financial Statement is stated in the Notes.

THE CHAIRMAN OF THE BOARD.

PARASKEVAS TH. TSOUKALAS

We confirm that the Directors' Report above,
consists of four (4) pages and is stated
in the Auditor's Certificate, granted on
20.01.2005

ATHENS 20.01.2005
The Chartered Auditor

Ioannis Karalis

CASH FLOW STATEMENT
of EXELIXI A.E.E.X.
for the accounting period ending on 31/12/2004
S.A´ s R.N 24749/06/B/91/48

A/A		Analysis	2004 EURO	2003 EURO
A		**Cash flows from ordinary operating activities**		
A	100	***Cash inflows***		
	101	Sales		
	102	Other operating income		18,453.40
	103	Extraordinary income	210,797.61	386,876.98
	104	Prior years' income		
	105	Interest received (deposits e.t.c)	318,564.57	372,878.10
	106	Income from securities	631,768.67	1,032,875.08
	107	Tradable securities sales	171,776,373.10	115,839,640.86
	108	Reduction of receivables	2,933,926.46	2,572,560.82
		Less		
	109	Purchase of tradeable securities	169,182,262.38	121,651,283.27
	110	Increase of receivables		
		Total cash inflows (A 100)	**6,689,168.03**	**-1,427,998.03**
A	200	***Cash outflows***		
	201	Production expenses (portfolio management expenses)	3,189,094.57	2,482,478.61
	202	General administrative expenses	282,826.24	265,702.07
	203	R & D expenses		
	204	Distribution costs		
	205	Underemployment / inaction employee expenses		
	206	Other expenses	270,037.74	568,855.73
	207	Increase of inventories		
	208	Increase of prepayments and accrued income	1,320.37	
	209	Reduction of accruals and deferred income		
	210	Reduction of short – term liabilities (except for banks)	351,697.93	
		Less		
	211	Decrease of inventories		
	212	Decrease of prepayments and accrued income		624.81
	213	Increase of accruals and deferred income	1,395.23	1,122.93
	214	Increase of short – term liabilities (except for banks)		600,434.91
		Total cash outflows (A200)	**4,093,581.62**	**2,714,853.76**
A	300	***Cash outflows from taxes***		
	301	Income taxes		
	302	Not included in operation taxes	331,304.55	344,214.49
	303	Tax Audit differences		
	304	Reduction of liabilities from taxes		8,463.88
		Less		
	305	Increase of liabilities from taxes	11,738.05	
		Total cash outflows from taxes (A300)	**319,566.50**	**352,678.37**
		Cash flows from ordinary operating activities (A 100 - A 200 - A 300) = A	**2,276,019.91**	**-4,495,530.16**
B		**Cash Flows from investing activities**		
B	100	***Cash inflows***		
	101	Sales of intangible assets		
	102	Sales of tangible assets		366.84
	103	Sale of titles & participations		
	104	Decrease of long term receivables		9,684.52
	105	Income from titles & participations		
	106	Interest collected (long - term e.t.c receivables)		
		Total cash inflows (B100)	**0.00**	**10,051.36**
B	200	***Cash outflows***		
	201	Purchases of intangible assets		
	202	Purchases of tangible assets		
	203	Purchase of titles & participations		
	204	Increase of long term receivables		
	205	Increase of formation expenses	49,500.00	
		Total cash outflows (B200)	**49,500.00**	**0.00**
		Cash flows from investing activities (B 100 - B 200) = B	**-49,500.00**	**10,051.36**
Γ		**Cash flows from financing activities**		
Γ	100	***Cash inflows***		
	101	Receipt of increase of share capital and share premium		
	102	Receipt of grants for assets		
	103	Increase of long - term liabilities		
	104	Increase of short - term liabilities (bank accounts)		
		Total cash inflows (Γ100)		
Γ	200	***Cash outflows***		
	201	Reduction of share capital		
	202	Repayment of grants for assets		
	203	Decrease of long - term liabilities		
	204	Decrease of short - term liabilities (bank accounts)		
	205	Interest paid	1,155.74	7,680.31
	206	Dividends paid	535.58	3,517.83
	207	Distribution of earnings to the employees		
	208	Board of directors´ fees from the earnings of the period		
		Total cash outflows (Γ200)	**1,691.32**	**11,198.14**
		Cash flows from financing activities (Γ 100 - Γ 200) = Γ	**-1,691.32**	**-11,198.14**
		Cash flows (A+B+Γ)	**2,224,828.59**	**-4,496,676.94**
		Plus: Opening cash items	12,184,602.24	16,681,279.18
		CLOSING CASH ITEMS	**14,409,430.83**	**12,184,602.24**

Athens, 18 January 2005

THE PRESIDENT OF THE BOARD | **THE GENERAL DIRECTOR AND VICE PRESIDENT OF THE BOARI** | **THE HEAD OF THE ACCOUNTING DEPARTMEN**

PARASKEVAS TH. TSOUKALAS
ID NUM. E 178955

SOTIRIOS I. MARGARITIS
ID NUM. A 702262

MELETIOS P. MPEMPEKO
ID NUM. Σ 12987

AUDITOR´S REPORT

We reviewed the Cash Flow Statement Above of EXELIXI S.A.
for the accounting period 2004 and is that stated in the auditor´s certificate dated on 20/01/2005
for the Financial Statements of this accounting period.
In our opinion the aforementioned Cash Flow Statement presents a true and fair view of the Cash Inflows
and outflows for the company´s current accounting period activities.

Athens 20 January 2005
The Chartered Accountant

IOANNIS T. KARALIS
REG. No SOEL 10801

SOL S.A.

EXELIXI CLOSED END FUND S.A.

BALANCE SHEET AS AT 31st DECEMBER 2003 - 12th ACCOUNTING PERIOD(1st January- 31st December 200

REGISTER NUMBER OF REGISTRY OF SOCIETES ANONYMES (M.A.E.): 24749/06/B/91/48, LICENCE NUMBER 58544/B.734/7.8.91- AMOUNTS I€

ASSETS	2004 BOOK VALUE	2004 ACCUMULATED DEPRECIATION	2004 NET BOOK VALUE	2003 BOOK VALUE	2003 ACCUMULATED DEPRECIATION	2003 NET BOOK VALUE
B. SET-UP EXPENSES						
1. Formation and set-up expenses	1,301,443.28	1,301,443.21	0.07	1,301,443.28	1,091,024.35	210,418.93
4a. Other set-up expenses	1,049,571.87	1,007,888.37	41,683.50	1,000,071.87	833,008.46	167,063.41
TOTAL SET-UP EXPENSES	2,351,015.15	2,309,331.58	41,683.57	2,301,515.15	1,924,032.81	377,482.34
C. FIXED ASSETS						
II. Property, plant and equipment						
6. Machinery & other mechanical equipment	85,807.89	84,284.40	1,523.49	85,807.89	80,131.85	5,676.04
Total tangible assets	85,807.89	84,284.40	1,523.49	85,807.89	80,131.85	5,676.04
TOTAL FIXED ASSETS			1,523.49			5,676.04
D. CURRENT ASSETS						
II. Receivables						
8. Blocked Deposits			1,860,884.08			4,954,802.42
11. Miscellaneous debtors			160,340.66			348.78
			2,021,224.74			4,955,151.20
III. Investments in securities						
1. Shares listed in the Athens Stock Exchange			45,627,818.38			37,085,004.51
1b. Shares listed in Foreign Stock Exchanges			10,738,445.74			8,491,185.93
2. Greek Government Bonds			3,942,603.14			9,102,762.36
3. Shares not listed in the Athens Stock Exchange			1.00			2,905.00
4. Shares from domestic mutual funds			1,396,895.22			1,335,674.01
7a. Dividend Coupons Receivable			5,833.04			2,586.87
Total Investment in Securities			61,711,596.52			56,020,118.68
IV. Cash items						
1. Cash on hand			4,471.08			212.93
3. Sight and time deposits			95,116.37			84,276.89
3a. Sight and time deposits in Foreign Currency			14,309,843.38			12,100,112.42
Total cash on hand and in banks			14,409,430.83			12,184,602.24
TOTAL CURRENT ASSETS (DII+DIII+DIV)			78,142,252.09			73,159,872.12
E. DEBIT TRANSIT ACCOUNTS						
1. Deferred expenses			320.67			25.01
2. Accrued revenues			2,421.72			1,397.01
TOTAL TRANSIT ACCOUNTS			2,742.39			1,422.02
TOTAL ASSETS (B+C+D+E)			78,188,201.54			73,544,452.52
DEBIT MEMO ACCOUNTS						
3. Claims from reciprocal agreements			15,798,215.00			11,688,060.41
			15,798,215.00			11,688,060.41

LIABILITIES AND SHAREHOLDERS´ EQUITY	2004	2003
SHAREHOLDERS' EQUITY		
I. Share Capital		
(85.050.000 common shares € 1,46).		
1. Paid-up	124,173,000.00	124,173,000.00
II. Difference above par value	69,332.36	69,332.36
IV. Reserves		
3. Losses from portfolio evaluation N.2992/2002 to be offset	-44,175,591.44	-43,705,616.95
V. Retained earnings		
Retained Losses	-2,544,110.06	-2,544,110.06
TOTAL EQUITY (AI+AII+AIV+AV)	77,522,630.86	77,992,605.35
B. PROVISION FOR RISK AND EXPENSES		
1. Provision for employees compensation	10,283.28	6,795.30
C. LIABILITIES		
II. Short term liabilities		
1. Suppliers	452,758.80	115,613.82
5. Taxes and duties payable	152,372.18	140,634.13
6. Insurance & pension fund withholding accounts	4,515.70	3,904.12
10. Dividends Payable	36,958.77	37,494.35
11. Miscellaneous Creditors	3,499.08	692,953.57
TOTAL LIABILITIES (CII)	650,104.53	990,599.99
D. CREDIT TRANSIT ACCOUNTS		
2. Accrued expenses	5,182.87	3,787.64
TOTAL LIABILITIES AND SHAREHOLDERS´ EQUITY (A+B+C+D)	78,188,201.54	78,993,788.28
CREDIT MEMO ACCOUNTS		
3. Obligations from reciprocal agreements	15,798,215.00	11,688,060.41
	15,798,215.00	11,688,060.41

Notes

1) In 2003 the Share Capital was impaired by € 625.239,18 with losses settlement, for the share's nominal value rounding due to its adjustment in €.

2) The deriving evaluation surplus on 31/12/2003 of € 3.190.941,98 offset a portion of "Losses from portfolio evaluationN.2992/2002".

3) The internal value of the share with an avarage price in December 2003 was 0,84 euro, while with closing prices on 31.12.2003 was 0,85 cent.

4) On 31.12.2003 the company employed four (4) people.

5) The Company carried in item E3 "Differences from securities' evaluation" of € 25.926.765,36 according to N.2992/2002 in AIV3 "Losses from portfolio evaluation L.2992/2002".

PROFIT AND LOSS ACCOUNT AS AT 31st DECEMBER (01/01-31/12/04)

	2004	2004 €	2003	2003 €
I. OPERATING RESULTS				
Portfolio income		1,248,605.07		1,441,596.72
Profit from trading securities		8,457,291.22		5,324,410.40
		9,705,896.29		6,766,007.12
Less: Production expenses (Portfolio management commisions)				
a. Management & Custody Fees	1,741,504.04		1,225,858.49	
b. Trading Securities Commissions	719,458.79		839,641.27	
c. Tax & Sundry Expenses- Athens Stock Exchange Expenses	728,131.74	3,189,094.57	416,978.85	2,482,478.61
Gross Operating profit		6,516,801.72		4,283,528.51
Other Income		-		18,453.40
		6,516,801.72		4,301,981.91
Less: 1. Administration Expenses		675,765.54		704,005.05
Operating income		5,841,036.18		3,597,976.86
3. Debit interest and bank expenses		1,155.74		7680.31
Total results (profits-losses) from portfolio management		5,839,880.44		3,590,296.55
EXTRAORDINARY RESULTS				
Plus: Extraordinary & Non-operating Income	210,797.61		386,876.98	
Less: Extraordinary & Non-Operating Expenses	270,037.74	-59,240.13	-600,702.53	-213,825.55
		5,780,640.31		3,376,471.00
Less: Depreciation and Amortization	389,451.32		433,268.50	
Less: Those included in operating cost	389,451.32		433,268.50	
Earnings before tax		5,780,640.31		3,376,471.00

PROFITS APPROPRIATION TABLE

		2004		2003
Accounting period net profit		5,780,640.31		3,376,471.00
Previous periods' losses		-7,993,445.82		-11,025,702.33
Profit from security evaluation N.2992/ 2002 of 2003				
Protfolio evaluation losses from previous periods	-		3,190,941.98	
to be offset	-	-	-3,190,941.98	-
		-2,212,805.51		-7,649,231.33
Plus: 2. Other taxes not included in the operating cost		-331,304.55		-344,214.49
Retained Losses		-2,544,110.06		-7,993,445.82

Athens 18th January 2005

The President of the BoD	The Vice President of the BoD	The Chief of the Financial Department
Paraskevas Tsoukalas	Sotirios I. Margaritis	Meletios Babekos
ID NUM. E 178955	I.D. NUM. L 702262	I.D. NUM. S 129874

AUDITOR'S CERTIFICATE

To the Shareholders of the Societe Anonyme "EXELIXI CLOSED END FUND S.A."

We audited the Financial Statements above, as well the relative Notes and the Cash Flows Statement of "EXELIXI CLOSED END FUND S.A." of the accounting period closing on the 31st December 2003. Our audit took place according to the clauses of article 37 of C.L: 2190/1920 "concerning Societe Anonymes", of L. 1969/1991 "concerning Portfolio Investing Companies" and the audit procedures we concidered appropriate, based on the principles and the audit rules followed by the Greek Institute of Chartered Auditors - Accountants that base on the basic principles of International Audit Standards. The company provided us the books and records, as well as the necessary information and explanations we required. The company applied properly the Greek Charter of Accounts. The inventory method was not modified in relation to the previous accounting period apart from remark No 1. We verified the content of the Managment Report to the General Assembly of Shareholders, with the relevant Financial Statement. The Notes include the information prescribed by par. 1 of clause 43a of C.L: 2190/1920, while the Cash Flow Statement has been prepared based on the financial statments and the books and records kept by the company.

From the audit above, the following came up: 1). The Company, by complying to L.2992/2002 it evaluated its portfolio at the current price 31/12 while in the previous year at December's average price. If it evaluated as in the previous accounting period, the evaluation surplus would be lower by€ 840.000,00.

2).The company has not had a tax review for 1999 up to 2004 included, and therefore its tax obligations for these periods have not been settled.

In our opinion, the Financial Statements above, that derive from the books and records of the company, together with the Notes and the Cash Flow Statement, after the company notes above are considered, present a true and fair view of the asset structure and financial position of the company on the 31st December of 2004, as well as the results of operations of the accounting period closing on that date, as well as the Cash Flows from the company operations for that accounting period, based on the relative clauses and generally accepted accounting principles
effect, that do not vary from the ones used in the previous accounting period.

ATHENS, 20 JANUARY 2005

THE CHARTERED ACCOUNTANT

STERGIOS V. PAPPAS

G.I.A.A R.I. 16701

SOL S.A.

EXELIXI Closed End Fund S.A.

Financial Statements on the Accounting Period from 1st April to 29th December 2005, prepared for the merger with "PROTON INVESTMENT BANK S.A."

S.A. 's REGISTRATION NUMBER 24749/06/B/91/48 - MAIN OFFICE: ATHENS, 24 KANARI, 10674

BALANCE SHEET

as at 29th December 2005

(Amounts in €)	**29/12/2005**
ASSETS	
Property, plant & equipment	1,770.39
Total fixed assets	**1,770.39**
Other receivables	63,293.00
Short term investments	47,048,885.62
Cash items	45,477,949.54
Total current assets	**92,590,128.16**
Total assets	**92,591,898.55**
LIABILITIES	
Other long-term liabilities	10,283.28
Total long-term liabilities	**10,283.28**
Suppliers due	3,086.53
Taxes and other charges due	80,230.91
Other current liabilities	137,437.16
Total short-term liabilities	**220,754.60**
Share Capital	124,173,000.00
Paid-in capital from sale of stock above par value	69,332.36
Accumulated Losses	-31,881,471.69
Total Equity	**92,360,860.67**
TOTAL LIABILITIES	**92,591,898.55**
	0.00

INCOME STATEMENT

of the period between 1st April 2005 until 29 Deember 2005

(Amounts in €)	**01/04-29/12/2005**
Gross income from portfolio management	14,107,676.28
Less: Portfolio Management expenses	-1,840,555.18
Gross Income	**12,267,121.10**
Administrative expenses	-475,069.60
Profit before taxes	**11,792,051.50**
Income tax	-33,870.92
Earnings after tax	**11,758,180.58**
Earnings after tax per share	0.14

ADDITTIONAL INFORMATION

Notes:

1. The company has had a tax review up until 2004.
2. The company has no pledged assets.
3. There are no sub-judice or arbitrary cases that may have a significant effect on the operation of the company.
4. The number of staff employed on 29/12/05 is 3.
5. On 30-12-2005 the merging of the company with "PROTON Investment Bank S.A.", "EURODYNAMICS CLOSED-END FUNDS S.A." and "ARROW CLOSED-END FUNDS S.A." - Decision K2-16707/30-12-2005 of the Ministry of Development- was fulfilled. The merging was realized by acquisiting "EURODYNAMICS CLOSED-END FUNDS S.A.", "ARROW CLOSED-END FUNDS." and "EXELIXI CLOSED-END FUNDS" from PROTON Investing Bank S.A., according to the clauses of articles 68 par.1, 69 of C.L: 2190/1920, of L: 2166/1993, of L: 2992/2002 and article 16 of L. 2515/1997 .
6. No income tax provision has been formed, because the final accounting period result shall be determined in the financial statements of the acquiring company "PROTON Investment Bank S.A."

Athens, 12 January 2006

THE CHAIRMAN OF THE BOARD	THE VICE PRESIDENT OF THE BOARD AND MANAGING DIRECTOR	THE CHIEF FINANCIAL OFFICER
PARASKEVAS TH. TSOUKALAS ID NUM. E178955	SOTIRIOS I. MARGARITIS ID NUM. Λ702262	MELETIOS P. MPEMPEKOS ID NUM. Σ129874

AUDITOR'S REPORT

To the Board of Directors "EXELIXI PORTFOLIO INVESTMENTS S.A."

We audited the special financial statements of "EXELIXI PORTFOLIO INVESTMENTS S.A.", concerning the period from 1 April to 29 December 2005. The responsibility for the preparation of the financial statements lays with the Company's Management. Our responsibilty is restricted to the formation of an opinion over the financial statements, based on the audit conducted. Our audit was conducted according to the Greek Accounting Standards that are in line with International Audit Standards. These Standards require the planning and execution of the audit work in a way ascertaining that the financial statements are free of substantial inaccuracies and omissions. The audit includes the assessment- on a sample basis- of evidence that will support the amounts and information included in the financial statements. The audit also includes the evaluation of accounting principles followed, of the Management estimations, and more generally, of the presentation of the information in the financial statements. We believe that the audit conducted provides a sufficient basis for the formation of our report. In our opinion, the financial statements that were prepared for the acquisition of the company from "PROTON Investing Bank S.A." due to its merging, as noted in detail in the financial statements of the company, present a true and fair view of the financial state of the company as at 29 December 2005 and the results of its operations, as well as the owners' equity changes and the information for the cash flows of the company for 1st April until 29 December 2005, according to the International Accounting Standards that have been adopted by the European Union. Without any reservation concerning the audit conclusion, we note - regarding the pending tax liabilities of 1/1-31/3/2005 (which has not been reviewed)- that in our opinion, due to the special tax regime, the amount of tax paid will not be a significant amount, and as for this, no provision has been made, neither for the preapproved (by the General Assembly of the Shareholders on 12th May 2005) remuneration for the members of the Board of € 150.000,00, which are under the approval of the following General Assembly.

Athens, 12 January 2006
THE CHARTERED ACCOUNTANT

IOANNIS T. KARALIS
R.N. 10801
S.O.L S.A.

EXELIXI CLOSED END FUND S.A.

No. of Registrty of Societes Anonymes 24749/06/B/91/48

License no. from the Hellenic Capital Commission Market 58544/B734/7.8.91

Notes to the financial Statements

of the period

from 01 April 2005 to 29 December 2005

1. General information

EXELIXI Closed End- Fund S.A. (henceforth mentioned the "company") has its head offices in Athens at 24 Kanari street. The company was established in September 1991 and was listed in the ASE (Athens Stock Exchange) in May 1992. It is subject to the provisions of law 3371/2005 "regarding portfolio investment companies" and law 2190/1920 "regarding societes anonyme".

Those financial statements have been prepared in accordance with International Financial Reporting Standards adopted by the European Union.

- There are no litigious or under arbitration claims of the company nor any court decisions which might have a significant impact on the financial situation or operation of the Company.

2. Financial tools (items)

The company's basic financial tools are cash, bank deposits, short term investments, short term receivables and payables. Given the short term nature of those tools, the company's management believes that their fair value is the same as the one disclosed in the company's accounting records including the Portfolio (short term investments), regarding which the management states that "it is held for commercial reasons". In that case the initial recognition is at fair value without being charged with expenses for carrying out the transaction, and then it is also evaluated at fair value through the income statement according to IFRS 39.

- There are no pledges on the fixed assets.

3. Transactions in foreign currency

Transactions in foreign currency are converted to euro at the fixing exchange rate on the Rates Reporting List of the European Central Bank as at the date of the transaction. On the date of reporting on the financial statement, monetary asset items (portfolio and sight deposits in foreign currency) in foreign currency are converted to euro at the exchange rate applicable as at that date. Exchange differences arising from the conversion are recorded in the income statement.

4. Fixed assets

4.1 Accounting principles followed

a) Fixed assets are disclosed in the financial statements at their cost value (prior to 1 January 2004 – date of the first-time adoption of IFRS). Those values are disclosed reduced by depreciation imposed by the law.

- The company does not own any immovable property.

b) Regarding intangible assets which had been capitalized in the past and were being amortized in parts in accordance with the Greek law, as at 31.12.2004 it was necessary to amortize immediately their unamortized balance in accordance with IFRS charging net equity by an equal amount.

4.2 Analysis of tangible fixed assets

Tangible assets as at 29 December 2005 were as follows:

TANGIBLE ASSETS INDEX 29.12.2005									
	Acquirement Value			Total Acquirement Value	Accumulated Depreciation			Total Depreciation	Remaining Balance
	Balance	Increases (acquirements)	Decreases		Balance	Depreciation	Decreases		
TANGIBLE	**31.03.05**	**01.04-29.12.05**	**01.04-29.12.05**	**29.12.05**	**31.03.05**	**01.04-29.12.05**	**01.04-29.12.05**	**29.12.05**	**29.12.05**
ASSETS	**€**	**€**	**€**	**€**	**€**	**€**	**€**	**€**	**€**
Furniture & other assets	88.144,29	0	0	88.144,29	85.210,88	1.163,02	0	86.373,90	1.770,39
TOTAL	**88.144,29**	**0**	**0**	**88.144,29**	**85.210,88**	**1.163,02**	**0**	**86.373,90**	**1.770,39**

- There are no encumbrances on the fixed assets of the company.

5. Other receivables

5.1 Accounting principles followed

Receivables are disclosed at their accounting balances because it is not necessary to prepay them at current value due to their short term nature.

5.2 Analysis of account "Other receivables"

The account "other receivables" as at 29.12.2005 is broken down as follows:

Tax Advances	62.433,28
Other Claims	859,72
Total	**63.293,00**

6. Short term investments

6.1 Accounting principles followed

The account "short term investments" includes the portfolio of the company, for which the management states that "it is held for trading purposes". In that case the initial recognition is a fair value without being charged with the expenses for the transaction, and then it is also evaluated at fair value through the income statement as stipulated by IFRS 39.
Fair values for shares listed on the Athens Stock Exchange are prices published on the date of reporting of the prepared financial statement.

Fair value for the units in mutual funds held by the company are the published prices of the mutual fund management company as at the date of the reporting of the financial statement. Fair value for bonds and shares listed on stock exchanges abroad are considered to be the prices posted electronically on BLOOMBERG as at the date of reporting of the prepared financial statement.

6.2 Analysis of the account "short term investments"

The account "short term investments" as at 29 December 2005 includes the following:

Shares listed on the Athens Stock Exchange	38.659.324,83
Non- listed shares	1,00
Shares listed on foreign Markets	4.664.761,13
Mutual funds	1.456.068,29
Greek Corporate Bonds	886.011,51
Foreign Corporate Bonds	1.352.105,56
Dividends Received from Greek Shares	22.700,00
Dividends Received from Foreign Shares	7.913,30
Total	**47.048.885,62**

7. Cash at bank and in hand

7.1 Accounting principles

Cash at bank and in hand include cash in the company's cash register, cash equivalent, such as sight deposits, short term deposits and sight deposits in foreign currency.

7.2 Cash at bank and in hand

This account as at 29.12.2005 includes the following:

Balances in euro

Sight deposits	43.234.316,18
Deposits on foreign exchange (USD)	2.243.622,46
Deposits on foreign exchange (GBP)	10,90
Total	**45.477.949,54**

Balances (foreign currency)

Deposits of foreign exchange (USD)	245.887, 02
Deposits of foreign exchange (CHF)	338, 81

Sight deposits are evaluated at their fair value which is the initial investment plus accrued interest, exempt from tax, as at the financial statements reporting date.

Deposits in foreign currency (US dollars, English pounds) derive from sale of shares abroad. As at the date of preparation of Financial Statement for the period 01.04-29.12.2005, monetary asset items (sight deposits in foreign currency) in foreign currency, are converted to euro at the exchange rate given by the European Central Bank as at that date. Exchange differences arising from the conversion are recorded in income statement.

8. Share capital and capital above par

The company's share capital amounts to **€124.173.000** divided in **85.050.000** common registered shares at nominal value **€1,46** each. μία. The shares of "EXELIXI Portfolio Investment Company S.A." have been listed on the Athens Stock Exchange since May 1992.

The company's share capital above par derived from the increase in share capital in 1992 (decision of the Extraordinary General Meeting of the shareholders on 14/12/1991) through issuance of shares (157.500 pieces * 0,44 euro) for cash at value higher than their nominal value.

9. Dividends

No dividend was distributed in 2004, because there were losses for the year carried forward so as to be covered by future profits.

10. Rights of employees, number of employees and cost of payroll

10.1 Rights of personnel
The company's liabilities to personnel regarding future benefits based on the time of service have been disclosed based on the Greek law and amount to € **10.283,28.** Further adjustment was not deemed necessary due to the limited number of staff.

10.2 Number of staff and cost of payroll

The number of staff in the company as at 29.12.2005 as well as the cost of payroll for the period 01.04-29.12.2005 were as follows:

Employees	**29.12.2005**
Staff Cost	**3**

	01.04-29.12.2005
Wages	123.080,37
Social Contribution payables	24.225,79
Total Cost	**147.306,16**

11. Suppliers

Their analysis is as follows:

Kallidopoulou Maria	1.367,55
Other suppliers	1.718,98
Total	**3.068,53**

12. Taxes and contributions and tax in accordance with law 3371/2005

12.1 Tax law

In accordance with law 3371/2005, as applicable, the company must pay annual tax at the rate of 0,3% on the average of investments at current values plus cash disclosed in the quarterly tables of portfolio investments. The payment of this tax ends the tax liability of the company and its shareholders with the exception of income tax withheld upon collection of interest from the portfolio investment company in compliance with law 3371/2005.

12.2 Tax 3371/2005

The tax charge of the period was calculated based on the above mentioned tax law. The calculation of deferred tax was not considered necessary due to the particular tax law regarding profit of current period that may be calculated by the tax authorities in future years, because there is no difference between accounting and tax basis. (tax is calculated at current prices).

The profit and loss account includes the following amounts:

- €2.538,00 tax at the rate of 20% on movable values abroad
- €31.332,92 tax at the rate of 25% on movable values abroad

The company has been inspected by the tax authorities up to year 2004.

The Company has not been inspected by the tax authorities for the year 2005, therefore its tax liabilities have not been finalized yet. Due to the special tax laws by which it abides a future tax inspection is not expected to have a significant impact on the company's financial situation. The tax inspection for the years 1999-2004 resulted in tax differences amounting to €1.546,01.

12.3 Amounts due from tax and contributions

This account includes the following:

Tax Liabilities	68.020,70
Social Contributions Paybles	12.210,21
TOTAL	**80.230,91**

13. Other current liabilities

13.1 Accounting principles followed

Current liabilities pertain to dividends payable and fees to members of the board of directors and have been disclosed at their accounting balances because it is not necessary to prepay them at current value due to their short term nature.

13.2 Analysis of account "current liabilities"

This account as at 29.12.2005 includes the following:

Dividends payable	36.958,77
Fees of BoD member, Tsoukalas Paraskevas	66.800,00
Fees of BoD member, Koulinas Stergios	13.360,00
Fees of BoD member, Xatsivasiliou Argiro	6.680,00
Fees of BoD member, Papadatos Stavros	6.680,00
Fees of BoD member, Katsanos Nikolaos	3.340,00
Fees of BoD member, Pliakos Chris	3.340,00
Other current liabilities	278,39
Total of current liabilities	**137.437,16**

14. Gross income

14.1 Proceeds in portfolio

Proceeds in portfolio are recognized and recorded in income statement and include: a) dividends from shares listed on the Athens Stock Exchange and stock exchanges abroad, b) interest on sight deposits of other investments treated as sight deposits, c) income from interest on bonds and other investments treated as bonds.

Income from dividends is recognized as income at the date it is derived.

In particular the account "proceeds in portfolio" as at 29.12.2005 includes the following:

Dividends	849.109,28
Interests on Deposits	465.748,09
Interests on Bonds	53.857,84
Total	**1.368.715,21**

14.2 Results from sale and purchase of securities

Income from sale and purchase of securities (shares, bonds, mutual funds, derivatives etc.) are recognized and reported in income statement as well as the results from the evaluation of securities at the end of each period to which the company's financial statements pertain.

Additionally the account "gross income from portfolio management" includes exchange differences (debit or credit) from transactions or evaluation.

The account "gross income from portfolio management" as at 29.12.2005 includes the following:

Profit from trading with:

Shares listed on the Athens Stock Exchange	13.270.342,67
Shares listed in foreign exchanges	1.621.829,16
Mutual Funds	198.269,36
Corporate Bonds	-22.629,39
Financial derivatives	-2.531.121,98
Foreign Currencies	202.271,25
Total	**12.738.961,07**

14.3 Business Segment Analysis

Business Sector is every distinguishable part of the operational activities of the company that is subject to risks and returns different from the ones in other business sectors.
Geographical Sector is every distinguishable part of the operational activities of the company within a specific economic environment that is subject to risks and returns different from the ones in other economic environments.
Geographical distribution of revenue from investment operations is as follows:

Incomes of Investments	Greece	Europe	Other Counties	United States of America	Total balance of the Company
Dividends	662.930,31	108.718,01	29.657,58	47.803,38	849.109,28
Interests on deposits	465.748,09	-	-	-	465.748,09
Interests on bonds	53.857,84	-	-	-	53.857,84
Profits from shares	13.270.342,67	713.601,41	182.838,29	725.389,46	14.892.171,83
Profits from mutual funds	198.269,36	-	-	-	198.269,36
Loss by corporate bonds	-22.629,39	-	-	-	-22.629,39
Loss by financial derivatives	-1.417.191,99	-1.113.929,99	-	-	-2.531.121,98
Foreign Currencies differences	-	2.576,91	21.827,15	177.867,19	202.271,25
Total	13.211.326,89	-289.033,66	234.323,02	951.060,03	**14.107.676,28**

15. Portfolio management commissions and other expenses

15.1 Portfolio Management Commissions

Portfolio Management expenses included the total of expenses that concern the investment operation of the company in all markets it operates
Expenses are analysed as follows:

Management fee of PROTON Investment Bank S.A.	1.140.849,70
Brokerage & transactions expenses	594.221,91
Commissions & Expenses of derivatives	73.502,22
Deposit expenses	31.981,35
Total	**1.840.555,18**

15.2 Administrative expenses

Their analysis is as follows:

Staff Cost	147.306,16
Third party fees	225.645,08
General expenses	100.955,34
Depreciation	1.163,02
Total	**475.069,60**

16. Events subsequent to the financial statement date

The company's BoD on 31 March 2005 decided to begin procedures for merging the company with the banking company PROTON Investment Bank S.A., along with the companies EURODYNAMIC Closed End Fund S.A. and ARROW Closed End Fund S.A. through the absorption of the portfolio investment societes anonyme ARROW Closed End Fund S.A., EXELIXI Closed End Fund S.A., and EURODYNAMIC Closed End Fund S.A. by the banking company PROTON Investment Bank S.A. according to the stipulations of articles 68 par. 1, 69 of law 2190/1920, law 2166/1993, law 2992/2002 and article 16 of law 2515/1997, with transformation balance sheet date March 31, 2005.

The merger was completed on 29 December 2005.

EXELIXI CLOSED-END FUND S.A.

REPORTING ON THE ACCOUNTING PERIOD AS AT 31st MARCH- PERIOD FROM 1st JANUARY 2005 UNTIL 31st MARCH 2005

S.A. REGISTRATION NUMBER 24749/06/B/91/48 - MAIN OFFICE: ATHENS, KANARI 24, 10674

The items underneath aim to inform the general public of the financial state and results of "EXELIXI CLOSED-END FUNDS S.A.". We therefore suggest to the reader, before he/she proceeds to any sort of investing choice or any other transaction with the company, to visit the site of the company www. exelixiaeex.gr to focus on the interim financial statements prescribed by IAS, as well as the Auditor's Report, when required

Transformation Balance Sheet
Amounts in thousand Euros

	Note	31-March-2005	31-Dec-2005
ASSETS			
Property, plant & equipment	4	3	2
Total fixed assets		3	2
Other receivables	5	4,143	2,021
Short term investments	6	57,542	62,825
Cash items	7	19,278	14,409
Total current assets		80,963	79,255
Total assets		80,966	
LIABILITIES			
Other long-term liabilities	10	10	10
Total long-term liabilities		10	10
Suppliers	11	136	453
Taxes and other charges	12	70	157
Other current liabilities	13	147	45
Total short-term liabilities		353	655
Share Capital	8	124,173	124,173
Paid-in capital from sale of stock above par valı	8	69	69
Accumulated Losses	8	-43,639	-45,650
Total Equity		80,603	78,592
TOTAL LIABILITIES		80,966	79,257

Notes:
1. The company had been tax reviewed until 2004.
2. The company has no pledged assets.
3. There are no sub-judice or arbitrary cases that may have a significant effect on the operation of the company.
4. The number of staff employed on 31.3.05 is 4.
5. There are no transactions with related parties, according to IAS 24.
6. By the 30/3/05 Decision of the Ministry of Development the merging of the company with "PROTON Investment Bank S.A.", was commonly decided with "ARROW CLOSED-END FUND S.A." and "EURODYNAMIC CLOSED-END FUND S.A." by the acquisition of "ARROW CLOSED-END FUNDS S.A., "EXELIXI CLOSED END-FUNDS" AND "EURODYNAMIC CLOSED-END FUNDS S.A." from PROTON Investment Bank S.A., according to the clauses of articles 68 par.1, 69 of C.L: 2190/1920, of L: 2166/1993, of L: 2992/2002 and article 16 of L. 2515/1997 .
7. There are no events that have occured later than the Financial Statement date of 31/3/05 that may concern the company and IAS.

STATEMENT OF CHANGES IN EQUITY
Amounts in thousands Euros

(Amounts in €)	31-March-2005	31-March-2004
Opening equity adjusted for IAS	78,592	72,543
IAS adjustments	0	-377
Opening equity after IAS adjustments	78,592	72,166
Earnings after taxes	2,011	6,080
Closing equity	80,603	78,246

CASH-FLOW STATEMENT
of 1.1.05-31.3.05 (Amounts in €)

Cash-flows from Operating Activities	31-March-2005	31-March-2004
Income from Portfolio Management	41,489	71,069
Payments for Portfolio Management	-34,175	-71,213
Employees remuneration	-37	-27
Tax payments	-173	-118
Other payments	-2,233	-7,315
Total inflows from operating activities	4,871	-7,604
Cash-flows from Investing Activities		
Payments for fixed assets acquisition	-2	0
Total inflows from investing activities	-2	0
Cash flows from Financing activities		
Total inflows for financing activities	0	0
Opening cash	14,409	12,184
Closing cash	19,278	4,580

EQUITY ADJUSTMENT TABLE BASED ON IAS
of 1.1.05-31.3.05 (Amounts in €)

Equity as previously represented	31-Dec-2004	31-Dec-2003
Share Capital	124,173	124,173
Paid-in capital from sale of stock above par value	69	69
Accumulated losses	-46,719	-51,699
Total equity	77,523	72,543
IAS ADJUSTMENTS		
Reversed accumulated set-up expenses	210	1,091
Removal of set-up expenses	0	-1,301
Reversed accumulated depreciation of other set-up expenses	175	833
Removal of other set-up expenses	-50	-1000
Recognition of portfolio valuation surplus	1,111	0
	1,446	-377
Total equity adjustments 31/12/03	-377	
Total equity adjustments 31/12/04		1,069
Equity according to IAS		
Share capital	124,173	124,173
Paid-in capital from sale of stock above par value	69	69
Accumulated losses	-45,650	-52,076
Totall equity	78,592	72,166

INCOME STATEMENT
of the period between 1st January 2005 until 31 March 2005

(Amounts in €)	Note	31-March-2005	31-March-2004
Gross income from portfolio management	14	2802	7,202.00
Less: Portfolio Management expenses	15	-620	-981.00
Gross Income		2,182	6,221.00
Administrative expenses	15	-106	-71.00
Profit before taxes		2,076	6,150.00
Income tax	12	-65	-70.00
Earnings after tax		2,011	6,080.00
		0.02	0.07
Earnings after tax per share			

Athens, 11 April 2005

THE CHAIRMAN OF THE BOARD	ICE PRESIDENT OF THE BOARD AND MANAGING DIRI	THE HEAD OF THE ACCOUNTING DEPARTMENT
PARASKEVAS TH. TSOUKALAS	SOTIRIOS I. MARGARITIS	MELETIOS P. MPEMPEKOS
ID NUM. E178955	ID NUM. Α702262	ID NUM. Σ129874

AUDITOR'S REPORT
For the use of the Shareholders of EXELIXI CLOSED-END FUND S.A.

We audited the attached financial statements of "EXELIXI CLOSED END FUND S.A.", for the accounting period closing on 31st March of 2005. The preparation of the financial statements is the responsibility of Company's Management. Our responsibilty is restricted to the formation of an opinion on the financial statements, based on the audit conducted. Our audit was conducted according to the Greek Auditing Standards that are according to the International Auditing Standards. These Standards require the planning and execution of the audit work in a way ascertaining that the financial statements are free of substantial inaccuracies and omissions. The audit includes the assessment- on a sample basis- of evidence that will support the amounts and information included in the financial statements. The audit also includes the evaluation of accounting principles followed, the Management estimations, and more generally, the presentation of information in the financial statements. We believe that our audit provides a sufficient basis for the formation of our Report. In our opinion, the financial statements prepared for the acquisition from the company "PROTON Invesment Bank S.A." , as stated in detail in the financial statements of the company, present a true and fair view of the financial position of the company as at 31st March 2005 and the results of its operations, as well as the owners' equity changes and the information for the cash flows of the company for the closing accouning period, according to the International Accounting Standards that have been adopted by the European Union. Without any reservation concerning the audit conclusion, we note- regarding note 11.2 included in the Notes of the financial statements as to the pending tax liabilities of 2004- that the tax burdain of the company will not exceed €1.000,00.

Athens, 28.06.2005
The Chartered Accountant
Ioannis T. Karalis

EXELIXI CLOSED END FUND S.A.

No. of Registrty of Societes Anonymes 24749/06/B/91/48

License no. from the Hellenic Capital Commission Market 58544/B734/7.8.91

Notes to the interim financial Statements
1st trimester 2005
(Period staring from 01 January 2005 until 31 March 2005)

(Amounts are stated in thousand Euros)

1.General Information

EXELIXI Closed End Fund S.A. is situated in Kolonaki, Athens on the 24 Kanari St. The company was created in September 1991 and was listed in the ASE(Athens Stock Exchange) in May 1992. It is conditioned by the provision of "1969/1991 Law for Fund Management S.A's" and by 2190/1920 Law for S.A's.

The Intermediate Financial Statements are drawn up according to, the adopted by the E.U., International Accounting Standards (IAS), are the first Financial Statements that are drawn up and published under IAS and amounts are expressed in thousands of Euros.

The Financial Statements of the 31st March 2004 were approved to be published by the Board of Directors on the 11th of April 2005 and will be available on the company's website www.exelixiaeex.gr and will remain there for the public for at least two years as the 3301/2004 Law orders.

- There are no legal claims against the company or any cases under legal arbitration nor any court decision that could have significant impact on the financial status or operation of the company.

2. Financial Tools

The basic financial tools of the company are : cash, bank deposits, short-term investments, andshort term assets and liabilities. Given the short-term nature of these tools, the Managements of the company believes that their fair value is identified with the value in which they're reported in the company's books including the item "Portfolio" (short-term investments) that management characterises it as "possessed for trade purposes. In this case the initial recognition is at fair value without the transactions expenses being charged. Later the item is also valued at fair value through the Income Statement as the IAS 39 provides.

- There are no Securities on the Fixed Assets of the Company.

3. Foreign Currency Transactions

Foreign Currency Transactions are translated in Euros according to the Fixing rate of the Greek Central Bank at the dated of the transaction. At the Financial Statements date, the monetary assets (portfolio and deposits in FX) that are already expressed in FX are translated in Euros according to the exchange rate of that date. Exchange differences arising from transformation are carried in the Income Statement.

4 Fixed Assets

4.1 Accounting Principles

α) The fixed assets are presented in the Financial Statements at the acquirement value (before January 1st 2004- date of transition to IAS). These values are presented decreased by the accumulated depreciation.

- The company does not own any Land nor Buildings.

β) Regarding the Intangible Assets that have been capitalized in the past and were amortized partially, year by year, according to the previous laws provisions, according to IAS it was judged necessary that the would be amortized immediately (their remaining balance) in the revaluated Equity.

4.2. Analysis of tangible assets

The tangible assets of the company at the 31st of March 2005 are analyzed as follows:

TANGIBLE ASSETS INDEX at 31st MARCH 2005

	Acquirement Value			Total Acquirement Value	Accumulated Depreciation			Total Depreciation	Remaining Balance
	Balance	Increases (acquirement)	Decreases		Balance	Depreciation	Decreases		
TANGIBLE	**31.12.04**	**01-31.03.05**	**01-31.03.05**	**31.03.05**	**31.12.04**	**01-31.03.05**	**01-31.03.05**	**31.03.05**	**31.03.05**
ASSETS	**€**	**€**	**€**	**€**	**€**	**€**	**€**	**€**	**€**
Furniture and other assets	86	2	0	88	84	1	0	85	3
ΣΥΝΟΛΟ	**86**	**2**	**0**	**88**	**84**	**1**	**0**	**85**	**3**

- There are no Securities on the company's Tangible Asstes.

5 Other Assets

5.1 Accounting Principles

Assets are presented in their remaining balance, their discount is not considered necessary due to their short- term nature.

5.2.Analysis of the Item « Other Assets»

The item « Other Assets» on the 31st of March 2005 is analyzed as follows:

Account of tied up capital SHARELINK	50
Account of tied up capital (insurance) PROTON SEC. A.X.E.Π.E.Y.	3.095
PROTON SEC. A.X.E.Π.E.Y.	997
Other Claims	1
Total	**4143**

6. Short-Term Investments

6.1. Accounting Principles

The account "Short-term Investments" includes the Portfolio of Company, which the management characterizes as "possessed for trade purposes". In the case this initial recognition is at fair value without the transaction expenses being charged, and then is valued also at *fair value* through the Income Statement as IAS 39 provides.
Fair Value for the shares traded in ASE is considered the price mentioned in the ASE at the date of the Financial Statements.
Fair Value for the funds possessed by the company is considered the price published by the respective Fund Management Companies at the date of financial Statements.
Fair Value for the bonds and the shares listed in foreign Stock Exchanges is considered the prices mentioned in the Bloomberg financial news agency at the date of the Financial Statements.
Fair Value for the financial derivatives listed in the ADE (Athens derivatives exchange) is considered the prices published at the date of the financial statements.
Fair Value for the financial derivatives listed in foreign derivatives exchanges is considered the prices mentioned in BLOOMBERG at the date of the financial statements.

6.2 Analysis of the item « Short-term Investments»

The account "short-term investments " at the 31st of March 2005 is Analyzed as follows:

PORTFOLIO INVESTMENT TABLE 31 MARCH 2005
(N.1969/91, Article 12, Paragraph 2)
(DECI..4/278/12.8.2003 B.G. E.K.)

Portfolio	Pieces	Acquisition Average Price (€)	Price 31/3/2005 (€)	Total Acquisition Price (€)	Total Value 31/3/2005 (€)	Value Differences
I.DOMESTIC INVESTMENTS						
1.SHARES						
SHARES ISSUED IN S.E.						
BANK OF GREECE	37.280	96,4	101,05	3.593.792,00	3.767.144,00	173.352,00
NATIONAL BANK OF GREECE	170.000	25,6	26,1	4.351.979,71	4.437.000,00	85.020,29
ALPHA BANK (KO)	70.000	25,67	26,06	1.797.198,21	1.824.200,00	27.001,79
BANKS				**9.742.969,92**	**10.028.344,00**	**285.374,08**
GENERAL CONSTRUCTION COMPANY	100.000	3,77	3,3	377.139,53	330.000,00	-47.139,53
FOURLIS HOLDINGS	20.000	6,33	6,3	126.591,60	126.000,00	-591,6
ATTICA GROUP	125.000	3,03	2,91	378.593,07	363.750,00	-14.843,07
HOLDINGS& CONSULTING COMPANIES				**882.324,20**	**819.750,00**	**-62.574,20**
ELAIS S.A	5.940	18,88	18,9	112.147,20	112.266,00	118,8
FOODS				**112.147,20**	**112.266,00**	**118,8**
INTRACOM	170.000	3,98	3,86	676.252,60	656.200,00	-20.052,60
ELECTRONIC EQUIPMENT				**676.252,60**	**656.200,00**	**-20.052,60**
EURODYNAMIC C.E.F.	749.310	2,42	2,44	1.813.330,20	1.828.316,40	14.986,20
ARROW C.E.F.	3.014.500	2,57	2,56	7.747.265,00	7.717.120,00	-30.145,00
EOLIKI C.E.F.	42.290	2,59	2,28	109.513,40	96.421,20	-13.092,20
ACTIVE FINANCIAL C.E.F.	126.090	1,04	1,04	131.133,60	131.133,60	0
ALTIUS FINANCIAL C.E.F.	87.430	1,39	1,42	121.527,70	124.150,60	2.622,90
NEW MILLENIUM INVESTMENTS C.E.F.	134.000	1,59	1,61	213.060,00	215.740,00	2.680,00
INVESTMENT COMPANIES				**10.135.829,90**	**10.112.881,80**	**-22.948,10**
FORTHNET	801.960	5,1	4,64	4.089.996,00	3.721.094,40	-368.901,60
COSMOTE	100.000	14,1	13,62	1.409.997,83	1.362.000,00	-47.997,83
OTE A.E.	50.000	13,34	13,62	666.758,23	681.000,00	14.241,77
TELECOMMUNICATIONS				**6.166.752,06**	**5.764.094,40**	**-402.657,66**
COCO COLA H.B.C.	5.000	19,74	19,4	98.675,00	97.000,00	-1.675,00
DISTILERY				**98.675,00**	**97.000,00**	**-1.675,00**
PINTENKO	140.460	1,09	0,98	153.709,00	137.650,80	-16.058,20
ELMEC SPORT	261.500	1,62	1,66	423.139,26	434.090,00	10.950,74
WHOLESALE				**576.848,26**	**571.740,80**	**-5.107,46**
O.L.P	67.100	10,46	10,92	701.866,00	732.732,00	30.866,00
TRANSPORTATIONS				**701.866,00**	**732.732,00**	**30.866,00**
DUTY FREE	10.000	12,71	12,4	127.068,80	124.000,00	-3.068,80
RETAIL MARKET				**127.068,80**	**124.000,00**	**-3.068,80**
METKA	175.000	5,38	5,24	942.060,50	917.000,00	-25.060,50
SPRIDER CLOTHES-REAL ESTATE	20.000	1,95	1,86	39.076,51	37.200,00	-1.876,51
INTPAMET METAL& ELECTRIC CONSTRUCTIONS	64.190	1,04	0,88	66.757,60	56.487,20	-10.270,40
METALLIC PRODUCTS				**1.047.894,61**	**1.010.687,20**	**-37.207,41**
INFORMER	589.690	2,94	2,88	1.733.714,40	1.698.307,20	-35.407,20
ZINON ROBOT&INFORMATION TECHN.	99.320	3,55	3,52	352.300,40	349.606,40	-2.694,00
INFORMATION TECHNOLOGY				**2.086.014,80**	**2.047.913,60**	**-38.101,20**
GREEK PETROLEUM	260.000	8,35	7,72	2.172.207,60	2.007.200,00	-165.007,60
REFINERIES				**2.172.207,60**	**2.007.200,00**	**-165.007,60**
OPAP	22.840	22,83	22,48	521.351,10	513.443,20	-7.907,90
OTHER				**521.351,10**	**513.443,20**	**-7.907,90**
AVAX	100.000	4,25	3,5	424.644,67	350.000,00	-74.644,67
CONSTRUCTIONS				**424.644,67**	**350.000,00**	**-74.644,67**
TELETIPOS	50.000	4,2	3,32	210.000,00	166.000,00	-44.000,00
T.V. & ENTERTAINMENT				**210.000,00**	**166.000,00**	**-44.000,00**
D.E.I	33.010	21,69	22,24	716.002,25	734.142,40	18.140,15
ELECTRIC ENERGY				**716.002,25**	**734.142,40**	**18.140,15**
E.I.D.A.P.	266.600	4,96	5,88	1.322.336,00	1.567.608,00	245.272,00
WATER SUPPLY				**1.322.336,00**	**1.567.608,00**	**245.272,00**
FRIGOGRASS	48.010	3,55	4,14	170.603,37	198.761,40	28.158,03
PACKAGING				**170.603,37**	**198.761,40**	**28.158,03**
MAILIS	50.000	3,86	3,98	193.154,09	199.000,00	5.845,91
MINING COMPANIES				**193.154,09**	**199.000,00**	**5.845,91**
MINOAN LINES	300.090	1,92	3	576.172,80	900.270,00	324.097,20
MARITIME				**576.172,80**	**900.270,00**	**324.097,20**

II. FOREIGN INVESTMENTS	Pieces	Acquisition average price (€)	Price 31/3/2005 (€)	Total Acquisition Value (€)	Total Value 31/3/2005 (€)	Value differences
1.ISSUED SHARES						
DEUTSCHE BANK AG (DE)	6000	66,77	66,55	400.634,90	399.300,00	-1.334,90
DEUTSCHE TELECOM (DE)-(XETRA)	46.000	16,52	15,4	759.997,53	708.400,00	-51.597,53
GPC BIOTECH AG (DE)-(XETRA)	14.000	10,29	8,92	144.010,00	124.880,00	-19.130,00
SALZGITTER (DE)	9.500	16,55	16,46	157.254,32	156.370,00	-884,32
SAP AG (DE)-(XETRA)	3.500	125,92	124,31	440.710,00	435.085,00	-5.625,00
TELEFONICA SA (ES)	25.000	13,68	13,44	342.100,00	336.000,00	-6.100,00
METSO OYJ ORD FIMI (FI)	15.000	14,26	13,82	213.865,00	207.300,00	-6.565,00
STORA ENZO (FI)	19.000	11,18	10,83	212.449,71	205.770,00	-6.679,71
AIR FRANCE (FR)	24.000	14,15	13,87	339.690,00	332.880,00	-6.810,00
BNP PARIBAS (FR)-(EURONEXT)	9.000	54,89	54,65	494.050,00	491.850,00	-2.200,00
CREDIT AGRICOLE (FR)	20.000	22,49	20,97	449.742,78	419.400,00	-30.342,78
FRANCE TELECOM (FR)	23.000	23,62	23,1	543.298,06	531.300,00	-11.998,06
LIUS VUITTON (FR)	3.500	55,97	57,7	195.900,00	201.950,00	6.050,00
PUBLICS GROUPE (FR)	15.000	24,1	23,68	361.498,67	355.200,00	-6.298,67
SANEF (FR)	2.300	40,18	39,4	92.418,00	90.620,00	-1.798,00
SCHNEIDER ELECTRI (FR)	3.000	60,67	60,45	182.000,00	181.350,00	-650
SOCIETE GENERALE (FR)	6.000	77,16	80,15	462.955,00	480.900,00	17.945,00
DSM NV (NL)	3.000	53,05	54,35	159.140,40	163.050,00	3.909,60
ING GROEP CERTS (NL)	19.000	22,89	23,3	434.935,00	442.700,00	7.765,00
ST MICROELECTRONICS (NL)-(EURONEXT)	24.300	14,35	12,84	348.705,00	312.012,00	-36.693,00
TPG N.V. (NL)	13.000	21,53	21,95	279.880,00	285.350,00	5.470,00
UNILEVER N V (NL)	5.000	50,9	52,5	254.479,17	262.500,00	8.020,83
TOTALS IN EUR				**7.269.713,54**	**7.124.167,00**	**-145.546,54**
BAA (GBP)	20.000	8,51	8,47	170.153,59	169.498,91	-654,68
ROYAL BANK OF SCOTLAND	19.500	25,44	24,46	496.062,19	476.949,89	-19.112,30
TOTALS IN GBP				**666.215,78**	**646.448,80**	**-19.766,98**
ISHARES ING MSCI J	81.650	8,27	8,08	675.504,08	660.052,46	-15.451,62
MERRILL LYNCH (US)	11.000	46,1	43,66	507.127,20	480.253,01	-26.874,19
MOTOROLA ING (US)	22.000	12,02	11,55	264.427,01	254.041,96	-10.385,05
REEBOK (USA)	7.000	33,83	34,17	236.782,93	239.200,86	2.417,93
PFIZER INC (USA)-(NYSE)	21.000	19,55	20,26	410.459,74	425.539,96	15.080,22
SCHLUMBERGER LT (USA)	8.000	56,33	54,37	450.627,45	434.927,49	-15.699,96
TIM HELLAS TELECOM (USA)-(NASDAQ)	120.000	13,77	16,24	1.651.861,10	1.949.398,34	297.537,24
TOTALS IN USD				**4.196.789,51**	**4.443.414,08**	**246.624,57**
INTERFUNT INVESTMENT (CYP)	2.194.995	0,14	0,15	302.757,93	322.903,81	20.145,88
TOTALS IN CYP				**302.757,93**	**322.903,81**	**20.145,88**
TOTAL FOREIGN INVESTMENTS (II)				**12.435.476,76**	**12.536.933,69**	**101.456,93**
TOTAL SUM (I) + (II)				**80.007.190,81**	**79.943.537,09**	**-63.653,72**

III DOMESTIC DERIVATIVES	Pieces	Acquisition average price (€)	Price 31/3/2005 (€)	Total Acquisition Value (€)	Total Value 31/3/2005 (€)	Value differences
1.FUTURES						
FT20_IF 15/04/05	-1.230	1.665,12	1.570,85	-10.240.481,25	-9.660.727,50	579.753,75
FT40_IF 15/04/05	-15	2.437,42	2.359,62	-182.806,25	-176.971,50	5.834,75
TOTAL III.1.				**-10.423.287,50**	**-9.837.699,00**	**585.588,50**
2.OPTIONS						
OFT40 15/04/05 (C2500.00)	-10	27,75	3,77	-1.387,50	-188,5	1.199,00
OFT40 15/04/05 (P2500.00)	-50	41	144,03	-10.250,00	-36.007,50	-25.757,50
OFTASE 15/04/05 (C1650.00)	-100	20,43	4,52	-10.212,50	-2.260,00	7.952,50
OFTASE 15/04/05 (P1650.00)	-150	20,98	83,61	-15.737,50	-62.707,50	-46.970,00
OFTASE 15/04/05 (P1700.00)	-10	18	130,02	-900	-6.501,00	-5.601,00
TOTAL III.2.				**-38.487,50**	**-107.664,50**	**-69.177,00**
TOTAL INVESTMENTS IN DOMESTIC DERIVATIVES(III)				**-10.461.775,00**	**-9.945.363,50**	**516.411,50**

The difference from the valuation (**profits**) of the "Short-term Investments" and the "Financial Derivatives Products" at their fair value at the date of of the Financial Statements amounts in the sum of **109 thousands of Euros** for shares listed in ASE, **101 thousands of Euros** for shares listed in foreign SE, **10 thousands of Euros** for Greek funds, while the difference from valuation(**losses**) the "Short-term Investments" and the "Financial Derivatives Products" at fair value at the date of the Financial Statements amounts in the sum of **286 thousands of Euros** for interior bonds, and **69 thousands of Euros** that they concern options in ADE.

7. Cash at bank and in hand

7.1. Accounting Principles

"Cash at bank and in hand" include cash in company's treasury as well as bank deposits in euros and FX, and short-term time deposits.

7.2. Analysis of Item «Cash at bank and in Hand»

The account "Cash at Bank and in Hand" at the 31st of March 2005 is analyzed

Balances in Euro

Sight deposits and cash	88
Time deposits	18.646
Deposits on foreign exchange (USD)	17
Deposits on foreign exchange (GBP)	527
Total	**19.278**

Balances in foreign currency

Deposits of foreign exchange (USD)	22 USD
Deposits of foreign exchange (GBP)	362 GBP

The time deposits are valued at fair value which is the initial investment plus the worked interest, freed from taxes at the date of Financial Statements. .
Deposits in FX (USD., GBP) derive from sales of Shares listed in foreign Stock

Monetary assets (deposits in FX) that are already expressed in FX are translated in Euros according to the exchange rate of that date. Exchange differences arising from transformation are carried in the Income Statement.

8. Share Capital and Share premium account

Share Capital amounts at 124.173.000 **euros** and is divided in **85.050.000** common shares of nominal value **1,46** euros each. The shares of "EXELIXI PORTFOLIO MANAGEMENT S.A" are listed in ASE since May 1992.

The company's Shares are widely spread according to the shareholders register, at he date of the interim Financial Statements approval, the members of the board holding shares are the following:

A/A	Surname-Name- Father's Name	Participation Percentage %
1	Paraskevas Th. Tsoukalas	0,067 %
2	Sotirios I. Margaritis	0,005 %

Share premium account derived from the share capital increase that took place during the fiscal year 1992(decision of the 14/12/1991 AGM) with the issue of shares (157.500 shares @ 0,44 euros) paid in cash in value greater than their nominal value.

9. Dividends

There was no dividends payable for the year 2004 because the profits were used in order to cover up accumulated losses brought forward from previous years.

10. Employee rights, number of employees and cost of employment.

10.1 Employee Rights
The company drew up a provision for retirement benefits of 10,000 euros according to the previous relevant legislation. It is not considered necessary for an further provision to be drawn up due to the fact that the employee number remains limited.

10.2 Number of Employees and cost of employment.

Number of employees and costs of employment at 31st of March 2005 and 2004 can be analyzed as follows::

Employees	31 March 2005	31 March 2004
Number of Employees	**4**	**4**

	Quarter 2005	Quarter 2004
Staff Cost	31	22
Social Contribution Charges	6	5
Total Cost	**37**	**27**

11 Suppliers

Suppliers are analyzed as follows :

- PROTON E.P.EY. 121,000 euros
- EFEKT E.P.E. 5,000 euros
- Other suppliers 10,000 euros
- Total 136,000 euros

12. Tax Obligations

12.1 Tax regime
According to law 1969/1991, the Company is obliged to give annually 0.3% of the average investments in current prices as they are presented in the quarter –year indices for portfolio investments at the ar.16 of Law 1969/1991. With this payment the company and the shareholders have no other tax duty with exempt of the provision of paragraph 2 of article 16 of law 1969/1991 which provides to withhold income during interest payment from the portfolio management company.

12.2 Tax Law1969/1991

Tax duty of the Company was calculated according to the above mentioned tax regime. Any further calculation of deferred taxes was not considered necessary due to the uniqueness of the tax regime that concerns profits of the current period and which will possibly be attributed to future fiscal years by tax authorities since there will be no difference between tax and accounting basis. (Tax calculation is in current prices) .
Tax is shown in income statement and is amounting to 60,000 euros for the current period. (01 January2005-31 March 2005) Furthermore the following amounts are also presented included in the income statement:

- 3 thousand euros, tax for holding foreign notes and receivables.
- 2 thousand euros tax inspection differences for the years 1999-2003

Company has had tax inspection up until year 2003,
Company has not had tax inspection for the fiscal year 2004 until today (1 fiscal year) and so tax duty has not been finalised. Due to the special tax regime it is not considered possible for the tax difference to be significant.

12.3. Tax and employer's contribution liabilities

The Account «**Tax and employer's contribution liabilities**» includes :

Tax Liabilities	67
Social Contribution payables	3
Total	**70**

13. Other Current Liabilities

13.1 Accounting Principles

The current liabilities concerning dividend payable and other creditors are presented with their remaining balance due to the fact that it is not considered necessary to be discounted because of their short term nature..
For the liabilities arising from options, listed in ADE, fair value is considered as it derives from the published prices at the date of the financial statements.

13.2.Analysis of the item « Current Liabilities»

The account « Current Liabilities » at την 31st of March 2005 includes:

Dividends Payable	37
Creditors	2
Liabilities arising from options	108
Total	**147**

14. Gross Revenue

14.1 Portfolio income

Portfolio income is recognized and presented in the income statement and include: a) dividends from shares listed in ASE and other SE b) Interest paid from time deposits accounts c) Revenue from interest of funds or other fund-like investments.
Revenue from dividends is recognized at the date they are paid.
The account « Portfolio income» at 31st of march 2005 included:

Dividends	462
Interests on Deposits	87
Interests on Bonds	4
Total	**553**

14.2 Profits from notes trade.

Revenue from notes trade is recognized and presented in the income statement and include profits from notes trade (shares, fund, bonds, financial derivatives) as well as results from valuation of notes at the end of each period that are mentioned in the company's financial statements.

Also foreign exchange differences are included in the account "profits from notes trade" .

The account « Profits from portfolio trading» at 31st of March is analysed as follows:

Profit arising from trading with:	
Shares listed in the Athens Stock Exchange	2.021
Shares listed in foreign Exchange	905
Mutual Funds	11
Corporate Bonds	(277)
Financial Derivatives	(434)
Foreign Currencies	23
Total	**2.249**

14.3 Sector analysis of the company's investment operations

Business Sector is every distinguishable part of the operational activities of the company that is subject to dangers and returns different than other business sectors
Geographical Sector is every distinguishable part of the operational activities of the company within a specific economic environment that is subject to dangers and returns different to other economic environments
Geographical distribution of revenue from investment operations is as follows :

Incomes of Investments	Greece	EU Countries	Other Counties	United States of America	Total balance of the Company
Dividends	437	17	-	8	462
Interests on deposits	87	-	-	-	87
Interests on bonds	4	-	-	-	4
Profit arising from share´s transactions	2.021	273	20	612	2.926
Mutual funds	11	-	-	-	11
Corporate Bonds	(277)	-	-	-	(277)
Financial derivatives	(377)	(57)	-	-	(434)
Foreign Currency	-	6		17	23
Total	**1.906**	**239**	**20**	**637**	**2.802**

15 Portfolio management expenses and othe expenses

15.1 Portfolio Management Expenses

Portfolio Management expenses included the total of expenses that concern the investment operation of the company in all markets it operates

Expenses are analysed as follows:

- Management fee of PROTON investment bank 359,000 euros
- Commissions and purchase expenses –sale of notes 206,000 euros
- Commission and expenses of derivatives 48,000 thousand euros
- Deposit expenses 7,000 euros

  Total 620,000 euros

5.2 Administration expenses

Administration expenses are analysed as follows :

- Employee wages 37,000 euros
- Third party fees 30,000 euros
- General expenses 38, 000 euros
- Depreciation 1,000 euros
- Total 106 ,000 euros

16. POST BALANCE SHEET EVENTS

According to the 31st of March of 2005 decision of the board of directors it was decided the merger of EXELIXI with ARROW Closed End Fund S.A., Eurodynamic Closed End Fund S.A. and PROTON Investment Bank by the acquisition of EXELIXI Closed End Fund S.A., ARROW Closed End Fund S.A. and EUrodynamic Closed End Fund S.A. from PROTON Investment Bank.

Main differences between Greek GAAP & IFRS for the three Closed End Funds

The three Closed End Funds (Arrow, Eurodynamic, Exelixi) prepared their Financial Statements for the year 2005 in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union. These were the first financial statements prepared under IFRS and therefore the 1st of January 2004 was deemed to be the date of transition to IFRS, date at which the opening balance sheet was prepared in accordance with IFRS 1.

The preparation of the financial statements in accordance to the IFRSs is obligatory by the clauses of article 135 of law 2190/1920 that dictates that all listed companies in the stock market are obliged to prepare their financial statements according to the International Financial Reporting Standards as adopted by the European Union.

Up to the 31st of December 2004 the financial statements of the three Closed End Funds were prepared in accordance to the Greek Accounting Standards that constitute the whole set of clauses of Commercial Law 2190/1920, the Greek Chart of Accounts, the Accounting Policies for Closed End Fund Companies and part of tax clauses that differ in many cases from the IFRS's

The most significant differences between IFRS and Greek GAAP are the following:

Intangible assets

Under Greek GAAP certain types of expenses relating to establishment and formation expenses were capitalized, as intangible assets. Formation expenses were amortized on a straight line basis over five years.

These types of expenses do not qualify for assets under IFRS. On transition to IFRS the net carrying amount of these expenses were written-off with a corresponding decrease in equity.

Investment in bonds, shares and other securities

Under Greek GAAP, Closed End Fund Companies revalue its securities at their current value based on Law 2992/2002. Current value was estimated as the average market price of the securities during December of each year.

Under IFRS, investment in financial assets held for trading purposes are measured at their fair value, being their market price at the balance sheet date. Any fair value adjustment was recognized in the income statement.

PART VI
UNAUDITED PRO-FORMA PROFIT AND LOSS ACCOUNT AND BALANCE SHEET FOR PROTON INCLUDING ARROW PORTFOLIO INVESTMENT COMPANY S.A., EURODYNAMIKI PORTFOLIO INVESTMENT COMPANY S.A. AND EXELIXI PORTFOLIO INVESTMENT COMPANY S.A. FOR THE PERIOD ENDING 31 DECEMBER 2005

The pro-forma balance sheet and income statement of the years ended 31 December 2005 and 31 December 2004 are drawn on the basis of the financial statements of even date, which were audited by the Chartered Accountants — Auditors.

In specific, the pro-forma financial statements of the merging companies have been drawn on the basis of the following audited financial statements:

Company	Type of financial statements	Auditor	Audit Firm
PROTON INVESTMENT BANK A.E.	Consolidated	Nicolaos Tsimboukas	KPMG
ARROW CLOSED END FUND A.E.	Individual	Vassilios Pappas	S.O.L. — Partnership of Chartered Accountants
EURODYNAMICI CLOSED END FUND A.E.	Individual	Cleoniki Likardopoulou	S.O.L. — Partnership of Chartered Accountants
EXELIXI CLOSED FUND A.E.	Individual	Ioannis Karalis	BKR
The following companies are included in the financial statements of Proton Investment Bank S.A.			
PROTON SECURITIES S.A. (Securities Company)	Individual	Vassilios Pappas	S.O.L. — Partnership of Chartered Accountants
PROTON INVESTMENT PORTFOLIO S.A. (Investment Portfolio Management)	Individual	Vassilios Pappas	S.O.L. — Partnership of Chartered Accountants
PROTON MUTUAL FUND MANAGEMENT S.A. (Mutual Fund Management)	Individual	Vassilios Pappas	S.O.L. — Partnership of Chartered Accountants
ARROW ASSET FINANCE (Consulting)	Individual	Vassilios Pappas	S.O.L. — Partnership of Chartered Accountants

All financial statements included as historical information in the pro-forma financial statements have been drawn in accordance with the International Financial Reporting Standards (IFRS).

PROTON BANK

	2005	2004
ASSETS		
Cash and balances with the Central Bank	2,251,382	3,734,103
Loans and advances to banks	54,946,193	36,462,431
Trading securities	114,783,133	137,948,058
Derivatives financial instruments	7,063	20,032
Loans and advances to customers	85,868,000	62,491,606
Available for sale securities	7,34,406	
Property, plant and equipment	1,280,566	1,742,704
Intangible assets	497,641	306,978
Deferred tax asset	450,362	651,235
Other assets	8,385,527	3,847,982
Total Assets	**269,204,273**	**247,205,128**
LIABILITIES		
Deposits from banks	6,105,942	15,395,949
Deposits from customers	61,333,431	52,788,911
Due to Suppliers		458,753
Tax Liabilities		394,767
Provision for employee benefits	199,510	189,205
Derivatives financial instruments	635	38,010
Other Provisions		10,000
Other Liabilities	4,698,732	5,700,802
Total Liabilities	**72,338,250**	**74,976,397**
EQUITY		
Share Capital	202,660,155	202,660,155
Treasury Shares	(18,313,261)	(9,278,221)
Reserves	5,183,496	5,183,442
Accumulated Gains/Losses	13,244,674	(20,400,319)
Negative Goodwill	(5,950,473)	(5,950,473)
Equity Attributable to Bank's Equity Holders	196,824,591	172,214,584
Minority Interest	41,432	14,147
Total Equity	**196,866,023**	**172,228,731**
Total Equity and liabilities	**269,204,273**	**247,205,128**

	2005	2004
INCOME STATEMENT		
Interest and similar income	4,724,670	3,675,971
Interest expense and similar charges	(2,338,149)	(2,420,501)
Net interest income	**2,386,521**	**1,255,470**
Commission Income	9,396,931	9,521,008
Commission Expense	(2,358,718)	(5,415,187)
Net fee and commission income	**7,038,213**	**4,105,821**
Dividend Income	3,847,836	2,305,200
Gain/Losses from financial Transactions	39,485,039	27,883,375
Net gain/(loss) on disposal of trading financial instruments	1,719,506	(1,422,868)
Other Operating Income	450,967	363,986
Operating income	**45,503,348**	**29,129,693**
Salaries	(5,420,380)	(4,621,468)
Administration expenses	(9,555,630)	(5,060,069)
Depreciation Charges	(759,261)	(892,417)
Impairment Losses	(3,303,750)	
Operating Expenses		(161,813)
Operating profit	**(19,039,021)**	**(10,735,767)**
Income Tax	(2,747,337)	(2,535,175)
Profit After Tax	**33,141,725**	**21,220,042**

PART VII
ADDITIONAL INFORMATION

1 The Company

1.1 The Company was incorporated on 8 September 2005 under the Bermudian Companies Act, under the name IRF European Finance Investments Ltd. and is an exempted company incorporated under the laws of Bermuda. By resolution effective 4 November 2005 the Company adopted new Bye-laws, which documents are reflected in this document.

1.2 The registered office of the Company is:

Canon's Court
22 Victoria Street
Hamilton HM 12
Bermuda

Telephone number: +1 441 295 2244

1.3 The Company is limited by shares and accordingly the liability of members is limited.

1.4 The Company has no subsidiary or associated undertakings. Following Completion, the Company will have a 28 per cent. to 30 per cent. interest in Proton.

1.5 The principal legislation governing the Company is the Bermudian Companies Act and regulations issued thereunder. The Company will comply with the Corporate Governance Guidelines for AIM Companies as published by the Quoted Companies Alliance (as far as applicable) following the Acquisition.

1.6 The Company's current auditors are KPMG LLP, who have been the Company's auditors since incorporation. It is currently intended that KPMG LLP will be the auditors for the Company following the Acquisition.

1.7 Proton was formed under the laws of the Republic of Greece in September 2001, under the name Arrow Investment Bank S.A. Its name was changed to Proton Investment Bank S.A. in November 2001. Its offices are at 22, Saki Karageorga, Kallithea-Attica, Greece, and 1 Har. Trikoupi Street, Kallithea-Attica, Greece.

1.8 Proton has the following subsidiaries in which the Company will have a minority interest following Completion:

Name	Place of incorporation	Proton Shareholding
Proton Securities S.A.	Greece	100%
Proton Asset Management S.A.	Greece	99.90%
Proton Mutual Funds S.A.	Greece	99.90%
First Global Brokers A.D.	Serbia and Montenegro	82.49%
Arrow Asset Finance S.A.	Greece	99.90%

2 Share capital

2.1 The Company was incorporated on 8 September 2005 with an authorised share capital of $12,000 (the minimum permitted under Bermuda law) divided into 8,000,000 common shares of par value $0.0015. All of the authorised shares were issued to Angeliki Frangou, the Company's chairman, who subsequently made various transfers of these Initial Shares to the other members of the Board.

2.2 In connection with the Initial Public Offering, the authorised share capital was increased to $223,687.53 by the creation of 140,958,355 Shares and 2,500,000 Preference Shares.

2.3 On 14 November 2005, the Company issued 45,833,340 Shares and 91,666,680 Warrants to various holders in a placing for cash, at a price of $6.00 for one unit (each unit consisting of one Share and two Warrants).

2.4 The authorised and issued share capital of the Company, and the issued Warrants, is:

	Authorised		Issued	
	Par value ($)	Number	Par value ($)	Number
Shares	0.0015	148,958,355	0.0015	57,291,675
Preference Shares	0.0001	2,500,000	0.0001	0
Warrants	N/A	N/A	N/A	91,666,680

2.5 Pursuant to Bye-law 5.1 and 49.2 of the Bye-laws, following a Qualified Business Combination, the Board is generally and unconditionally authorised to allot all unissued shares of the Company to such persons, at such times, for such consideration and upon such terms and conditions as the Board may determine.

2.6 The Bye-laws authorise the issuance, after completion of a Qualified Business Combination, of 2,500,000 Preference Shares, being "blank check" Preference Shares with such designation, rights and preferences as may be determined from time to time by the Company's board of directors. No Preference Shares were issued or registered in connection with the Initial Public Offering. Accordingly, following Completion, the Company's board of directors will be empowered, without Shareholder approval, to issue up to 2,500,000 Preference Shares with dividend, liquidation, conversion, voting or other rights which could adversely affect the voting power or other rights of the holders of Shares. In addition, but subject to the foregoing, the Preference Shares could be utilised as a method of discouraging, delaying or preventing a change in control of the Company

2.7 Save in respect of the issued Warrants and certain additional Shares which may in certain limited circumstances be required to be issued by the Company under the Registration Rights Agreement and Investor Rights Agreement, since the Initial Public Offering no share or loan capital of the Company has been issued or agreed to be issued or is now proposed to be issued, for cash or other consideration and no commission, discounts, brokerages or other specific terms have been agreed or granted by the Company in connection with the issue or sale of any of its share or loan capital.

2.8 No Shares or Warrants are being issued in connection with the Acquisition, and accordingly the share capital of the Company at Re-Admission will be as shown in paragraph 2.3 above.

2.9 The Shares and Warrants are in registered form and are not capable of being held in uncertificated form until permitted under U.S. securities laws. The Shares and Warrants are subject to stringent requirements with respect to transfer and, in the case of Warrants, exercise. The Shares and Warrants will continue to be in certificated form following, and notwithstanding, Re-Admission for a period of at least forty days.

2.10 Pursuant to the Bye-laws, the Company may not issue any shares of any class until the completion of a Qualified Business Combination. The Acquisition will constitute a Qualified Business Combination, so this restriction would cease to apply if the Acquisition is consummated. Conditional on Completion the proposed amendment to the Bye-laws will eliminate this provision.

2.11 The Shares and Warrants have been created under the Bermudian Companies Act and have been assigned the ISIN codes BMG493831058 and BMG493831132 respectively.

2.12 The Company has made no repurchases of Shares or Warrants since its incorporation.

2.13 The Shares and Warrants are denominated in U.S. Dollars.

3 Warrants

3.1 Each Warrant entitles the holder to purchase one Share at a price of $5.00. Each Warrant will become exercisable on the earlier of (i) completion of a Qualified Business Combination and (ii) where a business combination has occurred but a Qualified Business Combination has not occurred, the date that is 18 months from the Original Admission, unless a majority of Shareholders have approved an extension of the period of time in which the Company shall be allowed to complete a Qualified Business Combination (in which case, the date by which such Qualified Business Combination has to occur being the "Extended Date"), in which case the relevant date shall be the Extended Date.

3.2 The Warrants will expire on 14 November 2009 at 5.00 p.m. New York City time.

3.3 The Company may call the Warrants for redemption at any time after they become exercisable, with Collins Stewart's and Sunrise's prior consent, in whole but not in part, at a price of $0.01 per Warrant, upon a minimum of 30 days' prior written notice, if, and only if, (i) the last independent bid price of the Shares equals or exceeds $8.50 per Share for any 20 trading days within a 30 trading day period ending 3 business days before the Company sends the notice of redemption; and (ii) the weekly trading volume of the Shares has been at least 800,000 Shares for each of the two calendar weeks before the Company sends the notice of redemption.

3.4 The Company has established these criteria to prevent a call unless there is at the time of the call, a significant premium to the Warrant exercise price as well as a sufficient degree of liquidity to cushion the market reaction, if any, to any such redemption caused. If the foregoing conditions are satisfied and the Company calls the Warrants for redemption, each Warrant holder shall then be entitled to exercise for cash its Warrants prior to the date scheduled for redemption. However there can be no assurance that the price of the Shares will exceed the call trigger price or the Warrant exercise price after the redemption call is made.

3.5 The Warrants are issued under a Warrant Deed between Capita IRG (Offshore) Limited as Warrant agent, and the Company. A copy of the Warrant Deed is available on request, and contains a complete description of the terms and conditions applicable to the Warrants. The exercise price and number of Shares issuable on exercise of the Warrants may be adjusted in certain circumstances, including in the event of a share dividend, or a recapitalisation, reorganisation, merger or consolidation involving the Company. However, the Warrants will not be adjusted for further issues of Shares at a price below their exercise price.

3.6 The Warrant holders do not have the rights or privileges of holders of Shares nor any voting rights until they exercise their Warrants and receive Shares.

3.7 No Warrants will be exercisable by a U.S. Warrant holder unless at the time of exercise, the exercise of the Warrants for Shares has been registered under the Securities Act or is exempt from registration. U.S. Warrant holders will be required to provide appropriate representations, warranties and legal opinions to support any applicable exemption and, if received in an exempt transaction, the Shares received upon exercise of the Warrants will be restricted securities with a certificate bearing a restrictive legend and not saleable in the U.S. unless registered under the Securities Act or exempt from registration. See paragraph 13 of this Part VII of this document for further details.

3.8 No fractional shares will be issued upon exercise of the Warrants. If, upon exercise of the Warrants, the holder would be entitled to receive a fractional interest in a Share, the Company will, upon exercise, round down to the nearest whole number, the number of Shares to be issued to the Warrant holder.

3.9 To the extent that Shareholders elect to exercise their repurchase rights when voting on the resolution to approve the Acquisition at the Special General Meeting, such Shareholders' Warrants will remain exercisable and be unaffected by any repurchase of Shares which is effected in the event that the resolution is passed and the Acquisition completes.

4 Summary of the constitution of the Company

4.1 Bye-laws

(a) The Board shall consist of at least three Directors, which may be increased by a resolution of the Directors. The Directors shall serve staggered three-year terms. Directors will usually be elected by resolution of a majority of the votes cast by shareholders present in person or by proxy in general meeting, although the Board may appoint a new Director to fill a casual vacancy as long as a quorum of Directors remain in office. The quorum for meetings of the Board is a majority of the Directors then appointed (excluding any vacancies) unless the quorum is fixed by the Board at another number.

Pursuant to the Bermudian Companies Act and the Bye-laws, the Board is responsible for managing the Company's business. The Directors have wide powers of management, including hiring employees, borrowing funds and giving security for such borrowings, paying expenses and appointing agents, but may delegate their powers to individuals or committees as they see fit. The Board may appoint one or more of its body to be the managing director or to hold any other employment or executive office with the Company for such period and on such terms as it may determine.

The Directors' fees for their services as directors will be such sums (if any) as the Board may from time to time determine. Directors may also be paid all reasonable travel, hotel and incidental expenses properly incurred by them in connection with the Company's business or in performing their duties as Directors generally.

The Directors may (by the establishment of schemes or otherwise) provide additional benefits for any past or present director and for any member of such person's family or any person who is or was dependent on him.

Subject to the provisions of the Bermudian Companies Act, a Director may, notwithstanding his office, be a party to, or otherwise interested in, any transaction or arrangement with the Company or in which the Company is otherwise interested; and be a director or other officer of, or employed by, or a party to any transaction or arrangement with, or otherwise interested in, any body corporate promoted by the Company or in whom the Company is interested.

A Director who is interested in a contract or arrangement or proposed contract or arrangement with the Company shall declare the nature of his interest at a meeting of Directors, and if he or she does so, may vote and be counted in the quorum for the meeting.

So long as, where it is necessary, such Director declares the nature of his interest at the first opportunity at a Board meeting or by writing to the Directors as required by the Bermudian Companies Act, a Director shall not by reason of his office be accountable to the Company for any benefit which he derives from any office or employment to which the Bye-laws allow him to be appointed or from any transaction or arrangement in which the Bye-laws allow him to be interested, and no such transaction or arrangement shall be liable to be avoided on the ground of any interest or benefit.

(b) Subject to the Bermudian Companies Act and other shareholders' rights, the Board may issue all unissued shares with such rights, preferences and restrictions as they shall in their sole discretion decide.

Subject to the Board deciding otherwise, the rights attaching to the Company's common shares shall be:

(i) Dividends and other distributions – the Company may, subject to the Bermudian Companies Act, by resolution of the Board, declare a dividend to be paid to the Company's shareholders, in accordance with their respective rights, and their interests, from the profits available for distribution. Under the Bermudian Companies Act, a dividend may not be declared or paid if there are reasonable grounds for believing that (A) a company is, or after the payment would be unable to pay its liabilities as they become due, or (B) the realisable value of a company's assets would by the payment be made less than the aggregate of its liabilities and issued share capital and share premium accounts. A dividend may be paid in cash or wholly or partly by the distribution of specific assets and the directors may fix the value for distribution for dividend purposes of any such specific assets. The Directors may offer Shareholders the right to elect to receive in respect of all or part of their holdings of Shares additional Shares, credited as fully paid, instead of cash in respect of all or part of a dividend.

(ii) Voting – The holders of common shares (subject to the Bye-laws) are:

(a) entitled on a poll to one vote per common share;

(b) entitled to receive notice of, and attend and vote at, general meeting of the Company;

(c) subject to provision being made for payment of any deferred dividend on preference shares, entitled to dividends or other distributions; and

(d) in the event of a winding-up or dissolution, entitled to be paid pro rata out of any surplus assets remaining after payment of the Company's liabilities (subject to the rights of any preference shareholders (if any)).

(iii) Liquidation – The Company may enter liquidation or voluntary winding-up by a resolution of its shareholders. If the Company is wound up, the liquidator may, with the sanction of a resolution of its shareholders and any other sanction required by the Bermudian Companies Act, divide amongst the shareholders in specie or kind the whole or any part of the Company's assets (whether they shall consist of property of the same kind or not) and may for such purposes set such values as it deems fair upon any property and may determine how such division shall be carried out as between the shareholders or different classes of shareholders. The Founding Shareholders have agreed to vote their Initial Shares in accordance with the majority of the common shares voted by the New Shareholders until all funds held in the Trust have been disbursed.

(iv) Transfer of Shares – All transfers of shares may be effected by an instrument of transfer in writing in any usual or common form or in such other form as the Board may approve. An instrument of transfer shall be signed by or on behalf of the transferor and (where any share is not fully paid) the transferee. Transfer of shares to U.S. persons are restricted by U.S. Securities Laws and the Bye-laws. The Directors may, in their absolute discretion and without assigning any reason therefore, decline to register any transfer of any share which is not a fully-paid share and are required to decline to register a transfer that is not accompanied by a certificate and/or an opinion certifying that the transfer restrictions have not been breached. Save for the foregoing, the Bye-laws do not contain any restriction on the transferability of fully paid shares provided that the Company has no lien over such shares, the instrument of transfer is in favour of not more than five joint transferees and is in respect of only one class of share, is duly stamped (if so required) and the Directors are satisfied that all applicable approvals under Bermuda law (and the law of any other applicable jurisdiction) required to be obtained prior to such transfer have been obtained.

(v) Pre-emption on new issues of common shares – Shareholders do not have pre-emption rights under the Bye-laws or the Bermudian Companies Act over further issues of any class of shares in the Company.

(vi) Return of capital – Subject to a resolution of the shareholders in general meeting, the Board may resolve to capitalise all or any part of any amount standing to the credit of any reserve or fund which is available for distribution or to the credit of any share premium account and that such amount be set free for distribution amongst the Company's shareholders who would be entitled thereto if distributed by way of dividend and in the same proportions, either in cash or towards paying up amounts for the time being unpaid on any shares in the Company or in payment up in full of unissued shares, debentures or other obligations, to be allotted and distributed credited as fully paid amongst such shareholders, or partly in one way and partly in the other. Capital may also be returned by way of a reduction of capital pursuant to Section 46 of the Bermudian Companies Act, or by way of a distribution of contributed surplus pursuant to Section 54 of the Bermudian Companies Act. Further, the Company has the power pursuant to Section 42 of the Bermudian Companies Act and its constitution to issue redeemable preference shares, and pursuant to Section 42A of the Bermudian Companies Act, to repurchase its shares.

(c) The rights attaching to any class of the Company's shares may be altered or abrogated with the consent in writing of the holders of not less than seventy five percent of the issued shares of that class, or by a resolution passed at a separate general meeting of the holders of the shares of such class voting in person or by proxy.

(d) Annual general meetings can be called by not less than 20 clear days notice in writing, and special general meetings can be called by not less than 10 clear days notice in writing. Notice shall be given to all shareholders entitled to receive notice from the Company and to each Director and to any resident representative who has delivered a written notice to the Company's registered office and shall specify the place, day and time of the meeting and the nature of the business to be considered. A notice may specify several venues for the same meeting, provided that shareholders attending at each meeting place shall be able to communicate simultaneously with the persons present at the other meeting places and shall have access to all documents which are required to be made available at the meeting. The Board may, from time to time, make any such arrangements as it sees fit for the purpose of controlling the level of attendance at any such simultaneous meetings. The quorum for any general meeting shall be two shareholders present in person or by proxy and entitled to vote representing the holders of not less than 25 per cent. of the issued shares entitled to vote at such meeting.

(e) As the Company is incorporated in Bermuda, it is subject to Bermuda law. Bermuda law does not contain any provisions similar to those applicable in the United Kingdom which are designed to regulate the way in which takeovers are conducted. It is therefore possible that an offeror may gain control of the Company in circumstances where the non-selling shareholders do not receive, or are not given the opportunity to receive, the benefit of any control premium paid to the selling shareholder(s). Sections 102 and 103 of the Bermudian Companies Act allow for dissenters to seek court ordered appraisals.

(f) The Company may increase its share capital by such sum to be divided into shares of such class and par value as its shareholders by resolution shall prescribe. The Company may also, by resolution of its shareholders, divide its shares into classes, consolidate all or any of its share capital into shares of larger par value than the Initial Shares, sub-divide its shares or any of them into shares of smaller par value than is fixed by the Company's memorandum, make provision for the issue and/or allotment of shares which do not carry any voting rights, cancel shares which at the date of such resolution have not been taken or agreed to be taken by any person, and change the currency denomination of its share capital.

(g) To the extent permitted by applicable law:

(i) if the aggregate amount of the common shares or warrants in which a person is interested (A) exceeds three per cent. by nominal value of the entire issued class of common shares or warrants, or (B) changes from an aggregate amount which exceeded three per cent. by nominal value of the then issued common shares or warrants so as to increase or decrease through any single percentage, then in either case such person shall make a notification to us (within the period and including any particulars the Company may specify);

(ii) on written request, a registered holder of common shares or warrants is obliged to notify the Company (within the period and including any particulars the Company may specify) of any person interested in such common shares or warrants;

and, unless otherwise directed by the Board, for so long as a person is in default of his obligations under (i) or (ii) he shall not be entitled to vote at any meeting nor receive dividends in respect of his common shares, and shall not be entitled to exercise his warrants; and, for the purposes of (i) and (ii) above, interest shall be construed in accordance with the provisions of section 208 of the Companies Act 1985.

(h) The Company may, by a simple majority vote of the Board and a simple majority of the votes cast at a general meeting, resolve to discontinue the place of incorporation out of Bermuda and continue into such other jurisdiction as may from time to time be approved by the Minister of Finance, at which time the laws in respect of Bermuda companies will cease to apply to the Company.

4.2 Memorandum of Association

The objects of the Company are set out in full in the memorandum of association. Among other standard objects, the Company is formed for the object of carrying on the business of an investment holding company.

5 U.S. Securities Laws Restrictions on Transfer of the Shares

All of the Company's issued Shares are restricted securities under SEC Rule 144, in that they were issued in private transactions not involving a public offering. In addition, unless registered, the Shares underlying the Warrants and Sunrise's purchase option will, upon exercise of such Warrants and option, be restricted securities under Rule 144. None of the Shares will be eligible for sale under Rule 144 unless the conditions under Rule 144 are met.

Rule 144

In general, under Rule 144 as currently in effect, the Company must have a class of equity securities registered under the Exchange Act for a period of at least 90 days prior to a proposed sale and has filed all required reports under the Exchange Act during the 12 months preceding such sale (or a shorter period if the Company has not been subject to the Exchange Act reporting requirements for a full year). A Shareholder who has beneficially owned restricted Shares for at least one year would be entitled to sell within any three-month period a number of such shares that does not exceed the greater of:

- one per cent. of the number of Shares then outstanding, (in this case 625,000 Shares on Re-Admission); and

- the average weekly trading volume of the Shares during the four calendar weeks preceding the filing of a notice on Form 144 with respect to the sale.

Such a sale must be through "broker transactions" (as defined in the Exchange Act) or directly with a "market maker" (as defined in the Exchange Act). A Shareholder must additionally file a Form 144 if the sale is for an amount in excess of 500 Shares or $10,000.

Under Rule 144(k), a Shareholder who is not deemed to have been one of the Company's affiliates at the time of and at any time during the three months preceding a sale, and who has beneficially owned the Shares proposed to be sold for at least two years, (including the holding period of any prior owner other than an affiliate), is entitled to sell their Shares without complying with the manner of sale, public information, volume limitation or notice provisions of Rule 144.

SEC Position on Rule 144 sales

The SEC has taken the position that promoters or affiliates of a blank check company and their transferees, both before and after a business combination, would act as an "underwriter" under the Securities Act when reselling the securities of a blank check company. Accordingly, the SEC believes that those securities can be resold only through a registered offering and that Rule 144 would not be available for those resale transactions despite technical compliance with the requirements of Rule 144.

6 Directors

6.1 The Directors and their respective functions are set out in the section headed "Management" in Part I of this document.

6.2 Details of any directorship that is or was in the last five years held by each of the Directors, and any partnership in which each of the Directors is or was in the last five years (excluding the Company and wholly-owned subsidiaries of any company listed below) a partner are set out below:

Name	Current directorships and partnerships	Previous directorships and partnerships
Angeliki Frangou	Greek Information Technology Holdings S.A. Maritime Enterprises Management S.A. Navios Maritime Holdings Inc.	Emporiki Bank of Greece Franser Shipping S.A.
Andreas Vgenopoulos	Marfin Bank Marfin Financial Group Vgenopoulos & Partners Law Firm Egnatia Bank YGEIA	Marfin Aepey Maritime & Financial Investments S.A.
Georgios Kintis		Taneo S.A. NBG Venture Capital AEK Athens
Sheldon Goldman	Sunrise Goldman Special Opportunities Fund, LP Goldman Strategic Value LLC 51 Crossway LLC S Goldman Advisors Limited	KNT Network Technologies LLC Viatel, Inc. (and its subsidiaries)
John Karakadas	GIT Holdings S.A. Loulis Mills S.A. White Tower Ltd. Singular Software/Singular Integrator	Burger King Corp. Tchibo FRK GmbH Barilla Alimentare Srl Marfin AEPEY Filiz S.A.

Name	Current directorships and partnerships	Previous directorships and partnerships
Alexander Meraclis	Megatrust – Olympic Securities S.A.	
Dennis Malamatinas	Marfin Financial Group Alltracel plc Metro International Ltd. MidOcean Partners Celio SA	Priceline Europe Ltd Reuters plc Marfin Bank Burger King Corp. Diageo plc

6.3 At the date of this document none of the Directors named in this document:

(a) has any unspent convictions in relation to indictable offences;

(b) has been declared bankrupt or has entered into an individual voluntary arrangement;

(c) save as disclosed in paragraphs 6.4 and 6.5, was a director of any company at the time of or within the 12 months preceding any receivership, compulsory liquidation, creditors' voluntary liquidation, administration, company voluntary arrangement or any composition or arrangement with its creditors generally or any class of its creditors with which such company was concerned;

(d) was a partner in a partnership at the time of or within the 12 months preceding a compulsory liquidation, administration or partnership voluntary arrangement of such partnership;

(e) has had his assets the subject of any receivership or was a partner in a partnership at the time of or within the 12 months preceding any assets thereof being the subject of a receivership; or

(f) has been the subject of any public criticisms by any statutory or regulatory authority (including any recognised professional body) nor has he ever been disqualified by a court from acting as a director of a company or from acting in the management or conduct of the affairs of any company.

6.4 Georgios Kintis was a director of AEK Athens football club ("AEK") in 2004. Prior to Mr. Kintis becoming a director of AEK, a creditors' agreement was executed by AEK and submitted to court for ratification. In accordance with law, 60 per cent. of the creditors are able to bind all remaining creditors to the terms of the creditors' agreement with the approval of the shareholders and the ratification of court. Approval and ratification of the creditors' agreement took place while Mr. Kintis was a director of AEK.

6.5 In October 2000, Sheldon Goldman resigned from being a director and officer of Viatel, Inc. (and its subsidiaries). Subsequently, in May 2001, Viatel, Inc. filed a voluntary petition for relief under Chapter 11 of the U.S. Bankruptcy Code. Viatel, Inc. emerged from bankruptcy in June 2002 under the name Viatel Holding (Bermuda) Limited.

6.6 The Directors intend to hold their Board meetings in different locations, which may include Bermuda.

6.7 As at the date of this document, the board of directors of Proton is comprised as follows:

Name	Position
Anthony Athanasoglou	Chairman and Executive Director
Maria Markopoulos	Vice Chairman and Non-Executive Director
Elias Lianos	Vice Chairman and Chief Executive Officer
Alexandra Stavropoulou	Non-Executive Director
Athanasios Papaspiliou	Executive Director
Epaminondas Lambadarios	Independent Non-Executive Director
Sotiria Theodosi	Independent Non-Executive Director

7 Directors' and other interests

7.1 The interests in the Shares of the Company, which are beneficial unless otherwise stated, of the Directors and their related parties (as that term is defined in the AIM Rules) are as follows:

Name	Number of Issued Shares Held	Approximate Percentage of Issued Shares
Angeliki Frangou	8,987,502	15.69%
Andreas Vgenopoulos	8,812,501	15.38%
Georgios Kintis	233,334	0.41%
Sheldon Goldman	65,000	0.11%
John Karakadas	50,000	0.09%
Alexander Meraclis	10,000	0.02%
Dennis Malamatinas	50,000	0.09%
All Directors and related parties	18,208,337	31.78%

7.2 The interests in the Warrants of the Company, which are beneficial unless otherwise stated, of the Directors and their related parties (as that term is defined in the AIM Rules) are as follows:

Name	Number of Issued Warrants Held	Approximate Percentage of Issued Warrants
Angeliki Frangou	11,566,668	12.62%
Andreas Vgenopoulos	6,666,668	7.27%
Georgios Kintis	166,668	0.18%
All Directors and related parties	14,575,004	15.90%

7.3 The interests in the Shares of the Company, which are beneficial unless otherwise stated, which represent three per cent. or more of the issued share capital of the Company as at the date of this document are (save as set out at paragraph 7.1 above) as follows:

Name	Number of Issued Shares Held	Approximate Percentage of Issued Shares
Morstan Nominees Limited	12,000,000	20.95%
Funds controlled by New Smith	2,895,000	5.05%
Amaranth LLC	2,500,000	4.36%
Funds controlled by York Investment Limited	4,166,667	7.27%
North Sound Legacy International Ltd	1,800,000	3.14%

7.4 The interests in the Warrants of the Company, which are beneficial unless otherwise stated, which represent three per cent. or more of the issued class of Warrants of the Company as at the date of this document are (save as set out at paragraph 7.2 above) as follows:

Name	Number of Issued Warrants Held	Approximate Percentage of Issued Shares
Morstan Nominees Limited	24,000,000	26.18%
Funds controlled by New Smith	5,790,000	6.32%
Funds controlled by York Investment Limited	8,333,334	9.09%
North Sound Legacy International Ltd	3,600,000	3.93%
NCB Trust Limited	3,333,334	3.64%
Goldman Sachs International Nominee	2,918,950	3.18%

7.5 Save as disclosed in paragraphs 7.1 to 7.4, the Company is not aware of any person who is at present, either directly or indirectly, interested in three per cent. or more of the issued class of Shares or Warrants of the Company or can, either directly or indirectly, jointly or severally, exercise control over the Company.

7.6 The Shareholders listed at paragraph 7.3 above do not have different voting rights.

7.7 None of the Directors hold any shares in, or have any interests in the shares of, Proton.

7.8 As at the date of this document, the following persons own five per cent. or more of the issued share capital of Proton:

Name	Approximate Percentage
Anthony Athanasoglou	15.04%
Elias Lianos	9.66%
Maria Markopoulos*	5.33%

* Shares held directly by her and on behalf of her own children.

7.9 The shareholders in Proton listed at paragraph 7.8 above do not have different voting rights.

8 Directors' remuneration and service agreements

8.1 No Director has received any cash compensation from the Company for services rendered, although they have been reimbursed for out-of-pocket expenses incurred in connection with activities on the Company's behalf such as identifying potential Proton businesses and performing due diligence on suitable business combinations.

8.2 The Company has put in place directors' and officers' liability insurance to cover all Directors.

8.3 Georgios Kintis will enter into a service agreement with the Company upon Completion. The terms of this agreement are:

(i) his title will be Chief Executive Officer;

(ii) he will be paid an annual salary of €120,000 and a discretionary non-contractual bonus, which is determined by the Board (on a recommendation of the remuneration committee) and payable by the Company in its sole discretion. Any bonus will be paid on an annual basis in respect of each complete financial year;

(iii) he will receive a one-off signing-on payment of €100,000;

(iv) the service contract is terminable upon 3 months' notice from either party;

(v) the service contract contains confidentiality provisions which protect all of the Company's confidential information and prevent the misuse of confidential information during the term of employment and following its termination without any time limit;

(vi) the Company has the right to place him on garden leave when either party serves notice to terminate the contract. During this period, he would remain as an employee of the Company but may not be required to carry out any work and would be prevented from joining a competitor until after the expiry of the notice period; and

(vii) he will not invest in any securities in which the Company has an interest unless permitted by the Company's code on securities transactions.

8.4 The non-executive directors of the Company are Angeliki Frangou, Andreas Vgenopoulos, Sheldon Goldman, John Karakadas, Alexander Meraclis and Dennis Malamatinas. Letters of appointment have been entered into for each of these Non-Executive Directors.

8.5 Certain directors of Proton have entered into service agreements with Proton. A summary of the terms of these agreements is as follows:

8.5.1 *Mr. Papaspiliou*

Mr. Papaspiliou entered into a contract of employment with Proton effective as of 1 October 2001. The contract has not been approved at general meeting by Proton's shareholders and, as such, is voidable at the request of Proton, Proton's shareholders or Proton's corporate creditors.

8.5.2 *Mr. Koutsorrizos*

Mr. Koutsorrizos previously a member of the board of directors entered into a contract with Proton, effective as of 1 November 2001, for the provision of services as treasurer. The contract has not been approved at general meeting by Proton's shareholders and, as such, is voidable at the request of Proton, Proton's shareholders or Proton's corporate creditors.

8.6 In addition on 30 June 2005, the ordinary general meeting of shareholders approved the following fees to members of the board of directors of Proton for the year 2005:

8.6.1 €234,893.74 to Mr. Athanasoglou. This was paid in Proton's 2004 accounting period by reason of his directorship of Proton;

8.6.2 €234,893.74 to Mr. Lianos. This was paid in Proton's 2004 accounting period by reason of his directorship of Proton;

8.6.3 €2,400 to each of Mr. Chrysogonos and Mr. Lambadarios for attending Proton board meetings; and

8.6.4 the payment of a total of €1,500,000 to members of Proton's board of directors in respect of Proton's 2005 accounting period and as fees for representation expenses to Mr. Chrysogonos and Mr. Lambadarios for the 2005 accounting period of €400 per month.

9 Material Contracts – the Company

Save as set out in this document, the following are the only contracts (being contracts otherwise than in the ordinary course of business) which have been entered into by the Company within the two years immediately preceding the date of this document and which are or may be material or have been entered into by the Company at any time and contain any provision under which the Company and its subsidiaries has any obligation or entitlement which is material to the Company and its subsidiaries at the date of this document.

9.1 Acquisition Agreement

Pursuant to an agreement (the "Acquisition Agreement") the Company has agreed to purchase from the Sellers or persons procured by them between 28 per cent. and 30 per cent. of the issued share capital of Proton for a maximum consideration of €128,637,286.50 payable on Completion. The actual amount of the consideration depends on the number of Proton shares actually acquired.

The Acquisition Agreement is conditional upon the approval by resolution of the shareholders of the Company (the "Condition"). The Company has the option to waive satisfaction of the Condition.

The Company has agreed to use its best endeavours to procure satisfaction of the Condition within 35 calendar days of the date of the Acquisition Agreement. Pursuant to the Acquisition Agreement, the Company and the Sellers undertake to notify the Greek Capital Market Commission ("GCMC") of the Acquisition. If an adverse ruling is received from the GCMC to the effect, that the Acquisition will otherwise trigger an obligation on the Company to make a mandatory bid for the remaining shares in Proton or if no ruling is received from the GCMC prior to Completion, the Company will only purchase 28 per cent. of the issued shares of Proton and the Sellers will only retain 8.3 per cent. of the issued shares in Proton. In addition, the Sellers and the Company have undertaken to satisfy the requirements of the GCMC in respect of the shares in Proton held by the Sellers which amount to three per cent. of the issued shares of Proton. The Sellers warrant (*inter alia*) ownership of their shares and that they have power to execute, that they have all necessary authorisations, and that they will procure the transfer of a clear title. Between Completion and completion of the Omega Merger, the Sellers and the Company have undertaken to vote their respective Proton shares to ensure so far as possible that the board of directors of Proton will comprise at least seven members, four of whom are appointed by the Company (one of whom is to be an independent director) and three of whom are appointed by the Sellers (one of whom must be an independent director). After completion of the Omega transaction, or 31 December 2006 if earlier, the Sellers and the Company have undertaken to vote their respective Proton shares to procure so far as possible that the board of Proton will comprise of eleven members, six of whom are to be appointed by the Company (including one independent director) four of whom are appointed by the Sellers (including one independent) and one of whom is appointed by the Omega representatives.

For as long as the Company owns at least 15 per cent. of the issued share capital of Proton, the Company and the Sellers undertake to vote in favour of resolutions to ensure that Angeliki Frangou will be the chairman of Proton. Pursuant to the Acquisition Agreement, the Sellers will be employed under certain management contracts (the "Management Contracts") for a term of 5 years unless terminated earlier in accordance with their terms. The Management Contracts may not be terminated before two years other than for good cause and thereafter may be terminated for failure to reach certain targets as specified in the business plan for Proton. The board will be in charge of the management of Proton, whilst the Sellers will attend to the day to day management of Proton. So long as the Company owns at least 15 per cent. of the issued share capital of Proton and the Sellers own at least 4 per cent. of the issued share capital of Proton, the Sellers and the Company have undertaken that a specific list of restricted matters (alter Proton's name; alter Proton's constitutional documents; increase, decrease, create, issue, purchase, redeem or otherwise reorganise Proton's share or loan capital or issue any instrument convertible into share capital; pass any resolution for winding Proton up; apply for the appointment of a receiver or an administrator over Proton's assets; change Proton's auditors; alter Proton's financial year end; declare or pay dividend or make any other distribution; form any subsidiary or acquire shares in any company or participate in any partnership or joint venture, where this involves committing more than 10 per cent. of Proton's regulatory capital, or terminate any participation in any partnership or joint venture; reorganise or change the nature or scope of Proton's business; dispose of the whole or any substantial part, being more than 10 per cent. of Proton's regulatory capital, of Proton's undertaking or assets (including its intellectual property); save as otherwise provided, change the terms and conditions of or terminate a Management Contract without good cause or the agreement of the Company and a relevant Seller or enter into any new management contract; merge with or acquire another company or corporate entity) will need to be approved by a 75 per cent. vote of the board of directors of Proton before it is presented to the shareholders of Proton for their approval. The Company agrees to vote in favour of the Omega transaction. The Sellers agree to vote in the same manner as the Company when appointing the auditors of Proton. The Sellers and the Company have reciprocally undertaken not to increase their shareholding in order to avoid triggering a Mandatory Offer (as defined in the Acquisition Agreement).

The Company and the Seller may sell into the market up to 2 per cent. in aggregate of the issued shares of Proton without restriction in any 12 month period, otherwise the Company may only sell subject to regulatory clearance.

The Sellers and the Company have granted each other pre-emption rights on any sale of their Proton shares, such that on any transfer the Company and the Sellers must first offer their Proton shares to the other party.

After 31 December 2006, if the Company intends to dispose of any of its Proton shares and the Sellers have not exercised their pre-emption rights the Sellers have a tag-along right which entitles them to sell a proportionate percentage of their Proton shares on the same terms as the Company.

The Acquisition Agreement is subject to English law and the English courts have exclusive jurisdiction to settle any dispute regarding the Acquisition Agreement.

9.2 Information Declaration

Pursuant to a declaration given on 31 May 2006, Proton declared that it will:

(i) prepare and deliver to the Company the accounts of Proton in Greek and in English quarterly (on an unaudited basis) and yearly (on an audited basis);

(ii) procure that the Company receives on a timely basis and at no cost to the Company such financial and non-financial information about Proton, its business and its management as shall be reasonably requested and required by the Company in connection with the preparation of its quarterly, semi-annual, annual and any other required reports, announcements, circulars, prospectuses or admission documents or any other necessary filings or disclosures under the Investor Rights Agreement, the AIM rules and all other laws, rules with the force of law and regulations applicable to the Company (all such information collectively, the "Information" and such reports, announcements, circulars, prospectuses, admission documents, filings and disclosures the "Disclosures");

(iii) not to be obliged to procure that the Company receives any Information which if provided to the Company would breach the rules and regulations applicable to Proton under Greek law; and

(iv) the Company may only use the Information for the purposes of Disclosures and for no other purpose.

In addition, pursuant to this declaration, Proton acknowledged and agreed that some or all of the Information may be inside information and/or price sensitive information and/or material non-public information relating to the securities of the Company and that accordingly provisions of applicable securities laws may restrict or prohibit the use and/or disclosure of such Information. Pursuant to the declaration, the Company agreed that it will not use the Information to deal in any securities of Proton or in any securities whose price or value may be related to or affected by the price or value of the securities of Proton or in any derivative products related to any such securities or interests in any of them or to encourage another person to deal, except as permitted by applicable law.

9.3 Placing Agreement

The Company and its Directors entered into a Placing Agreement with Sunrise Securities Corp. ("Sunrise") and Collins Stewart on 7 November 2005, pursuant to which Sunrise agreed to act as lead manager and agent of the Company outside (and with respect to certain persons inside) the United Kingdom and Collins Stewart agreed to act as agent for the Company in the United Kingdom with respect to a placing of 45,833,340 Shares and 91,666,680 Warrants.

Under the Placing Agreement, the Company paid:

(i) Collins Stewart a corporate finance fee of £150,000 and a commission of five per cent. of the aggregate value of the Units in respect of which they have secured places at the placing price and a non-accountable expense amount of one per cent. of the aggregate value of all Units placed by Collins Stewart in the placing;

(ii) Sunrise a corporate finance fee of U.S.$2,750,000, a commission of five per cent. of the aggregate value of the Units in respect of which they have secured places at the placing price, and a non-accountable expense amount of one per cent. of the aggregate value of all Units placed by Sunrise in the placing.

The Placing Agreement contains certain warranties given by the Company and the Directors in favour of Collins Stewart and Sunrise. Subject to certain limited exceptions, the Company and the Directors also agree to indemnify Collins Stewart and Sunrise in respect of losses suffered in connection with the Placing and any breach of the Placing Agreement. There are no financial limits on the liability of the Company under the Placing Agreement, but the aggregate liability of the Directors under the warranties and the indemnity is limited to $500,000 for each of the Directors.

9.4 NOMAD Agreement

Pursuant to the Nomad Agreement dated 7 November 2005, Collins Stewart is appointed as the Company's nominated adviser and broker for the purposes of the AIM Rules and generally authorised to take actions on the Company's behalf for such purpose, and accordingly Collins Stewart undertakes responsibility for fulfilling the responsibilities set out in Rule 39 of the AIM Rules. The Company pays Collins Stewart an annual retainer of £45,000 plus VAT together with Collins Stewart's reasonable expenses (plus VAT) incurred in connection with its appointment as nominated adviser and broker of the Company.

9.5 Warrant Deed

Pursuant to the Warrant Deed between Capita IRG (Offshore) Limited, as Warrant agent, and the Company entered into on 7 November 2005, the Warrants were issued in registered form. The Warrant Deed sets out the terms of the Warrants. The Warrants will become exercisable on the earlier of:

- the completion of a Qualified Business Combination; and
- if a business combination has occurred but a Qualified Business Combination has not occurred, the date that is 18 months after Original Admission, unless a majority of Shareholders have approved an extension of the period of time in which the Company shall be allowed to complete a Qualified Business Combination (the date by which such Qualified Business Combination has to occur following such extension being the "Extended Date"), in which case the relevant date shall be the extended date.

9.6 Insider Letters

On 7 November 2005, each of the Shareholders who held Shares prior to the Original Admission to trading on AIM of the Shares and Warrants entered into an agreement with Sunrise, Collins Stewart and the Company (the "Insider Letter") pursuant to which he or she agreed in consideration of Sunrise and Collins Stewart agreeing to act as placing agents in the Placing that, amongst other things, he or she would:

- in the case of Angeliki Frangou only, indemnify the Trust as against any and all losses suffered by the Trust, except those incurred in relation to a vendor or other person owed money by the Company who has waived any claim to the funds in Trust, provided that she shall have no obligation in respect of any amounts properly paid out of the Trust in connection with a business combination;
- vote his Initial Shares in accordance with the majority of the votes cast by the New Shares if the Company solicits approval of its shareholders for a business combination, up until the Company consummates a Qualified Business Combination or the Trust is liquidated if there is not a business combination within 18 (or 24) months of Original Admission;
- take all reasonable action to cause the Company's liquidation if it fails to consummate a business combination within 18 (or 24) months of Original Admission;
- not seek recourse against any sums held in the Trust for any reason and waives all claims (if any) to any liquidating distributions with respect to his Initial Shares;
- enter into an escrow agreement for three years from the date of Original Admission with respect to his Initial Shares;
- until the earlier of the completion by the Company of a business combination and the liquidation of the Trust, not claim any compensation from the Company for services provided to it or any finder's fee for originating a business combination;
- be a member of the Board until the earlier of the completion of a Qualified Business Combination or the Company's liquidation if there is not a business combination within 18 or 24 months of Original Admission;
- not transfer or sell any securities held by him in the Company for one year from Original Admission in accordance with Rule 7 of the AIM Rules and, so as to maintain an orderly market, for one additional year thereafter dispose of any securities held by him in the Company only through Collins Stewart; and
- sell a proportion of his or her Initial Shares to the Company in return for par value, as necessary, so that the outstanding Initial Shares of the Company shall not exceed 25 per cent. of the total Shares outstanding.

9.7 Investor Rights Agreement

On 7 November 2005 the Company entered into an investor rights agreement (the "Investor Rights Agreement") with each of Collins Stewart and Sunrise for the benefit of the holders of its common shares and warrants, specifically to grant (subject to certain exceptions) "shelf" registration rights to the New Shareholders that become effective only after the date on which the Company has become a reporting company under the U.S. Securities Exchange Act of 1934.

Pursuant to the Investor Rights Agreement, the Company has also agreed to furnish the Shareholders with materials that are materially consistent with SEC requirements before a registration statement has been declared effective.

9.8 Registration Rights Agreement

The Company and the Initial Shareholders of the Company on 7 November 2005 entered into a Registration Rights Agreement pursuant to which the holders of the majority of Shares held by those Shareholders are entitled to make up to two demands that the Company register these Shares. The holders of the majority of these Shares can elect to exercise these registration rights at any time (provided that if these Shares are proposed to be registered, such Shares must also have been released from escrow). In addition, these Initial Shareholders have certain "piggy-back" registration rights on registration statements filed subsequent to the date on which these Shares are released from escrow. The Company will bear the expenses incurred in connection with the filing of any such registration statements and indemnify the Initial Shareholders against certain liabilities in connection with such registrations.

9.9 Investment Management Agreement

On 7 November 2005 the Company entered into an investment management agreement (the "Investment Management Agreement") with the Trustee pursuant to which approximately $252,083,390 of the proceeds of the offering of the Shares and Warrants was delivered to the Trustee to be deposited and held in a trust account at a branch of HSBC plc (as selected by the Trustee) for the Company's benefit.

Pursuant to the Investment Management Agreement, the Trustee is required to invest and reinvest the amounts held in the Trust Fund in treasury bills issued by the Government of the United States of America having a maturity of 180 days or less.

Further, the Company agreed to pay the Trustee's fees and expenses associated with the administration of the amounts held in the Trust Fund and to indemnify the Trustee for certain losses.

The Trustee shall only liquidate and/or distribute the Trust Fund on receipt of a letter from the Company specifying either a total or partial distribution should be made to the Company following a business combination, or a total liquidation and/or distribution should be made to a designated paying agent (for distribution to the then holders of the Company's common shares) in the event that no business combination has occurred by a designated date.

The Investment Management Agreement provides for:

(i) the Trustee to be indemnified by the Company for all actions taken as Trustee (save in respect of its gross negligence or wilful misconduct);

(ii) the Trustee to be paid an initial fee of U.S.$5,000 and an annual fee of U.S.$25,000; and

(iii) all taxes in relation to the Trust Fund to be paid.

The Investment Management Agreement will terminate following the liquidation of the Trust Fund in accordance with its terms or, in the event the Trustee resigns, on the appointment of a successor trustee or the deposit of the Trust Fund with the United States District Court for the Southern District of New York.

9.10 Escrow Agreement

Pursuant to the Escrow Agreement between the Company and Collins Stewart (CI) Limited, Collins Stewart (CI) Limited has agreed to act as escrow agent to hold the Shares owned by the certain of the Company's Shareholders. Subject to certain limited exceptions, these shares will not be transferable during the escrow period and will not be released from escrow until the date that is three years from Original Admission. The Company has agreed to pay Collins Stewart (CI) Limited a reasonable compensation for its services.

9.11 D&O Insurance

The Company has obtained appropriate Directors' and Officers' insurance for the benefit of its directors at a cost of €38,000. The amount of the cover is €5,000,000 and the insurance policy was taken out on 29 May 2006 and expires on 29 May 2007. The Company's current intention is to renew the insurance policy when it expires.

9.12 Collins Stewart Engagement Letter

On 30 May 2006, the Company and Collins Stewart entered into a letter confirming Collins Stewart's appointed as Nominated Adviser and Broker and appointing Collins Stewart as financial adviser in respect of the Acquisition Agreement. The fee for Collins Stewart's services as financial adviser is £400,000 plus VAT, if any.

9.13 IBG Engagement Letter

On 29 May 2006, the Company appointed IBG to act as investment and financial adviser in connection with the Acquisition and to assist the Company with regulatory compliance in connection with the Acquisition. The Company agreed to pay IBG €3,300,000 for its services only upon Completion.

Subject to certain limited exceptions, the Company agrees to indemnify IBG in connection with the engagement.

9.14 S Goldman Advisors

S Goldman Advisors, has been engaged by the Company to provide financial advisory services in connection with the Acquisition. Under the terms of the engagement letter with S Goldman Advisors (the "Goldman Engagement"), the Company has agreed upon Completion, to pay S Goldman Advisors a fee of €780,000 for the performance of this service.

Subject to certain limited exemptions, the Company agrees to indemnify S Goldman Advisors in respect of losses suffered in connection with the engagement.

9.15 Irrevocable Undertaking

Irrevocable undertakings were signed by each of Angeliki Frangou on 31 May 2006, Georgios Kintis on 8 June 2006 and Andreas Vgenopoulos on 31 May 2006, together representing 11.78 per cent. of the Shares and by Tosca Fund Limited on 30 May 2006, New Smith Capital on 30 May 2006 and York Capital Management & Affiliates on 30 May 2006, together representing 33.27 per cent. of the Shares, undertaking for the benefit of the Sellers:

(i) to procure to convene the Special General Meeting to approve the Acquisition;

(ii) to procure that the Special General Meeting is held by the date falling 35 days after the date of execution of the Acquisition Agreement;

(iii) to procure that the notice of the Special General Meeting, will be duly sent to the Shareholders by the date falling 10 days from the date of the Acquisition Agreement;

(iv) to procure that the Special General Meeting will be quorate and held on due notice and otherwise held in accordance with the Company's Bye-laws and all applicable laws and regulations and that the resolutions set out in the notice will be duly put to the Shareholders;

(v) subject to certain exceptions exercise all voting rights, attaching to the Shares subject to the undertaking, in favour of the resolutions set out in the notice of the Special General Meeting necessary for the Acquisition to proceed and against any resolution or proposal to amend any such resolution or to adjourn the meeting;

(vi) not to sell, transfer, grant any option over, charge, encumber or otherwise any of the Shares subject to the undertaking.

Each undertaking is subject to English law and each party to the undertaking has submitted to the exclusive jurisdiction of the High Court of England and Wales.

9.16 Deutsche Bank AG

On 12 May 2006 the Company appointed Deutsche Bank, London branch ("DB"), on an exclusive basis, to provide advisory and banking services to the Board with respect to the Acquisition. DB agreed, if requested, to provide an opinion to the Board regarding the fairness to the Company from a financial point of view of the consideration to be paid by the Company. The Company agreed to pay DB a cash fee of €800,000 in respect of delivery of any opinion.

Subject to certain limited exemptions, the Company agreed to indemnify DB and any member of the DB group against any losses, claims, damages, liabilities, costs and expenses incurred by any of them in relation to the engagement.

10 Material Contracts – Proton

Save as set out in this document, the following are the only contracts (being contracts otherwise than in the ordinary course of business) which have been entered into by Proton and its subsidiaries within the two years immediately preceding the date of this document and which are or may be material or have been entered into by Proton and its subsidiaries at any time and contain any provision under which Proton and its subsidiaries has any obligation or entitlement which is material to Proton and its subsidiaries at the date of this document.

10.1 Omega Merger Agreement

Pursuant to a memorandum of understanding (the "MOU") dated 26 January 2006 signed by the board of directors of Proton and Omega it was agreed that Proton would merge (the "Omega

Merger”). The Omega Merger is subject to the approval of (i) the Bank of Greece; (ii) the general meeting of the shareholders of Proton and Omega and the competent body of Proton Securities Investment Co. S.A., (iii) the Greek Ministry of Development, (iv) the Greek Development, and (v) the Greek Competition Committee, if required. In addition pursuant to the MOU it was agreed that the date for drawing up the balance sheet for the purpose of the Omega Merger was set for 31 March 2006. The conditions which have to be fulfilled for the Omega Merger to be completed on the basis of the proposed exchange ratios were (a) the decrease of Omega’s share capital to erase losses, (b) the increase of Omega’s share capital trough the capitalisation of reserves formed by the issuance of shares above par value so that Omega’s share capital equals the sum of €78,770,708 divided into 19,497,700 shares of a nominal value of €4.04 each (c) that after the above decrease and increase of share capital the losses for previous years (including 2005) will not exceed €6,000,000 and ordinary reserves will amount to €1,338,966,000 and (d) Omega will adopt International Financial Reporting Standards. The suggested share exchange ratio to be proposed to Proton’s shareholders is 1 Omega share for 0.90 Proton shares, according to a value between Proton and Omega of 2.572:1.

Pursuant to the MOU, the boards of Proton and Omega agreed that only Proton’s shareholders will be entitled to receive a dividend from the profits for the fiscal year 2005. Proton and Omega also agreed that the board of Proton, once it has acquired Omega, will consist of eleven members: at least four of whom will be nominated by the then current management of Proton and at least one of whom will be nominated by the then current management of Omega; and one member will be independent and non-executive. The executive chairman, the executive vice-chairman and the managing director of the merged entity will be appointed from persons appointed by Proton. As of the date of this document, no formal merger agreement between Proton and Omega had been signed.

10.2 Loan Agreement

On 31 January 2006, Proton entered into a loan agreement with Omega and agreed to advance Omega the sum of €30,000,000. The loan is for a term of 10 years but allows for repayment of the total amount of the loan advanced after five years. The loan carries interest at Euribor plus 2.5 per cent. for the first five interest accrual periods and Euribor plus 4.5 per cent. for the remaining interest accrual period. An interest accrual period is a period of 12 months, starting from the date the loan was granted. Default interest is charged on the loan at the rate of 2.5 per cent. and the loan is unsecured.

10.3 Transfer Agreement

On 31 March 2006 Proton entered into an agreement (the “Transfer Agreement”) with Omega relating to the transfer of bonds, having a par value of €26,150,000, to Proton.

Pursuant to the Transfer Agreement the bonds were transferred to Proton for a price of €26,264,518.67, an amount equal to the principal amount of the bonds plus accrued interest. Proton was granted a put option to sell all or part of the bonds to Omega at any time at a price equal to the par value of the bonds transferred plus accrued interest and Omega has a call option to repurchase all or part of the bonds from Proton at any time at a price equal to the par value of the transferred bonds plus accrued interest.

10.4 Merger Agreement

On 30 June 2005, Proton entered into a merger agreement (the “Merger Agreement”) with Arrow Portfolio Investment Company S.A. (“Arrow”), Eurodynamiki Portfolio Investment Company, S.A., (“Eurodynamiki”) and Exelixi Portfolio Investment Company S.A. (“Exelixi” and together with Arrow and Eurodynamiki the “Three Entities”). Pursuant to the terms of the Merger Agreement, the merger of Proton and the Three Entities (together the “Merged Entities”) was effective through the absorption of the Three Entities into Proton in conformity with the provisions of Article 68 paragraph 7, 69 et seq. of the Greek Codified Law 2190/1920, as amended, Articles 1-5 of Greek Law 2166/1993, Greek Law 2992/2002 and Article 16 of Greek Law 2515/1997. The final merger resolution was passed by a resolution of the General Meeting of the Shareholders of the Merged Entities (as defined below) pursuant to the provisions of Article 72 of the Greek Codified Law 2190/1920 on 28 December 2005. In accordance with the provisions of the Merger Agreement, the actual merger is effected through the consolidation in book entry form of the assets and liabilities of the Merged Entities as at the completion of the merger, as such assets and liabilities are presented in the pertinent transformation balance sheets drawn up as of 31 March 2005.

The Merger Agreement states that the share capital of Proton is €35,000,000 divided into 14,000,000 ordinary registered shares with a right to vote of a par value of €2.50 each. The share capital of Arrow is stated to be €72,968,000 divided into 32,600,000 registered shares with a right to vote of a par value of €2.23. The share capital of Exelixi is stated to be €17,021,250 and is divided into 7,565,000 registered shares with a right to vote of a par value of €2.25 each. The share capital of Eurodynamiki is €124,173,000 divided into 85,050,000 registered shares with a right to vote of a par value of €1.46 each. Upon completion of the merger the share capital of Proton will increase by a total of €213,892,250 and is reduced according to Articles 16 paragraph 3 and 75 paragraph 4 of Greek Codified Law 2190/1920, by reason of extinction due to merger by the total amount of €46,492,240.20. The share capital is further increased by €260,145.28 (rounded up) by capitalisation of a part of the reserve fund and will amount, following the merger to €202,660,155.08 (rounded up) being divided into 45,135,892 registered shares with a right to vote of a new par value of €4.49 each. After the merger, all the shares in the Merged Companies will be cancelled and new shares issued to the shareholders of the Merged Companies.

Pursuant to the terms of the Merger Agreement, the holding interest in the share capital of Proton of the shareholders of Proton is fixed at approximately 31.02 per cent., of the shareholders of Arrow at approximately 31.48 per cent., of the shareholders of Eurodynamiki of approximately 5.9 per cent. and of the shareholders of Exelixi at approximately 31.59 per cent. In particular, out of a total of 45,135,892 shares in Proton, the shareholders of Proton will participate with 14,000,000 registered shares with a right to vote, the shareholders of Arrow will participate with 14,209,364 shares with a right to vote, the shareholders of Eurodynamiki will participate with 2,669,013 registered shares with a right to vote and the shareholders of Exelixi will participate with 14,257,515 registered shares with a right to vote.

Pursuant to the Merger Agreement as of completion of the merger, Proton is automatically subrogated, fully and without any further formalities to the rights, legal relations and obligations of the Three Entities and such transfer is identified with a universal succession. The legal proceeding/trials of the Three Entities will be continued by Proton without any further formality. The Merger Agreement states that the Banking and Credit Matters Committee of the Bank of Greece at its meeting No. 203/26 July 2005 approved the merge on condition that the merger is completed following the listing of the shares in Proton on the Athens Stock Exchange.

10.5 Underwriting Agreement

In connection with the listing of Proton's shares on the Athens Stock Exchange, Proton entered into an underwriting agreement with certain underwriters including, *inter alia*, Omega Bank S.A. and the Agricultural Bank of Greece (the "Underwriters") pursuant to which the Underwriters agreed to offer Proton's shares at the agreed offer price.

The Underwriters had the right to terminate the underwriting agreement in certain circumstances including, without limitation, general disruption of trading on the Athens Stock Exchange, breach by Proton or the offering shareholders of any obligation under the underwriting agreement or in the event that any statements in the offering prospectus proved inaccurate or false.

10.6 Insurance Policies

10.6.1 The Company currently has no insurance policies in place.

10.6.2 Proton has the following insurance policies:

(a) group life, accident and health insurance policy with Allianz. The insurance covers persons employed by Proton Group;

(b) insurance policy with AIG National Union Greece. The amount insured is €409,838.27 and covers damage to property at Proton's offices. The gross insurance premium is €1,331.98;

(c) fire insurance policy with Alpha Insurance. The amount insured is €327,537 and covers the building and contents at 1, Charilou Trikoupi Street, Kallithea. The total insurance premium is €1,703.29.

11 Related Party Transactions

11.1 The Company has entered into the following transactions with parties to which it is related:

11.1.1 On 29 May 2006 the Company appointed IBG and, subject to Shareholder approval, has agreed to pay IBG a success based advisory fee of €3,300,000 on Completion. IBG is affiliated with Marfin Financial Group ("MFG") and Marfin Bank A.S., Andreas Vgenopoulos, the Company's Deputy Chairman, is the vice Chairman of MFG and Chairman of Martin Bank S.A.

11.1.2 The Company appointed S Goldman Advisors with effect from 1 May 2006 to act as its financial adviser in connection with the Acquisition. Sheldon Goldman, a Director of the Company, is also managing director of S Goldman Advisors. In connection with such appointment S Goldman Advisors is to be paid a fee of €780,000. The Directors (other than Sheldon Goldman) having consulted with Collins Stewart, believe the payment of such fee is fair and reasonable so far as Shareholders is concerned.

11.2 Proton has entered into the following transactions with parties to which it is related:

11.2.1 Proton granted a loan to Mr. Lianos (chairman and chief executive of Proton, chairman of the board of directors of Proton MFM Company S.A. First Global Brokers A.D. and Panionios Kae) in the amount of €2,400,000 on 12 October 2005 and €869,655.51 on 13 July 2004.

11.2.2 Proton granted a loan to Mr. Chrysogonos (a former independent non-executive director of Proton) for up to €3,000,000. As at 10 October 2005, the amount of this loan was €2,408,025.52. The interest rate on the loan is the Interbank Market Rate plus 1.5 per cent. As security for the loan a pledge over shares and over a bank deposit has been granted in an amount equal to 100 per cent. of the outstanding balance of the loan.

11.2.3 Proton granted Mr. Markopoulos (deceased and a founder of Proton) a housing loan of ¥10,168,731 which was still outstanding at 19 October 2005.

11.2.4 Proton granted Mr. Lambadarios (an independent non-executive director of Proton) a loan of €250,000 on 29 December 2004 and made available to him an overdraft facility which stood at €768,343.07 as of 4 October 2005.

11.2.5 On 29 December 2003 Proton granted its subsidiary, Proton Axepey a loan, which as at 19 September 2005, stood at €15,690,015.00. Originally the loan was for €10,000,000 but it was increased to €20,000,000. The loan bears interest at the Interbank Market Rate plus 1.75 per cent.. The loan is unsecured.

11.2.6 Proton has granted a facility of up to €4,500,000 to FC Financial Community S.A., a company belonging to Mrs. Markopoulos, a member of the board of directors. As at 19 September 2005, the amount of the facility was €4,431,000.00. The loan bears interest at the Interbank Market Rate plus 1.5 per cent.. As security for the facility a pledge over shares and over a bank deposit has been granted for a total current value of 130 per cent. of the outstanding balance of the facility.

11.2.7 Proton made a loan to Mr. Athanasoglou, a brother of one of the directors of Proton. This loan, as at 19 September 2005 was for the amount of €114,154.62.

11.2.8 Proton made a loan to Mr. Koutsarrizos, treasurer of Proton which as at 19 September 2005 was for the amount of €462,596.33.

11.2.9 On 31 January 2006, Proton entered into a loan agreement with Omega and agreed to advance Omega the sum of €30,000,000. The loan is for a term of 10 years but allows for repayment of the total amount of the loan advanced after five years. The loan carries interest at Euribor plus 2.5 per cent. for the first five interest accrual periods and Euribor plus 4.5 per cent. for the remaining interest acrual period. An interest accrual period is a period of 12 months, starting from the date the loan was granted. Default interest is charged on the loan at the rate of 2.5 per cent. and the loan is unsecured.

12 Working Capital

In the opinion of the Directors, having made due and careful enquiry, the working capital available to the Company, as enlarged by the acquisition of the Shares in Proton, will be sufficient for its requirements for at least 12 months from the date of Re-Admission.

13 Taxation

U. S. Federal Income Tax Consequences

The following general discussion summarises the material U.S. federal income tax consequences of the acquisition, ownership and disposition of the Shares and Warrants by a U.S. holder. This discussion is based on current provisions of the Internal Revenue Code of 1986, as amended (the "Code"), current and proposed Treasury regulations promulgated thereunder, and administrative and judicial decisions as of the date hereof, all of which are subject to change, possibly on a retroactive basis. For purposes of this discussion, a U.S. holder is a beneficial owner of the Shares and Warrants that is, for U.S. federal income tax purposes:

- an individual who is a citizen or resident of the United States;
- a corporation (or other entity taxed as a corporation) created or organised under the laws of the U.S. or its political subdivisions;
- an estate whose income is includible in gross income for U.S. federal income tax purposes regardless of its source; or
- a trust if (i) a court within the United States is able to exercise primary supervision over the administration of the trust and one or more "U.S. persons" (within the meaning of the Code) have the authority to control all substantial decisions of the trust, or (ii) it has a valid election in effect under applicable Treasury regulations to be treated as a U.S. person.

This discussion does not address all aspects of U.S. federal income taxation that may be relevant to any particular U.S. holder based on such holder's individual circumstances. In particular, this discussion considers only U.S. holders that own Shares and Warrants as capital assets and does not address the potential application of the alternative minimum tax or the U.S. federal income tax consequences to U.S. holders that are subject to special treatment, including:

- broker-dealers;
- insurance companies;
- taxpayers who have elected mark-to-market accounting;
- tax-exempt organisations;
- regulated investment companies;
- financial institutions or "financial services entities";
- taxpayers who hold the Shares or Warrants as part of a straddle, hedge, conversion transaction or other integrated transaction;
- certain expatriates or former long-term residents of the United States;
- holders owning directly, indirectly or by attribution at least 10 per cent. of the Company's voting power; and
- taxpayers whose functional currency is not the U.S. dollar.

This discussion does not address any aspect of U.S. federal gift or estate tax, or state, local or non-U.S. tax laws. Additionally, the discussion does not consider the tax treatment of partnerships or other pass-through entities or persons who hold Shares or Warrants through such entities. If a partnership (or other entity classified as a partnership for U.S. federal income tax purposes) is the beneficial owner of the Shares or Warrants, the U.S. federal income tax treatment of a partner in the partnership will generally depend on the status of the partner and the activities of the partnership.

You are advised to consult your tax advisers regarding the specific tax consequences of holding or disposing of Shares and Warrants.

To ensure compliance with Internal Revenue Service Circular 230, you are hereby notified that (A) any discussion of federal tax issues contained or referred to in this admission document is not intended or written to be used, and cannot be used, by investors for the purpose of avoiding penalties that may be imposed on them under the Internal Revenue Code, (B) such discussion is written to support the promotion or marketing of the transactions or matters addressed herein, and (C) prospective investors should seek advice based on their particular circumstances from an independent tax adviser.

Taxation of Shares and Warrants

Taxation of Dividends Paid on Shares. In the event the Company pays a dividend, subject to the discussion of the PFIC rules below, a U.S. holder will be required to include in gross income as ordinary income the amount of any distribution paid on Shares to the extent the distribution is paid out of the Company's current or accumulated earnings and profits as determined for U.S. federal income tax purposes. Distributions in excess of such earnings and profits will be applied against and will reduce the U.S. holder's basis in the Shares and, to the extent in excess of such basis, will be treated as gain from the sale or exchange of shares.

In the case of a U.S. holder that is a corporation, a dividend from a non-U.S. corporation will generally be taxable at regular corporate rates of up to 35 per cent. and generally will not qualify for a dividends-received deduction. In the case of certain non-corporate U.S. holders, dividends that are not otherwise eligible for a reduced tax rate are generally subject to tax at ordinary income rates of up to 35 per cent. as well.

Distributions of current or accumulated earnings and profits paid in a non-U.S. currency to a U.S. holder will be includible in the income of a U.S. holder in a U.S. dollar amount calculated by reference to the exchange rate on the day the distribution actually or constructively is received. A U.S. holder that receives a non-U.S. currency distribution will have a tax basis in the amount so received equal to the U.S. dollar value of such amount on the day actually or constructively received. A U.S. holder that receives a non-U.S. currency distribution and converts the non-U.S. currency into U.S. dollars on the date of receipt will realise no foreign currency gain or loss. If the U.S. holder converts the non-U.S. currency to U.S. dollars on a date subsequent to receipt, such U.S. holder will have foreign exchange gain or loss based on any appreciation or depreciation in the value of the non-U.S. currency against the U.S. dollar from the date of receipt to the date of conversion, which will generally be U.S. source ordinary income or loss.

U.S. holders will have the option of claiming the amount of any non-U.S. income taxes withheld at source either as a deduction from gross income or as a dollar-for-dollar credit against their U.S. federal income tax liability. Individuals who do not claim itemised deductions, but instead utilise the standard deduction, may not claim a deduction for the amount of the non-U.S. income taxes withheld, but such amount may be claimed as a credit against the individual's U.S. federal income tax liability. The amount of foreign income taxes which may be claimed as a credit in any year is subject to complex limitations and restrictions, which must be determined on an individual basis by each Shareholder. These limitations include, among others, rules which limit foreign tax credits allowable with respect to specific classes of income to the U.S. federal income taxes otherwise payable with respect to each such class of income.

The total amount of allowable foreign tax credits in any year cannot exceed regular U.S. tax liability for the year attributable to foreign source taxable income. Dividends paid by the Company will generally be foreign source passive income for U.S. foreign tax credit purposes. A U.S. holder will be denied a foreign tax credit with respect to non-U.S. income tax withheld from dividends received on the Shares to the extent such U.S. holder has not held the Shares for at least 16 days of the 31-day period beginning 15 days before the ex-dividend date or to the extent such U.S. holder is under an obligation to make related payments with respect to substantially similar or related property. Any days during which a U.S. holder has substantially diminished its risk of loss on the shares are not counted toward meeting the 16-day holding period required by the statute.

Taxation of the Disposition of Shares. Subject to the discussion of the PFIC rules below, upon the sale, exchange or other disposition of shares, a U.S. holder will recognise capital gain or loss in an amount equal to the difference between such U.S. holder's tax basis in its shares, and the amount realised on the disposition. A U.S. holder's basis in its shares is usually the cost of such shares. See "Exercise or Lapse of the Warrant" below for a discussion regarding a U.S. holder's basis in shares acquired pursuant to the exercise of a warrant.

A U.S. holder that uses the cash method of accounting calculates the U.S. dollar value of the proceeds received on the sale date as of the date that the sale settles, while a U.S. holder that uses the accrual method of accounting is required to calculate the value of the proceeds of the sale as of the "trade date," unless such U.S. holder has elected to use the settlement date to determine its proceeds of sale. Capital gain from the sale, exchange or other disposition of shares held more than one year is long-term capital gain, and is eligible for a reduced rate of taxation for individuals. Long-term capital gains recognised by certain non-corporate holders before 1 January 2011 may qualify for a reduced rate of taxation of 15 per cent. or lower. See “Exercise or Lapse of the Warrant” below for a discussion regarding a U.S. holder’s holding period in shares acquired pursuant to the exercise of a warrant. Gains recognised by a U.S. holder on a sale, exchange or other disposition of shares generally will be treated as U.S. source income for U.S. foreign tax credit purposes. A loss recognised by a U.S. holder on the sale, exchange or other disposition of shares generally is allocated to U.S. source income for U.S. foreign tax credit purposes. The deductibility of a capital loss recognised on the sale, exchange or other disposition of shares is subject to limitations. A U.S. holder that receives a non-US currency upon the sale, exchange or other disposition of shares will realise an amount calculated by reference to the exchange rate on the date of sale, exchange or other disposition (or, if the shares are regularly traded on AIM, an established securities market, and the U.S. holder is a cash basis taxpayer or an electing accrual basis taxpayer, the settlement date). The U.S. holder will have a tax basis equal to the U.S. dollar amount realised. Generally, any gain or loss realised upon a subsequent conversion of the non-U.S. currency to U.S. dollars will be U.S. source ordinary income or loss.

Exercise or Lapse of the Warrant. Subject to the discussion of the PFIC rules below, a U.S. holder generally will not recognise gain or loss upon the exercise of a Warrant, except with respect to any cash received in lieu of a fractional share. Shares acquired pursuant to the exercise of a Warrant will have a tax basis equal to the U.S. holder’s tax basis in the Warrant, increased by the premium paid to exercise the Warrant, less the portion of such basis allocable to the fractional share (if any). The holding period of such share would begin on the date of exercise of the Warrant. If the terms of a Warrant provide for any adjustment to the number of shares for which the Warrant may be exercised or to the exercise price of the Warrants, such adjustment may, under certain circumstances, result in constructive distributions that could be taxable as a dividend to the holder of the Warrants. Conversely, the absence of an appropriate adjustment may result in a constructive distribution that could be taxable as a dividend to the U.S. holders of the shares. See “Taxation of Dividends Paid on Shares”. If a Warrant is allowed to lapse unexercised, a U.S. holder would have a capital loss equal to such holder’s tax basis in the Warrant. Holders who elect to exercise a Warrant other than by paying the exercise price in cash should consult their tax advisers regarding the tax treatment of such an exercise, which may vary from that described above.

Tax Consequences if the Company is a Passive Foreign Investment Company. The Company will be a passive foreign investment company, or PFIC, if 75 per cent. or more of the Company’s gross income in a taxable year, including the pro rata share of the gross income of its subsidiaries in which it owns 25 per cent. or more of the shares by value (including Proton), is passive income. Alternatively, the Company will be a PFIC if at least 50 per cent. of the Company’s assets in a taxable year, averaged over the year and ordinarily determined based on fair market value, including the pro rata share of the assets of any subsidiary in which the Company owns 25 per cent. or more of the shares by value are held for the production of, or produce, passive income.

Passive income generally includes dividends, interest, rents, royalties, and gains from the disposition of passive assets. Passive income also includes the excess of gains over losses from some commodities transactions. Net gains from commodities transactions will not be included in the definition of passive income if they are active business gains or losses from the sale of commodities, but only if substantially all of a corporation’s commodities are stock in trade or inventory, depreciable or real property used in trade or business, or supplies used in the ordinary course of the trade or business of a corporation. Net gains from commodities transactions will also not be included in the definition of passive income if they arise out of commodity hedging transactions entered into in the ordinary course of a corporation’s trade or business.

Since incorporation, the Company has been a blank check company, with no active business, and therefore likely met the PFIC asset or income tests for the period prior to the Acquisition. However, the PFIC rules contain an exception to PFIC status for companies in their “start-up year.” A corporation will not be a PFIC for the first taxable year the corporation has gross income, if (1) no predecessor of the corporation was a PFIC; (2) the corporation satisfies the Secretary of the U.S. Treasury that it will not be a PFIC for either of the first two taxable years following the start-up year; and (3) the corporation is not in fact a PFIC for either of these years. The applicability of the start-up exception to the Company is uncertain. After the Acquisition the Company may still meet one of the PFIC tests depending on the interest, royalties, commodities and other passive income and assets of Proton, which will likely be a predecessor corporation for purposes of the start-up exception.

PFIC status cannot be determined until the close of the year in question and is determined annually. Consequently, the determination as to the Company's status as a PFIC will be made at the end of the current year.

If the Company is a PFIC, each U.S. holder, upon certain excess distributions by the Company and upon disposition of shares or Warrants at a gain, would be liable to pay tax at the highest then prevailing income tax rate on ordinary income plus interest on the tax, as if the distribution or gain had been recognised rateably over the taxpayer's holding period for the shares or Warrants. Additionally, if the Company is a PFIC, a U.S. holder who acquires shares or Warrants from a deceased person who was a U.S. holder would not receive the step-up of the income tax basis to fair market value for such shares or Warrants. Instead, such U.S. holder would have a tax basis equal to the deceased's tax basis, if lower.

If a U.S. holder has made a qualifying electing fund ("QEF") election covering all taxable years during which the holder held shares and in which the Company was a PFIC, distributions and gains will not be taxed as described above, nor will the denial of a basis step-up at death described above apply. Instead, a U.S. holder that makes a QEF election is required for each taxable year to include in income the holder's pro rata share of the ordinary earnings of the QEF as ordinary income and a pro rata share of the net capital gain of the QEF as long-term capital gain, regardless of whether such earnings or gain have in fact been distributed. Undistributed income is subject to a separate election to defer payment of taxes. If deferred, the taxes will be subject to an interest charge. U.S. holders may not make a QEF election with respect to Warrants. As a result, if a U.S. holder sells Warrants, any gain will be subject to the special tax and interest charge rules treating the gain as an excess distribution, as described above, if the Company were a PFIC at any time during period the U.S. holder held the Warrants. If a U.S. holder that exercises Warrants properly makes a QEF election with respect to the newly acquired shares, the adverse tax consequences relating to PFIC shares will continue to apply with respect to the pre-QEF election period, unless the holder makes a purging election. The purging election creates a deemed sale of the shares acquired on exercising the Warrants. The gain recognised by the purging election would be subject to the special tax and interest charge rules, treating the gain as an excess distribution, as described above. As a result of the purging election, the U.S. holder would have a new basis and holding period in the shares acquired on the exercise of the Warrants for purposes of the PFIC rules.

The application of the PFIC and QEF rules to Warrants and to shares acquired upon exercise of Warrants is subject to significant uncertainties. Accordingly, U.S. holders should consult their tax advisers concerning the PFIC consequences of holding Warrants or of holding Shares acquired through the exercise of such Warrants.

In order to comply with the requirements of a QEF election, a U.S. holder must receive certain information from the Company. The QEF election is made on a Shareholder-by-Shareholder basis and can be revoked only with the consent of the Internal Revenue Service, or IRS. A Shareholder makes a QEF election by attaching a completed IRS Form 8621, including the information provided in the PFIC annual information statement, to a timely filed U.S. federal income tax return and by filing a copy of the form with the IRS. The Company will endeavour to provide such information as the IRS may require in order to enable U.S. holders to make the QEF election. However, there is no assurance that the Company will have timely knowledge of the Company's status as a PFIC in the future. Even if a Shareholder in a PFIC does not make a QEF election, if such Shareholder is a U.S. holder, such Shareholder must annually file with the Shareholder's tax return and with the IRS a completed Form 8621.

Where a U.S. investor has elected the application of the QEF rules to its PFIC shares, and the excess distribution rules do not apply to such shares (because of timely election or a purge of the PFIC taint as described above in connection with the exercise of Warrants), any gain realised on the appreciation of the PFIC shares is taxable as capital gain (if the shares are a capital asset in the hands of the investor) and no interest charge is imposed. U.S. Shareholders of a QEF are currently taxed on their pro rata shares of the fund's earnings and profits. Where earnings and profits that were included in income under this rule are later distributed, the distribution is not a dividend. The basis of a U.S. Shareholder's shares in a QEF is increased by amounts that are included in income, and decreased by amounts distributed but not taxed as dividends, under the above rules.

Although a determination as to a corporation's PFIC status is made annually, an initial determination that a corporation is a PFIC will generally apply for subsequent years, whether or not it meets the tests for PFIC status in those years. A U.S. holder who makes the QEF election discussed above for the first year the U.S. holder holds or is deemed to hold shares or Warrants and for which the Company is determined to be a PFIC, however, is not subject to the PFIC rules or the QEF regime for the years in which the Company is not a PFIC.

If the Company's shares became "regularly traded" on a "qualified exchange or other market," as provided in applicable Treasury regulations, a U.S. holder of Shares may elect to mark the Shares to market annually, recognising as ordinary income or loss each year an amount equal to the difference between the Shareholder's adjusted tax basis in such shares and their fair market value. Losses would be allowed only to the extent of net mark-to-market gain previously included by the U.S. holder under the election in previous taxable years. As with the QEF election, a U.S. holder who makes a mark-to-market election would not be subject to general PFIC regime and the denial of basis step-up at death described above. However, it is unclear whether Shares will qualify for the mark-to-market election and prospective investors should not assume that Shares will qualify for the mark-to-market election.

If the Company is a PFIC and, at any time, has a non-U.S. subsidiary that is classified as a PFIC, U.S. holders of shares generally would be deemed to own, and also would be subject to the PFIC rules with respect to, their indirect ownership interests in that lower-tier PFIC. If the Company is a PFIC and a U.S. holder of shares does not make a QEF election in respect of a lower-tier PFIC, the U.S. holder could incur liability for the deferred tax and interest charge described above if either (1) the Company receives a distribution from, or disposes of all or part of the Company's interest in, the lower-tier PFIC or (2) the U.S. holder disposes of all or part of its shares. Upon request, the Company will endeavour to cause any lower-tier PFIC to provide to a U.S. holder no later than ninety days after the request the information that may be required to make a QEF election with respect to the lower-tier PFIC. A mark-to-market election under the PFIC rules with respect to shares would not apply to a lower-tier PFIC, and a U.S. holder would not be able to make such a mark-to-market election in respect of its indirect ownership interest in that lower-tier PFIC. Consequently, U.S. holders of shares could be subject to the PFIC rules with respect to income of the lower-tier PFIC the value of which already had been taken into account indirectly via mark-to-market adjustments. Similarly, if a U.S. holder made a mark-to-market election under the PFIC rules in respect of the shares and made a QEF election in respect of a lower-tier PFIC, that U.S. holder could be subject to current taxation in respect of income from the lower-tier PFIC the value of which already had been taken into account indirectly via mark-to-market adjustments. U.S. holders are urged to consult their own tax advisers regarding the issues raised by lower-tier PFICs.

The rules dealing with PFICs and with the QEF and mark-to-market elections are very complex and are affected by various factors in addition to those described above, including the Company's ownership of any non-U.S. subsidiaries. As a result, U.S. holders of shares or Warrants are strongly encouraged to consult their tax advisers about the PFIC rules in connection with their purchasing, holding or disposing of shares or Warrants.

Tax Consequences for Non-U.S. Holders of Shares or Warrants

Except as described in "– Information Reporting and Back-up Withholding" below, a non-U.S. holder of Shares or Warrants will not be subject to U.S. federal income or withholding tax on the payment of dividends on Shares and the proceeds from the disposition of Shares or Warrants unless:

- such item is effectively connected with the conduct by the non-U.S. holder of a trade or business in the United States and, in the case of a resident of a country which has a treaty with the United States, such item is attributable to a permanent establishment or, in the case of an individual, a fixed place of business, in the United States; or
- the non-U.S. holder is an individual who holds the Shares or Warrants as a capital asset and is present in the United States for 183 days or more in the taxable year of the disposition, certain other conditions are met, and such non-U.S. holder does not qualify for an exemption.

If the first exception applies, the non-U.S. holder generally will be subject to U.S. federal income tax with respect to such item in the same manner as a U.S. holder unless otherwise provided in an applicable income tax treaty; a non-U.S. holder that is a corporation for U.S. federal income tax purposes may also be subject to a branch profits tax with respect to such item at a rate of 30 per cent. (or at a reduced rate under an applicable income tax treaty). If the second exception applies, the non-U.S. holder generally will be subject to U.S. federal income tax at a rate of 30 per cent. (or at a reduced rate under an applicable income tax treaty) on the amount by which such non-U.S. holder's capital gains allocable to U.S. sources exceed capital losses allocable to U.S. sources during the taxable year of disposition of the Shares or Warrants.

Information Reporting and Back-up Withholding

U.S. holders generally are subject to information reporting requirements with respect to dividends paid on shares and on the proceeds from the sale, exchange or disposition of shares or Warrants. In addition, U.S. holders are subject to back-up withholding (currently at 28 per cent.) on dividends paid on shares, and on the sale, exchange or other disposition of shares or Warrants, unless the U.S. holder provides a taxpayer identification number and a duly executed IRS Form W-9 or otherwise establishes an exemption.

Non-U.S. holders generally are not subject to information reporting or back-up withholding with respect to dividends paid on shares, or the proceeds from the sale, exchange or other disposition of shares or Warrants, provided that such non-U.S. holder provides a taxpayer identification number and certifies to its foreign status on the applicable duly executed IRS Form W-8 or otherwise establishes an exemption.

Back-up withholding is not an additional tax and the amount of any back-up withholding will be allowed as a credit against a U.S. or non-U.S. holder's U.S. federal income tax liability and may entitle such holder to a refund, provided that certain required information is timely furnished to the IRS.

United Kingdom Tax Consequences

The following is a general description of certain UK tax consequences relating to the acquisition, ownership and disposal of Shares and Warrants based on current law and practice in the UK. It is not a complete analysis of all potential UK tax consequences for holders of Shares or Warrants. It addresses the position of a person resident in the UK for UK tax purposes who is the absolute beneficial owner of the Shares and Warrants. It may not apply to certain categories of persons such as dealers, or to persons who (together with associates) own 10 per cent. or more of the Company's voting power. A Shareholder's taxation position may be affected if certain anti-avoidance provisions apply. Shareholders should consult their own advisers as to the consequences of the purchase, ownership and disposition of the Shares and Warrants in light of their particular circumstances.

Taxation of dividends paid on Shares. No UK withholding tax is payable in respect of any dividends the Company may pay on Shares. Holders of Shares who are resident in the UK will in general be subject to UK corporation tax or income tax on dividends paid in respect of Shares. No such liability will arise for individual Shareholders who, though UK resident, are either not domiciled in the UK, or are not ordinarily resident in the UK, except to the extent that amounts are remitted to the UK (or treated for UK tax purposes as remitted to the UK).

Taxation on the disposition of Shares or Warrants. A holder of Shares who is neither resident nor ordinarily resident in the UK will not be subject to UK tax on capital gains on a disposal of the Shares or Warrants unless the holder of Shares or Warrants is carrying on a trade or profession in the UK through a permanent establishment, branch or agency and the Shares or Warrants are used or acquired for use in or held for the purposes of that trade or profession.

Holders of Shares or Warrants who are either resident or ordinarily resident in the UK will, in general, be subject to UK tax on capital gains on a disposal of Shares or Warrants. In addition, any holders of Shares or Warrants who are individuals and who dispose of Shares or Warrants while they are temporarily non-resident may be treated as disposing of them in the tax year in which they again become resident in the UK. The Warrants, if unexercised, will be wasting assets for tax purposes and accordingly their base cost will be treated as written off over the life of the Warrant in computing a chargeable gain on disposal of the Warrant. If Warrants are exercised, no capital gains tax will be payable on the exercise, and the full amount of their cost will form part of the base cost in the Shares acquired as a result of the exercise of the Warrants. The taxation of persons holding Warrants within the charge to UK corporation tax may however be determined by the appropriate accounting treatment of the holding. Any profit accruing in such circumstances may as a result be taxed as income of those holders (such amounts then forming part of the base cost of any Shares acquired on exercise).

For UK capital gains tax payers, taper relief may reduce any chargeable gain on a disposal of shares or Warrants, and for corporation tax payers indexation may apply to reduce any such gain. Shareholders who are individuals and resident or ordinarily resident in the UK but who are not domiciled in the UK will not be subject to UK tax on capital gains arising on a disposal of Shares or Warrants unless they remit (or are deemed for UK tax purposes to remit) the proceeds to the UK.

Inheritance tax. No liability to UK inheritance tax will generally arise in respect of Shares or Warrants held by a person who is neither domiciled nor deemed to be domiciled in the UK. UK domiciliaries should seek their own advice as to inheritance tax.

Stamp duty and Stamp Duty Reserve Tax. No charge to SDRT will arise in respect of any agreement to transfer the Shares or Warrants.

An instrument effecting or evidencing the issue of the Shares or the issue or transfer of the Warrants and executed in the UK or executed outside the UK and which relates to any matter or thing done or to be done in the UK may not, except in criminal proceedings, be given in evidence or be available for any other purpose in the UK unless it is duly stamped after it is first received in the UK.

Bermuda Tax Consequences

Taxation. As a Bermuda exempted company and under current Bermuda law, the Company is not subject to tax on profits, income or dividends nor is there any capital gains tax, estate duty or death duty applicable in Bermuda. Profits can be accumulated and it is not obligatory for a company to pay dividends.

Furthermore, the Company has obtained from the Minister of Finance of Bermuda under the Exempted Undertakings Tax Protection Act 1966 (as amended), an undertaking that, in the event that Bermuda enacts any legislation imposing tax computed on profits, income, any capital asset, gain or appreciation, or any tax in the nature of estate duty or inheritance tax, then the imposition of such tax will not be applicable to the Company or to any of the Company's operations, or Shares, until 28 March 2016. It is possible that this exemption will not be extended beyond that date or if extended, that it will be extended on less favourable terms. This undertaking does not, however prevent the imposition of property taxes on any company owning real property or leasehold interests in Bermuda.

All Bermudian companies are required to pay an annual government fee (the "Government Fee"), which is determined on a sliding scale by reference to a company's authorised share capital and share premium account, with the minimum fee being BD$1,780 and the maximum BD$27,825 (the BD$ is treated at par with the US$). The Government Fee is payable at the end of January in every year and is based on the authorised share capital and share premium account as they stood at 31 August in the preceding year.

Stamp Duty. In Bermuda, stamp duty is not chargeable in respect of the incorporation, registration or licensing of an exempted company, nor, subject to certain minor exceptions, on their transactions. Accordingly, no stamp duty will be payable on the increase in or the issue or transfer of the share capital of the Company.

ERISA

The following general discussion summarises the applicability of the United States Employee Retirement Income Security Act of 1974, as amended ("ERISA") and section 4975 of the United States Internal Revenue Code of 1986, as amended ("Code") to any assets the Company owns and any activities the Company undertakes, as well as the material consequences if such laws applied to the Company's assets and activities. This summary does not purport to be a complete discussion of all of the considerations under ERISA or section 4975 of the Code relating to the acquisition or holding of Shares or Warrants. Moreover, governmental plans, church plans, non-United States benefit plans and other similar investors that are not subject to the fiduciary standards of ERISA or the prohibited transaction rules of ERISA or section 4975 of the Code (collectively, "Other Plans") may be subject to substantially similar laws ("Similar Laws"). Accordingly, any person considering the acquisition or holding of Shares or Warrants with the assets of any employee benefit plan (whether or not subject to ERISA or section 4975 of the Code) should consult with legal counsel regarding the applicability of ERISA, section 4975 of the Code or Similar Laws.

The United States Department of Labor (the "DOL") has issued a regulation, 29 C.F.R. 2510.3-101, (the "Plan Assets Regulation") defining what constitutes the assets of an employee benefit plan or other plan subject to the fiduciary standards of ERISA or the prohibited transaction rules of ERISA or section 4975 of the Code. Under a "look-through" rule set forth in the Plan Assets Regulation, the underlying assets owned by an entity in which any such plan owns an equity interest will be treated as if they were "plan assets" of such plans unless an exception applies. The look-through rule does not apply to an entity (i) that qualifies as an "operating company" or (ii) in which participation by "benefit plan investors" is not significant, as determined under the Plan Assets Regulation. Although there are other exceptions to the look-through rule, they are unlikely to apply to the Company.

The Plan Assets Regulation defines an "operating company" as including an entity that is primarily engaged in the production or sale of a product or service (other than the investment of capital). Following the Acquisition the Company should qualify as an "operating company" within the meaning of the Plan Assets Regulation such that the look-through rule will not apply to the Company's assets or the Company's activities thereafter.

14 Litigation

14.1 The Company is not, and has not been, involved in any governmental, legal or arbitration proceedings, active, pending or threatened against, or being brought by, the Company which are having or may have a significant effect on the Company's financial position.

14.2 Other than as described below, Proton is not, and has not been, involved in any governmental, legal or arbitration proceedings, active, pending or threatened against, or being brought by, Proton which are having or may have a significant effect on Proton's financial position:

14.2.1 On 11 March 2004 Proton arranged an exchangeable bond issue by Emphasis Information Systems S.A. ("Emphasis"). Emphasis failed to comply with the terms of the bond issue and the board of directors of Proton proposed to all holders of the bonds that the bonds be redeemed at half their par value. The bondholders are now bringing a claim in tort against the Bank alleging that the Bank knew that Emphasis was in financial difficulty and failed to tell the holders of the Bonds.

14.2.2 Proton is claiming €12,000 from Ipirotiki S.A. A payment order was issued by the Justice of the Peace of Athens but the money has not yet been paid.

14.2.3 Proton is claiming €273,735.22 from Hellinki Viomichania Plastikon Kai Elastikou A.G. Petzetakis S.A.. The date of the hearing is expected for 28 September 2006 before the multimember First Instance Court of Athens, but the claim is likely to be settled before such time.

15 Consents and Responsibility Statement

15.1 Directors' Responsibility Statement

The Directors of the Company, whose names appear on page 2, accept responsibility, individually and collectively, for the information contained in this document and for compliance with the AIM Rules. To the best of the knowledge and belief of the Directors, who have taken all reasonable care to ensure that such is the case, the information contained in this document is in accordance with the facts and there is no omission likely to affect the import of such information.

15.2 Collins Stewart

Collins Stewart has given and has not withdrawn their written consent to the inclusion in this document of its name and the references to them in the form and context in which they appear.

16 General

16.1 Significant changes – the Company

Save as disclosed in this document, there has been no significant change in the financial or trading position of the Company since 31 December, 2005, the date of the financial information contained in Part III of this document.

16.2 Significant change – Proton

Save as disclosed in this document, there has been no significant change in the trading position of Proton since 31 March 2006, being the end of the financial period to which the unaudited financial information contained in Part IV of this document relates.

16.3 Accounting reference date

The accounting reference dates of the Company and Proton are 31 December.

16.4 Expenses

The total cost (including fees and commissions) of Re-Admission and the Acquisition is expected to be no more than $8,500,000 (excluding any amounts in respect of VAT) and is payable by the Company.

16.5 Payments to promoters

No person (other than as disclosed in this document) has received, directly or indirectly, within the 12 months preceding the date of this document, or entered into contractual arrangements to receive, directly or indirectly, from the Company on or after Re-Admission:

(a) fees totalling £10,000 or more;

(b) securities where these have a value of £10,000 or more; or

(c) any other benefit with a value of £10,000 or more at the date of Re-Admission.

16.6 Market Price of Shares and Related Shareholder Matters

The Shares were traded on AIM under the symbol ("IRF") until 1 June 2006 when trading was suspended due to the announcement of the Company's entry into the Acquisition Agreement. The Shares are expected to recommence trading on the date hereof following submission of this document to AIM. The Shares are not traded on any United States market.

At 31 May 2006, the number of holders of record of the Shares without determination of the number of individual participants in security positions was 76 with 57,291,675 Shares outstanding. High and low sales prices for the Shares for each quarter (or part thereof) during the calendar years 2005 and 2006 are as follows:

	High	Low
Quarter ended 31 December 2005[(1)]	$5.30	$5.15
Quarter ended 31 March 2006	$5.50	$5.30
Period ended 31 May 2005[(2)]	$5.68	$5.20

Notes:

(1) The Shares were admitted to trading on AIM on 14 November 2005.

(2) Pursuant to the AIM Rules, because of the announcement of the Acquisition, the Shares were suspended from trading on 1 June 2006. Upon publication of this document, the Shares are expected to be readmitted to trading.

16.7 Employees – the Company

The Company does not have, and has not since incorporation had, any employees.

16.8 Employees – Proton

The table below shows the average number of employees employed by Proton and the Proton Group during the period 2002 to 2005.

Average number of employees:

Personnel	2002	2003	2004
Proton Investment Bank S.A.	27	20	20
Proton and its subsidiaries	94	99	105

As at 31 December 2005, Proton employed 42 employees and the Proton Group employed 118 employees.

16.9 Investments

(a) Principal Investments

The Company has made no investments since its incorporation.

Proton's principal investments during the period covered by the financial information on Proton set out in Part IV of this document are:

- **(i)** the proposed merger of Omega into Proton, for further information, see Part I of this document "Information on the Company and Proton – Pending transaction with Omega";
- **(ii)** the merger of Proton with Arrow Investments S.A., Exelixi Investments S.A. and Eurodynamics S.A., which became effective on 30 December 2005, for further information, see Part I "Information on the Company and Proton – merger with three portfolio closed end companies";
- **(iii)** the acquisition of 82.49 per cent. of First Global Brokers A.D. in Serbia in April 2005.

(b) Future Investments

Save as disclosed in this paragraph, there are no future investments in relation to which the Company or Proton following the Acquisition has made firm commitments.

16.10 Search for a Proton Business and Effecting a Business Combination

Subject to the limitations that a Proton business be in the financial services industry, and the business combination have a Transaction Value of at least $75,000,000 at the time of such combination, the Company has had considerable flexibility in identifying and selecting a prospective acquisition candidate. To the extent the Company successfully effects a business combination with Proton, it may be affected by numerous risks inherent in the business and operations of Proton or the operation of the acquired assets, including certain of the risks set forth in Part II of this document under "Risk Factors". Although the Company's management will endeavour to evaluate the risks of acquiring Proton, the Company cannot assure you that it will properly ascertain or assess all significant risk factors.

In evaluating the Acquisition, the Company has conducted the customary business, legal and accounting due diligence on such Proton business and has considered, among other factors: business synergy, the valuation of Proton (1.8 x book value and 15.3 x price/earnings ratio, which is based on the Directors' estimates of Proton's business for 2006), the pending merger with Omega, the strong management team at Proton and the platform for consolidation in South East Europe provided by Proton's Greek banking licence and recent listing on the Athens Stock Exchange.

These criteria are not intended to be exhaustive. Any evaluation relating to the merits of a particular business combination is based, to the extent relevant, on the above factors as well as other considerations deemed relevant by the Company in effecting a business combination consistent with its business objectives.

16.11 Fairness Opinion regarding the Acquisition

Deutsche Bank AG ("DBAG") has provided an opinion as to the fairness of the Acquisition from a financial point of view of the Directors. DBAG's opinion is subject to certain limitations and assumptions. The opinion does not constitute advice as to whether the Company should enter into the Acquisition, nor is it a recommendation to the Shareholders. DBAG did not originate the Acquisition or participate in the negotiation of its terms, nor did DBAG review other acquisitions that the Company may have considered in addition to or in lieu of the Acquisition. DBAG's opinion was issued on 18 May 2006 and is based upon economic, market and other conditions as in effect on, and the information made available to it, as of such date.

17 Availability of this Document

Copies of this document are available free of charge from the Company's registered office and at the offices of Collins Stewart, during usual business hours on any weekday (weekends and public holidays excepted) and will remain available until one month after the date of Re-Admission.

Dated 9 June 2006

IRF EUROPEAN FINANCE INVESTMENTS LTD. (the "Company")

NOTICE OF A SPECIAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT a Special General Meeting of the Company will be held at the offices of the Company at Canon's Court, 22 Victoria Street, Hamilton, HM12, Bermuda at 9.00 a.m. (Bermuda time) on 27 June 2006 for the purpose of considering and, if thought fit, passing the following resolutions:

RESOLUTION 1

THAT:

(a) the proposed acquisition (the "Acquisition") by the Company of an investment in Proton Investment Bank S.A. pursuant to an acquisition agreement (the "Acquisition Agreement") dated as of 31 May 2006 between the Companyand Elias Lianos and Anthony Athanasoglou (a copy of which is produced to the meeting and initialled by the Chairman for the purposes of identification only) and the terms and conditions of which are described in the Re-admission Document dated 9 June 2006 relating to the Company (the "Re-Admission Document"), with such non-material amendments, variations, revisions and modifications as the Directors (or a committee of the Directors) may consider appropriate, be approved and that the Directors be authorised to take all necessary steps and to execute all documents and deeds as are necessary or desirable to implement and give effect to the Acquisition and matters contemplated in connection therewith with such non-material amendments, variations, revisions and modifications as they may in their absolute discretion think fit;

(b) the release of the funds contained in the trust established to hold substantially all of the net proceeds from the Company's initial public offering of its common shares and warrants which was completed on 14 November 2005, be and is hereby approved;

(c) the proposed service contract to be entered into by the Company and Georgios Kintis, the terms of which are described in paragraph 8.3 of part VII of the Re-Admission Document, be and is hereby approved; and

(d) the proposed advisory fee of €3,300,000 payable to the International Bank of Greece in connection with the Acquisition be and is hereby approved.

RESOLUTION 2

THAT conditional upon the approval of Resolution 1 set out above and further conditional upon the completion of the Acquisition, the Bye-laws shall be amended by the deletion of Bye-law 49 in its entirety.

RESOLUTION 3

THAT the Bye-laws shall be amended by the addition of the following Bye-law 50:

50.1 Transfers of shares shall be subject to the following restrictions:

50.1 If any person shall purport to become the beneficial owner of an interest in shares, whose beneficial ownership would cause the US Threshold to be exceeded (any such person a "Non-Permitted US Holder"), the Company shall, promptly after discovery that such person is a Non-Permitted US Holder, send notice to such Non-Permitted US Holder demanding that such Non-Permitted US Holder transfer all or any portion of the shares purported to be held by such person to a person that is not a Non-Permitted US Holder within 30 days after the date of such notice. If such Non-Permitted US Holder fails to so transfer such shares, the Company shall have the right, without further notice to the Non-Permitted US Holder, to transfer and sell such shares to a purchaser selected by the Company that is not a Non-Permitted US Holder on such terms as the Company may choose, and to do all things necessary on behalf of the Non-Permitted US Holder to transfer and sell such shares. The Company may select the purchaser by soliciting one or more bids from one or more brokers or other market professionals that regularly deal in securities similar to the shares and selling such shares to the highest such bidder, or by any other means determined by it in its sole discretion. Such Non-Permitted US Holder shall cooperate with the Company to effect such transfers. The proceeds of such sale, net of any commissions, expenses and taxes due in connection with such sale shall be remitted to the Non-Permitted US Holder. The terms and conditions of any transfer and sale under this subsection shall be determined in the sole discretion of the Company, and the Company shall not be liable to any person having an interest in the shares sold as a result of any such sale or the exercise of such discretion.

50.2 For purposes of the foregoing Bye-Law, "US Threshold" shall mean the Company's having more than ninety-nine beneficial owners of its securities that are US persons for purposes of Section 3(c)(1) of the US Investment Company Act of 1940, as amended.

RESOLUTION 4

THAT, in accordance with Bye-law 23, the directors of the Company shall be designated as follows:

(a) Angeliki Frangou — class III Director

(b) Andreas Vgenopoulos — class III Director

(c) Georgios Kintis — class I Director

(d) John Karakadas — class II Director

(e) Dennis Malamatinas — class I Director

(f) Sheldon Goldman — class II Director

(g) Alexander Meraklis — class I Director

and that Bye-law 23.2 be amended as appropriate in accordance with the foregoing.

Registered office:
Canon's Court
22 Victoria Street
Hamilton HM12
Bermuda

BY ORDER OF THE BOARD
Andreas Vgenopoulos
Company Secretary

Dated: 9 June 2006

Notes:

(i) A member of the Company entitled to attend and vote at the meeting may appoint a proxy to attend and, on a poll, vote instead of him or her. A form of proxy is enclosed for this purpose. A proxy need not be a member of the Company and the appointment of a proxy will not preclude a member from attending and voting at the meeting.

(ii) The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed (or duly certified copy of such power or authority) must be lodged with the Company's Registrars, Capita Registrars Limited at The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU, not later than 48 hours before the time appointed for holding the meeting. This form CAN be returned by fax, to +44 (20) 8639 2180 (Attn: Bob Woods).

(iii) In the case of joint holders, the vote of the senior holder who tenders a vote whether in person or by proxy shall be accepted to the exclusion of the votes of the other joint holders and, for this purpose, seniority shall be determined by the order in which the names stand in the register of members of the Company in respect of the relevant joint holding.

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