



annual report 2004

# Focused on

People, Performance and Profitability

A blue sky with white clouds and a large, faint, glowing diamond shape in the center. The diamond is a light blue color and is centered in the upper half of the image. The sky transitions from a deep blue at the top to a lighter blue at the bottom, with scattered white clouds. The diamond shape is a light blue color and is centered in the upper half of the image.

infinity

inception

We strive to satisfy  
our customers' needs  
from inception to infinity

The reason for our success is...



## Letter to the Shareholders

**Five years ago, predicting that Frigoglass would achieve global leadership in its field seemed a doubtful prediction. Now, by staying on course with passion and discipline, we believe it is almost inevitable.**

### **Dimitris Lois**

Managing Director, Frigoglass Group S.A.

Today, Frigoglass is a true multinational corporation, with operations in fifteen countries on three continents and with its products and services reaching customers in 150 countries. The majority of the Group turnover (85%) and profits (83%) now originate from its activities outside Greece, where it enjoys a leading position in probably every country in which it has a local presence.

What makes Frigoglass special is that it combines the rigorous professional management and stability of a well-run multinational with the flexibility, leanness and agility of a private company — the sound strength of a well-established firm with the passion and entrepreneurial energy of a start-up. Furthermore, Frigoglass is a company that is proud of its ethics and values, strongly committed to operating by the highest international standards of corporate governance.

Frigoglass was founded to fulfill the specific role of meeting customers' needs wherever they choose to operate. This mission still characterizes our relationship with our customers all over the world and has differentiated us from anyone else in the sectors in which we compete. This drive has led to investments in emerging markets such as Russia and Indonesia as well as in new industries such as PET resin that have significantly strengthened our market position.

In the area of Ice-Cold Merchandising, our Cool Operations have set a much broader target than that of simply selling coolers. What we strive to provide is customized solutions that meet the fascinating challenge of increasing our customers' sales and profits. This approach has helped us, over the years, build a leadership position internationally. In the years to come, our focus will be on further enhancing the Impulse Creation of Ice-Cold Merchandisers. The challenge is to develop, at the point of sale, a creative and appealing interface between our customers' products and the consumer. This constitutes the next phase in the metamorphosis of the company: from its early role as a reliable high quality manufacturer of coolers meeting the needs of bottlers across the world to a far more sophisticated partnership through which Frigoglass adds significant value to our customers' business.

As the company evolves further, the phrase that perhaps best characterizes Frigoglass is Sustainable and Profitable Growth. We have a clear vision for the future, well communicated and understood by all levels of the organization. This vision has a solid foundation of know-how, clear objectives, careful strategic planning and action plans. And, finally, we have the means and assets to implement these plans and achieve our vision.

In a challenging year like 2004, we are pleased to have achieved a 67.5% growth in earnings per share. The strong earnings performance was underpinned by record revenues (+9%) across our core business units, which continued to expand their presence in new, strategically important, territories and sectors and leading the market in product innovation.

At the same time, major efficiencies were realized throughout our operations, more than offsetting sharp rises in commodity and raw material prices. Strong financial performance and solid foundations for sustainable growth have enabled us to propose a 40% higher dividend this year.

#### **2004 - The year in review**

In Cool Operations, following the acquisition of Norcool and especially after 2000, one of our main concerns was to establish a clear, coordinated manufacturing strategy. We have moved most of our production to the plants in Russia, Romania, Poland, Greece and Indonesia, forming our main production hubs. While focusing on leveraging economies of scale and optimizing our cost structure, the plant in Kato Achaia, Greece was further developed to a high-skill and well-automated facility with the immediate objective of developing and producing innovative new value-added products and services. The rationalization of our manufacturing capacity is now delivering value in our drive towards cost optimization, efficiency and manufacturing excellence.

Our long term geographical expansion plan, which has been unfolding over the last few years, has shaped our international presence, which is unparalleled in our sector. This diversity makes Frigoglass less vulnerable to the cyclicity of local markets. Expansion in emerging markets such as Russia has paid off. As early as 1998, we began investing in Russia, after evaluating the enormous possibilities of this vast region and its nascent markets and carefully managing associated risks. Today we are harvesting the fruits of a booming market that has further potential, and we have been able to grow through both organic market increase as well as through gains in market share.

In other countries where the market is mature and stable such as Germany, we are focusing on increasing our market share thanks to substantial improvements in service, and in Australia, through new product launches, such as the Retro, which was a huge success in 2004. Finally, in regions such as Scandinavia, where the market is temporarily declining as it goes through the low side of the business cycle, we have maintained sales at a stable level.

During the geographical expansion of the Cool Operations, we have been extraordinarily well served by skilled and dedicated people of diverse cultures, that are today the key strength of our operations on 3 continents, and we extend our thanks to them on behalf of our shareholders.

Cool Operations continues to be the Group's key growth driver, delivering revenue increases of 15.2%, representing 57% of total 2004 revenues. Margins continue to strengthen with EBT after minorities up by 32% to €22.5m. The growth in sales was mainly led by stronger demand in the beer industry (+46.4%), which has been a key focus area. Non-alcoholics, power drinks and other customers grew by 18%, and sales to Coca-Cola bottlers increased by 14.8%.

**Our strategy for growth involves two distinct dimensions: Organic growth through the expansion of our customer base and growth through acquisitions or strategic alliances. Both areas are on track and set for a record year in 2005.**

Our Glass Operations consist of two plants located in Nigeria, the capacity of which is one of the largest on the African continent. A key priority during 2004 was to fully integrate their operations both in terms of manufacturing and sales. Capitalizing on synergies such as production rationalization has greatly improved both efficiency and quality.

During 2004, we placed a lot of emphasis on the successful launch of new beer bottles by the two leading breweries, meeting stringent global quality requirements. However, as world-class quality is a prerequisite of further global launches of new bottles, we are continuing to invest in equipment and systems that will further upgrade our capability. Exports continue to grow both for alcoholic and non-alcoholic segments in the surrounding countries, with emphasis during 2004 on West African (ECOWAS) nations.

Other activities in Nigeria performed well, justifying our position as the leading packaging group in the country. Increased capacity in our PET preform facility enabled further growth with good results, while Plastics also performed well. The Cool plant benefited from improved market conditions and has commenced infrastructural developments that would facilitate the inclusion of after-sales services in its offering. The Crowns facility has been exposed to unprecedented levels of steel price increases, to which we responded with gains in efficiency and productivity. Vehicles and TSG operations are still below performance expectations, and various options are being evaluated.

On a local currency basis, sales increased by 18.2%, and even following a 14% devaluation of the Naira against the Euro during the year, our Nigeria Operations still reported a credible sales increase of 3.6% to €66.5m. EBT after minorities was €3.6m, down from last year, affected mainly by the rebuilding of the furnace at the Guinea plant, which was completed during the second quarter.

Our PET Resin activity, Volos PET Industries (VPI), maintained its prominent market position in the Balkan region and its strong domestic Greek market share. Production was halted for a month of routine maintenance that, as expected, led to a volume reduction of 3.3%. However, favorable pricing in this highly commoditized market contributed to a 6.4% growth in revenue, and EBT reached €3.2m from €1m in the previous year.

### **2005 Outlook**

During 2005, we will be working on two key development platforms: our strategy for growth and our strategy for profit:

**A.** Our growth strategy has two distinct dimensions:

- 1.** Organic growth through the expansion of our customer base and reinforce loyalty throughout our key global accounts.
- 2.** Growth through acquisitions or strategic alliances.

**B.** Our profit strategy focuses on the continuous enhancement of the quality of our products, on continuing improvements in efficiency, carefully planned investment and capital redeployment.

### Global leadership in Ice Cold Merchandising.

While we are already considered true partners in our customers' quest for success, we want to be an increasingly integral part of their long-term growth. With a solid understanding of our customers' needs, we have the ability to put to good use our specialized knowledge of Ice Cold Merchandising to add value to their businesses. New proprietary and trade-channel specific models will be launched, contributing to our customers' in-market success. To further enhance our customers' dialogue with consumers, we are developing innovative ways of extending the reach of the advertising message, through the Ice Cold Merchandiser. Given the intricacies of ICM fleet management, we will continue working closely with our key accounts across a number of different geographies, in identifying and developing the optimum framework for maximizing the return of merchandising assets in the market.

### Glass: Regional leadership in West Africa

A number of initiatives are being implemented in the Glass Operations, which will be producing strong results in 2005 and beyond. Both plants are investing in significant upgrades in the quality of their products and, at the same time, are closely involved in the development of new products, such as the extension of our lightweight bottles range. By focusing on the continuous training of our personnel at all levels and on the implementation of a bold strategic plan for the African continent, the Glass Operations aims at expanding its customer base across segments, such as pharmaceutical companies and further developing its export activities in the neighboring countries.

### Packaging

Frigoglass, as a growing organization, needs to allocate its resources wisely. We will, therefore, continue the restructuring of our packaging operations through a rigorous evaluation process that considers synergies with our core businesses, common customer clusters, anticipated returns, future potential and capital demand. The emerging Packaging activity, with its new shape, should deliver effective presence in the marketplace with an improved financial profile.

### Looking Ahead

Frigoglass will continue on its path of sustainable, profitable growth towards our long term objectives, through a three-pronged approach:

1. We would like to develop Frigoglass as the global reference point in Ice Cold Merchandising solutions & services.
2. We are working towards international prominence in our Glass operations, specifically through its leadership on the African continent.
3. Given our tremendous expertise in cooling technology and applications, we plan to expand into other related, synergistic activities and market segments, which share the common platform of cooling technology.

**Five years ago, predicting that Frigoglass would achieve global leadership in its field seemed a doubtful prediction. Now, by staying on course with passion and discipline, we believe it is almost inevitable.**



Dimitris Lois,  
Managing Director, Frigoglass Group S.A.

# Our people





Knowing what is most important in a business is half the battle. At Frigoglass, we know that **people** are what truly matters and the only thing that a wise company thinks about, because when that part is right, everything else works well. Most companies pay lip service to the importance of their staff and personnel, and mention human resources somewhere near the back of their annual report, as a kind of obligatory ritual. Frigoglass is radically different in this regard.



# Our ethos




Because we focus so completely on the human beings in the organization and support, motivate and challenge them to be as excellent as they possibly can be the entire system comes alive, moves forward with remarkable agility, adapts swiftly and smoothly to the ever-changing market conditions and develops a reputation both within the company and among customers for innovation, leadership, reliability and excellence. This is the Frigoglass **ethos**.



# Our integrity





Because we treat our people with **integrity**, and offer them real opportunities worldwide, superior performance follows as a matter of fact, as surely as night follows day and spring follows winter. By hiring the best and brightest people and by helping them develop their skills and continue their education in an atmosphere of challenge and teamwork, every single level of every single department performs well above the industry average. And the results show in safety, job satisfaction, productivity, innovation and profitability.

# Our quality



At Frigoglass we hire for character and intelligence and then train for skill. Managers at the company are mentors rather than bosses and take a direct interest in each employee's education, development and advancement. By ensuring that the workplace employs the latest and most environmentally-friendly technologies and practices and is a clean, safe and friendly place to work **quality** standards are exceptionally high. And because the company shows that it cares for its people and their families, the personnel at Frigoglass care for the company in return. By focusing on people, performance continuously improves. This is the key to profitability and the secret of our success.





Sales (in 000's Euro)	2004	2003	
Frigoglass Group	340,546	312,556	9.0%

# Our customers



Sales (in 000's Euro)	2004	2003	
Pet Division VPI	76,095	71,519	6.4%



We measure our **performance** by the success of our **customers**, who are all blue-chip companies and leaders in their markets primarily beverages, beer, dairy and juice products, with large sales volumes and popular, high-profile brands. By focusing closely on their problems and perspectives, we have been able to develop the most innovative merchandising solutions in the market, enhancing their brand awareness, boosting their profits and solidifying Frigoglass as a valued partner in their growth and success.



Sales (in 000's Euro)	2004	2003	
Cool Division	194,126	168,446	15.2%



Sales (in 000's Euro)	2004	2003	
Nigeria Division	66,508	64,193	3.6%



Steady sales growth and profits,  
year in, year out.





The key to being able to solve our customers' merchandising problems is a close understanding of consumer psychology and behavior in different markets around the world. Frigoglass devotes significant resources to researching and understanding point-of-sales atmosphere and dynamics. We are constantly testing and innovating new approaches to the end consumer, so that each ICM reflects a comprehensive merchandising solution aimed at minimizing our customers' maintenance and expenses while increasing consumer demand and profit. And our results tell the whole story: **steady sales growth, year in, year out.**

Nigeria  
Sales Volume  
Analysis 2004 vs 2003

Breweries	+ 39%
Exports	+ 18%
Pharmaceuticals	+ 137%



To further enhance our customers' dialogue with consumers, we are developing innovative ways of extending the reach of the advertising message, through the Ice Cold Merchandiser



Cool  
Sales Analysis  
2003 vs 2004

Breweries	+46.4%
Non-Alcoholic Beverages*	+18%
Coca-Cola Bottlers	+14.8%

\* Juices and Power Drinks



The leading ice cold merchandiser in Europe continued on a hot streak in 2004, with an increase in sales of 15.2%, accounting for 57% of the Group's total sales. Thanks to substantial ongoing investment and a strategy of bold innovation, the Cool Operations continue to increase market share worldwide, expanding its presence in new, strategically important territories and sectors, leading the market in product development, quality and innovation and setting industry-wide standards for operational efficiency.





Frigoglass Group	2004	2003	
Group R&D	€2.2m	€1.2m	+83%



With especially strong growth in Europe and Southeast Asia in 2004, and with even more promising prospects ahead, the Cool Operations have posted a 304% growth in sales over the past six years, with a steady increase in customers and market share on four continents, making it one of the leaders in ICMs globally. The crowning example of the operation's culture of innovation and total service was in clear evidence during the Athens 2004 Olympic Games this summer, where new coolers using environmentally-friendly leading-edge technology were unveiled. Frigoglass, competing in its own brand of international competition, clearly emerged as the Games' **"gold-medalist"**.



## Cool Operations

2004 provided further evidence that our strategy is sound and that the experience and commitment of our team is key to the successful achievement of our goals. The Cool operations strategic priorities can be summarized as follows: team development, quality across the board, profitable market share growth, continuing innovation in the range of products and environmental protection.



### 1. Team development

In order to add value to our customers' businesses and to further develop our Full Service Approach, we expanded and strengthened our Sales Office network so that it is now capable of servicing our customers - from the filling of a purchase order until delivery.

This has enabled our manufacturing organizations to better focus on their core activity, which is to offer superior-quality products at the best possible prices, while increasing their flexibility and responsiveness to new market opportunities.



At the same time, in order to facilitate our Full Service Approach and outperform our competitors, we further enhanced the Customer Service and Logistics Departments.



In 2004, the International Accounts Department was established to focus on developing a long-term partnership relationship with the key international players and to coordinate our activities with their local subsidiaries.

Our local sales teams were further strengthened with new members at all levels, while we plan to continue increasing the merchandising capabilities we provide to our customers.



Furthermore, we continue to offer a full range of training programs to support the team-building capabilities of our staff, as well as to provide increasing job satisfaction, ongoing personal development and a sense of challenge. Above all, clarity of purpose and a hands-on approach to management has brought us, in 2004, ever closer to our goals.

### 2. Quality across the board

Quality continues to be our top priority, and, in order to achieve this, we constantly search for new ideas and initiatives which will improve the products and services we offer to our customers at all levels.

Significant steps have been taken in developing our Full Service Approach. More and more customers choose Frigoglass as a single-service provider, signaling their trust not only in its ICM models but also in its asset-management services from warehouse to placement and lifetime service in the marketplace.

We are working towards further improving quality by:

- ¥ Continuously investing in our plants
- ¥ Continuously training our employees
- ¥ Ensuring our plants achieve ISO certification

### 3. Double-Digit Growth

Performance during the past year was outstanding, with sales growing by 15.2%. This increase is the result of three factors: (a) 46.4% growth in the brewery market, (b) penetration to Coca-Cola bottlers in Asia and Africa and (c) strong performance in Russia, while simultaneously maintaining our dominant position in Europe and achieving marginal improvements in Africa.





#### 4. Profit Improvement

Our corporate culture for controlling and optimizing Bill of Materials (BOM) allowed us to successfully manage increases in the price of raw materials, which constitutes the major challenge to our performance. Our operations successfully faced this challenge by taking local initiatives and by implementing the cost-savings proposals of our Central Procurement Department.

BOM control, together with production reallocation and increased efficiency, played a vital role in achieving our profit targets.

#### 5. Innovation

We are not in the business of selling coolers! Instead, we sell Ice Cold Merchandisers. The difference lies in the fact that our products do more than cool drinks — they create the impulse to buy. It is this impulse creation that helps increase our customers' in-store brand awareness, cold sales and profit. 2004 saw us focusing on four main areas in our product development department:

- a) Environmental technology
- b) Open Fronts
- c) Impulse creation
- d) Add on options

These efforts proved fruitful, as we successfully supported our key customers during the 2004 Athens Olympics with our Hydrocarbon FV650 RDH. We also launched an innovative 4-foot Easyreach unit and created a number of provocative 3-dimensional add-ons.

#### 6. Environment

2004 signalled tremendous progress toward our goal of green refrigeration technology and was marked by two important events:

- a) Refrigerants, Naturally an event organized in Brussels by the Coca-Cola Company, McDonalds and Unilever
- b) The Athens 2004 Olympic Games



### Refrigerants, Naturally

\*Source: News Release 22 June 2004

If current trends continue in the commercial refrigeration industry, HFCs contribution to global warming would increase from 1.5% today to between 6.2% and 8.6% by 2050.

The Refrigerants, Naturally conference held in Brussels and organized by Coca-Cola, Unilever Ice Cream and McDonald's focused on reducing the global environmental impact of commercial refrigeration.

Marking the first time such groups met on such a scale, in addition to the three aforementioned organizers, the event was actively supported by Greenpeace and UNEP (United Nations Environmental Programme).

As a key player in the industry, Frigoglass was invited to participate and exhibit at the event next to other key suppliers such as Sanyo, Sharp and Danfoss.



### Olympics

During the Athens Olympic Games, we actively supported key market players — sponsors of the Games themselves — to offer their cold products in a hot summer environment — in an environmentally friendly way. Using HydroCarbons as refrigerants (R290,R600a) we not only kept our clients' drinks ice cold, but did so using 8 to 10% less energy!

This is a very good example of how we work to offer our customers the best possible Ice Cold Merchandising solution, at the right time and for the right occasion.



## Production Facilities

### Greece



In 2004, we maintained our strong position in the market, increasing sales by 6%. Focusing on a strategy for full service development we took over the service contract for all Cold Drink Equipment of CCHBC Greece and offered a package of specially designed full-service solutions to Heineken.

The Kato Achaia plant installed a new production line for our new model - Easy Reach. This model, which offers particularly high added value to our customers, is the first of our new open-fronts family of coolers and is of strategic importance for the plant.

Moreover, the Olympic cooler (FV-650 RDH), with an environmentally-friendly cassette cooling system, was produced and presented during the Athens Olympic Games.

A Baan bar-code system for finished products was installed and put in operation, further increasing the plant's efficiency.

### Romania



During 2004, The Romanian plant experienced record high sales and net profit, while net trade sales increased by 28% - and two more models (FV 500 and Retro) were added to our production range. In addition, as a part of our quality-improvement project, a significant investment plan for improvements in buildings and equipment was implemented.

In the Romanian Sales Region, our primary focus has been to develop our international accounts and to increase our presence in the markets of Serbia and Bulgaria. At the same time, our service package was enriched by offering refurbishment for CCHBC Romania, as well as tailor-made solutions for specific customers. The implementation of our WEB solution also proved to be a great help in developing our customer base.

### Scandinavia



Starting in 2004, Frigoglass Nordic has been responsible for developing sales and service in the Nordic and Baltic countries. Here we focused on helping our customers increase their business and on maintaining our leading position in the key markets of Norway, Sweden and Denmark. Over the year, we expanded our focus to providing comprehensive service solutions to our major customers in Norway, and a 3-year agreement was signed with Coca-Cola.

From 2005, we will take over the development of business in Sweden from our local distributor. In order to accomplish this, we have established the necessary infrastructure, including the development of a WEB solution, which facilitates ordering for our key customers in Sweden.

### Russia



During 2004, a large investments program was implemented, resulting in a doubling of the capacity of our plant and an improvement in quality. At the same time, new models were introduced, including FV-500, FVS-1000, S-88 and S-5.

Our sales also reached new records, growing by more than 50%. This was a direct result of providing high-quality service to Coca-Cola, Pepsi and the large breweries, as well as our successful penetration into the juices market.

In order to ensure that we continue to meet our customers' growing needs, we expanded our service network and introduced a number of technical advances (e.g. night covers, outdoor kits etc.) focusing on maintaining our strong market position.

### South Africa & Africa Region



The market in South Africa was characterized by lower capital expenditure by our traditional clients. In order to partly offset this development, we entered previously untapped markets in South Africa and the islands of the Indian Ocean. We furthermore reduced our operating expenses by 19% and improved productivity by 10%.

We obtained the ISO 14001 certification and are convinced that maintaining these standards will have a positive and lasting impact on both the environment and our people, for many years to come.

We also entered into a new supply-and-assembly agreement with DAL Foods in Sudan, for which purpose we commissioned an assembly line for Complete Knocked-down (CKD) units at their bottling facility in Khartoum. This, together with our strong growth in Morocco and Libya, contributed to an increase in our market share in North Africa.

### Ireland



Despite low volumes in 2004, by increasing productivity by 10% and reducing operating costs by 13%, we managed to sustain profitability. In terms of quality, the Ireland plant managed to achieve Coca-Cola and Nemco certifications.

The sales team was reinforced after the appointment of both a new Commercial Manager and Sales Manager for the U.K. At the same time, we managed to win a GlaxoSmithKline contract for 2 years. The successful launch of Open Fronts to CCHBC further strengthened our relationship with our customers.

### Poland



Frigoglass Poland had another successful year, with production again exceeding previous annual levels. Over 48,000 units were produced in 2004. The focus in 2004 was on significantly enhancing the quality of production while at the same time improving productivity. Good progress was made in both areas, and ISO 9001 certification is ensured for early 2005.

In cooperation with Engineering and Marketing, SLIM - our new open-top model - was successfully added to the product range. A number of enhancements were also made to the Coldwell range. At the end of the year, the Polish plant also completed the transfer of Super 76 production from the Spanish plant.

Continuing investment in people throughout the year led to a significant improvement in the level of service provided to all of our customers. Baan was successfully introduced in 2004 and is used throughout the organization.

While maintaining our strong position in both CCHBC and Heineken, we increased our share in the brewery sector, initiating a collaboration with SAB and Carlsberg. Finally, the strengthening of our service department now allows us to provide additional customer support such as refurbishment.

### Spain



Due to a rationalization strategy and low volumes, production of S7 was transferred to Poland in Q4. On the other hand, production of the Zero model was launched, and our productivity improved by 20%.

We kept our position in Coca-Cola Spain, while the European Football Championship in Portugal gave us the opportunity to grow. Furthermore, in order to strengthen the sales team, a new Sales Office Manager was appointed, and the position of Customer Service Manager was covered internally.

## CESO



In all countries of the region solid local after-sales service, spare parts supply and logistic systems, including 1-2-1 deliveries, have been established in order to provide to all our customers reliable delivery and operation of our ICMs. This enhancement of our service regime, plus our focus on ever-improving responsiveness to our customers' problems, resulted in our being relisted with CCE AG — the largest bottler of TCCS in Germany.

Sales to the 8 independent bottlers of TCCS Germany have also increased by 339% in comparison to 2003.

At the same time, we consolidated our partnership with CCHBC in Austria and Switzerland, as well as with CCE BeNeLux.

In France we suffered low order volumes from CCE, while, on the other hand, our refurbishment centre in Crain provided high-quality services to CCE Belgium as well as to our other French customers.

## India



Frigoglass India faced a challenging year, thanks to delayed and reduced buying by customers across all segments.

However, the India Plant focused on reducing operational costs and succeeded in developing the export business by more than 40%.

In terms of sales, we achieved a number of significant breakthroughs in the Breweries and Wine segment, which are beginning to open up and which offer good opportunity for the future expansion of our customer base.

Chocotop, developed for Effem India (Mars Chocolates), served as a good launch vehicle for penetrating the market and also offers excellent prospects for growth. Finally, the S12 a low-cost counter-top cooler - was redesigned and relaunched.

## Indonesia



For Frigoglass Indonesia, 2004 was a remarkable year. Unit production in 2004 increased by more than 150%, and the plant sales volume increased by 126% in euros.

Investment in late 2003 in new layout and bar coding, combined with increased volumes, improved 2004 productivity by 58% during the year.

In 2004, we saw the beginning of a revival in the Asian market, and we made deeper inroads in both Malaysia and Vietnam.

Approximately 50% of the produced volumes were exported to sales territories of Africa and Europe.

## Australia



In 2004, we prepared the ground for the successful development of business in this country.

Retro was our launch vehicle in Australia and New Zealand for the Coke system and was acknowledged as a very efficient merchandiser. This has helped improve outlet sales and profits.

At the same time, we increased our share in the Juices market, introducing our FV range.

## Glass/Nigeria Operations



Few regions in the world experienced as many adverse market conditions as Nigeria did in 2004, with a steep devaluation of the local currency, coupled with sharp rises in the cost of raw materials and transportation. In spite of these factors, however, and although profit margins were certainly strained as a result, the Glass/Nigeria Operations managed to increase its sales by 18.2% in local currency and contributed 20% to the Group's 2004 revenues. These results simply illustrate the power of strong fundamentals, a blue-chip client base, operational efficiency and rigorous cost management - coupled with a strategy focusing on aggressively developing both local markets and new export opportunities. After successfully weathering the storms of 2004, the Glass/Nigeria Operations is now stronger and more efficient than ever.

### Glass

The market showed steady growth across all segments in 2004, while the company's 15% increase in turnover (local currency) was principally due to a change in bottles by a major beer brand as well as to the tripling of exports to the region of West Africa.

Overall pack-to-melt efficiency for the year was temporarily but adversely affected by the rebuilding of a furnace at the Guinea plant during the first two quarters. This, in turn, had an impact on available capacity, which affected both costs and sales, particularly in the Pharmaceutical segment. An additional negative factor was the unprecedented increase in energy costs due to an adjustment in the price of natural gas.

Following a study focusing on the optimization of staffing, the head count was reduced at the Delta plant, producing clear benefits soon thereafter. Moreover, tighter planning and coordination between the two plants resulted in a significant reduction in the number of job changes.



### Cool

The availability of cold drinks is becoming an increasingly important element in the marketing mix in Nigeria, with players in the carbonated soft drink and beer segments leading the way. Sales grew by more than 50% in local currency during 2004, as our customers saw continuously improving returns from Ice-Cold Merchandising placement.

As the market continues to develop, extensions of the product range, together with the provision of after-sales services, are among our key priorities in going forward. For example, we plan to launch new, locally assembled Ice-Cold Merchandisers in the Nigerian market. Moreover, beginning in 2005, two major breweries have entrusted the technical management of their ICMs to Frigoglass.

### Plastics

Despite a 10% growth in volume, the company is currently focusing on expanding its customer base, which currently consists of only a few major customers.

In order to continue our practice of delivering incremental, added value and savings to our customers, we have embarked on a capacity-relocation project, which essentially involves the consolidation of crate production at our glass plants. Not only will this provide administrative synergies but will also facilitate the dispatch of both crates and bottles to the customers' filling plants. In addition, by relocating to the Delta plant, Frigoglass will be the only crate producer in the fast-developing Eastern region.

### PET

With the commissioning of new machinery halfway through the year, available capacity quadrupled, facilitating a 57% growth in volume. The market for PET bottles in Nigeria is still in the early stages of its development, but indications are that the pace of growth will accelerate rapidly, through the introduction of new products in the carbonated soft drinks and bottled water segments.

Our competitive premise rests upon delivering high-quality preforms in line with international standards and customer specifications. To that end, the facility in Ibadan has been certified with ISO2001, while continuous investment in top-quality equipment facilitates on-site testing of all product parameters. Plans have also been finalized for the complete enclosure of the production facilities to secure a totally dust-free environment.

### Crowns

Volume fell by 5% from last year, while a steep rise in the cost of energy and raw materials eroded profit margins.

On the other hand, significant quality-improvement projects were successfully executed during the course of the year. The extension of double lacquering on all products now provides protection against rust for the entire range. The commissioning of a new line has also contributed towards improved coating quality and efficiency. Overall productivity gains were facilitated by a right-sizing exercise, which reduced headcount by 30%.

### Vehicles

This was the first year in which we have successfully produced fuel tanker vehicles. Following approvals and competitive bidding, a major oil company in Nigeria selected our tanker design and placed its first orders. Furthermore, our presence in the haulage segment has been consolidated through orders from the major transporters. These developments, combined with stable growth in our existing segments, led to a staggering 136% (local currency) increase in sales.

However, stiff price competition and rising raw materials costs curbed profitability, and, despite turning around last year's loss-making position, margins remain below expectations.

### TSG

Our automotive windscreen company continued to post another challenging year. The widespread practice of dumping substandard products on the market continues to affect our market share, with sales declining 24% in local currency. However, regulatory authorities have lately intervened and have implemented measures that include setting standards for all automotive windscreens sold in Nigeria.

Emphasis is currently being placed on redefining and strengthening our distribution network, thus ensuring availability of TSG products in all the main regions of the country. Close monitoring of market requirements, together with changes in the production-scheduling process, are contributing to a more accurate matching of model availability to market demand.

## Pet/Plastic Operations



Our modern plant in Central Greece is the sole producer of PET in the Balkans, where the operation maintains a firmly dominant market position and a reputation for exceptional quality and service. Although raw material prices increased in 2004, the PET Operation performed well, contributing 22% to Group revenues and 8% to overall Group profits. With such customers as Hellenic Petroleum, TCCS and San Pelegrino, it supplies 65% of the Greek market and exports half of its production to other markets. In a competitive atmosphere governed by the business dynamics of commodities, the Pet Operation has seized an important market niche in the region and is increasing the strength of its position with investment, innovation and a sharp eye for new market opportunities.





Since June 1998, the major activity of VPI S.A. located in Volos, Greece, has been the production and commercial management of PolyEthylene Terephthalate (PET) resin. This is the raw material for the production of many of the packaging products used in the food and beverage industry, as well as a principal component of many other demanding applications such as film and strapping bands.

ALPHAPET is the brand name of the company's major product and comes in four different types, each specially designed for products of high quality, clarity and strength.

In 2004, VPI sales revenues reached €76 m, an increase of 6.4% compared to 2003. Thus was accomplished the company's strategic goal of selling over 70,000 metric tons of PET resin.

The highest sales volume was realized during the second quarter of 2004, following the production start-up in March and right after the scheduled one-month maintenance period in February.

Unstable price trends continued during 2004, thus accounting for lower than expected demand internationally. The final anti-dumping duties on PET imports from Korea, China, Taiwan, Pakistan and Australia into the European Union were announced in August 2004. Nevertheless, competition was intense and particularly strong in countries where the aforementioned duties were not imposed. Additionally, adverse weather conditions and the high euro/dollar exchange rate were the major factors in not achieving higher demand with respect to the final converters and bottlers, which led to difficulty in increasing profitability for the PET producers.

Despite these negative market conditions, VPI combined product quality with efficient inventory management and managed to achieve higher profitability, thus contributing to the Group's earnings.

VPI maintained its high share of the Greek market and, by strategically selecting market territories, achieved higher sales revenues in Italy, Germany and Austria.

In order to satisfy the increasing demand for specialty products of lower cost and enhanced properties, VPI is focusing considerable energies and resources on research and new product development for the coming years, not only in the market for soft drinks and bottled water but also in the milk and beer industry.

A characteristic example is ALPHAPET-FH, which is widely used for the production of soft drink bottles. It is specially designed for higher bottle quality and productivity, requiring less energy to produce at the same time. In 2004, ALPHAPET-FH sales contributed a significant percentage to the company's total sales revenues and is expected to achieve even higher results in 2005.

## Plastics

Frigoglass, focusing on its core business — Ice Cold Merchandising and Glass — continued to divest its interests in plastics and crowns. Following the successful disposal of 3N S.A.I.C. during 2003, it likewise managed to dispose of IPOMA in Bulgaria and its share in CROWNPAK in Romania. Also, it terminated the production of crowns by CROWN INTERNATIONAL and began liquidation procedures for the company by disposing of its assets.

Following these actions, the Plastics operations took over full ownership of the remaining equity in 3P ROMANIA, which among others produces the plastic parts for the ICMs of Frigoglass.

As a consequence of these actions, the results of the Plastics division are obviously lower than the results from 2003 with revenues of € 4.9 m, down by 49.2 %, EBIDTA € 0.5 m, down by 47.8 % and EBT after minorities € - 0.7 m.

## Social Responsibility

Our people come from many different cultural backgrounds, and our business is conducted in different communities around the world. Our company, as an integral member of the communities in which it operates, is committed to improving the quality of life and contributing to the welfare of the broader society. These commitments are not just an expression of our corporate values but an intimate part of our corporate culture. To this end, we regularly launch a variety of initiatives targeting social progress, cultural advancement and humanitarian aid.

### Social Contribution

As a multi-local multinational, we support a variety of initiatives through local actions and in partnership with local governments and non-profit organizations.

Characteristic examples of such initiatives include:

¥Contribution to the association of Blind and Amputated

¥Contribution to Together with the Child, an association of 10 charitable non-profit foundations and institutions dedicated to raising funds to provide material, spiritual and moral support to infants, children, adolescents and young people suffering from incurable physical or mental illness and to provide psychological and social support to their families

¥Financial support to initiatives and efforts that aim to advance and disseminate the arts.

## Environmental Commitment

We have focused on the four main constituents of our products environmental impact. These are:

### Refrigerants

We integrate, validate and commercialize refrigeration technologies that offer alternative, cost-effective solutions to HFC refrigerants.

### Energy Consumption

We investigate the reduction of energy consumption of our products by:

¥Rationalizing the usage of electrical energy.

We have co-developed an Energy Management System (EMS) that rationalizes the operation of the ICM and significantly reduces energy consumption.

¥Improving refrigeration system's efficiency.

The proper design application of the HFC refrigerants, greatly improves the system's operating efficiency, thus reducing the consumption of energy.

### Insulation Blowing Agents

The use of HCFCs is being replaced by C-Pentane (C5) or CO<sub>2</sub> as environmentally friendly foaming blowing agents in all production facilities.

### Recyclability

¥Our factories in Greece, Romania and S. Africa have been certified according to ISO 14001 standards.

Within these factories, there is continuous observation of various key parameters in every operation, product or service that has an impact on the environment.

¥We have introduced the U-bend technology in order to assemble metallic parts (e.g. cabinet construction) targeting easier and faster disassembly.

¥During the design process, we apply, as a design strategy, the selection of a minimum number of different types of materials (especially plastics) in order to make separation easier, faster and less expensive.

All three of Frigoglass' main businesses, Cool Operations, Nigeria and PET Operations performed well and contributed positively to the Group's increased revenues and profitability during 2004.

This strong growth resulted from the successful execution of the Group's strategic goals: expanding sales presence in new, strategically important, territories and sectors, leading the market in product innovation and driving operational efficiency across the Group.

Cool Operations sales growth continued to be the strongest in the Group and now accounts for 57% of total revenues. Divisional margins continued to strengthen, with EBT after minorities up by 32% year-on-year from €17m to €22.5m, despite increased raw material costs.

Following a tough start to 2004, Nigeria Operations recovered well, accounting for 20% of 2004 Group's revenues. Sales in Nigeria increased 18.2%, on a local currency basis, and even following a 14% devaluation of the Naira during the year, still reported a credible sales increase of 3.6% (€66.5m from €64.2m in 2003).

The business expanded its sales in the pharmaceutical sector and continued to successfully exploit export opportunities in neighboring markets.

PET Operations benefited from stronger product pricing in this largely commoditized industry. Production was negatively impacted by the plant's one month routine maintenance closure, which saw sales volume decrease 3.3%, but strong pricing delivered an increase in revenue of 6.4% and EBT reaching €3.2m. Sales in 2004 accounted for 22% of Group revenues.

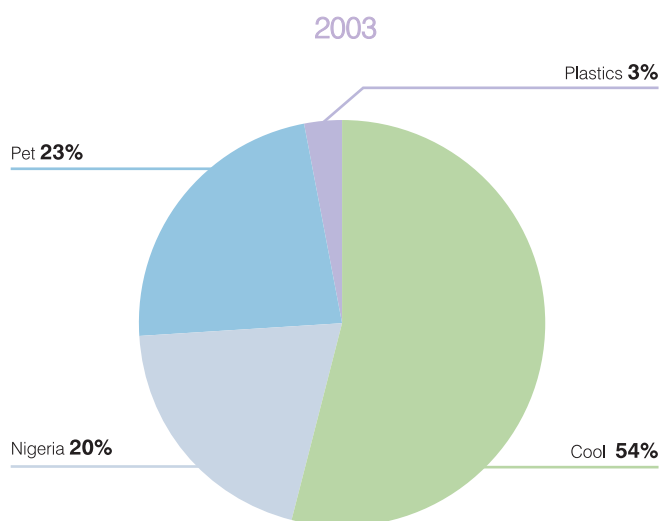
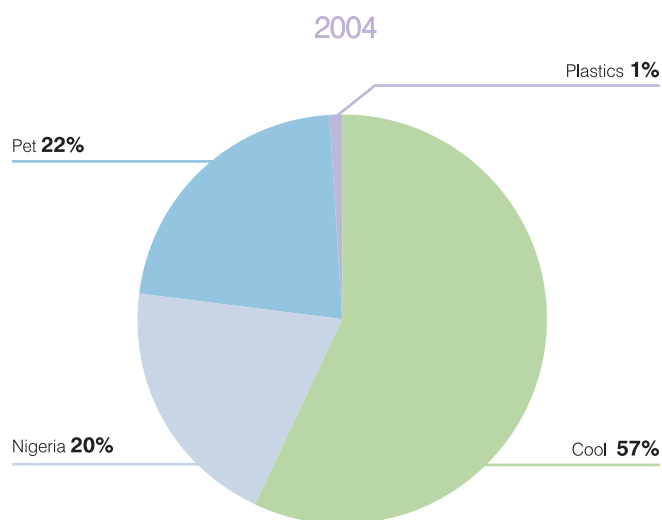
During 2004, excellent progress was made in enhancing Group profitability, as a direct result of higher levels of revenues, and major progress in the efficiency of the Group's cost and operating structure. In particular, profitability of the Cool Operations continued to improve significantly as production was rationalized and greater scale brought further economies.

Across the Group, cash flow strengthened as working capital management improved. Stock turn rates have been reduced by 8 days from 116 to 108, and days sales outstanding (DSOs) were also driven down by two days, from 75 to 73 days.

Net Debt by year end was reduced by €7.2m, from €107.8m to €100.6m. This represents a multiple of 6.7 against net earnings in 2004, as against 12 in 2003.

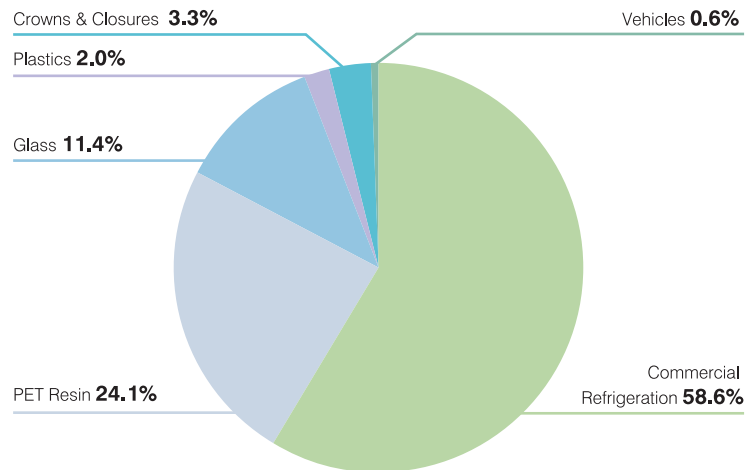
Net earnings, up 67.5%, were supported by stronger revenues, slightly lower depreciation charges, overall cost management and a reduced effective corporate tax rate. Over and above initiatives taken to reduce the Group's effective tax rates, new Greek tax legislation will enable the Group to deduct any tax paid in our international subsidiaries from the tax due on dividends received, thus further enhancing EPS.

# PARTICIPATION (%) OF EACH OPERATION IN CONSOLIDATED SALES

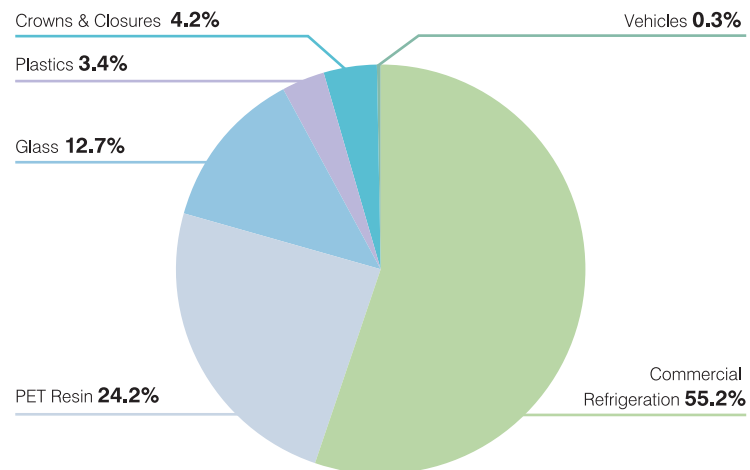


<b>Operations</b> (Amounts in 000's Euro)	<b>2004</b>	<b>2003</b>
Cool	<b>194,126</b>	168,446
Nigeria	<b>66,508</b>	64,193
PET	<b>76,095</b>	71,519
Plastics	<b>4,914</b>	9,668
Intra-Group Sales	<b>-1,097</b>	-1,271
<b>Frigoglass Group</b>	<b>340,546</b>	312,556

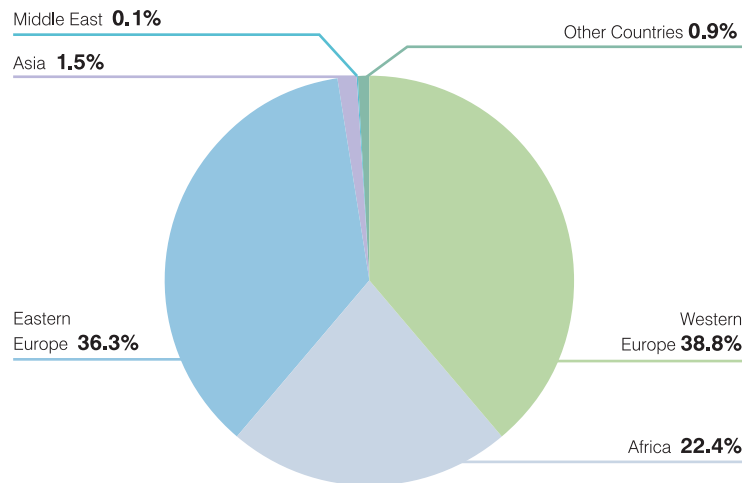
participation (%) in consolidated sales 2004 (by activity)



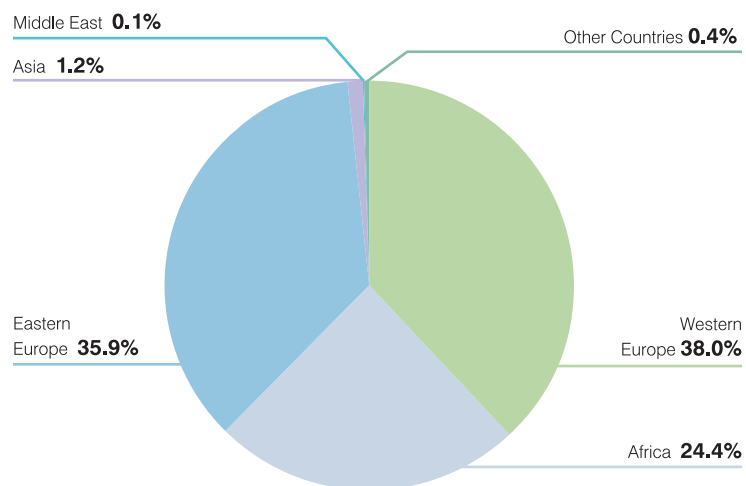
participation (%) in consolidated sales 2003 (by activity)



participation (%) in consolidated sales 2004 (by geographical area)



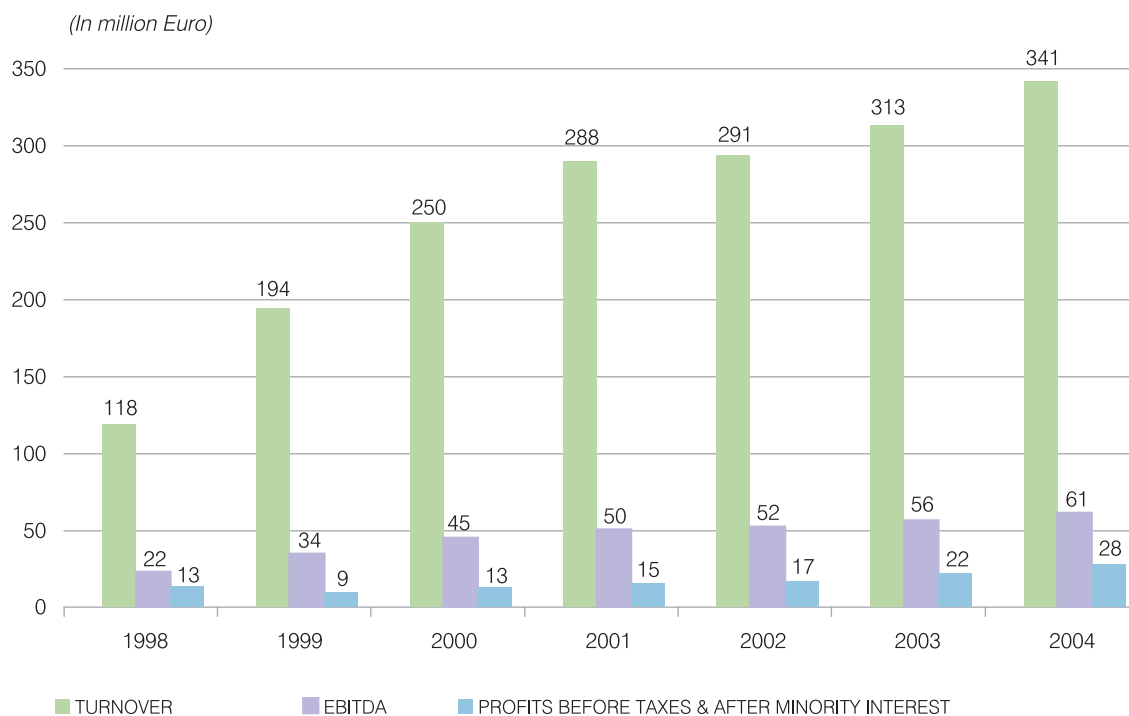
participation (%) in consolidated sales 2003 (by geographical area)



## SECTOR ACTIVITY PER GEOGRAPHICAL AREA

<b>ACTIVITY</b>	<b>2004</b>	<b>2003</b>
<b>Commercial Refrigeration</b>		
Western Europe	69,338	63,038
Africa	15,228	16,057
Eastern Europe	107,306	88,631
Asia	5,133	3,652
Middle East	175	409
Other Countries	2,475	717
<b>Total in 000's Euro</b>	<b>199,655</b>	<b>172,504</b>
<b>PET Resin</b>		
Western Europe	62,811	53,929
Africa	6,416	4,349
Eastern Europe	12,176	16,911
Asia	37	1
Other Countries	744	344
<b>Total in 000's Euro</b>	<b>82,184</b>	<b>75,534</b>
<b>Glass</b>		
Africa	38,714	39,768
<b>Total in 000's Euro</b>	<b>38,714</b>	<b>39,768</b>
<b>Plastics</b>		
Western Europe	4	1,882
Africa	5,191	4,815
Eastern Europe	1,767	3,888
Asia	0	0
Middle East	0	35
Other Countries	0	0
<b>Total in 000's Euro</b>	<b>6,962</b>	<b>10,620</b>
<b>Crowns &amp; Closures</b>		
Western Europe	8	7
Africa	8,914	10,414
Eastern Europe	2,208	2,731
Asia	0	2
Other Countries	0	59
<b>Total in 000's Euro</b>	<b>11,130</b>	<b>13,213</b>
<b>Vehicles</b>		
Africa	1,901	917
<b>Total in 000's Euro</b>	<b>1,901</b>	<b>917</b>
<b>Group Grand Total in 000's Euro</b>	<b>340,546</b>	<b>312,556</b>





**Note:** EBITDA and Net Profit after Minority interest do not include any extraordinary gain/losses for the years 2000 and 2001. Financial statements for the year 2001 include extraordinary losses 6.5 million Euro which were related to liquidation of our subsidiary Blue Ice & Co As in Norway. For the year 2000, financial statements include extraordinary gains of 6.1 million Euro related with the sale of our glass subsidiaries in Bulgaria.

## INVESTMENT POLICY

Capex of €31.6 m was focused on driving the competitiveness of Frigoglass products, improving Group operating efficiency and enhancing Group's sales and marketing activities in new and existing regions. The Cool Operations absorbed €16 m, mostly in investments in processes and new products, increasing capacity in our plants in Russia, Romania and Indonesia as well as technology and quality improvements.

The Nigeria Operations absorbed €12.5 m, mainly involving the rebuilding of the furnace in Guinea, but also in increasing efficiency utilization rates and upgrading the quality of glass.

The rest of our investments went to our PET Operations, for maintenance, upgrading of machinery and equipment.

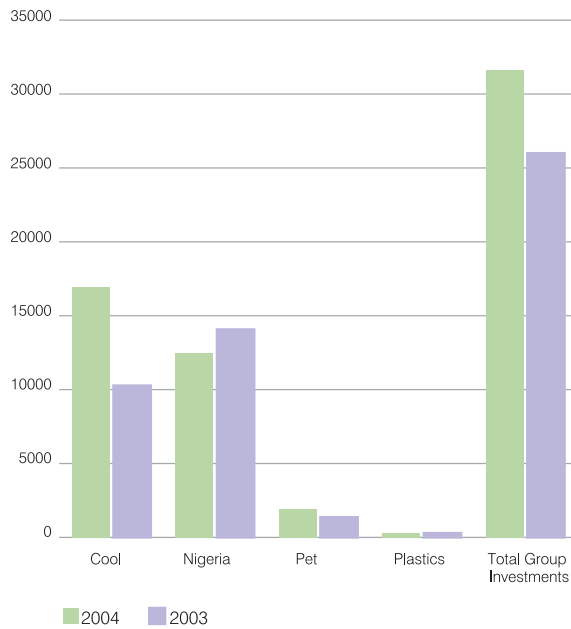
In the coming years, we will continue to focus on effectively implementing our strategy involving core business activities – Cool and Glass – while continuing to restructure our non-core operations and identifying synergies in order to sustain profitable growth.

In 2004, within the framework of the restructuring of the plastics division, we sold Crownpak and completed the acquisition of the remaining 49% stake in 3P Romania, a company that has developed synergies with our commercial refrigeration division by manufacturing plastic cooler parts.

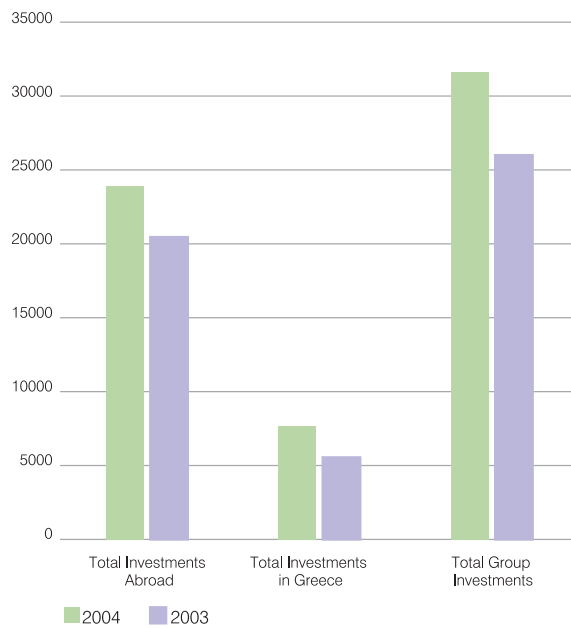
Capex for 2005 will be below €25 m, primarily directed towards our Cool Operations, focusing on quality, plant upgrades and expansion, especially in Eastern Europe, where we have relocated most of our production, as well as in Indonesia.

We will also be maintaining strong investment in R&D, with the goal of continuing our record of innovation and strengthening our efforts to develop environmentally friendly products and energy management programs – all of which are important for enhancing the quality of life of our clients and their customers.

## MAJOR INVESTMENTS IN FIXED ASSETS



A. By Operation (In 000's Euro)	2004	2003
Cool	16,929	10,269
Nigeria	12,505	14,069
Pet	1,900	1,366
Plastics	290	291
<b>Total Group Investments</b>	<b>31,624</b>	<b>25,995</b>



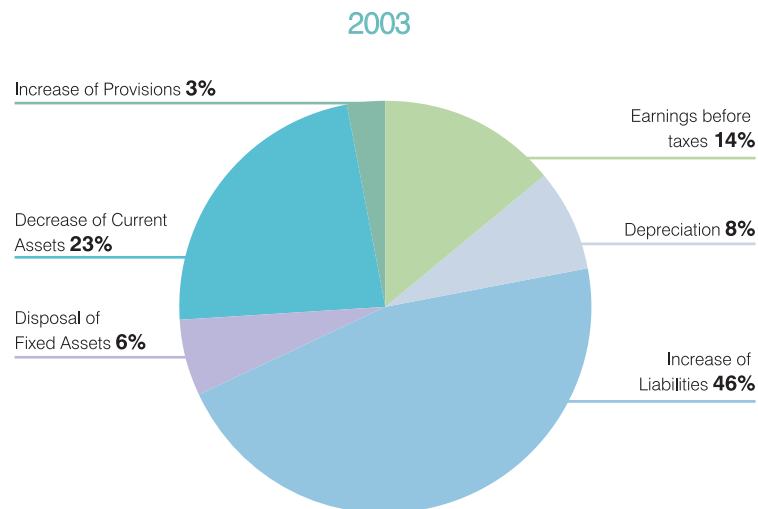
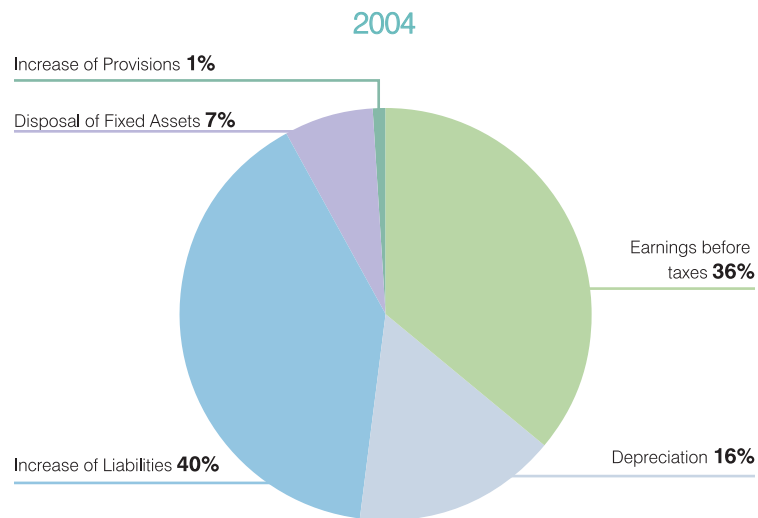
B. By Geographical Investments (In 000's Euro)	2004	2003
Total Investments Abroad	23,935	20,450
Total Investments in Greece	7,689	5,545
<b>Total Group Investments</b>	<b>31,624</b>	<b>25,995</b>

**Note:** Self-financed methods have been implemented for the above investments

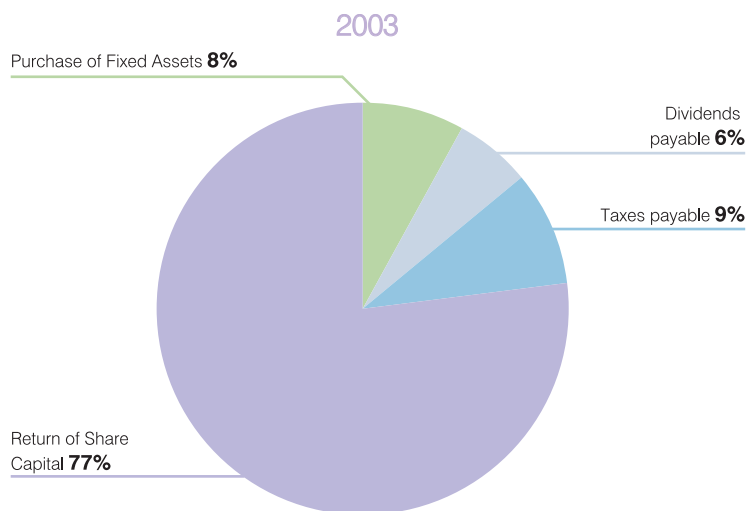
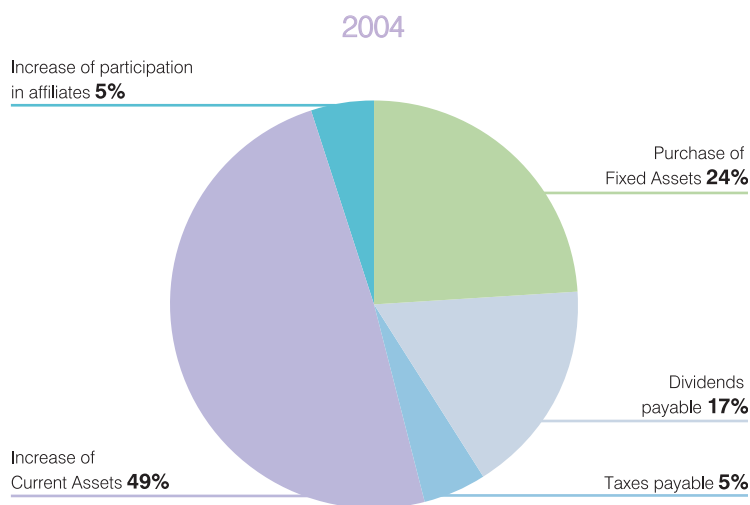
<b>Frigoglass S.A.I.C.</b> <i>(In 000's Euro except per share)</i>	<b>2004</b>	<b>2003</b>
Number of shares	<b>40,000,000</b>	40,000,000
Earnings before taxes	<b>8,752</b>	7,179
Earnings before taxes per share	<b>0.22</b>	0.18
Corporate taxes	<b>2,538</b>	2,063
Earnings after taxes	<b>6,214</b>	5,116
Earnings after taxes per share	<b>0.16</b>	0.13
Dividends per share	<b>0.14</b>	0.10

<b>Consolidated Frigoglass Group</b> <i>(In 000's euro except per share)</i>	<b>2004</b>	<b>2003</b>
Number of shares	<b>40,000,000</b>	40,000,000
Earnings before taxes & after minority interest	<b>27,526</b>	21,803
Earnings before taxes & after minority interest per share	<b>0.69</b>	0.55
Corporate taxes	<b>12,413</b>	9,776
Deferred taxes	<b>28</b>	3,021
Total taxes	<b>12,441</b>	12,797
Earnings after taxes & minority interest	<b>15,085</b>	9,006
Earnings after taxes & minority interest per share	<b>0.38</b>	0.23

## SOURCES OF FUNDS



<b>Frigoglass S.A.I.C. (In 000's Euro)</b>	<b>2004</b>	<b>2003</b>
Earnings before taxes	<b>8,752</b>	7,179
Depreciation	<b>3,933</b>	4,283
Increase of Liabilities	<b>9,427</b>	23,418
Disposal of Fixed Assets	<b>1,765</b>	3,249
Decrease of Current Assets	<b>0</b>	12,272
Increase of Provisions	<b>233</b>	1,761
Grants for Fixed Assets	<b>44</b>	69
<b>Total Sources Of Funds</b>	<b>24,154</b>	52,231

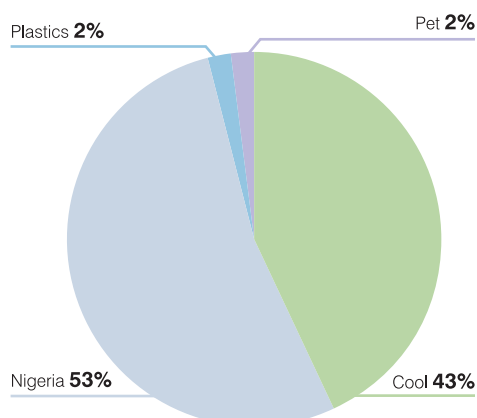


<b>Frigoglass S.A.I.C. (In 000's Euro)</b>	<b>2004</b>	<b>2003</b>
Purchase of Fixed Assets	5,666	4,205
Dividends Payable	3,972	3,189
Taxes Payable	1,390	4,800
Increase of Current Assets	11,938	0
Increase of participation in affiliates	1,150	0
Disposal of Grants for Fixed Assets	38	37
Return of Share Capital	0	40,000
<b>Total Application of Funds</b>	<b>24,154</b>	<b>52,231</b>

## FRIGOGLASS STOCK PRICE vs A.S.E (%)

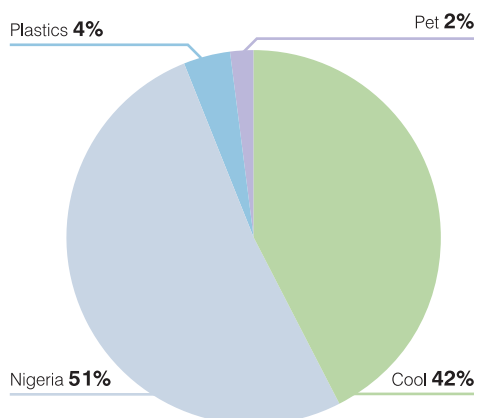


Date	Stock Price	Monthly Stock Volume	Monthly Stock Value	ASE Index
31/01/04	4.50	2,618,238	11,630,380	2,432.58
27/02/04	4.16	2,549,020	11,115,832	2,451.50
31/03/04	3.70	524,050	2,015,359	2,370.65
30/04/04	3.76	465,583	1,814,600	2,517.62
28/05/04	3.68	344,350	1,261,488	2,423.72
30/06/04	3.50	5,437,799	19,219,345	2,349.16
30/07/04	3.04	1,175,456	3,658,242	2,319.30
31/08/04	3.00	391,475	1,201,252	2,314.26
30/09/04	2.98	988,627	2,911,176	2,328.24
29/10/04	3.22	898,428	2,850,857	2,489.19
30/11/04	3.26	1,040,752	3,476,832	2,654.81
31/12/04	3.60	949,080	3,284,659	2,786.18



2004

Operation	2004
Cool	2,008
Nigeria	2,466
Pet	107
Plastics	102
<b>Total Personnel</b>	<b>4,683</b>



2003

Operation	2003
Cool	2,009
Nigeria	2,468
Pet	105
Plastics	213
<b>Total Personnel</b>	<b>4,795</b>

### Analysis Of Main Properties

Company	Country	Land (M2)	Buildings (M2)	Net Book Value (In 000's Euro)		
				Land	Buildings	Machinery-Equipment
Frigoglass SAIC	Greece	50,566	20,726	706	2,135	3,851
Frigorex Indonesia PT	Indonesia	30,510	8,626	2,229	960	934
Frigoglass Romania SRL	Romania	43,370	23,712	495	5,309	4,814
Frigoglass Eurasia LLC	Russia	47,132	10,000	*	5,308	5,421
Scandinavian Appliances	Norway	21,075	8,083	301	2,842	601
Frigoglass Ltd.	Ireland	11,000	4,260	50	1,805	665
Frigoglass Iberica SL	Spain	8,045	4,324	252	818	1,171
Frigoglass Sp. z o.o	Poland	10,000	4,175	*	1,475	1,023
Frigoglass S. Africa (PTY) Ltd.	S Africa	*	*	*		1,256
Frigoglass India (P) Ltd.	India	33,964	13,713	1,016	954	1,459
VPI SA	Greece	75,191	15,918	1,402	3,733	33,239
3P Frigoglass SRL	Romania	38,800	7,030	101	3,316	1,004
Beta Glass Plc	Nigeria	920,000	82,000	1,357	5,753	23,694
Frigoglass Industries (NIG) Ltd	Nigeria	47,300	18,418	67	1,120	7,488
TSG Nigeria Limited	Nigeria	20,388	10,337	84	581	1,143
Beta Adams Plastics	Nigeria	25,455	2,345	28	109	31

\* Note: Under leasehold contract of ownership as prevails in the specific countries

## Holding Companies

(In 000's Euro)

**Coolinvest Holdings Limited**

Address: 2 Sofouli Street, Nicosia, Cyprus  
Sector of Activity: Holding Company  
Group Holding Percentage: 100%  
Consolidation Method: Full  
Minority Interest: 0%  
Share capital paid up: 21,897  
Reserves: 526  
Earnings after taxes for 2004: -1,078  
Value of Investment: 21,839  
Dividends received in 2004: 1,205  
Receivables from Frigoglass S.A.I.C.: 0  
Payables to Frigoglass S.A.I.C.: 0

**Frigorex Cyprus Limited**

Address: 2 Sofouli Street, Nicosia, Cyprus  
Sector of Activity: Holding Company  
Group Holding Percentage: 100%  
Consolidation Method: Full  
Minority Interest: 0%  
Share capital paid up: 502  
Reserves: 3,835  
Earnings after taxes for 2004: 6,309  
Value of Investment: 482  
Dividends received in 2004: 7,820  
Receivables from Frigoglass S.A.I.C.: 0  
Payables to Frigoglass S.A.I.C.: 0

**Letel Holdings Limited**

Address: 2 Sofouli Street, Nicosia, Cyprus  
Sector of Activity: Holding Company  
Group Holding Percentage: 100%  
Consolidation Method: Full  
Minority Interest: 0%  
Share capital paid up: 64,482  
Reserves: -580  
Earnings after taxes for 2004: -224  
Value of Investment: 55,504  
Dividends received in 2004: 0  
Receivables from Frigoglass S.A.I.C.: 0  
Payables to Frigoglass S.A.I.C.: 0

**Norcool Holding A.S**

Address: Kampenes Industriomrade,  
1740 Borgenhaugen, Norway  
Sector of Activity: Holding Company  
Group Holding Percentage: 100% through Letel  
(effective shareholding 100%)  
Consolidation Method: Full  
Minority Interest: 0%  
Share capital paid up: 7,899  
Reserves: 5,963  
Earnings after taxes for 2004: -3,425  
Value of Investment: Indirect participation  
Dividends received in 2004: 5,945  
Receivables from Frigoglass S.A.I.C.: 0  
Payables to Frigoglass S.A.I.C.: 0

**3P Hellas S.A.**

Address: 44 Kifissias Avenue, Marousi, Greece  
Sector of Activity: Holding Company  
Group Holding Percentage: 100%  
Consolidation Method: Full  
Minority Interest: 0%  
Share capital paid up: 1,908  
Reserves: -691  
Earnings after taxes for 2004: -9  
Value of Investment: 2,762  
Dividends received in 2004: 0  
Receivables from Frigoglass S.A.I.C.: 0  
Payables to Frigoglass S.A.I.C.: 0

**Ticara Holding S.A.**

Address: 21, Boulevard de la Petrusse,  
L-2320, Luxemburg  
Sector of Activity: Holding Company  
Group Holding Percentage: 70% directly, 30% indirectly through  
3P Hellas (effective shareholding 100%)  
Consolidation Method: Full  
Minority Interest: 0%  
Share capital paid up: 4,000  
Reserves: 492  
Earnings after taxes for 2004: 122  
Value of Investment: 2,164  
Dividends received in 2004: 0  
Receivables from Frigoglass S.A.I.C.: 0  
Payables to Frigoglass S.A.I.C.: 0

**Nigerinvest Holdings Limited**

Address: 2 Sofouli Street, Nicosia, Cyprus  
Sector of Activity: Holding Company  
Group Holding Percentage: 100%  
Consolidation Method: Full  
Minority Interest: 0%  
Share capital paid up: 8,180  
Reserves: -3,370  
Earnings after taxes for 2004: -1,570  
Value of Investment: 7,384  
Dividends received in 2004: 595  
Receivables from Frigoglass S.A.I.C.: 0  
Payables to Frigoglass S.A.I.C.: 768

**Africoinvest Holdings Limited**

Address: 2 Sofouli Street, Nicosia, Cyprus  
Sector of Activity: Holding Company  
Group Holding Percentage: 75% directly, 25% indirectly through  
Nigerinvest (effective shareholding 100%)  
Consolidation Method: Full  
Minority Interest: 0%  
Share capital paid up: 199  
Reserves: 278  
Earnings after taxes for 2004: -20  
Value of Investment: 113  
Dividends received in 2004: 0  
Receivables from Frigoglass S.A.I.C.: 0  
Payables to Frigoglass S.A.I.C.: 0



**Deltainvest Holdings Limited**

Address: 2 Sofouli Street, Nicosia, Cyprus  
 Sector of Activity: Holding Company  
 Group Holding Percentage: 100% indirectly through Nigerinvest (effective shareholding 100%)  
 Consolidation Method: Full  
 Minority Interest: 0%  
 Share capital paid up: 1.509  
 Reserves: 374  
 Earnings after taxes for 2004: -146  
 Value of Investment: Indirect participation  
 Dividends received in 2004: 113  
 Receivables from Frigoglass S.A.I.C.: 0  
 Payables to Frigoglass S.A.I.C.: 1.132

**Production Companies**

**Frigoglass S.A.I.C.**

Address: 15, A. Metaxa, Kifisia, Athens, Greece  
 Sector of Activity: Commercial Refrigeration  
 Group Holding Percentage: Mother Company  
 Share capital paid up: 97,246  
 Reserves: 20,939  
 Earnings after taxes for 2004: 6,215  
 Dividends received in 2004: 6,871

**Frigoglass Romania SRL**

Address: Sag DN 59, Timisoara-Moravita Km 16, 1920 Timis, Romania  
 Sector of Activity: Commercial Refrigeration  
 Group Holding Percentage: 80% directly, 20% indirectly through Coolinvest (effective shareholding 100%)  
 Consolidation Method: Full  
 Minority Interest: 0%  
 Share capital paid up: 4,729  
 Reserves: 10,444  
 Earnings after taxes for 2004: 6,803  
 Value of Investment: 2,558  
 Dividends received in 2004: 0  
 Receivables from Frigoglass S.A.I.C.: 1,064  
 Payables to Frigoglass S.A.I.C.: 7,858

**Frigorex Indonesia PT**

Address: Jababeka Industrial Estate Jl.Jababeka VI Blok P. No 1 Cikarang, Bekasi 17 530, Indonesia  
 Sector of Activity: Commercial Refrigeration  
 Group Holding Percentage: 70% through Coolinvest, 30% through Frigorex Cyprus (effective shareholding 100%)  
 Consolidation Method: Full  
 Minority Interest: 0%  
 Share capital paid up: 3,671  
 Reserves: -809  
 Earnings after taxes for 2004: 242  
 Value of Investment: Indirect participation  
 Dividends received in 2004: 0  
 Receivables from Frigoglass S.A.I.C.: 1,351  
 Payables to Frigoglass S.A.I.C.: 1,491

**Frigoglass South Africa (Proprietary) Ltd**

Address: 16 Walton road, Aeroton, Johannesburg, South Africa  
 Sector of Activity: Commercial Refrigeration  
 Group Holding Percentage: 100% through Coolinvest (effective shareholding 100%)  
 Consolidation Method: Full  
 Minority Interest: 0%  
 Share capital paid up: 8,344  
 Reserves: -1,316  
 Earnings after taxes for 2004: -1,501  
 Value of Investment: Indirect participation  
 Dividends received in 2004: 0  
 Receivables from Frigoglass S.A.I.C.: 0  
 Payables to Frigoglass S.A.I.C.: 1,345

**Frigoglass Eurasia LLC**

Address: 20A, Novosilskoye Shosse, 302 011 Orel, Russian Federation  
 Sector of Activity: Commercial Refrigeration  
 Group Holding Percentage: 100% through Frigorex Cyprus (effective shareholding 100%)  
 Consolidation Method: Full  
 Minority Interest: 0%  
 Share capital paid up: 13,019  
 Reserves: 5,847  
 Earnings after taxes for 2004: 8,894  
 Value of Investment: Indirect participation  
 Dividends received in 2004: 0  
 Receivables from Frigoglass S.A.I.C.: 0  
 Payables to Frigoglass S.A.I.C.: 6,328

**Frigorex East Africa Ltd.**

Address: Garissa Road, Thika, Nairobi, Kenya, P.O.Box 50896-00200  
 Sector of Activity: Commercial Refrigeration  
 Group Holding Percentage: 100% through Coolinvest, (effective shareholding 100%)  
 Consolidation Method: Full  
 Minority Interest: 0%  
 Share capital paid up: 820  
 Reserves: -315  
 Earnings after taxes for 2004: 142  
 Value of Investment: Indirect participation  
 Dividends received in 2004: 0  
 Receivables from Frigoglass S.A.I.C.: 0  
 Payables to Frigoglass S.A.I.C.: 336

**Scandinavian Appliances A.S.**

Address: Bredmyra 3, N-1740 Borgenhaugen, P.O.Box N-1701 Sarpsborg, Norway  
 Sector of Activity: Commercial Refrigeration  
 Group Holding Percentage: 100% through Norcool Holdings, (effective shareholding 100%)  
 Consolidation Method: Full  
 Minority Interest: 0%  
 Share capital paid up: 2,695  
 Reserves: 87  
 Earnings after taxes for 2004: 86  
 Value of Investment: Indirect participation  
 Dividends received in 2004: 0  
 Receivables from Frigoglass S.A.I.C.: 0  
 Payables to Frigoglass S.A.I.C.: 22

**Frigoglass Ltd**

Address: Whitemill Industrial Estate Wexford, Ireland  
Sector of Activity: Commercial Refrigeration  
Group Holding Percentage: 100%  
Consolidation Method: Full  
Minority Interest: 0%  
Share capital paid up: 203  
Reserves: 4,797  
Earnings after taxes for 2004: 290  
Value of Investment: 4,750  
Dividends received in 2004: 0  
Receivables from Frigoglass S.A.I.C.: 0  
Payables to Frigoglass S.A.I.C.: 1,513

**Frigoglass Iberica SL**

Address: Poligono Industrial Sepes, Parcela 52,46 520,  
Puerto De Sagunto, Valencia, Spain  
Sector of Activity: Commercial Refrigeration  
Group Holding Percentage: 100% through Norcool Holdings,  
(effective shareholding 100%)  
Consolidation Method: Full  
Minority Interest: 0%  
Share capital paid up: 607  
Reserves: -1,803  
Earnings after taxes for 2004: -2,975  
Value of Investment: Indirect participation  
Dividends received in 2004: 0  
Receivables from Frigoglass S.A.I.C.: 0  
Payables to Frigoglass S.A.I.C.: 2,137

**Frigoglass Sp. zo.o**

Address: Lazy, ul. Waska 3, 05 - 552 Wolka  
Kosowska, Poland  
Sector of Activity: Commercial Refrigeration  
Group Holding Percentage: 100% through Letel,  
(effective shareholding 100%)  
Consolidation Method: Full  
Minority Interest: 0%  
Share capital paid up: 181  
Reserves: 4,652  
Earnings after taxes for 2004: 4,039  
Value of Investment: Indirect participation  
Dividends received in 2004: 0  
Receivables from Frigoglass S.A.I.C.: 5  
Payables to Frigoglass S.A.I.C.: 1,314

**Frigoglass India PVT. Ltd.**

Address: IMT-Manesar, Sector 3, Plot No 26A  
Gurgaon, Haryana, 122 050, India  
Sector of Activity: Commercial Refrigeration  
Group Holding Percentage: 100% through Norcool Holdings,  
(effective shareholding 100%)  
Consolidation Method: Full  
Minority Interest: 0%  
Share capital paid up: 7,070  
Reserves: -3,689  
Earnings after taxes for 2004: -1,115  
Value of Investment: Indirect participation  
Dividends received in 2004: 0  
Receivables from Frigoglass S.A.I.C.: 6  
Payables to Frigoglass S.A.I.C.: 386

**3P Frigoglass S.R.L.**

Address: Calea Chisinaului 700179 Iasi, Romania  
Sector of Activity: Plastic Products  
Group Holding Percentage: 100% through Ticara Holding  
(effective shareholding 100%)  
Consolidation Method: Full  
Minority Interest: 0%  
Share capital paid up: 5,073  
Reserves: -442  
Earnings after taxes for 2004: -71  
Value of Investment: Indirect participation  
Dividends received in 2004: 0  
Receivables from Frigoglass S.A.I.C.: 0  
Payables to Frigoglass S.A.I.C.: 175

**VPI S.A.**

Address: B' Industrial Area Volos 37500 Volos, Greece  
Sector of Activity: PET Resin  
Group Holding Percentage: 51%  
Consolidation Method: Full  
Minority Interest: 49%  
Share capital paid up: 24,615  
Reserves: 11,498  
Earnings after taxes for 2004: 2,347  
Value of Investment: 12,998  
Dividends received in 2004: 0  
Receivables from Frigoglass S.A.I.C.: 0  
Payables to Frigoglass S.A.I.C.: 21

**Frigoglass Industries (NIG.) Ltd**

Address: Iddo House, Iddo Island Lagos,  
P.O.Box 159, Nigeria  
Sector of Activity: Plastic Products & Bottles, Metal Crowns,  
Commercial Refrigeration, Vehicle Assembly  
Group Holding Percentage: 75.91% through Nigerinvest  
(effective shareholding 75.91%)  
Consolidation Method: Full  
Minority Interest: 24.09%  
Share capital paid up: 17,466  
Reserves: 15,732  
Earnings after taxes for 2004: 5,424  
Value of Investment: Indirect participation  
Dividends received in 2004: 812  
Receivables from Frigoglass S.A.I.C.: 0  
Payables to Frigoglass S.A.I.C.: 0

**Beta Glass Plc.**

Address: Iddo House, Iddo Island Lagos,  
P.O.Box 159, Nigeria  
Sector of Activity: Glass operations  
Group Holding Percentage: 60.01% through Frigoglass Industries  
(Nig.) Limited & 8.17% through Deltainvest  
(effective shareholding 53.7%)  
Consolidation Method: Full  
Minority Interest: 46.30%  
Share capital paid up: 3,009  
Reserves: 24,436  
Earnings after taxes for 2004: 1,273  
Value of Investment: Indirect participation  
Dividends received in 2004: 0  
Receivables from Frigoglass S.A.I.C.: 0  
Payables to Frigoglass S.A.I.C.: 0

**TSG Nigeria Ltd.**

Address: Km 9, Iwo Road, P.M.B. 64 Agodi Gate, Ibadan, Oyo State, Nigeria

Sector of Activity: Glass operations

Group Holding Percentage: 72.2% through Frigoglass Industries (Nig.) Limited (effective shareholding 54.8%)

Consolidation Method: Full

Minority Interest: 45.20%

Share capital paid up: 1,737

Reserves: -42

Earnings after taxes for 2004 -685

Value of Investment: Indirect participation

Dividends received in 2004 0

Receivables from Frigoglass S.A.I.C.: 0

Payables to Frigoglass S.A.I.C.: 0

**Beta Adams Plastics**

Address: Plot 3010, Old Airport Road, Jos, Plateau State, P.O.Box 6599, Nigeria

Sector of Activity: Plastic products

Group Holding Percentage: 100% through Frigoglass Industries (Nig.) Limited (effective shareholding 75.91%)

Consolidation Method: Full

Minority Interest: 24.09%

Share capital paid up: 8

Reserves: 6

Earnings after taxes for 2004 -89

Value of Investment: Indirect participation

Dividends received in 2004 0

Receivables from Frigoglass S.A.I.C.: 0

Payables to Frigoglass S.A.I.C.: 0

**Sales Offices**

**Frigoglass GmbH**

Address: Memeler Str. 30 D- 42781 Haan, Germany

Sector of Activity: Commercial Refrigeration

Group Holding Percentage: 100% through Letel Holdings, (effective shareholding 100%)

Consolidation Method: Full

Minority Interest: 0%

Share capital paid up: 51

Reserves: -112

Earnings after taxes for 2004 343

Value of Investment: Indirect participation

Dividends received in 2004 0

Receivables from Frigoglass S.A.I.C.: 2

Payables to Frigoglass S.A.I.C.: 543

**Frigoglass Nordic**

Address: P.O. Box 6, Sarpsborg, N-1701, Norway

Sector of Activity: Commercial Refrigeration

Group Holding Percentage: 100% through Norcool Holdings, (effective shareholding 100%)

Consolidation Method: Full

Minority Interest: 0%

Share capital paid up: 1,712

Reserves: 37

Earnings after taxes for 2004 318

Value of Investment: Indirect participation

Dividends received in 2004 0

Receivables from Frigoglass S.A.I.C.: 1

Payables to Frigoglass S.A.I.C.: 125

**Frigoglass France SA**

Address: Les Espaces Multi – Services Boulevard De Courcerin, Lot No 18, 77 183 Croissy Beaubourg, France

Sector of Activity: Commercial Refrigeration

Group Holding Percentage: 100% through Norcool Holdings, (effective shareholding 100%)

Consolidation Method: Full

Minority Interest: 0%

Share capital paid up: 153

Reserves: 435

Earnings after taxes for 2004 -114

Value of Investment: Indirect participation

Dividends received in 2004 0

Receivables from Frigoglass S.A.I.C.: 1

Payables to Frigoglass S.A.I.C.: 68

# CONSOLIDATED FINANCIAL STATEMENTS 31.12.2004

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## ASSETS

(In 000's Euro)	DECEMBER 2004			DECEMBER 2003		
	Historic Cost	Depreciation	Net Book Value	Historic Cost	Depreciation	Net Book Value
<b>B. FORMATION EXPENSES</b>						
1. Start-up costs	2,108	2,036	72	3,035	2,670	365
2. Foreign exchange difference on loans for acquisition of FA	4,585	4,585	0	4,585	4,585	0
3. Interest of construction period	3,157	3,157	0	3,157	3,157	0
4. Other formation expenses	12,255	10,219	2,036	10,093	8,448	1,645
	<b>22,105</b>	<b>19,997</b>	<b>2,108</b>	<b>20,870</b>	<b>18,860</b>	<b>2,010</b>
<b>C. FIXED ASSETS</b>						
<b>I. Intangible Assets</b>						
1. Research & Development costs	9,060	5,960	3,100	7,316	4,322	2,994
2. Concessions, Trademarks, Right & Licences	1,484	1,132	352	1,504	925	579
5. Other intangible assets	1,155	538	617	693	574	119
	<b>11,699</b>	<b>7,630</b>	<b>4,069</b>	<b>9,513</b>	<b>5,821</b>	<b>3,692</b>
<b>II. Tangible Assets</b>						
1. Land	8,672	0	8,672	9,126	0	9,126
3. Buildings and constructions	48,289	12,035	36,254	50,295	13,577	36,718
4. Technical Installations & other equipment	153,618	65,196	88,422	143,097	57,706	85,391
5. Motor vehicles	3,226	1,912	1,314	3,149	1,896	1,253
6. Furniture & fixture	8,045	5,722	2,323	10,160	7,381	2,779
7. Construction in progress and advances	7,793	0	7,793	10,163	0	10,163
	<b>229,643</b>	<b>84,865</b>	<b>144,778</b>	<b>225,990</b>	<b>80,560</b>	<b>145,430</b>
<b>Total Assets</b>	<b>241,342</b>	<b>92,495</b>	<b>148,847</b>	<b>235,503</b>	<b>86,381</b>	<b>149,122</b>
<b>III. Investments &amp; Other L/T Assets</b>						
7. Other long term assets			251			251
			251			251
<b>Total Fixed Assets employed</b>			<b>149,098</b>			<b>149,373</b>
<b>D. CURRENT ASSETS</b>						
<b>I. Inventories</b>						
1. Merchandise			4,005			3,806
2. Finished goods and semi- finished goods			27,501			26,717
3. Work in progress			2,323			2,474
4. Raw & auxiliary materials spare parts & packaging materials			41,870			40,618
5. Advances against inventory purchases			648			149
			<b>76,347</b>			<b>73,764</b>
<b>II. Accounts Receivable</b>						
1. Trade Debtors		60,482		51,582		
Less: Provision for doubtful claims		3,308	57,174	2,386		49,196
3. Bills receivable overdue			0			0
3a. Postdated Checks			1,958			1,438
3b. Checks receivable overdue			444			444
10. Doubtful trade debtors & receivables		128		373		
Less: Provision for doubtful debtors		119	9	320		53
11. Other debtors			5,977			3,640
11a. VAT receivable			8,429			6,771
11b. Income tax advances			3,199			2,985
11c. Other taxes - receivables			2,220			1,991
12. Advances & prepayments			1,649			1,596
			<b>81,059</b>			<b>68,114</b>
<b>III. Marketable Securities</b>						
3. Other securities			390			88
4. Own Shares			0			747
			<b>390</b>			<b>835</b>
<b>IV. Cash &amp; Banks</b>						
1. Cash			622			657
3. Current accounts and time deposits			9,800			8,213
			<b>10,422</b>			<b>8,870</b>
<b>Total Current Assets</b>			<b>168,218</b>			<b>151,583</b>
<b>E. SUSPENSE ACCOUNTS RECEIVABLE</b>						
1. Deferred expenses			400			405
2. Accrued income			77			17
			<b>477</b>			<b>422</b>
<b>TOTAL ASSETS</b>			<b>319,901</b>			<b>303,388</b>
<b>DEBIT MEMO ACCOUNTS</b>						
1. Third party assets			1			1
2. Guarantees & collateral securities			139,032			131,964
3. Claims of bilateral contracts			5,200			996
4. Other memo accounts receivable			49,262			47,260
			<b>193,495</b>			<b>180,221</b>

	DECEMBER 2004	DECEMBER 2003
<b>A. SHARE CAPITAL</b>		
<b>I. Share Capital (40.000.000 shares of 1 EURO)</b>		
1. Issued & Fully paid	40,000	40,000
<b>II. Share premium account excess over par value</b>		
	57,246	57,246
<b>III. Revaluation reserves&amp; Investments grants</b>		
<b>Governments grants for fixed assets</b>		
1. Revaluation of investments & Marketable securities	571	571
2. Revaluation reserves	3,445	1,758
3. Governments grants for fixed assets	2,114	2,583
	6,130	4,912
<b>IV. Reserves</b>		
1. Statutory reserves	1,897	1,722
2. Reserves by the articles of incorporation	0	84
3. Special reserves	4,931	3,660
4. Extraordinary reserves	2,467	3,739
5. Tax-free reserves under special laws	17,306	15,378
6. Reserve for own shares	0	982
	26,601	25,565
<b>V. Retained Earnings</b>		
Retained earnings carried forward	17,399	9,879
<b>VII. Exchange Differences due to the consolidation of subsidiaries</b>		
	-5,282	-6,617
<b>VIII. Consolidation Differences</b>		
	-47,258	-47,290
<b>IX. Minority Interest</b>		
	36,499	39,083
<b>TOTAL SHAREHOLDERS EQUITY</b>	<b>131,335</b>	<b>122,778</b>
<b>B. PROVISION FOR LIABILITIES &amp; EXPENSES</b>		
1. Provision for severance pay due to retirement	8,968	5,877
2. Other provisions	3,113	1,401
3. Provisions for deferred taxes	5,736	6,292
<b>TOTAL PROVISIONS FOR LIABILITIES &amp; EXPENSES</b>	<b>17,817</b>	<b>13,570</b>
<b>C. LIABILITIES</b>		
<b>I. Long Term Liabilities</b>		
2. Bank Loans	35,531	8,558
8. Other long term liabilities	74	983
	35,605	9,541
<b>II. Short Term Liabilities</b>		
1. Suppliers	33,267	27,068
3. Bank loans	66,195	105,269
3a. Short term finance leasing liabilities	7	7
4. Customers' advances	338	366
5. Taxes & duties payable	6,710	4,536
6. Social security payable	1,050	1,178
7. Current portion of long term loans	9,270	2,848
10. Dividends payable	5,687	4,059
11. Other creditors	6,351	5,328
	128,875	150,659
<b>Total Liabilities</b>	<b>164,480</b>	<b>160,200</b>
<b>D. ACCRUALS</b>		
2. Accrued expenses	6,269	6,840
	6,269	6,840
<b>TOTAL LIABILITIES &amp; SHAREHOLDERS EQUITY</b>	<b>319,901</b>	<b>303,388</b>
<b>CREDIT MEMO ACCOUNTS</b>		
1. Beneficiaries of third party assets	1	1
2. Beneficiaries of guarantees & collateral securities	139,032	131,964
3. Obligations of bilateral contracts	5,200	996
4. Other memo accounts payable	49,262	47,260
	193,495	180,221

# PROFIT & LOSS STATEMENT

	DECEMBER 2004		DECEMBER 2003	
<b>I. Operating result</b>				
Sales Revenue		340,546		312,556
<b>Less:</b> Cost of sales		251,893		230,798
Gross Profit		88,653		81,758
<b>Plus:</b> Other Operating Income		5,989		6,683
Gross Operating Profit		94,642		88,441
<b>Less:</b>				
1. Administration expenses		32,947		33,530
2. R&D expenses		2,326		2,005
3. Selling & Marketing expenses		19,151	54,424	16,222
				51,757
<b>Net Contribution</b>		<b>40,218</b>		<b>36,684</b>
<b>Plus:</b>				
2. Income from marketable securities		6		58
3. Profit from sales of investments & marketable securities		416		0
4. Interest income & other financial income		201		306
<b>Less:</b>		623		364
2. Capital Loss		186		0
3. Interest expenses & other financial expenses		6,493	6,679	-6,056
			6,093	6,093
<b>Earnings before non-operating items</b>		<b>34,162</b>		<b>30,955</b>
<b>II. Plus: Non operating items</b>				
1. Extraordinary & Non-operating income		1,714		1,910
2. Extraordinary profit		509		894
2a. Monetary Gain		-32		14
3. Previous year's income / revenue		153		89
4. Income from previous year provision		503		254
		2,847		3,161
<b>Less:</b>				
1. Extraordinary & Non-operating expenses		3,391		4,743
2. Extraordinary losses		1,830		2,364
3. Previous year's expenses		96		601
4. Provisions for special risks & unforeseen expenses		1,646	6,963	-4,116
		30,046		24,499
<b>Less:</b> Depreciation		24,840		25,742
<b>Less:</b> Depreciation incorporated in the operating cost		24,840	0	25,742
<b>Income Before Tax and Minority Interest</b>		<b>30,046</b>		<b>24,499</b>
<b>Less:</b>				
Minority Interest		2,520		2,696
<b>Income Before Tax and after Minority Interest</b>		<b>27,526</b>		<b>21,803</b>

	DECEMBER 2004	DECEMBER 2003
Profit for the year	27,526	21,803
(+) Retained earnings brought forward	9,879	4,653
(-) Prior year's income taxes enforced by the tax authorities	0	72
(+) Distributable reserves	1,550	1,605
	<b>38,955</b>	<b>27,989</b>
<b>LESS:</b>		
1. Corporate income tax of the year	12,389	9,692
1a. Deferred taxes	28	3,021
<b>Total Taxes</b>	<b>12,417</b>	<b>12,713</b>
<b>LESS:</b>		
2. Other taxes not incorporated in the operating cost	24	12
Profits before appropriation	<b>26,514</b>	<b>15,264</b>
Appropriation of profit		
1. Statutory reserves	347	230
2. Dividends payable	5,600	4,000
2a. Reserve for own shares	0	0
5. Special & extraordinary reserves	505	854
6. Tax-free reserves	2,663	301
8. Retained earnings carried forward	17,399	9,879
	<b>26,514</b>	<b>15,264</b>

## NOTES:

- The financial statements of 2003 have been reclassified to be comparable with those of 2004 and these reclassification did not affect the P&L neither the total assets or the shareholders equity value.
- The accounting policies adopted in the preparation of the financial statements are those promulgated by the Hellenic General Chart of Accounts "Re: Hellenic Accounting Standards"
- The average number of employees for the period was 4.683 persons.
- The total value of pledges on the company's assets as at 31.12.2004 is EURO 10.7 million.
- There are no pending litigation, legal proceedings or claims which are likely to affect the financial statements or the operations of the Company.
- The parent company, Frigoglass AVEE, has been audited by tax authorities till 31.12.1999 and its subsidiaries in Hellas V.P.I SA till 31.12.00 and 3P Hellas SA, till 31.12.1997
- The analysis of sales per operation in million EURO as at 31.12.2004 is the following: Coolers: 198.6 Glass: 38.7 Vehicles:1.9 PET: 82.3 Plastics: 7.9 Crowns:11.1
- Included in the profits of the current period, disclosed under <<Profits from sale of investments & marketable securities>> is an amount of 280,458 Euro, which resulted from the sale of the own shares that the company had in its possession.
- The provision for employee retirement indemnities equals 40% of the amount calculated by an actuarial valuation. Due to the fact that on retirement 100% of the retirement indemnity is paid, the provision is understated by € 2.1 million compared to the total future related liability. The amount of the additional provision should have been charged to the profits of prior periods

Maroussi, 18 February 2005

CHAIRMAN OF THE BOARD  
**Dimitris Krontiras**

MANAGING DIRECTOR  
**Dimitrios P. Lois**

GROUP CHIEF FINANCIAL OFFICER  
**Panagiotis Tabourlos**

FINANCE MANAGER  
**Vassilios Stergiou**

### To the Shareholders of Frigoglass SAIC and its subsidiaries

On the basis of the requirements of article 108 of Companies Act 2190/1920 we have audited the Consolidated Financial Statements and the related Attachment of Frigoglass SAIC and its subsidiaries for the year ended 31 December 2004. Our audit has been performed in accordance with the auditing procedures we considered necessary, based on the auditing standards and principles adopted by the Institute of Certified Auditors/Accountants in Greece and we have confirmed that the content of the Directors' consolidated report to the Shareholders' meeting is in agreement with the related Consolidated Financial Statements. We have not audited the financial statements of subsidiary companies, which are included in the Consolidated Financial Statements, representing 29% and 26% of consolidated total assets and turnover respectively. Other certified auditors audited these financial statements and we have relied upon their audit opinion to express our opinion on the Consolidated Financial Statements.

### Our audit revealed the following:

1. The subsidiary company 'VPI', in agreement with the clauses of art.1 par.2 of the Presidential Decree 100/5.5.98 regarding newly incorporated companies, and for a grace period of three years, which ended in 2001, did not record depreciation on its fixed assets. The depreciation, net of government grants amortization, amounted to €11,900,000 approximately, the total of which should have reduced prior years' shareholders' equity, although the subsidiary company now records depreciation normally.
2. The statutory records and tax returns of the parent Company and its two domestic subsidiaries have not been examined by the Tax Authorities for different periods. Until the statutory records and tax returns stated above are examined by the Tax Authorities and final tax assessments are raised, the Group's tax position for the open periods cannot be finally determined.



In our opinion, except for the matters referred to above and the notes under the Consolidated Balance Sheet, the Consolidated Financial Statements have been prepared in accordance with the provisions of Companies Act 2190/1920 and present the assets, liabilities and financial position as at 31 December 2004, as well as the results of the operations of all consolidated group companies for the year then ended in accordance with the prevailing legislation and the accounting principles adopted by the parent Company, which have been generally accepted and do not differ from those applied in the preceding year.

**PRICEWATERHOUSECOOPERS** 

Athens, 18 February 2005  
The Certified Auditor Accountant  
**K. Riris**  
SOEL Reg. No. 12111

# CONSOLIDATED CASH FLOW STATEMENT 31.12.2004

(In 000's Euro)

	Year 2004	Year 2003
<b>Cash flow from Operating Activities</b>		
<b>A 100 Cash Inflow</b>		
101 Net Trade Sales	340,546	312,556
102 Other Operating income	5,989	6,683
103 Non-operating income	2,223	2,804
104 Previous year income	153	89
105 Interest income	201	306
106 Income from marketable securities	6	58
107 Inflows from sales of marketable securities	445	8,811
<b>Less:</b>		
110 Increase of receivables	-12,945	-8,346
<b>Total Cash inflow</b>	<b>336,618</b>	<b>322,961</b>
<b>A 200 Cash Outflow</b>		
201 Cost of Goods sold (except depreciation & provisions)	230,009	210,482
202 Administration expenses	28,814	28,611
203 Research & Development expenses	917	743
204 Marketing & Selling expenses	17,616	15,219
206 Other expenses	6,544	7,512
207 Increase of inventories	2,583	6,669
208 Increase of temporary Assets	55	0
209 Decrease of Accrued Liabilities	571	0
210 Decrease of short term liabilities (except bank loans)	0	358
<b>Less:</b>		
212 Decrease of temporary assets	0	-36
213 Increase of Accruals	0	-2,770
214 Increase of short term liabilities (except bank loans)	-11,125	0
<b>Total Cash outflow</b>	<b>275,984</b>	<b>266,788</b>
<b>A 300 Taxes Paid</b>		
301 Corporate income tax	11,084	12,781
302 Other taxes not incorporated in the operating cost	24	12
303 Prior year Income taxes enforced by tax authorities	0	0
304 Decrease of taxes & duties payable	868	2,357
<b>Total tax cash outflow</b>	<b>11,976</b>	<b>15,150</b>
Cash generated from operating activities	<b>48,658</b>	<b>41,023</b>
<b>B Cash flow from Investing Activities</b>		
<b>B 100 Cash inflow</b>		
102 Disposal of tangible fixed assets	0	4,774
105 Profit from Participation	236	0
<b>Total cash inflow</b>	<b>236</b>	<b>4,774</b>
<b>B 200 Cash outflow</b>		
201 Purchase of intangible assets	2,840	1,503
202 Purchase of tangible fixed assets	27,549	23,932
205 Increase of start up costs	1,235	560
<b>Total cash outflow</b>	<b>-31,624</b>	<b>-25,995</b>
Cash generated from investing activities	<b>-31,388</b>	<b>-21,221</b>

<b>C</b>	<b>Cash flow from Financing activities</b>		
<b>C 100</b>	<b>Cash inflow</b>		
103	Increase of long term liabilities	26,064	0
104	Increase of short term liabilities (bank account)	0	32,465
	<b>Total cash inflow</b>	<b>26,064</b>	<b>32,465</b>
<b>C 200</b>	<b>Cash outflow</b>		
201	Decrease of Share Capital	0	40,000
203	Decrease of long term liabilities	0	3,096
204	Decrease of short term liabilities (bank account)	32,652	0
205	Interest paid	6,493	6,093
206	Dividends paid	3,972	3,189
	<b>Total cash outflow</b>	<b>-43,117</b>	<b>-52,378</b>
	Cash generated from Financing Activities	-17,053	-19,913
	<b>Exchange Differences</b>	<b>1,335</b>	<b>-8,366</b>
	<b>CASH FLOW OF GROUP</b>	<b>1,552</b>	<b>-8,477</b>
	<b>PLUS : Cash at the beginning of the year</b>	<b>8,870</b>	<b>17,347</b>
	<b>Cash at the end of the period</b>	<b>10,422</b>	<b>8,870</b>

Maroussi, 18 February 2005

CHAIRMAN OF THE BOARD  
**Dimitrios Krontiras**

MANAGING DIRECTOR  
**Dimitrios P. Lois**

GROUP CHIEF FINANCIAL OFFICER  
**Panagiotis Tabourlos**

FINANCE MANAGER  
**Vassilios Stergiou**

#### AUDITOR'S REPORT

We have audited the Consolidated Cash Flow Statement of "Frigoglass S.A.I.C." and its subsidiaries for the year ending 31 December 2004. The Consolidated Cash Flow Statement has been prepared on the basis of the audited consolidated financial statements for the year then ended for which we have issued our audit opinion dated on 18 February 2004.

In our opinion the Consolidated Cash Flow Statement presents fairly the cash inflows and outflows for all the entities included in the consolidated financial statements for the year ending 31 December 2004.

**PRICEWATERHOUSECOOPERS** 

Athens 18 February 2005  
The Certified Auditor  
**K. Riris**  
Reg. No. 12111

# SHARE OWNERSHIP BY MEMBERS OF THE BOARD OF DIRECTORS AND MANAGEMENT

As of March 31, 2005 the members of the Board of Directors and the company's management held a total of 1,162,942 shares. No stock option rights have been granted.

List of persons according to article 8, par. 2 of the Capital Markets Committee regulations

<b>Dimitrios Krontiras</b>	Chairman
<b>Ioannis Androutsopoulos</b>	Vice Chairman, Non-Executive Member
<b>Dimitris Lois</b>	Managing Director, Executive Member
<b>Loucas Komis</b>	Member and Secretary, Non-Executive Member
<b>Christodoulos Leventis</b>	Non-Executive Member
<b>Harry David</b>	Non-Executive Member
<b>Vassilios Furlis</b>	Non-Executive, Independent Member
<b>Alexandra Papalexopoulou</b>	Non-Executive, Independent Member
<b>Samir-Issa Toubassy</b>	Non-Executive, Member
<b>Tom Aas</b>	Group Engineering Director
<b>Nikolaos Davos</b>	Plastics Operations Director
<b>Petros Diamantides</b>	Group Business Development Director
<b>Nikolaos Dimellas</b>	Group Human Resources Director
<b>Panagiotis Giannopoulos</b>	Nigeria Operations Director
<b>Ioannis Grigoropoulos</b>	Greek Operations Accounting Manager
<b>Dimitrios Kouniakis</b>	Group Pool Purchasing Director
<b>Lillian Phillips</b>	Investor Relations
<b>Anna Pitsili</b>	Corporate Announcements
<b>Panagiotis Tabourlos</b>	Group CFO
<b>Elias Vafopoulos</b>	PET Operations Director
<b>Dimitris Valachis</b>	Cool Operations Director
<b>Constantinos Yiorkadjis</b>	Group Marketing Director
<b>Kyriakos Riris</b>	Certified Auditor
<b>Constantinos Kouvelas</b>	Certified Auditor
<b>Kalirroï Belevoni</b>	Internal Auditor
<b>Leonidas Georgopoulos</b>	Legal Advisor
<b>BOVAL S.A.</b>	Shareholder 44.085%

Fees to members of the Board of Directors and Auditors, and Management compensation

For the year ended on 31/12/2004

- Total fees to BoD members: € 162,075\*
- Total Management compensation: € 1,870,303
- Total fees to Auditors: € 153,220

\* The fees do not include any employee fees

### Share Capital history

Date of General Shareholders Meeting	Cash Paid In	Capitalization of Reserves	Number of New Shares	Total Number of Shares	Nominal Value (€)	Total Share Capital (€)
25/1/99 & 12/7/99		Decrease of Share Par Value		1,512,165	0.29	443,775
25/1/99 & 12/7/99		8,360,333	28,487,835	30,000,000	0.29	8,804,109
25/1/99 & 12/7/99	(listing on ASE) 2,934,702		10,000,000	40,000,000	0.29	11,738,811
7/12/01		261,189		40,000,000	0.30	12,000,000
30/4/03	68,000,000		40,000,000	2.00	80,000,000	
18/6/03				40,000,000	1.00	40,000,000

### Share Capital

The share capital of Frigoglass S.A. as of December 31, 2004 consisted of 40,000,000 common registered shares with a € 1 par value each. The share capital is fully paid up.

#### Shares held by the Company

The company announced on 8/1/2004 the sale of own shares that has been approved by the Board of Directors. The company sold 234,680 shares representing 0.59% of the total number of shares. The minimum price amounted to € 4.30 per share and the period of implementation was from 09/01/2004 up to 31/01/2004.

### Shareholder Changes

On June 23, 2004, the following persons informed us of the following changes in our shareholding structure:

1. Our shareholder LIRIS ESTABLISHMENT sold all its 2,499,714 shares representing 6.25% of the share capital of Frigoglass S.A.I.C.
2. Mr. Harry David, member of our Board of Directors, purchased 402,632 shares against payment of € 1,489,738.40. He, thus, now owns 1.01% of the share capital of Frigoglass S.A.I.C. (as opposed to 0% prior to June 23, 2004).

### Legal Entity Holdings

As of March 31, 2005, the foreign legal entity BOVAL S.A. held 17,634,022 shares, which amounts to 44.085% of the total share capital.

### Company Establishment – Purpose

The company was established on August 11, 1978 and according to article 1, paragraph 5 of its Articles of Incorporation, the company's term expires 31/12/2042 with an extension option.

The company operates under the provisions of Law 2190/1920 "on Society Anonyme companies", as amended and in effect today, with the registration number 29454/06/B/93/32.

According to article 2 of the Articles of Incorporation, the purpose of the company is:

The manufacturing, import, sale, export, trading and representation of commercial refrigerators, coolers, refrigeration and maintenance systems in general, of electric equipment, electronics and computers of all kinds, and of similar or related products, accessories or materials, as well as the production of plastic products in general.

The following cases do not apply:

- Rights or transactions for the acquisition or disposal of company assets by members of the Board of Directors or management.
- Loans to members of the Board of Directors or management
- Public offering of company shares during the previous fiscal year, or a decision for such an offering during the current year.
- Issued by unpaid share capital
- Participations not included in the Balance Sheet
- Convertible bonds
- Share capital increase by cash contribution during 2004

## BOARD OF DIRECTORS

By decision of the Board of Directors as of 24/6/2004, Mr. Dimitrios Krontiras was appointed Chairman to the Board of Directors, replacing departing board member Panayis Vourloumis.

The current structure of the Board of Directors, with a term expiring on the date of the 2006 General Shareholder's Meeting, is as follows:

<b>Dimitrios Krontiras</b>	Chairman
<b>Ioannis Androutsopoulos</b>	Vice Chairman, Non-Executive Member
<b>Dimitris Lois</b>	Managing Director, Executive Member
<b>Loucas Komis</b>	Member and Secretary, Non-Executive Member
<b>Christodoulos Leventis</b>	Non-Executive Member
<b>Harry David</b>	Non-Executive Member
<b>Vassilios Fourlis</b>	Non-Executive, Independent Member
<b>Alexandra Papalexopoulou</b>	Non-Executive, Independent Member
<b>Samir-Issa Toubassy</b>	Non-Executive, Member

### Head Office

15, A. Metaxa 14564 Kifisia, Athens, Greece, Tel: +30 210 616 5700, Fax: +30 210 619 9097

### Certified Auditors

PriceWaterhouseCoopers, 268 Kifissias Avenue, 152 32 Halandri, Athens, Greece

### 2005 Annual General Shareholder's Meeting

The Annual General Meeting of the shareholders of Frigoglass S.A.I.C will be held on Friday, June 10th, 2005 at 11:00 am, at the Goulandri Museum of Natural History, Othonos 100 Kifissia. An invitation to the Annual General Shareholder's Meeting, including the items on the agenda, will be published in the press, as stipulated by law.

### Legal Advisors

KYRIAKIDES-GEORGOPOULOS Law Firm  
Leonidas Georgopoulos

The following are responsible for the preparation of the Annual Report and the accuracy of its contents:

- Dimitris Lois, Managing Director
- Panagiotis Tabourlos, Group CFO
- Lillian Phillips, Investor Relations

The members of the Board of Directors hereby declare that they are aware of the contents of the annual report for the year 2004 and, along with the directors responsible for its preparation, confirm that all information and data included herein is true and accurate, and there are no concealed or omitted events or facts which could render either the whole or part of this annual report misleading.

### Audit of the Annual Financial Statements

The annual financial statements (company and consolidated) have been audited by Mr. Kyriakos Riris, Certified Auditor, Reg. No.ICAG 12111, PriceWaterhouseCoopers, 268 Kifissias Ave., Halandri, who also signs the respective Auditor's reports.



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