

Deloitte.

134212/35

BIC GRAPHIC EUROPE, S.A.

Auditor's audit report on the accounts
for the period ended December 31, 2003

FC 22708



A12
COMPANIES HOUSE

A582N7N3

0114
08/08/05

Auditor's audit report on the accounts
for the period ended December 31, 2003

Deloitte Touche Tohmatsu - Paris

Dear Sirs,

We have performed an audit of the attached accounts (Hyperion consolidation package) of Bic Graphic Europe, S.A. for the year ended December 31, 2003 using a calculated monetary precision of €0.5 million. The consolidation package is the responsibility of the company's Management. The package has been initialled by us for identification purposes only, in accordance with your instructions.

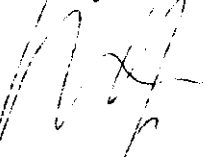
Except for potential effect of the pending matters indicated below (we will immediately inform you about any issues arising from the resolution of the above open items), Consolidation package (Hyperion consolidation package) has been properly prepared in all material aspects to give the information required to be shown in accordance with generally accepted accounting principles in France, the BIC Group's accounting policies and disclosure requirements applied on a consistent basis.

The following matters are still pending as of today:

- Confirmations from several lawyers not yet received;
- Confirmations from several banks not yet received;
- Independent final actuarial report about retirement lump sum payment obligation.

This report is intended solely for internal use in connection with the preparation of the consolidated financial statements of the BIC Group.

January 23, 2004



Vincent Gros

1/27/04

BG TARRAGONA D+E CONSUMER & GRAPHIC

Consolidation at December 2003 - AT ACTUAL CURRENCY

DETAILED BALANCE SHEET

File : IAS1

Deloitte & Touche

3:37 AM

Schedule : IAS 1

27-Jan-2004 - 3:37 AM

Initiated for Identification

purposes only

Currency : EUR

DEC 02 Net	DEC 03 Gross	DEC 03 Depreciation	DEC 03 Net
27,443,247	26,900,065	(1,757,833)	25,142,232

CURRENT ASSETS

Cash	2,231,552	1,869,581	1,869,581
Temporary cash investments	-	-	-
Treasury Shares	-	-	-
Interco current accounts	(73,475)	(1,460,216)	(1,460,216)
Accounts receivable - Trade	10,196,027	12,017,783	10,875,619
Accounts receivable - Affiliates	4,461,147	3,239,165	3,239,165
Notes receivable	-	-	-
Other receivables	790,661	2,486,964	2,486,964
Deferred tax asset short term	440,771	315,747	315,747
Other current assets	1,305,813	1,011,379	1,011,379

Stock inventory	8,090,750	7,419,661	6,803,992
Raw materials and supplies	391,225	447,589	447,589
Work in process	617,836	887,150	887,150
Finished goods	1,753,470	1,517,711	1,372,979
Packaging materials	377,136	340,180	340,180
Intercompany inventory	4,951,083	4,227,031	3,756,094

TOTAL NON CURRENT ASSETS

Property, plant and equipment	9,815,859	22,972,715	(13,680,793)	9,291,922
Intangible assets	674,300	1,490,201	(1,143,233)	346,968
Goodwill	4,815,076	8,118,662	(1,564,385)	6,554,277
Investments - Affiliates	-	-	-	-
Notes & accounts receivable - Affiliates	-	-	-	-
Equity investments	-	-	-	-
Other investments	-	-	-	-
Deferred tax asset - long term	32,092	-	-	-
Other non-current asset	242,391	214,262	-	214,262

TOTAL ASSETS

43,022,965	59,695,905	(18,146,245)	41,549,660
------------	------------	--------------	------------

CHECK LINE

43,022,965	59,695,905	(18,146,245)	41,549,660
-	-	-	-

DEC 02 Net	DEC 03 Net
11,826,664	9,981,624

CURRENT LIABILITIES

201 - Leasing short term liabilities	-	-
201 - Short term borrowings	-	-
201 - Current portion of long term deb	-	-
Bank Overdrafts	-	92,750
Accounts Payable - Trade	1,435,478	2,643,799
Accounts Payable - Affiliate	3,493,326	4,257,016
Deferred tax liability short term	-	-
Other accrued expenses	6,897,860	2,988,059
I/C Elim A/R and A/P	-	-
I/C Elim N/R and N/P	-	-

LONG TERM DEBTS

Long-term Debt	-	-
Obligation under Financial Lease	-	-
Notes Payable - Affiliates	-	-

DEFERRED LIABILITIES

Deferred tax liability long term	1,741,258	1,601,579
Deferred Provisions	1,666,185	1,472,579
I/C provisions for risks and charges	-	-
Retirement benefits	75,073	129,000

MINORITY INTEREST

-	-
---	---

TOTAL SHAREHOLDERS' EQUITY

Issued capital	29,455,034	29,966,457
Treasury Stock	31,836,409	31,836,409
Retained Earnings	-	-
Net Income (Loss) for Year	(2,730,000)	(2,378,008)
Dividends paid	351,992	2,036,319
Other	-	(1,524,896)
Foreign Currency	(3,368)	(3,368)

Balance Sheet Out-of-Balance

9	0
---	---

TOTAL LIABILITIES

43,022,965	41,549,660
------------	------------

CHECK LINE

43,022,965	41,549,660
-	-

1/27/04

BG TARRAGONA D+E CONSUMER & GRAPHIC - TOTAL ALL PRODUCTS

Deloitte & Touche

3:37 AM
Schedule #: IAS 2 - 1

Consolidation at December 2003- ACTUAL

27- Jan- 2004 - 3:37 AM

STATEMENT OF INCOME

Initiated for identification
purposes only

Currency : EUR

File:IAS2_1

	YTD DEC 02	% sales	YTD DEC 03	% sales	% change
Gross Sales	44,658,453	78.1	46,273,487	72.4	3.8
Sales to Foreign Subs	20,014,778	31.4	19,111,354	29.9	(4.5)
Returns	-	-	-	-	-
Allowances:					
- Trade Discounts	557,778	0.9	978,875	1.5	75.5
- Consumer Discounts	142,753	0.2	263,360	0.4	84.5
- Year-End Rebates	270,895	0.4	202,489	0.3	(25.3)
Net Sales After Taxes	63,701,804	100.0	63,940,116	100.0	0.4
Cost of Goods :					
Product	25,574,733	40.1	24,832,098	38.8	(2.9)
Packaging	-	-	-	-	-
Manufacturing Variances	1,062,554	1.7	2,272,849	3.6	113.9
Other COG Variances	(184,023)	(0.3)	213,863	0.3	(216.2)
Foreign Exchange PPV	172,022	0.3	(318,956)	(0.5)	(285.4)
Foreign Subs COG	18,769,814	29.5	16,061,386	25.1	(14.4)
Total Cost of Goods	45,395,101	71.3	43,061,240	67.3	(5.1)
Gross Profit	18,306,703	28.7	20,878,876	32.7	14.1
Research & Development	234,069	0.4	155,683	0.2	(33.5)
Freight Out & Distribution Costs	1,320,047	2.1	1,801,592	2.8	36.5
Business Development Funds	312,322	0.5	590,879	0.9	89.2
Sales Contribution	16,440,265	25.8	18,330,722	28.7	11.5
Consumer Support	16,679	0.0	24,567	0.0	47.3
Advertising	73,272	0.1	14,919	0.0	(79.6)
Brand Contribution	16,350,313	25.7	18,291,235	28.6	11.9
Selling	7,325,547	11.5	7,607,396	11.9	3.8
Marketing	1,265,186	2.0	1,284,266	2.0	1.5
General & Administrative	4,420,783	6.9	4,330,168	6.8	(2.0)
Total Operating Exp	13,011,515	20.4	13,221,829	20.7	1.6
Income from Operations	3,338,798	5.2	5,069,406	7.9	51.8
Interest Income(Exp)	(986,717)	(1.5)	26,946	0.0	(102.7)
Royalties & Management Fees	(498,996)	(0.8)	(366,815)	(0.6)	(26.5)
Other Income/(Expense)	(684,530)	(1.1)	(2,097,738)	(3.3)	206.4
FX Cost & Revaluation	(378,228)	(0.6)	(875,858)	(1.4)	131.6
Income before Taxes	790,327	1.2	1,755,941	2.7	122.2
Income Tax	(941,283)	(1.5)	(243,888)	(0.4)	(74.1)
Deferred Tax	1,379,618	2.2	(36,490)	(0.1)	(102.6)
Tax Provision	438,335	0.7	(280,378)	(0.4)	(164.0)
Minority Interest w/in SubConsolidation	-	-	-	-	-
Minority Interest Parent	-	-	-	-	-
Minority Interest	-	-	-	-	-
Net Income	351,992	0.6	2,036,319	3.2	478.5
Check line	351,992	0.6	2,036,319	3.2	478.5
Difference	-	-	-	-	-

Third Party Non-operating Income/(Expense)

	YTD DEC 02	YTD DEC 03
- Royalty Income(Exp)	-	-
- Goodwill Amortization	(466,577)	(580,800)
- Income from associates (equity)	-	-
- Cash Discount Allowed	(205,712)	(268,169)
- Cash Discounts Earned	916	-
- Gain(Loss) on Foreign Exchange	-	-
- Gain(Loss) on Translation	-	-
- Gain(Loss) on PP&E	938,818	(587,840)
- Other Expense	(970,859)	(676,443)
- Other Income	18,883	21,782

Intercompany Non-operating Income/(Expense)

- I/C Royalty Income(Exp)	-	-
- I/C Mgt Fees	(498,996)	(366,815)
- Dividend Income Affiliates	-	-
- Intercompany gains and losses	-	(6,266)
- FX Cost and Revaluation	(378,228)	(875,858)
- I/C gain/(loss) on resale	-	-
- Beep Expenses	-	-
- Restructuring Expenses	-	-
- I/C depreciation of notes receivable	-	-
- I/C depreciation of investments	-	-
- I/C provision for risks and charges	-	-

**TOTAL NON-OPERATING INCOME/(EXPENSE)(incl
ROY)**

(1,561,755)	(3,340,409)
--------------------	--------------------

CHECK LINE with P&L All Products

(1,561,754)	(3,340,411)
--------------------	--------------------

Difference

(1)	3
------------	----------

	YTD DEC 02	YTD DEC 03
Changes in inventories of finished goods & Work in progress	(2,371,306)	111,177
Finished products purchased during year	25,454,885	23,541,951
Raw materials & consumables used	7,435,790	3,754,409
Staff Costs	13,792,554	14,269,476
Depreciation & Amortization expense	2,803,655	2,975,898
Other operating expense	13,247,421	14,217,798
TOTAL OPERATING CHARGES	60,363,000	58,870,710

Control :
 Total Cost of Goods
 Brand Support -Total Expense
 Freight Out
 Research & Development
 Other Distribution Costs
 Total Operating Exp
Check TOTAL OPERATING CHARGES

	45,395,101	43,061,240
	402,268	630,365
	1,130,365	1,603,596
	234,069	155,683
	189,683	197,996
	13,011,515	13,221,829
	60,363,002	58,870,710
Difference	(2)	-

	YTD DEC 02	YTD DEC 03
Interest Income	25,325	22,956
I/C Interest Income	-	10,164
Interest on bank deposits	-	-
Dividends from other investments	-	-
TOTAL INTEREST INCOME	25,325	33,120

Interest Expense	(315,017)	(1,148)
I/C Interest Expense	(697,023)	(5,025)
Loss on disposal of marketable securitie	-	-
Unrealized loss on marketable securitie	-	-
TOTAL INTEREST EXPENSE	(1,012,040)	(6,173)

TOTAL INTEREST	(986,715)	26,946
-----------------------	------------------	---------------

CHECK LINE	(986,717)	26,946
Difference	2	-

Consolidation at December 2003

27-Jan-2004 - 3:37 AM

IAS CASHFLOW

Currency : EUR

File : IAS3

Deloitte & Touche

**Initialled for identification
purposes only**

	LASTYR DEC 02 M.YTD	ACTUAL DEC 03 M.YTD
Net Income	351,992	2,036,319
Amortization of tangible assets	2,386,567	2,524,659
Amortization of goodwill	466,578	580,799
Amortization of intangible assets	374,236	336,804
Depreciation of treasury shares		
Depreciation of I/C current account		
Depreciation of investments		
Depreciation of ICO notes and loans		
Impairment loss		
Retirement benefits	16,619	89,846
Provision for risks and charges		
Depreciation of receivables	194,695	218,089
Depreciation of inventories	(91,102)	100,180
Net losses(profits) from disposal of NCA	(938,818)	587,840
Income from associates		
Deferred tax variation	1,379,618	(36,490)
(Increase)/Decrease in acc. receivable	148,296	(2,593,985)
(Increase)/Decrease in intercompany A/R	(69,289)	1,221,982
(Increase)/decrease in inventories	2,561,354	1,186,578
Increase/(decrease) in trade A/P	233,533	1,208,321
Increase/(decrease) in intercompany A/P	(20,222,801)	763,690
Changes in other current assets and liab	2,308,815	(2,957,139)
Chgs in oth non curr assets and liab		
Income tax expense	(941,283)	(243,888)
Income taxes paid	1,226,193	(380,515)
Financial expense (profit)	988,715	(26,946)
Interest paid/received	(988,415)	(6,878)
Change in consolidation scope	(600,000)	(2,320,000)
Changes in retained earnings and other		
Pensions contributions paid	(241,259)	(8,279)
OPERATING CASH FLOWS	(11,457,756)	2,280,987
Dividends received from subsidiaries		
Dividends rec'd from other investments		
Proceeds on disposals of investments		
Proceeds on disposals of PP&E		224,356
Proceeds on disposals of PP&E w/ subs	1,246,213	
Acquisition of PP&E	(1,834,544)	(1,703,715)
Acquisition of PP&E with subsidiaries	(461,461)	(1,000,142)
Suppliers fixed asset variation		
Acquisition of equity investment		
Purchases of marketable securities		
Acquisition of treasury shares		
Acquisition of intangible assets	(353,029)	(118,531)
Guarantee deposit variation	(3,547)	489
Acquisition of subsidiary		
INVESTING CASH FLOWS	(1,406,368)	(2,597,544)
Dividends paid		
Dividends paid to subsidiaries		(1,524,896)
Changes in minority interest		
Repayments of borrowings		
Repayments of borrowings to subsidiaries		
Reprmts of obligations under finance leases		
Increase in share capital	25,000,098	
Proceeds issue of convertible loan notes		
New intercompany loans raised		
Movement in netting account	73,475	1,386,741
FINANCING CASH FLOWS	25,073,572	(138,155)
NET INCREASE/DECREASE IN CASH	12,209,448	(454,712)
CASH AND CASH EQUIVALENT - O/B	(9,977,925)	2,231,552
Local foreign exchange differences		
Elimination Dividends		
Effect of foreign exchange rate changes		
CASH AND CASH EQUIVALENT - Closing	2,231,552	1,776,831
NET INCREASE/DECREASE IN CASH	12,209,477	(454,721)
Cash Flow Control Account	(29)	9

1/27/04

G TARRAGONA D+E CONSUMER & GRAPHIC

Consolidation at December 2003

DETAILS OF OTHER ASSETS (Current & Non current)

file:IAS4_1

3:37 AM

Schedule # : IAS 4 - 1

27- Jan- 2004 - 3:37 AM

Deloitte & Touche

Currency : EUR

Initialed for consolidation
purposes only

DEC 02

DEC 03

DETAILS OF OTHER CURRENT ASSETS

- Prepaid Expenses	529,527	433,036
- Prepaid Insurance	5,158	3,937
- Deferred Advertising	-	-
- Purchases for Resale	-	-
- Advances to Vendors	-	-
- Other Prepaid Expenses	-	-
- Income tax advance payments	771,128	574,406
Total Other Current Assets	1,305,813	1,011,379
CHECK LINE	1,305,813	1,011,379
Difference	-	-

DETAILS OF OTHER NON CURRENT ASSETS

- Deferred Retirement Plan	-	-
- Deferred Compensation	-	-
- Deferred Pensions	224,640	197,000
- Maximum Intangible Asset Pensions	-	-
- Guarantee Deposits	17,751	17,262
- Other Non Current Assets	-	-
Total Other Non-Current Assets	242,391	214,262
CHECK LINE	242,391	214,262
Difference	-	-

1/27/04

IG TARRAGONA D+E CONSUMER & GRAPHIC

Consolidation at December 2003

DETAILS OF ACCRUED EXPENSES

file:IAS4_2

Deloitte & Touche

3:37 AM

Initialled for Identification
purpose only

Schedule # : IAS 4 - 2

27-Jan-2004 - 3:37 AM

Currency : EUR

DEC 02

DEC 03

DETAILS OF ACCRUED EXPENSES

- Accrued Wages & Salaries	915,669	694,019
- Accrued Commissions - Agents	-	-
- Payroll Taxes & Other Withholding	238,847	166,025
- Accrued Benefits	251,275	250,041
- Accrued Pensions	-	-
- Accrued Workmens' Compensation	-	-
- Accrued Advertising	-	-
- Accrued Income Tax	1,031,928	210,803
- Accrued Taxes - Other	451,198	497,339
- Accrued Interest	33,824	-
- Unearned Interest	-	-
- Provision for Restructuring	-	-
- Other Accrued Expense	3,975,120	1,169,833
- Accrued Payroll Tax	-	-
Other accrued expenses	6,897,860	2,988,059
CHECK LINE	6,897,860	2,988,059
Difference	-	-

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

File:IAS5_1

27-Jan-2004 - 3:37 AM

Currency: EUR

Initiated by: *[Signature]*
 Date: *[Signature]*
 Purpose: *[Signature]*

Accumulated Profits												
Outstanding Shares	Preferred Shares	Additional Paid-in Capital	SHARE CAPITAL	Retained Earnings	Net Income	Total Dividends Paid	Other	Foreign Currency	TOTAL	Minority Interest	SHEQ	Difference

OPENING

7,836,556	-	23,999,853	31,836,409	(2,378,008)	-	-	-	(3,368)	29,455,034	-	29,455,034	-
-----------	---	------------	------------	-------------	---	---	---	---------	------------	---	------------	---

- Increase in Share Capital
- Decrease in Share Capital
- Acquisition on subsidiary
- Exchange diff arising on translation
- Net Gain/(Loss) not recognized in P&L
- Net Income/(Losses) for the period
- Dividends
- Other movements

-	-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	2,036,319	-	-	-	2,036,319	-	2,036,319	-
-	-	-	-	-	(1,524,896)	-	-	-	(1,524,896)	-	(1,524,896)	-
-	-	-	-	-	-	-	-	-	-	-	-	-

CLOSING

7,836,556	-	23,999,853	31,836,409	(2,378,008)	2,036,319	(1,524,896)	-	(3,368)	29,966,457	-	29,966,457	-
-----------	---	------------	------------	-------------	-----------	-------------	---	---------	------------	---	------------	---

CHECK LINE
Difference

7,836,556	-	23,999,853	31,836,409	(2,378,008)	2,036,319	(1,524,896)	-	(3,368)	29,966,457	-	29,966,457	-
-----------	---	------------	------------	-------------	-----------	-------------	---	---------	------------	---	------------	---

BEG	INC	DEC	PYC	NI	FX	ACQ	DIV	OTH	NONE	MANUAL CHECK	DIFF
28,363,928	-	-	-	2,488,372	-	-	(1,524,896)	-	27,327,304	27,327,304	.
Local Shareholder Equity-Totals	-	-	-	2,488,372	-	-	(1,524,896)	-	27,327,304	27,327,304	.
28,363,928	-	-	-	2,488,372	-	-	(1,524,896)	-	27,327,304	27,327,304	.
Differences:	-	-	-	-	-	-	-	-	-	-	.
Tangible & intangible asset revaluation (19),719	-	-	-	8,192	-	-	-	-	(8,192)	(8,192)	.
Annuity adjustment 4,160,523	-	-	-	(558,160)	-	-	-	-	4,207,383	4,207,383	.
(ICO sale of fixed assets profit elim (1,567,635))	-	-	-	95,055	-	-	-	-	(1,472,579)	(1,472,579)	.
Deferred tax adjustment	-	-	-	-	-	-	-	-	-	-	.
Statutory rules provisions eliminations	-	-	-	-	-	-	-	-	-	-	.
Parsons	-	-	-	-	-	-	-	-	-	-	.
Stock revaluation	-	-	-	-	-	-	-	-	-	-	.
Receivable revaluation	-	-	-	-	-	-	-	-	-	-	.
Restructuring	-	-	-	-	-	-	-	-	-	-	.
Research & Development	-	-	-	-	-	-	-	-	-	-	.
Intra group profit on inventories elim	-	-	-	-	-	-	-	-	-	-	.
Foreign currency translation	-	-	-	-	-	-	-	-	-	-	.
Other	-	-	-	-	-	-	-	-	-	-	.
Consolidation Adjustments	-	-	-	(452,053)	-	-	-	-	2,638,125	2,638,125	.
Equity elimination in subconsolidation	-	-	-	-	-	-	-	-	-	-	.
Depreciation on investment	-	-	-	-	-	-	-	-	-	-	.
Goodwill amortization	-	-	-	-	-	-	-	-	-	-	.
Dividends	-	-	-	-	-	-	-	-	-	-	.
Minority interest	-	-	-	-	-	-	-	-	-	-	.
ELIMINATION WITH OWN SUBCONSO	-	-	-	-	-	-	-	-	-	-	.
ADJUSTED NET EQUITY - 100 %	-	-	-	2,036,320	-	-	(1,524,896)	-	28,866,429	28,866,429	.
Consolidation Percentage (Input done by HQ)	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	.
ADJUSTED NET EQUITY - GROUP	-	-	-	2,036,319	-	-	(1,524,896)	-	28,866,427	28,866,427	.
CHECK LINE Difference	28,455,096	-	-	2,036,320	-	-	(1,524,896)	-	28,866,429	28,866,429	.
	28	-	-	0	-	-	-	-	28	28	.

GROSS VALUE

- OPENING
- Additions
- Acquired on Acquisition
- Exchange Differences
- Disposals
- Transfer

CLOSING

CHECK LINE
 Difference

SOFTWARE DEVELOPMENT	TRADEMARKS & PATENTS	R & D	OTHER	TOTAL
1,371,670	-	-	210,267	1,581,937
118,531	-	-	-	118,531
-	-	-	-	-
-	-	-	-	-
-	-	-	(210,267)	(210,267)
-	-	-	-	-
1,490,201	-	-	-	1,490,201
1,490,201	-	-	-	1,490,201
-	-	-	-	-

AMORTIZATION

- OPENING
- Charge for the year
- Exchange Differences
- Eliminated on disposals
- Transfer

CLOSING

CHECK LINE
 Difference

(806,429)	-	-	(101,207)	(907,636)
(336,804)	-	-	-	(336,804)
-	-	-	-	-
-	-	-	101,207	101,207
-	-	-	-	-
(1,143,233)	-	-	0	(1,143,233)
(1,143,233)	-	-	0	(1,143,233)
-	-	-	-	-

NET VALUE

OPENING

CLOSING

565,241	-	-	109,060	674,300
346,968	-	-	0	346,968

GROSS VALUEOPENING

- Additions
- Acquired on acquisition of a subsidiary
- Exchange differences
- Disposed of on disposal of a subsidiary
- Disposals
- Revaluation Decrease/Increase
- Transfer

CLOSINGCHECK LINE

Difference

Land	Buildings and Improvements	Machinery and Equipment	Construction in Progress	Others	TOTAL
0	0	21,906,333	-	-	21,906,333
-	-	2,703,858	-	-	2,703,858
-	-	-	-	-	-
-	-	-	-	-	-
-	-	(1,637,476)	-	-	(1,637,476)
-	-	-	-	-	-
-	-	-	-	-	-
0	0	22,972,714	-	-	22,972,715
0	0	22,972,714	-	-	22,972,715
-	-	-	-	-	-

DEPRECIATIONOPENING

- Charge for the year
- Impairment loss
- Exchange Differences
- Eliminated on disposals
- Eliminated on disposal of a subsidiary
- Revaluation Decrease/Increase
- Transfers

CLOSINGCHECK LINE

Difference

-	(12,090,474)	-	-	(12,090,474)
-	(2,524,659)	-	-	(2,524,659)
-	-	-	-	-
-	-	-	-	-
-	934,340	-	-	934,340
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	(13,680,793)	-	-	(13,680,793)
-	(13,680,793)	-	-	(13,680,793)
-	-	-	-	-

NET VALUEOPENINGCLOSING

0	0	9,815,859	-	-	9,815,859
0	0	9,291,922	-	-	9,291,922

GOODWILL**COST****OPENING**

- Arising on an acquisition of a subsidiar
- Eliminated on disposal of a subsidiary
- Exchange differences

CLOSING**5,798,662****2,320,000****-****-****8,118,662****AMORTIZATION****OPENING**

- Charge for the year
- Eliminated on disposal of a subsidiary
- Exchange differences

CLOSING**(983,586)****(580,799)****-****-****(1,564,385)****NET VALUE****OPENING****4,815,076****CLOSING****6,554,277****DETAIL OF GOODWILL**

	Gross Amount	Amortization	NET
BIC ITALY	85,732	(17,146)	68,586
BELGIUM	600,000	(180,000)	420,000
BIC Germany	5,112,930	(1,193,017)	3,919,913
BIC AUSTRIA	1,300,000	(72,222)	1,227,778
NETHERLANDS	1,020,000	(102,000)	918,000
TOTAL	8,118,662	(1,564,385)	6,554,277

CHECK LINE**Difference**

8,118,662	(1,564,385)	6,554,277
-	-	-

LIST OF CONSOLIDATED COMPANIES at December 2003

[illegible]

LIST OF INVESTMENTS

File: IAS7 2

EQUITY INVESTMENTS

[illegible]

OTHER INVESTMENTS

- Long term investments

VAT LT INVESTMENTS						
CARRY BACK SHEAFFER						
BIC CIS						
PENSIONS						
TIPP-EXX PRODUCTORA C.A.						
OTHER LT INVESTMENTS						
Subtotal						

- Marketable securities

EUKO UNTERNEHMENSVERWALTUNG G					
AITASA	-	-	-	-	-
PAP-SHOP	-	-	-	-	-
COOPERATIVE ELECTRICA GCHU	-	-	-	-	-
SEITAJALTADIS	-	-	-	-	-
KOSAIDO PRINTING CY	-	-	-	-	-
VAT MARKETABLE SECURITIES	-	-	-	-	-
OTHER MARKETABLE SECURITIES	-	-	-	-	-
PHIL LONG DISTANCE CO.	-	-	-	-	-
Subtotal	-	-	-	-	-

TOTAL OTHER INVESTMENTS

List of Provisions

- Litigation	-	-	-	-	-	-	-
- Severance indemnity	-	-	-	-	-	-	-
- Restructuring	-	-	-	-	-	-	-
- Warranty Reserve	-	-	-	-	-	-	-
- Deferred Compensation	-	-	-	-	-	-	-
- Other risks	-	-	-	-	-	-	-
TOTAL PROVISIONS	-	-	-	-	-	-	-
CHECK MANUAL	-	-	-	-	-	-	-
Difference	-	-	-	-	-	-	-

	Defined Retirement Plan Obligation	Defined Retirement Plan Assets	Unrecognized actuarial gain (loss)	PROVISIONS
T LIABILITY - OPENING	75,073	224,848	-	(149,567)
TRANSFER	-	-	-	-
TOTAL PERIOD COSTS	53,927	(35,919)	-	89,846
- Service Costs	-	-	-	-
- Interest Costs	-	-	-	-
- Return on Assets	-	-	-	-
- Net actuarial gains/(losses) recognized in the year	-	-	-	-
- Past service costs	53,927	(35,919)	-	89,846
CHECK LINE	53,927	(35,919)	-	89,846
Reference	-	-	-	-
NEFITS PAID	-	-	-	-
CONTRIBUTIONS PAID	-	8,279	-	(8,279)
ACTUARIAL GAIN/(LOSS) ON OBLIGATION	-	-	-	-
ACTUARIAL GAIN/(LOSS) ON PLAN ASSETS	-	-	-	-
CHANGE DIFFERENCES ON FOREIGN PLAN	-	-	-	-
T LIABILITY - CLOSING	129,000	197,000	-	(68,000)
CHECK LINE	129,000	197,000	-	(68,000)
Reference	-	-	-	-

Key assumptions used :

Discount rate	-
Expected return on plan assets	-
Expected rate of salary increases	-
Future pension increases	-

**Initialed for publication
purpose only**

LONG TERM DEBT REPAYMENT SCHEDULE

FIXED RATE LOANS

- T Debt due in first year/BNL ARGENTINA
- T Debt due in first year/STANDARD CHARTERED BANK (PHILIPPINES)
- T Debt due in first year/BIC GBA MAYBANK BERHAD
- T Debt due in first year/BIC MALAYSIAN BANK - fixed
- T Debt due in first year/RHEIM MEUSE
- T Debt due in first year/ANVAR
- T Debt due in first year/DATAR - PAT
- T Debt due in first year/DRTE
- T Debt due in first year/OTHER - fixed

Subtotal Fixed Rate

FLOATING RATE LOANS

- T Debt due in first year/CREDIT AGRICOLE
- T Debt due in first year/MAYBANK BERHAD
- T Debt due in first year/BIC MALAYSIAN BANK - floating
- T Debt due in first year/OTHER - floating rate

Subtotal Floating Rate

TOTAL AMOUNT

[illegible]

Initiated for presentation
purpose only

	GROSS VALUE				AMORTIZATION				NET		DETAILS		
	OPENING	Additions	Disposal	Exchange Differences	CLOSING	OPENING	Charge for the year	Eliminated on disposals	Exchange Differences	CLOSING	NET VALUE	Method	Rate
A - TYPE OF ASSET													
Building Lease	-	-	-	-	-	-	-	-	-	-	-	-	-
Machinery & Equipment Lease	-	-	-	-	-	-	-	-	-	-	-	-	-
Vehicle Lease	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Lease	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL	-	-	-	-	-	-	-	-	-	-	-	-	-

	LOAN				TO BE PAID				DETAILS	
	OPENING	New Loan	Reimbursement current period	Foreign Currency Translation	Transfer from LT to ST	CLOSING	Payment N+1	Payment due between 2 and 5 years	Payment due beyond 5 years	Expenses for period
B - FINANCIAL DEBT										
LONG TERM										
TOTAL LONG TERM	-	-	-	-	-	-	-	-	-	-
SHORT TERM										
TOTAL SHORT TERM	-	-	-	-	-	-	-	-	-	-

	RENTS PAID				RENTS TO BE PAID			
	OPENING	Paid for the period	Foreign Currency Translation	CLOSING	Payment due in coming year	Payment due between 2 and 5 years	Payment due beyond 5 years	Residual Value Payment
C - RENTS								
TOTAL RENTS	-	-	-	-	-	-	-	-

DEC 02	DEC 03
--------	--------

- Lease payments under operating leases

-	-
---	---

At the balance sheet date, the company has outstanding commitments under non-cancellable operating leases, which fall due as follows :

- Lease arrangements within 1 year
- Lease arrangements in years 2 to 5
- Lease arrangements beyond 5 years

-	-
-	-
-	-
TOTAL	-

BG TARRAGONA D+E CONSUMER & GRAPHIC

Consolidation at December 2003

CONTINGENT LIABILITIES

File:IAS10_1

Local

DEC 02

DEC 03

**A- ENDORSEMENTS, GUARANTEES, COLLATERALS,
PLEDGES (securing third party liabilities)**

Outside Group

Inside Group

Endorse's, guarantees, collaterals, pledges

**B- LEASING and LEASE OPTION AGREEMENTS :
Future rentals**

Real estate or Property

Lease arrangements within 1 year
Lease arrangements in years 2 to 5
Lease arrangements beyond 5 years

Equipment and Other

Lease arrangements within 1 year
Lease arrangements in years 2 to 5
Lease arrangements beyond 5 years

Total Lease arrangements

C - COMMIT'S AND CONTIN'S FORWARD CONTRACT

D- OTHER CONTINGENT LIABILITIES

Outside Group

Inside Group

Other contingent liabilities

TOTAL CONTINGENT LIABILITIES

Local

DEC 02

DEC 03

**A- ENDORSEMENTS, GUARANTEES, COLLATERALS,
PLEDGES**

Outside Group		-
		-
		-
		-
		-

Inside Group		-
		-
		-
		-
		-

Endorse's, guarantees, collaterals, pledges		-
---	--	---

B- LEASING and LEASE OPTION AGREEMENTS :
Future rentals

Real estate or Property		-
Equipment and Other		-
Total Lease arrangements		-

C- OTHER COMMITMENTS RECEIVED

Outside Group		-
		-
		-
		-
		-

Inside Group		-
		-
		-
		-
		-

Other commitments received	-	-
----------------------------	---	---

TOTAL CONTINGENT RECEIVABLES	-	-
------------------------------	---	---

	OPENING	Net Income	Foreign Exchange	Other	CLOSING
Local net income	-	2,488,372	-	-	-
Income Tax	-	(243,888)	-	-	-
Deferred tax booked locally	-	58,585	-	-	-
Net local income before tax	-	2,303,069	-	-	-

A- TEMPORARY DIFFERENCES TAXABLE AT THE STANDARD RATE

Accelerated tax depreciation	-	-	-	-	-
Provisions for contingencies and losses	-	-	-	-	-
Stock provision	515,489	100,181	-	-	615,670
Provision for doubtful accounts	101,193	(30,064)	-	-	71,130
Provision for retirement benefits	91,692	89,847	-	-	181,539
Disallowable accrued expenses	327,293	(327,293)	-	-	0
Other taxable at standard rate	33,798	-	-	-	33,798
Total taxable at standard rate	1,069,465	(167,328)	-	-	902,137

B- TEMPORARY DIFFERENCES TAXABLE AT SPECIAL RATES

Capital gains/losses tax at reduced rate	-	-	-	-	-
IRAP	-	-	-	-	-
Other tax at reduced rate	-	-	-	-	-
Total taxable at special rates	-	-	-	-	-

Total temporary differences	1,069,465	(167,328)	-	-	902,137
-----------------------------	-----------	-----------	---	---	---------

C- PERMANENT DIFFERENCES

Provisions for cont and losses - perm	-	-	-	-	-
Provision against inv consol entities	-	-	-	-	-
Dividends paid under federal tax regimes	-	-	-	-	-
Devt waivers	-	-	-	-	-
Accrued expenses	-	-	-	-	-
Other (reversal of IRAP)	-	-	-	-	-
Other permanent differences add back	134,828	487,595	-	-	622,423
Other permanent differences deduction	-	-	-	-	-
Total permanent differences	134,828	487,595	-	-	622,423

Total addback and deductions	1,204,293	320,267	-	-	1,524,560
------------------------------	-----------	---------	---	---	-----------

Prior year tax losses utilization	-
Taxable income or tax losses to carry forward	2,623,318
Local taxable income	2,623,318
Local tax losses to carry forward	-
CHECK LINE	2,623,318
Difference	-

Tax credit util to be ded from curr tax	-
CURRENT TAX CHARGE	918,161

Add'l tax based on tax inc-ex State tax	-
Tax credit used on add'l tax-State tax	-
Add'l tax calc on different bases (Irap)	(1,101,962)
Tax credit used on add'l tax-ex Irap	(60,087)
Current tax	(243,888)

Current tax (manual calc)	(243,888)
Difference	-
Income Tax Yearly/Year To Date from P&L	(243,888)
Diff. with Income Tax from P&L(994)	0

Tax rate:	35.00%
Reduced tax rate:	-

OPENING	Opening Correction	Foreign Exchange	Increase	Decrease	CLOSING
---------	-----------------------	---------------------	----------	----------	---------

Tax loss avail for carry forward Total

Tax loss avail for carry forward Year 0
Tax loss avail for carry forward Year 1
Tax loss avail for carry forward Year 2
Tax loss avail for carry forward Year 3
Tax loss avail for carry forward Year 4
Tax loss avail for carry forward Year 5
Tax loss avail for carry forward Year 6
Tax loss avail for carry forward Year N

2,108,048	-	-	-	(2,108,048)	-
303,870,234	(301,762,186)	-	-	(2,108,048)	-
(283,995)	283,995	-	-	-	-
(301,759,942)	301,759,942	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
4,000,000	(4,000,000)	-	-	-	-
(3,718,249)	3,718,249	-	-	-	-
-	-	-	-	-	-

Tax credits available Total

Tax credits available Year 0
Tax credits available Year 1
Tax credits available Year 2
Tax credits available Year 3
Tax credits available Year 4
Tax credits available Year 5
Tax credits available Year 6
Tax credits available Year N

-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-

Capital loss Total

Capital loss Year 0
Capital loss Year 1
Capital loss Year 2
Capital loss Year 3
Capital loss Year 4
Capital loss Year 5
Capital loss Year 6
Capital loss Year N

-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-

NB :

YEAR 1 = 2004 * YEAR 2 = 2005 * YEAR 3 = 2006 * YEAR 4 = 2007 * YEAR 5 = 2008 * YEAR 6 = 2009 * YEAR N = 2010 & beyond

check with ACCOUNTS from B/S

Delella & Touche

**Initialed for identification
purposes only**

- Income before Taxes
- Current tax close
- Theoretical tax charge
- Differential taxes in subconsolidation
- 995TAX - Effect of tax rate change on LY tax
- Effect of income taxable at reduced rate
- Effect of goodwill amortization
- Effect of ICO prov on inv and loan
- Effect on non taxable waiver on loan
- Effect of other permanent non taxable it
- Effect of non taxable dividends
- Deffered tax not recognized on curr tax
- Def tax not recognized on consol,adj,add
- Effect of other differences
- Effect of tax credits
- Prior tax losses/assets not prev recog
- Effect of tax adjust on prior years inc
- Impact of Foriegn Exchange differences

Effective tax charge

**CHECK LINE
Difference**

Income Tax (acc 994 in P&L)
Deferred Tax (acc 995 in P&L)
TOTAL 994+995

Difference

DEC 03 M.YTD	
	1,755,941
	35.00%
	614,579
	63,313
	-
	-
	-
	-
	-
	140,512
	-
	-
	-
	(1,137,247)
	38,464
	-
	-
	-
	(280,378)
	(280,378)
	-
	(243,888)
	(36,490)
	(280,378)
	0

1/27/04

BG TARRAGONA D+E CONSUMER & GRAPHIC

Consolidation at December 2003

LOCAL VALIDATION REPORT

File:locvalha

Deloitte & Touche**Initialed for identification
purposes only****Schedule #****27- Jan- 2004**

BGT M.YTD EUR	BGT M.YTD Translation
---------------------	-----------------------------

ALL PRODUCTS P&L = Detailed EXPENSE Schedules**Business Development funds**

Consumer Support

Advertising Expenses

Total Brand support

Freight Out

Other Distribution Costs

Total Distribution

R&D Expenses

Selling Expenses

Marketing Expenses

G&A Expenses

Interest Income/(Expense)

Other Income/(Expense)

-	-
-	-
-	-
-	-
-	-
-	-
-	-
-	-
-	-
-	-
-	-
(3)	(3)

Schedule 1 Balance Sheet

Balance Sheet Out-of-Balance

Total Assets and total liabilities

Gross Inventory

Depreciation of Inventory

Net Inventory

Net Trade Receivables

Net investments affiliates

Net notes rec affiliates

Net equity investments

Net other investments

I/C Elim A/R and A/P

I/C Elim N/R and N/P

0	0
-	-
-	-
-	-
-	-
-	-
-	-
-	-
-	-
-	-
-	-
-	-

Schedule 2-1 Sales to affiliates

ICO Sales

-	-
---	---

Schedule 2-3 Operating Charges

Operating Charges

-	-
---	---

Schedule 2-4

Interest Income

Interest expense

Net interest income/expense

-	-
-	-
-	-

Schedule 3 Cash Flow statement

Cash Flow Control Account

Transfer

Intercompany Investments

Equity Investments

Other Investments

Gain/loss on disposal

9	9
-	-
-	-
-	-
-	-
0	0

Schedule 4-1

Other current assets

Other non current assets

-	-
-	-

Schedule 4-2

Accrued expenses

-	-
---	---

1/27/04
BG TARRAGONA D+E CONSUMER & GRAPHIC
 Consolidation at December 2003
LOCAL VALIDATION REPORT
 File:locvalha

Deloitte & Touche

Initialed for identification
 purposes only

	BGT M.YTD EUR	BGT M.YTD Translation
IASrec	-	-
IASres	-	-
IASr_d	-	-
IASprof	-	-
IASfx	-	-
IASother	-	-
IASelimeq	-	-
IASDep	-	-
IASDeploan	-	-
IASGood	-	-
IASGoodam	-	-
IASDiv	-	-
IASMin	-	-
Schedule 6-1 and Balance Sheet		
Gross intangible assets	-	-
Amortization of intangible assets	-	-
Net intangible assets	-	-
Trademarks and patents Gross	-	-
Software Gross	-	-
Other Gross	-	-
Trademarks and patents amortization	-	-
Software amortization	-	-
Other amortization	-	-
Schedule 6-2 and Balance sheet		
Gross PPE	-	-
Amortization of PPE	-	-
Net PPE	-	-
Land Gross	-	-
Buildings and Improvements Gross	-	-
Mach and Equipment Gross	-	-
Construction in Progress	-	-
Others	-	-
Building Lease	-	-
Mach and Equipment Lease	-	-
Other Lease	-	-
Vehicle Lease	-	-
Building Amortization	-	-
Mach and Equipment Amortization	-	-
Other Amortization	-	-
Building Lease Amortization	-	-
Mach and Equip Lease Amortization	-	-
Other Lease Amortization	-	-
Vehicle Lease Amortization	-	-
Schedule 6-3 and Balance Sheet		
Net Goodwill	-	-
Gross goodwill by nature	-	-
Goodwill amortization by nature	-	-
Schedule 8-1 and Balance Sheet		
Litigation	-	-
Severence indemnity	-	-
Restructuring	-	-
Other risks	-	-

**Initialed for identification
purposes only**

	BGT M.YTD EUR	BGT M.YTD Translation
Warranty reserve	-	-
Deferred compensation	-	-
Provisions	-	-
<u>Schedule 8-2 and Balance Sheet</u>		
Plan obligation	-	-
Plan assets	-	-
Actuarial gain	-	-
Pension liability	-	-
<u>Schedule 9-1 and Balance Sheet</u>		
Current portion of long term debt	-	-
Long term debt	-	-
<u>Schedule 9-2 and Balance Sheet</u>		
Short term lease	-	-
Long term lease	-	-
Movements in short term loans 1	-	-
Movements in short term loans 2	-	-
Movements in short term loans 3	-	-
Movements in long term loans 1	-	-
Movements in long term loans 2	-	-
Movements in long term loans 3	-	-
<u>Schedule 9-3</u>		
Operating Lease	-	-
<u>Schedule 12-2</u>		
Carry forward year 1	-	-
Carry forward year 2	-	-
Carry forward year 3	-	-
Carry forward year 4	-	-
Carry forward year 5	-	-
Carry forward year 6	-	-
Carry forward year N	-	-
Tax credit year 1	-	-
Tax credit year 2	-	-
Tax credit year 3	-	-
Tax credit year 4	-	-
Tax credit year 5	-	-
Tax credit year 6	-	-
Tax credit year N	-	-
Capital loss year 1	-	-
Capital loss year 2	-	-
Capital loss year 3	-	-
Capital loss year 4	-	-
Capital loss year 5	-	-
Capital loss year 6	-	-
Capital loss year N	-	-
Total CW	-	-
Totals CT	-	-
Totals CL	-	-
<u>Deferred taxes</u>		
Deferred taxes	0	0