

## **FINANCIAL STATEMENTS**

**Behka-Plast GmbH**

**31<sup>st</sup> December,  
2007**

### **I N D E X**

	<b><u>Page</u></b>
INCOME STATEMENT	1
BALANCE SHEET	2
STATEMENT OF CHANGES IN SHAREHOLDERS EQUITY	3
CASH FLOW STATEMENT	4
NOTES TO THE FINANCIAL STATEMENTS	5 – 22

**INCOME STATEMENT**  
**31<sup>st</sup> December,**  
**2007**

	Notes	<u>31.12.2007</u>	<u>31.12.2006</u>
Revenue	4	7.066	7.380
Cost of sales	5	-5.668	-6.063
<b>Gross profit</b>		<b><u>1.398</u></b>	<b><u>1.317</u></b>
Other operating income		20	116
Distribution costs	5	-856	-856
Administrative expenses	5	-175	-158
Other operating expenses	5	-79	-67
Restructuring costs		-287	0
<b>Profit from operations</b>		<b><u>21</u></b>	<b><u>352</u></b>
Finance costs		-55	-49
Finance income		0	0
Loss on disposal of discontinued operations		0	0
Exchange (loss)/gain		0	0
Roundness difference		0	-1
<b>Profit before tax</b>		<b><u>-34</u></b>	<b><u>302</u></b>
Income tax expense		0	0
<b>Profit after tax – continuing operations</b>		<b><u>-34</u></b>	<b><u>302</u></b>
Minority interest		0	0
<b>Net Profit/(Loss) for the period</b>		<b><u>-34</u></b>	<b><u>302</u></b>

Notes forming an integral part of the financial statements on pages 5 to 22.

**BALANCE SHEET**  
**31<sup>st</sup> December,**  
**2007**

<b>ASSETS</b>	<u>Notes</u>	<u><b>31.12.2007</b></u>	<u><b>31.12.2006</b></u>
<b>Non Current Assets</b>			
Property, plant and equipment	6	451	390
Intangible assets	7	69	0
Goodwill	8	0	0
Interests in associates and joint ventures		<u>0</u>	<u>0</u>
<b>Current Assets</b>			
Inventories	9	1.663	1.297
Trade and other receivables	10	431	434
Investments held for trading		0	0
Deferred tax asset		0	0
Cash and cash equivalents	11	162	73
Prepayments/accrued income		3	1
Roundness difference		<u>0</u>	<u>1</u>
<b>Non current assets classified as held for sale</b>		<u><b>0</b></u>	<u><b>0</b></u>
<b>Total assets</b>		<u><b>2.779</b></u>	<u><b>2.196</b></u>
 <b>EQUITY AND LIABILITIES</b>			
<b>Capital and reserves</b>			
Share capital	12	153	153
Capital reserves	13	1.340	1.340
Revaluation reserves	14	0	0
Hedging reserve		0	0
Translation reserve		0	0
Accumulated profit/loss		<u>-1.905</u>	<u>-1.871</u>
		<b>-412</b>	<b>-378</b>
Minority interest		<u>0</u>	<u>0</u>
<b>Total equity</b>		<u><b>-412</b></u>	<u><b>-378</b></u>
 <b>Non current liabilities</b>			
Bank loans and overdrafts-due after one year	15	0	0
Retirement benefit obligation	16	0	0
Deferred tax liabilities	21	0	0
Obligations under finance leases-due after one year	17	<u>0</u>	<u>0</u>
		<u>0</u>	<u>0</u>
 <b>Current liabilities</b>			
Trade and other payables	18	3.051	2.400
Bank loans and overdrafts-due within one year	15	0	22
Tax liabilities		0	0
Obligations under finance leases – due within one year	17	0	0
Provisions	19	140	152
Accrued expenses/Deferred income	20	<u>0</u>	<u>0</u>
		<b>3.191</b>	<b>2.574</b>
<b>Liabilities directly associated with non-current assets classified as held for sale</b>		<u><b>0</b></u>	<u><b>0</b></u>
<b>Total equity and liabilities</b>		<u><b>2.779</b></u>	<u><b>2.196</b></u>

Notes forming an integral part of the financial statements on pages 5 to 22.

**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31<sup>st</sup> December,  
2007**

	<u>Share capital</u>	Capital reserves	Revaluation reserves	Accumulated Losses carried forward	Hedging reserves	Translation reserves	Total Equity
<b>Equity 31.12.06</b>							
Balance 01.01.2006	153	1.340	0	-2.173	0	0	-680
Revaluation Reserve	0	0	0	0	0	0	0
Profit for the year	0	0	0	302	0	0	302
Currency translation differences	0	0	0	0	0	0	0
Net loss on hedges	0	0	0	0	0	0	0
Other reserves	0	0	0	0	0	0	0
<b>Equity as at 31.12.2006</b>	<b><u>153</u></b>	<b><u>1.340</u></b>	<b><u>0</u></b>	<b><u>-1.871</u></b>	<b><u>0</u></b>	<b><u>0</u></b>	<b><u>-378</u></b>
<b>Equity 31.12.07</b>							
Balance 01.01.2007	153	1.340	0	-1.871	0	0	-378
Revaluation Reserve	0	0	0	0	0	0	0
Profit for the period	0	0	0	-34	0	0	-34
Currency translation differences	0	0	0	0	0	0	0
Net loss on hedges	0	0	0	0	0	0	0
Other reserves	0	0	0	0	0	0	0
<b>Equity as at 31.12.2007</b>	<b><u>153</u></b>	<b><u>1.340</u></b>	<b><u>0</u></b>	<b><u>-1.905</u></b>	<b><u>0</u></b>	<b><u>0</u></b>	<b><u>-412</u></b>

**CASH FLOW STATEMENT**  
**31<sup>st</sup> December,**  
**2007**

<u>Cash flows from operating activities</u>	<u>31.12.07</u>	<u>31.12.06</u>
<b>Profit / (Loss) for the year</b>	<b>-34</b>	<b>302</b>
<b>Adjustments for:</b>		
Depreciation of tangible assets	140	134
Foreign Exchange differences	0	0
Profit from Discontinued operations	0	0
Provisions	-12	-43
<b>Cash flows from operating activities</b>	<b>94</b>	<b>393</b>
Decrease/( <b>Increase</b> ) in inventories	-366	-285
( <b>Increase</b> ) / Decrease in debtors	3	115
Decrease/(Increase)in other receivables	-2	-1
( <b>Increase</b> )/ Decrease in suppliers	651	-81
(Decrease)/Increase in other payables	-22	-48
<b>Cash flows from operating activities</b>	<b>358</b>	<b>93</b>
Taxes paid	0	0
<b>Total inflows (outflows) from operating activities</b>	<b>358</b>	<b>93</b>
 <u>Cash flow from investing activities</u>		
Purchase of tangible / intangible assets	-270	-53
Decrease in other non current assets	0	0
Revaluation reserve	0	0
<b>Net cash flow from investing activities</b>	<b>-270</b>	<b>-53</b>
 <u>Cash flow from financing activities</u>		
Repayment of bank loans	0	0
Repayments of obligation under finance leases	0	0
Bank loans	0	0
Decrease of share capital	0	0
<b>Cash flow from financing activities</b>	<b>0</b>	<b>0</b>
 <b>Net increase in cash and cash equivalents</b>	<b>88</b>	<b>40</b>
Roundness difference	1	0
<b>Cash and cash equivalents at beginning of year</b>	<b>73</b>	<b>33</b>
 <b>Cash and cash equivalents at 31.12.2007</b>	<b>162</b>	<b>73</b>

Notes forming an integral part of the financial statements on pages 5 to 22.

**Notes to the consolidated financial statements**  
**31<sup>st</sup> December,**  
**2007**

**1. Corporate information**

The financial statements for the period 1/1-31/12/2007 have been prepared in accordance with International Financial Reporting Standards (IFRS).

**2. Objective**

The company's business is the production of and the trade with articles from plastics and rubber, especially hoses including the import and export.

**3. Summary of significant accounting policies**

**3.1. Basis of presentation**

These financial statements are presented in Euros as that is the currency in which the majority of the company's transactions are denominated.

These financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS).

The financial statements have been prepared on the historical cost basis.

**Notes to the financial statements**  
**31<sup>st</sup> December,**  
**2007**

**3.2. Statement of compliance**

The financial statements of the company have been prepared, for first time (first adoption opening balances of 1.1.2003), in accordance with International Financial Reporting Standard 1. All these Financial Statements for the period ended at 31<sup>st</sup> December, 2007 (and those one comparative for the year ended at 31<sup>st</sup> December, 2006) were prepared according to International Financial Reporting Standards / International Accounting Standards, issued by International Accounting Standards Board (IASCF Foundation), approved by the endorsement mechanism issued by (EC) Reg. n° 1606/2002, of 19<sup>th</sup> July, 2002.

**3.3. Foreign currency translation**

Transactions in currencies other than Euro are recorded at the rates of exchange prevailing on the dates of the transactions. At each balance sheet date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the balance sheet date. Non-monetary assets and liabilities carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. Gains and losses arising on exchange are included in the income statement.

There is no significant foreign exchange risks, because the majority of transactions are made in Euro (domestic and European market). That's why the company has no necessity of financial instruments to avoid this risk.

**3.4. Depreciation and amortisation**

**Property, plant and equipment**

All assets are valued with the historical costs minus straight-line depreciation.

**Notes to the financial statements**  
**31<sup>st</sup> December,**  
**2007**

<u>Category of assets</u>	<u>Useful life (from 1<sup>st</sup> January, 200X)</u>
Buildings	none in the company
Plant and machinery	5 – 20 years
Office equipment	3 – 10 years
Transportation means	6 – 8 years

**3.5. Income tax / Taxation**

Income tax is based on taxable profits for the period at the rate which is in force for each year for the company : (0% for year 2006 and 2007), because of losses carried forward. Taxable profits differ from company's profit as reported in the income statement because they exclude items of income or expenses that are taxable or deductible in other years and they further exclude items that are never taxable or deductible.

There are no deferred income taxes in the company

**Notes to the financial statements**  
**31<sup>st</sup> December,**  
**2007**

**3.6. Goodwill**

Per 31.12.2007 Behka-Plast GmbH took over the business of A. Petzetakis GmbH. In the process of this Behka-Plast bought also the goodwill of A. Petzetakis GmbH (amount: 260.443,73 EUR). This goodwill was activated per 31.12.2007 and directly and completely depreciated in 2007.

**3.7. Inventories**

Inventories are valued at the lower of cost or net realisable value.

Costs incurred in bringing each product to its present location and condition are accounted for as follows for both the current and previous year.

Raw materials- average cost;

Finished goods and work-in-progress- cost of direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity but excluding borrowing costs.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

**3.8. Retirement benefits**

Not applicable. There are no retirement benefit costs or liabilities.

**3.9. Revenue**

*Sales of goods*

Revenue is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer and can be reliably measured (excluding relevant V.A.T.).

**Notes to the financial statements**  
**31<sup>st</sup> December,**  
**2007**

Revenue is recorded during the period to which they refer regardless of when received, in accordance with the accrual accounting principle. Differences between amounts received and the corresponding revenue are recorded under accruals and deferrals.

Revenue in respect of sales of goods and products are stated net of value added tax and trade discounts, and is recognised when title is passed to the customer, which is **in part** when products and goods are delivered to the customer.

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable.

***Interest***

Revenue is recognised as the interest accrues to the net carrying amount of the financial asset.

**3.10. Government grants**

There are no government grants.

**3.11. Trade and other receivables**

Trade receivables are stated at their nominal value as reduced by appropriate allowances for estimated irrecoverable amounts. Bad debts are written off when identified.

**3.12. Cash and cash equivalents**

Cash and cash equivalents in the balance sheet comprise cash at bank and in hand and short term deposits with an original maturity of three month or less. For the purpose of the consolidated cash flow statement cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdraft.

**3.13. Bank borrowings**

Interest – bearing bank loans and overdrafts are recorded at the proceeds received, net of direct issue costs.

**Notes to the financial statements**  
**31<sup>st</sup> December,**  
**2007**

**3.14. Trade payables**

The trade payables are stated at their nominal value.

**3.15. Finance leases**

The company has no Finance leases.

**3.16. Borrowing costs**

Are recognised as an expense when incurred and charged directly against income.

**3.17 Investments in subsidiaries and related companies**

Company	Net book value	Company activity	Equity value as at 31.12.07	Participation value as at 31.12.06	Consolidation method
---------	----------------	------------------	--------------------------------	---------------------------------------	-------------------------

There are no investments in subsidiaries and related companies.

**3.18 Available for sale financial assets**

	31.12.2007	31.12 2006
There are no available for sale financial assets.		

**3.19 Derivative financial instruments**

	31.12.2007	31.12.2006
There are no derivative financial instruments.		

**Notes to the financial statements**  
**31<sup>st</sup> December,**  
**2007**

#### 4. Revenue

Analysis of company's revenue is as follows:

	<u>31.12.07</u>	<u>31.12.06</u>
Sales of goods	7.066	7.380
Finished and semi finished goods	0	0
Other	<u>0</u>	<u>0</u>
	<u>7.066</u>	<u>7.380</u>

The following table provides an analysis of the sales by geographical area :

	<u>Greece</u>	<u>Rest of Europe</u>	<u>S. Africa</u>	<u>Other</u>	<u>Total</u>
<b>31.12.2007</b> Volume Sales ('000 Kgr)	0	2.156	0	0	2.156
Sales to external customers	0	6.475	0	0	6.475
Sales to internal customers (within the group)	0	591	0	0	591
Total sales	0	7.066	0	0	7.066
<b>31.12.2006</b> Volume Sales ('000 Kgr)	0	2.672	0	0	2.672
Sales to external customers	0	6.851	0	0	6.851
Sales to internal customers (within the group)	0	529	0	0	529
Total sales	0	7.380	0	0	7.380

The following table provides an analysis of the sales by product segment:

	<u>Infra- Structure</u>	<u>Housing</u>	<u>Agriculture</u>	<u>Industrial</u>	<u>Mining / Garden</u>	<u>Other</u>	<u>Total</u>
<b>31.12.2007</b> Volume Sales ('000 Kgr)	0	0	0	2.156	0	0	2.156
Sales to external customers	0	0	0	6.475	0	0	6.475
Sales to internal customers (within the group)	0	0	0	591	0	0	591
Total sales	0	0	0	7.066	0	0	7.066
<b>31.12.2006</b> Volume Sales ('000 Kgr)	0	0	0	2.672	0	0	2.672
Sales to external customers	0	0	0	6.851	0	0	6.851
Sales to internal customers (within the group)	0	0	0	529	0	0	529
Total sales	0	0	0	7.380	0	0	7.380

**Notes to the financial statements**  
**31<sup>st</sup> December,**  
**2007**

**5. Operating expenses**

An analysis of company's revenue is as follows:

	<u><b>31.12.2007</b></u>	<u><b>31.12.2006</b></u>
Wages	1.213	1.147
Utilities	298	315
Depreciation	140	134
Sundry expenses	1.079	1.231
Material costs	4.045	4.305
Marketing/promotion costs	<u>3</u>	<u>13</u>
	6.778	7.145

The above amounts have been allocated as follows:

**Cost of sales (includes production)**

	<u><b>31.12.2007</b></u>	<u><b>31.12.2006</b></u>
Wages	913	898
Utilities	239	244
Depreciation	105	100
Sundry expenses	366	516
Material costs	4.045	4.305
Marketing/promotion costs	<u>0</u>	<u>0</u>
	5.668	6.063

**Administration expenses**

	<u><b>31.12.2007</b></u>	<u><b>31.12.2006</b></u>
Wages	73	56
Utilities	15	18
Depreciation	14	13
Sundry expenses	73	71
Material costs	0	0
Marketing/promotion costs	<u>0</u>	<u>0</u>
	175	158

**Notes to the financial statements**  
**31<sup>st</sup> December,**  
**2 007**

**Other operating expenses**

	<u>31.12.2007</u>	<u>31.12.2006</u>
Wages	0	0
Utilities	0	0
Depreciation	0	0
Sundry expenses	79	67
Material costs	0	0
Marketing/promotion costs	<u>0</u>	<u>0</u>
	79	67

**Distribution expenses**

	<u>31.12.2007</u>	<u>31.12.2006</u>
Wages	226	193
Utilities	44	53
Transportation costs	328	330
Depreciation	21	20
Sundry expenses	234	247
Material costs	0	0
Marketing/promotion costs	<u>3</u>	<u>13</u>
	856	856

**Notes to the financial statements**  
**31<sup>st</sup> December,**  
**2007**

**6. Property, plant and equipment**

	<b>Land</b>	<b>Buildings</b>	<b>Fixtures and Equipment</b>	<b>Transportation Means</b>	<b>Assets under Construction</b>	<b>Total</b>
<b>Cost of valuation</b>						
<i>At 1 January, 2007</i>	<i>119</i>	<i>0</i>	<i>1.766</i>	<i>8</i>	<i>0</i>	<i>1.893</i>
Translation difference	0	0	0	0	0	0
Additions	0	0	196	5	0	201
Disposals	0	0	-77	-7	0	-84
Revaluation increase	0	0	0	0	0	0
<i>At 31 December, 2007</i>	<i>119</i>	<i>0</i>	<i>1885</i>	<i>6</i>	<i>0</i>	<i>2.010</i>
<b>Accumulated depreciation and impairment</b>						
<i>At 1 January, 2007</i>	<i>119</i>	<i>0</i>	<i>1.376</i>	<i>8</i>	<i>0</i>	<i>1.503</i>
Translation difference	0	0	0	0	0	0
Charge for the year	0	0	140	0	0	140
Disposals	0	0	-77	-7	0	-84
<i>At 31 December, 2007</i>	<i>119</i>	<i>0</i>	<i>1.439</i>	<i>1</i>	<i>0</i>	<i>1.559</i>
<b>Carrying amount</b>						
<i>At 31 December, 2007</i>	<i>0</i>	<i>0</i>	<i>446</i>	<i>5</i>	<i>0</i>	<i>451</i>

**Notes to the financial statements**  
**31<sup>st</sup> December,**  
**2007**

6. **Property, plant and equipment (*cont'd*)**

	Land	Buildings	Fixtures and Equipment	Transportation Means	Assets under Construction	Total
<b>Cost of valuation</b>						
<i>At 1 January, 2006</i>	<i>119</i>	<i>0</i>	<i>1.887</i>	<i>8</i>	<i>0</i>	<i>2.014</i>
Correction of former years	0	0	-174	0	0	-174
Additions	0	0	53	0	0	53
Disposals	0	0	0	0	0	0
Revaluation increase / decrease	0	0	0	0	0	0
<i>At 31 December, 2006</i>	<i>119</i>	<i>0</i>	<i>1.766</i>	<i>8</i>	<i>0</i>	<i>1.893</i>
<b>Accumulated depreciation and impairment</b>						
<i>At 1 January, 2006</i>	<i>119</i>	<i>0</i>	<i>1.416</i>	<i>8</i>	<i>0</i>	<i>1.543</i>
Correction of former years	0	0	-174	0	0	-174
Charge for the year	0	0	134	0	0	134
Disposals	0	0	0	0	0	0
<i>At 31 December, 2006</i>	<i>119</i>	<i>0</i>	<i>1.376</i>	<i>8</i>	<i>0</i>	<i>1.503</i>
<b>Carrying amount</b>						
<i>At 31 December, 2006</i>	<i>0</i>	<i>0</i>	<i>390</i>	<i>0</i>	<i>0</i>	<i>390</i>

Correction of former years is necessary because the disposals were taken with book values instead of historical costs!

**Notes to the financial statements**  
**31<sup>st</sup> December,**  
**2007**

**7. Intangible assets**

	Patents, Trademarks	Other	Total
<b>Cost</b>			
<i>At 1 January, 2007</i>	<i>0</i>	<i>0</i>	<i>0</i>
Translation difference	0	0	0
Additions	0	69	69
<i>At 31 December, 2007</i>	<u><i>0</i></u>	<u><i>69</i></u>	<u><i>69</i></u>
<b>Accumulated amortisation</b>			
<i>At 1 January, 2007</i>	<i>0</i>	<i>0</i>	<i>0</i>
Translation difference	0	0	0
Charge for the year	0	0	0
Impairment	0	0	0
<i>At 31 December, 2007</i>	<u><i>0</i></u>	<u><i>0</i></u>	<u><i>0</i></u>
<b>Carrying amount</b>			
<i>At 31 December, 2007</i>	<u><i>0</i></u>	<u><i>69</i></u>	<u><i>69</i></u>

**8. Goodwill**

	A. Petzetakis GmbH
<b>Cost</b>	
<i>At 1 January, 2007</i>	<i>0</i>
Translation difference	0
Additions	260
<i>At 31 December, 2007</i>	<u><i>260</i></u>
<b>Accumulated amortisation</b>	
<i>At 1 January, 2007</i>	<i>0</i>
Translation difference	0
Charge for the year	260
Impairment	0
<i>At 31 December, 2007</i>	<u><i>260</i></u>
<b>Carrying amount</b>	
<i>At 31 December, 2007</i>	<u><i>0</i></u>

**Notes to the financial statements**  
**31<sup>st</sup> December,**  
**2007**

**9. Inventories**

	<u>31.12.07</u>	<u>31.12.06</u>
Raw materials	313	404
Work in progress	0	0
Finished and semifinished goods	488	548
Merchandise	862	345
Spare parts	0	0
Other inventories	0	0
Advances to suppliers	0	0
	<u>1.663</u>	<u>1.297</u>

**10. Trade and other receivables**

	<u>31.12.07</u>	<u>31.12.06</u>
Trade receivables		
<u>Less: Provisions for doubtful debts</u>		
Net amount	385	402
Checks receivable	0	0
Receivables from group companies	41	29
Prepaid expenses	0	0
Accrued income	0	0
Other receivables	5	4
Roundness difference	0	-1
	<u>431</u>	<u>434</u>

**11. Cash and cash equivalents**

	<u>31.12.07</u>	<u>31.12.06</u>
Cash in hand	0	0
Balances with banks	137	73
Deposits with banks	25	0
	<u>162</u>	<u>73</u>

**12. Share capital**

	<u>31.12.07</u>	<u>31.12.06</u>
Authorised, issued and fully paid:	153	153
XXX ordinary shares of €X each	<u>          </u>	<u>          </u>

**Notes to the financial statements**  
**31<sup>st</sup> December,**  
**2007**

**13. Capital reserves**

	<u>31.12.07</u>	<u>31.12.06</u>
Statutory reserve	0	0
Special reserves	0	0
Tax free reserves	0	0
Share premium	0	0
Translation reserves	0	0
Other reserves	<u>1.340</u>	<u>1.340</u>
	1.340	1.340

Aristovoulos G. Petzetakis S.A. signed an Agreement on Subordination per 31.12.2006 in the amount of the not by equity covered losses, max. 500.000,00 EUR.

**14. Revaluation reserve**

The company has no revaluation reserve.

**15. Bank loans and overdrafts**

	<u>31.12.07</u>	<u>31.12.06</u>
Bank loans and overdrafts – due after one year	0	0
Bank loans and overdrafts – within one year	<u>0</u>	<u>22</u>
	<u>0</u>	<u>22</u>

Overdraft of account at Emporiki Bank Germany GmbH per 31.12.2006: 21.595,84 EUR / has to be repaid in monthly rates á 5.000 EUR / interest rate per 31.12.2006: 9,00% p.a. / security: guarantee of Petzetakis GmbH

Overdraft of account at Emporiki Bank Germany GmbH was fully repaid on April 18<sup>th</sup>, 2007

**16. Retirement benefit obligation (Staff leaving indemnities SLI)**

There are no retirement benefit obligations.

**Notes to the financial statements**  
**31<sup>st</sup> December,**  
**2007**

**17. Obligation under finance lease**

The company has no finance lease.

**18. Trade and other payables**

	<u>31.12.07</u>	<u>31.12.06</u>
Trade payables	467	805
Insurance and pension funds	0	0
Current tax liabilities	0	0
Liabilities to group companies	2.554	1.544
Advances from clients	0	0
Other payables	30	52
Roundness Difference	0	-1
	<u>3.051</u>	<u>2.400</u>

Aristovoulos G. Petzetakis S.A. signed an Agreement on Subordination per 31.12.2006 in the amount of the not by equity covered losses, max. 500.000,00 EUR.

**19. Provisions for other liabilities and charges**

Total amount of provisions per end of 31.12.2007 is 139.572,95 EUR.

**Notes to the financial statements**  
**31<sup>st</sup> December,**  
**2007**

**20. Accrued expenses/Deferred income**

	<u>31.12.07</u>	<u>31.12.06</u>
Government grants	0	0
Accrued expenses	0	0
Deferred income	<u>0</u>	<u>0</u>
	<u>0</u>	<u>0</u>

**21. Deferred tax liabilities**

The company has no deferred tax liabilities.

**Notes to the financial statements**  
**31<sup>st</sup> December,**  
**2007**

**23. Related party disclosures**

**a) Intercompany transactions (ICOY file) as per 31.12.07**

**b) Directors' remuneration**

The following table records the emoluments payable to each director during the period:

	<u>Fees for Services</u>	<u>Basic Salary</u>	<u>Bonus</u>	<u>Expenses allowance</u>	<u>Pension contribution</u>	<u>Total</u>
<b>31 December 2007</b>						
Executive directors						
Name Surname	kumulated 01.01.2007-31.12.2007					
Giannakopoulos, Athanasios	0	9.333	0	0	0	9.333

Non executive directors

Name Surname

xxx xxx

same officers authorized to act and sign on behalf of the  
company as at Petzetakis  
(no extra remuneration at Behka-Plast)

**31 December 2006**

Executive directors

Name Surname

xxx xxx

Non executive directors

Name Surname

xxx xxx

**Notes to the financial statements**  
**31<sup>st</sup> December, 2007**

**24. Financial risk management objective and policies**

The company principal financial instruments, other than derivatives, comprise bank loans, and instalment sale agreements hire purchase contracts, cash and short term deposits. The main purpose of these financial instruments is to raise finance for the Group's operations. It is, and has been throughout the year under review, the company policy that no trading in financial instruments shall be undertaken. The main risks arising from the company financial instruments are, liquidity risk, and credit risk. The board reviews and agrees policies for managing each of these risks and they are summarised below. The company also monitors the market price risk arising from all financial instruments. The magnitude of this risk that has arisen over the year is discussed in note.

***Foreign currency risk***

The company has no significant transactional currency exposures.

As issued in note 3.3. *There is no significant foreign exchange risks, because the majority of transactions are made in Euro (domestic and European market). That's why the company has no necessity of financial instruments to avoid this risk.*

***Commodity price risk***

The Group's exposure to price risk is minimal.

***Credit risk***

The company trades only with recognised, creditworthy third parties. It is the company's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis with the result that the company's exposure to bad debts is not significant. For transactions that are not denominated in the measurement currency of the relevant operating unit, the company does not offer credit terms without the specific approval of the Head of Credit Control. The audit risk is minimum. All the significant single clients accounts with credit risk (taking in consideration aging) are covered at 100%.

## Review Report

To the Shareholders of Behka-Plast GmbH

We have reviewed the accompanying financial statements of 2007, as of and for the twelve-month period ended 31 December.

These financial statements are the responsibility of the Company's management.

We conducted our review in accordance with the International Standard on Review Engagements. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the interim financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data, and accordingly we do not express an audit opinion.

Based on our review, nothing has come to our attention that causes us to believe that the accompanying financial statements do not give a true and fair view (or are not presented fairly, in all material respects) in accordance with the International Financial Reporting Standards (that have been adopted by the European Union).

Düsseldorf, 2008-03-04

**STÜTTGEN & HAEB AG**  
WIRTSCHAFTSPRÜFUNGSGESELLSCHAFT

  
Bernd Lenzen  
Certified Public Accountant



  
Kathrin Jaeger  
Certified Public Accountant

The aforesaid audit opinion must not be used beyond this auditor's report without our prior agreement. In cases of publication or handover of the annual financial statement and/or the management report in a different version than the approved one (including translations in other languages) our statement is required again provided that our audit opinion is quoted or if it is referred to our audit. In particular, we point out to Article 328 HGB.