

FINANCIAL STATEMENTS
A. Petzetakis Deutschland GmbH,
former Behka-Plast GmbH
31st December,
2009

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INCOME STATEMENT
A. Petzetakis Deutschland GmbH
31st December, 2009

	Notes	<u>31.12.2009</u>	<u>31.12.2008</u>
Revenue	4	7.973	10.019
Cost of sales	5	-6.020	-7.924
Gross profit		<u>1.953</u>	<u>2.095</u>
other operating income		155	19
Distribution costs	5	-1.536	-1.630
Administrative expenses	5	-393	-380
Other operating expenses	5	-5	
Depreciation on revaluation		0	0
Profit reserve		0	0
Restructuring costs	5b	-285	-20
Profit from operations		<u>-111</u>	<u>79</u>
Finance costs		-51	-58
Finance income		37	1
Loss on disposal of discontinued operations		0	0
Exchange (loss)/gain		0	0
Roundness difference		1	1
Profit before tax		<u>-124</u>	<u>23</u>
Income tax expense		0	0
Deferred taxes	5a	50	130
Profit after tax – continuing operations		<u>-74</u>	<u>153</u>
Minority interest		0	0
Net Profit/(Loss) for the period		<u>-74</u>	<u>153</u>

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

BALANCE SHEET
A. Petzetakis Deutschland GmbH
31st December, 2009

ASSETS	<u>Notes</u>	<u>31.12.2009</u>	<u>31.12.2008</u>
Non Current Assets			
Property, plant and equipment	6	1.733	1.376
Intangible assets	7	23	45
Goodwill	8	0	0
Interests in associates and joint ventures		0	0
liability insurance	8a	140	142
Current Assets			
Inventories	9	1.696	1.570
Trade and other receivables	10	682	610
Investments held for trading		0	0
Deferred tax asset	10a	164	130
Cash and cash equivalents	11	89	289
Prepayments/accrued income	11a	81	24
Roundness difference		0	0
Non current assets classified as held for sale		<u>0</u>	<u>0</u>
Total assets		<u>4.608</u>	<u>4.186</u>
EQUITY AND LIABILITIES			
Capital and reserves			
Share capital	12	153	153
Capital reserves	13	1.690	1.690
Revaluation reserves	14	707	707
Profit Reserve		0	0
Hedging reserve		0	0
Translation reserve		0	0
Accumulated profit/loss		-1.826	-1.752
		<u>724</u>	<u>798</u>
Minority interest		0	0
Total equity		<u>724</u>	<u>798</u>
Non current liabilities			
Bank loans and overdrafts-due after one year	15	0	0
Retirement benefit obligation	16	0	0
Provisions	21	386	410
Deferred tax liability	21a	296	311
Obligations under finance leases-due after one year	17	38	68
		<u>720</u>	<u>789</u>
Current liabilities			
Trade and other payables	18	2.192	2.430
Bank loans and overdrafts-due within one year	15	781	0
Tax liabilities	0	0	0
Obligations under finance leases – due within one year	17	39	39
Provisions	19	152	130
Accrued expenses/Deferred income	20	0	0
		<u>3.164</u>	<u>2.599</u>
Liabilities directly associated with non-current assets classified as held for sale		<u>0</u>	<u>0</u>
Total equity and liabilities		<u>4.608</u>	<u>4.186</u>

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

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED
31st December, 2009
A. Petzetakis Deutschland GmbH**

	<u>Share capital</u>	<u>Capital Reserves</u>	<u>Revaluation reserves</u>	<u>Accumulated Losses carried forward</u>	<u>Profit reserves</u>	<u>Translation reserves</u>	<u>Total Equity</u>
Equity 31.12.08							
Balance 01.01.2008	153	1.340	0	-1.905	0	0	-412
Revaluation Reserve	0	0	707	0	0	0	707
Profit for the year	0	0	0	153	0	0	153
Currency translation differences	0	0	0	0	0	0	0
Net loss on hedges	0	0	0	0	0	0	0
Other reserves	0	350	0	0	0	0	350
Equity as at 31.12.2008	<u>153</u>	<u>1.690</u>	<u>707</u>	<u>-1.752</u>	<u>0</u>	<u>0</u>	<u>798</u>
Equity 31.12.09							
Balance 01.01.2009	153	1.690	707	-1.752	0	0	798
Revaluation Reserve	0	0	0	0	0	0	0
Profit for the period	0	0	0	-74	0	0	-74
Currency translation differences	0	0	0	0	0	0	0
Net loss on hedges	0	0	0	0	0	0	0
capital increase	0	0	0	0	0	0	0
Equity as at 31.12.2009	<u>153</u>	<u>1.690</u>	<u>707</u>	<u>-1.824</u>	<u>0</u>	<u>0</u>	<u>724</u>

On 2nd October 2008 the capital reserve was increased by an amount of 350.000 EUR.
So that now the total amount of the capital reserve is 1.690.000 EUR.

Per 31.12.2008 a revaluation of assets was made. For details of the revaluation reserve, please see point 14.

CASH FLOW STATEMENT
A. Petzetakis Deutschland GmbH
31st December, 2009

<u>Cash flows from operating activities</u>	<u>31.12.09</u>	<u>31.12.08</u>
Profit / (Loss) for the year	-74	153
Adjustments for:		
Depreciation of tangible assets	261	178
Foreign Exchange differences	0	0
Profit from Discontinued operations	0	0
Provisions	22	-10
Profit/Loss of assets	0	-4
Decrease/(Increase) in inventories	-126	93
(Increase) / Decrease in trade receivables	192	-199
(Increase) / Decrease in ICOY receivables	-133	40
(Increase) / Decrease in other receivables	-131	0
(Increase) / Decrease in deferred tax asset	34	-130
(Increase) / Decrease in deferred tax liabilities	-15	0
Decrease/(Increase)in other assets	-57	-41
(Increase)/ Decrease in trade payables	137	122
Increase)/ Decrease in ICOY payables	-375	-383
Increase)/ Decrease in other payables	0	0
(Decrease)/Increase in other asstes	0	3
Cash flows from operating activities	-265	-178
Taxes paid	0	0
Total inflows (outflows) from operating activities	-265	-178
Other non-cash changes in assets and liabilities		
- increase/decrease in provisions	-24	410
- increase in financial assets	2	-142
- decrease in ICOY payables	0	-268
Cash flows from operating activities	-22	0
<u>Cash flow from investing activities</u>		
Purchase of tangible / intangible assets	0	119
Outpayments in investments on fixed asstes	-601	-177
Outpayments in investments on financial assets	0	0
Revaluation reserve	0	0
Net cash flow from investing activities	-601	-58
<u>Cash flow from financing activities</u>		
Repayment of bank loans	0	0
Repayments of obligation under finance leases	-30	13
Bank loans	718	0
Increase of capital	0	350
Cash flow from financing activities	688	363
Net increase in cash and cash equivalents	-200	127
Roundness difference	0	0
Cash and cash equivalents at beginning of year	289	162
Cash and cash equivalents at 31.12.2009	89	289

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

Notes to the consolidated financial statements
A. Petzetakis Deutschland GmbH
31st December, 2009

1. Corporate information

The financial statements for the period 1/1-31/12/2009 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. At 31.12.2007 the current business from the mother company A. Petzetakis GmbH was taken over. Through this the business type was not changed!

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 till 2007. Per 31.12.2008 an asset revaluation was conducted. The appraisals revaluated the tangible assets (machinery, office equipment, furniture & fixtures). The intangibles assets (software) were not revaluated.

Notes to the financial statements
A. Petzetakis Deutschland GmbH
31st December, 2009

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 31st December, 2009 (and those one comparative for the year ended at 31st December, 2008) 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 19th 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. Tangible fixed assets

Vehicles are valued at costs minus accumulated depreciations. Machinery, furniture and fixtures and office equipment are valued at fair value minus depreciations. The fair value was defined by independent appraisers (Sachverstaendigenbuero Dipl.-Ing. Dieter A. Hilbert) during the initial adoption of the International Accounting Standards. The first time the revaluation of the assets was made was per 31.12.2008.

Depreciations are calculated with fixed rates throughout the useful life of the fixed assets as follows:

<u>Category of assets</u>	<u>Useful life</u>
Buildings	none in the company
Machinery	3 – 20 years
Furniture & fixtures	1 – 18 years
Office equipment	3 – 9 years
Transportation means	2 – 11 years

Fair value is determined by the independent appraisers with reference to the market conditions and it is the amount for which an asset could be exchanged between knowledgeable, willing parties under the going concern principle. The fair value is thus the value with which an acquirer of the whole company would value each sole asset within the scope of the total purchase price of the company under going concern.

The excess amount of the revaluation is transferred to the account "Revaluation Reserve" and is presented in the Balance Sheet as part of equity.

Notes to the financial statements
A. Petzetakis Deutschland GmbH
31st December, 2009

3.5. Income tax (current and deferred)

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 2008 and 2009), 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.

Deferred tax is the tax payable or receivable due to timing difference in income taxation or in expense recognition for taxation purposes and is accounted for to the extent that it is expected to arise in the future.

Deferred tax liability is recognized mainly for all temporary taxation differences and deferred tax asset is recognized to the extent that it is probable that future taxable profit will be available and the tax asset will be offset against the resulting tax liability.

The amounts of deferred taxes (assets and liabilities) are reviewed at each Balance Sheet date and are revised if necessary, considering facts and circumstances that affect the availability of future taxable profit for the utilization of such.

Deferred tax is calculated according to the tax rates that are expected to apply during the period in which the tax liability or asset arises.

This tax is charged or credited to the results, except when such relates to items that are transferred directly to equity in which case the deferred tax is also accounted for against equity.

3.6. Goodwill

Per 31.12.2007 Behka-Plast GmbH, in January 2008 renamed into A. Petzetakis Deutschland GmbH, took over the business of A. Petzetakis GmbH. In this process the goodwill of A. Petzetakis GmbH (amount: 260.443,73 EUR) was also bought. 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.

Notes to the financial statements
A. Petzetakis Deutschland GmbH
31st December, 2009

3.8. Provisions

Provisions are recognized when the Company has present obligations (legal or constructive) as a result of past events, their settlement through an outflow of resources is probable and the amount of the liability can be reliably estimated. Provisions are reviewed at each balance sheet date and are revised in order to reflect the present value of the expense deemed necessary for the settlement of the liability.

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.).

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.

Notes to the financial statements
A. Petzetakis Deutschland GmbH
31st December, 2009

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
A. Petzetakis Deutschland GmbH
31st December, 2009

3.14. Trade payables

The short-term payables are stated at their nominal value.
The long-term payables are stated at their discounted present value.

3.15. Finance leases

The company has contracts, which are Finance lease. For details see note 17.

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 31.12.09	Participation value as at 31.12.09	Consolidation method
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There are no investments in subsidiaries and related companies.

3.18 Available for sale financial assets

There are no available for sale financial assets.

3.19 Derivative financial instruments

There are no derivative financial instruments.

Notes to the financial statements
A. Petzetakis Deutschland GmbH
31st December, 2009

4. Revenue

Analysis of company's revenue is as follows:

	<u>31.12.09</u>	<u>31.12.08</u>
Sales of goods	7.973	10.019
Finished and semi finished goods	0	0
Other	<u>0</u>	<u>0</u>
	<u>7.973</u>	<u>10.019</u>

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

		Greece	Rest of Europe	S. Africa	Other	Total
31.12.2009	Volume Sales ('000 Kgr)	0	2.260	0	0	2.260
	Sales to external customers	0	7.927	0	0	7.927
	Sales to internal customers (within the group)	0	46	0	0	46
	Total sales	0	7.973	0	0	7.973
31.12.2008	Volume Sales ('000 Kgr)	0	2.810	0	0	2.810
	Sales to external customers	0	9.952	0	0	9.952
	Sales to internal customers (within the group)	0	67	0	0	67
	Total sales	0	10.019	0	0	10.019

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

		Infra- Structure	Housing	Agriculture	Industrial	Mining / Garden	Other	Total
31.12.2009	Volume Sales ('000 Kgr)	0	0	0	2.260	0	0	2.260
	Sales to external customers	0	0	0	7.927	0	0	7.927
	Sales to internal customers (within the group)	0	0	0	46	0	0	46
	Total sales	0	0	0	7.973	0	0	7.973
31.12.2008	Volume Sales ('000 Kgr)	0	0	0	2.810	0	0	2.810
	Sales to external customers	0	0	0	9.952	0	0	9.952
	Sales to internal customers (within the group)	0	0	0	67	0	0	67
	Total sales	0	0	0	10.019	0	0	10.019

Notes to the financial statements
A. Petzetakis Deutschland GmbH
31st December, 2009

5. Operating expenses

An analysis is company's revenue is as follows:

	<u>31.12.2009</u>	<u>31.12.2008</u>
Wages	1.655	1.690
Utilities	589	550
Depreciation	261	178
Sundry expenses	1.186	1.358
Material costs	4.236	6.148
Marketing/promotion costs	27	14
Roundness Difference	0	0
	<u>7.954</u>	<u>9.938</u>

The above amounts have been allocated as follows:

Cost of sales (includes production)		
	<u>31.12.2009</u>	<u>31.12.2008</u>
Wages	866	905
Utilities	441	401
Depreciation	196	134
Sundry expenses	282	337
Material costs	4.236	6.148
Marketing/promotion costs	0	0
Roundness Difference	-1	-1
	<u>6.020</u>	<u>7.924</u>

Administration expenses		
	<u>31.12.2009</u>	<u>31.12.2008</u>
Wages	195	166
Utilities	37	37
Depreciation	26	18
Sundry expenses	134	159
Material costs	0	0
Marketing/promotion costs	0	0
Roundness difference	1	0
	<u>393</u>	<u>380</u>

Notes to the financial statements
A. Petzetakis Deutschland GmbH
31st December, 2009

Other operating expenses

	<u>31.12.2009</u>	<u>31.12.2008</u>
Wages	5	0
Utilities	0	0
Depreciation	0	0
Sundry expenses	0	5
Material costs	0	0
Marketing/promotion costs	0	0
	<u>5</u>	<u>5</u>

Distribution expenses

	<u>31.12.2009</u>	<u>31.12.2008</u>
Wages	593	619
Utilities	111	111
Transportation costs	465	499
Depreciation	39	27
Sundry expenses	301	359
Material costs	0	0
Marketing/promotion costs	27	14
Roundness Difference	0	0
	<u>1.536</u>	<u>1.629</u>

5a. Deferred taxes

	<u>31.12.2009</u>	<u>31.12.2008</u>
adjustment in assets	<u>50</u>	<u>130</u>
	50	130

5b. Restructuring Costs

.In 2009 A. Petzetakis Deutschland GmbH paid 285.000 EUR to Cap Star as consulting fees.

Notes to the financial statements
A. Petzetakis Deutschland GmbH
31st December, 2009

6. Property, plant and equipment

	Land	Buildings	Fixtures and Equipment	Transportation Means	Assets under Construction	Total
Cost of valuation						
<i>At 1 January, 2009</i>	<i>119</i>	<i>0</i>	<i>7.839</i>	<i>6</i>	<i>0</i>	<i>7.964</i>
Translation difference	0	0	0	0	0	0
Additions	0	0	656	0	0	656
Disposals	0	0	-61	-6	0	-61
Cost of valuation through revaluation	0	0	0	0	0	0
<i>At 31 December, 2009</i>	<i>119</i>	<i>0</i>	<i>8.434</i>	<i>0</i>	<i>0</i>	<i>8.553</i>
Accumulated depreciation and impairment						
<i>At 1 January, 2009</i>	<i>119</i>	<i>0</i>	<i>6.466</i>	<i>3</i>	<i>0</i>	<i>6.466</i>
Translation difference	0	0	0	0	0	0
Depreciation before revaluation	0	0	190	2	0	190
<i>Accumulated depreciation through revaluation</i>	<i>0</i>	<i>0</i>	<i>48</i>	<i>0</i>	<i>0</i>	<i>48</i>
<i>Disposals</i>	<i>0</i>	<i>0</i>	<i>-3</i>	<i>-5</i>	<i>0</i>	<i>-8</i>
<i>At 31 December, 2009</i>	<i>119</i>	<i>0</i>	<i>6.701</i>	<i>0</i>	<i>0</i>	<i>6.820</i>
Carrying amount						
<i>At 31 December, 2009</i>	<i>0</i>	<i>0</i>	<i>1.733</i>	<i>0</i>	<i>0</i>	<i>1.733</i>

On 20.03.2009 the Commerzbank Duesseldorf allowed the company an overdraft credit at the amount of 800.000 EUR. As security for this overdraft credit the machinery and technical equipment was assigned by way of collateral.

Notes to the financial statements
A. Petzetakis Deutschland GmbH
31st December, 2009

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

	Land	Buildings	Fixtures and Equipment	Transportation Means	Assets under Construction	Total
Cost of valuation						
<i>At 1 January, 2008</i>	<i>119</i>	<i>0</i>	<i>1.885</i>	<i>6</i>	<i>0</i>	<i>2.010</i>
Translation difference	0	0	0	0	0	0
Additions	0	0	177	0	0	177
Disposals	0	0	-115	0	0	-115
Cost of valuation through revaluation	0	0	5.892	0	0	5.892
<i>At 31 December, 2008</i>	<i>119</i>	<i>0</i>	<i>7.839</i>	<i>6</i>	<i>0</i>	<i>7.964</i>
Accumulated depreciation and impairment						
<i>At 1 January, 2008</i>	<i>119</i>	<i>0</i>	<i>1.439</i>	<i>1</i>	<i>0</i>	<i>1.559</i>
Translation difference	0	0	0	0	0	0
Depreciation before revaluation	0	0	153	2	0	155
Accumulated depreciation through revaluation	0	0	4.874	0	0	4.874
Disposals	0	0	0	0	0	0
<i>At 31 December, 2008</i>	<i>119</i>	<i>0</i>	<i>6.466</i>	<i>3</i>	<i>0</i>	<i>6.588</i>
Carrying amount						
<i>At 31 December, 2008</i>	<i>0</i>	<i>0</i>	<i>1.373</i>	<i>3</i>	<i>0</i>	<i>1.376</i>

The first time a revaluation of assets was conducted was per 31.12.2008. The asset revaluation was made by independent appraisers.

The book value of the assets was 357.331 EUR, after the revaluation the assets have a value of 1.375.405 EUR.

The difference between these two amounts is 1.017.573 EUR and booked as revaluation reserve.

In this note the revaluation reserve (1.018) is divided into Cost of valuation through revaluation (5.892) and Accumulated depreciation through revaluation (4.874).

Notes to the financial statements
A. Petzetakis Deutschland GmbH
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7. Intangible assets

	Patents, Trademarks	Other	Total
Cost			
<i>At 1 January, 2009</i>	<i>0</i>	<i>69</i>	<i>69</i>
Translation difference	0	0	0
Additions	0	0	0
<i>At 31 December, 2009</i>	<u><i>0</i></u>	<u><i>69</i></u>	<u><i>69</i></u>
Accumulated amortisation			
<i>At 1 January, 2009</i>	<i>0</i>	<i>23</i>	<i>23</i>
Translation difference	0	0	0
Charge for the year	0	23	23
Impairment	0	0	0
<i>At 31 December, 2009</i>	<u><i>0</i></u>	<u><i>46</i></u>	<u><i>46</i></u>
Roundness difference	0	0	0
Carrying amount			
<i>At 31 December, 2009</i>	<u><i>0</i></u>	<u><i>23</i></u>	<u><i>23</i></u>

8. Goodwill

	A. Petzetakis GmbH
Cost	
<i>At 1st January, 2009</i>	<i>260</i>
Translation difference	0
Additions	0
<i>At 31st December, 2009</i>	<u><i>260</i></u>
Accumulated amortisation	
<i>At 1st January, 2009</i>	<i>260</i>
Translation difference	0
Charge for the year	0
Impairment	0
<i>At 31st December, 2009</i>	<u><i>260</i></u>
Carrying amount	
<i>At 31st December, 2009</i>	<u><i>0</i></u>

8a. Liability insurance

Per 31.12.2008 the back covering insurance (141.592 EUR) belonging to the pension promise to a former employee was transferred from A. Petzetakis GmbH to A. Petzetakis Deutschland GmbH.
Per 31.12.2009 the value was adjusted to the appraisal from HDI-Gerling (140.077,59 EUR).

Notes to the financial statements
A. Petzetakis Deutschland GmbH
31st December, 2009

9. Inventories

	<u>31.12.09</u>	<u>31.12.08</u>
Raw materials	412	348
Work in progress	0	0
Finished and semifinished goods	569	488
Merchandise	715	734
Spare parts	0	0
Other inventories	0	0
Advances to suppliers	0	0
	<u>1.696</u>	<u>1.570</u>

10. Trade and other receivables

	<u>31.12.09</u>	<u>31.12.08</u>
Trade receivables		
<u>Less: Provisions for doubtful debts</u>		
Net amount	394	586
Checks receivable	0	0
Receivables from group companies	134	1
Prepaid expenses	0	0
Accrued income	0	0
Other receivables	154	23
Roundness difference	0	0
	<u>682</u>	<u>610</u>

10a. Deferred tax asset

	<u>31.12.09</u>	<u>31.12.08</u>
	164	130

Principally deferred tax assets are long term / non current assets. But here the deferred tax asset is put to current assets, because the advantage of the deferred tax asset will most probably be used already in the next five years.

The value of the deferred tax asset is calculated with the loss carried forward at the amount of 425.837 EUR plus the loss of the year 2009 at the amount of 110.177 EUR and the tax rate of 30,53% for the deferred taxes. (trade tax rate: 14,7%, corporate tax rate: 15,00% and solidarity-charge: 0,83%)

11. Cash and cash equivalents

	<u>31.12.09</u>	<u>31.12.08</u>
Cash in hand	0	0
Balances with banks	4	204
Deposits with banks	85	85
	<u>89</u>	<u>289</u>

Notes to the financial statements
A. Petzetakis Deutschland GmbH
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11a. Prepayments / accrued income

In the prepayments is included two advanced leasing payments at the total amount of 69.515 EUR.

12. Share capital

	<u>31.12.09</u>	<u>31.12.08</u>
Authorised, issued and fully paid:	153	153

13. Capital reserves

	<u>31.12.09</u>	<u>31.12.08</u>
Statutory reserve	0	0
Special reserves	0	0
Tax free reserves	0	0
Share premium	0	0
Translation reserves	0	0
Other reserves	1.690	1.690
	1.690	1.690

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.

On 2nd October 2008 the capital reserve was increased by an amount of 350.000 EUR.
 So that now the total amount of the capital reserve is 1.690.000 EUR.

14. Revaluation reserve

	<u>31.12.09</u>	<u>31.12.08</u>
Revaluation reserve from revaluation of tangible assets	707	707
	707	707

The first time a revaluation of assets was conducted by independent appraisers was per 31.12.2008.
 The book value of the assets was 357.331 EUR, after the revaluation the assets have a value of 1.375.405 EUR.
 The difference between these two amounts is 1.017.573 EUR and was booked as revaluation reserve 706.958 EUR and deferred tax liability 310.615 EUR.

Per 31.12.2009 the revaluation asset was depreciated to 969.799 EUR. But the revaluation reserve stays the same, because the depreciation is fully put into the P&L.

15. Bank loans and overdrafts

	<u>31.12.09</u>	<u>31.12.08</u>
Bank loans and overdrafts – due after one year	0	0
Bank loans and overdrafts – within one year	781	0
	781	0

On 20.03.2009 the Commerzbank Duesseldorf allowed the company an overdraft credit at the amount of 800.000 EUR. As security for this overdraft credit the machinery and technical equipment was assigned by way of collateral. With contract of 07.10.2009 the allowed credit line was increased to 932.800 EUR.

Notes to the financial statements
A. Petzetakis Deutschland GmbH
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16. Retirement benefit obligation (Staff leaving indemnities SLI)

There are no retirement benefit obligations.

17. Obligation under finance lease

A. Petzetakis Deutschland GmbH has five finance lease contracts for production printers, lossy software and warehouse printer. Future minimum lease payments under finance leases together with the present value of the minimum lease payment are as follows (without interests and finance charges):

	31.12.09	31.12.08
	value of payments € 000'	value of payments € 000'
Within one year	39	39
After one year but not more than five years	38	68
Over than five years	0	0
Total minimum lease payments	77	107
Less: Amounts representing finance charges	0	0

18. Trade and other payables

	<u>31.12.09</u>	<u>31.12.08</u>
Trade payables	626	489
Insurance and pension funds	0	0
Current tax liabilities	0	0
Liabilities to group companies	1.528	1.903
Advances from clients	0	0
Other payables	39	38
Roundness Difference	-1	0
	<u>2.172</u>	<u>2.430</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 current liabilities and charges

Total amount of provisions per end of 31.12.2009 is 151.582 EUR.

20. Accrued expenses/Deferred income

The company has no accrued expenses / deferred income.

Notes to the financial statements
A. Petzetakis Deutschland GmbH
31st December, 2009

21. Provisions for non current liabilities

Total amount of provisions per end of 31.12.2009 is 526.087 EUR.

A. Petzetakis Deutschland GmbH took over the pension promise from A. Petzetakis GmbH towards their former officer authorized to act and sign on behalf of the firm. To get the value of this pension we used an offer from HDI-Gerling insurance which was made on the assumption that the pension promise would be transferred to them. Together with this pension promise the belonging back covering insurance with an amount of 141.592 EUR was also taken over and is included as liability insurance under the non current assets.

Per 31.12.2009 the back covering insurance was adjusted to the appraisal of HDI-Gerling to 140.077,59 EUR.

Starting in January 2009 the former officer authorized to act and sign on behalf of the firm will receive a monthly pension at the amount of 1.965 EUR from A. Petzetakis Deutschland GmbH. After his death his widow will receive 60% of this pension until she dies.

The amount of the pension (409.927 EUR) is not booked as provision for retirement benefit but as an other non current provision. Per 31.12.2009 the amount of the pension/other non current provision is 386.342,37 EUR

21a. Deferred tax liability

<u>31.12.09</u>	<u>31.12.08</u>
296	311

Resulting from the revaluation of assets per 31.12.2008 the company now has deferred tax liabilities. The value of the deferred tax liability is 30,53% (tax rate for deferred taxes consisting of 14,7% trade tax, 15,00% corporate tax and 0,83% solidarity-charge) of the revaluation reserve of 1.017.573 EUR.

Per 31.12.2009 the deferred tax liability is 30,53% of the revaluation reserve of 969.799 EUR.

22. Commitments and contingencies

A. Petzetakis Deutschland GmbH has per 31.12.2009 no liabilities / guarantees.

Besides provisions and payables A. Petzetakis Deutschland GmbH has other commitments, resulting from lease contracts and long-term tenancy agreements.

The amount of future leasing payments (not discounted) is 583.460 EUR with the following due dates:

	<u>31.12.2009</u>
due till 31.12.2010	194.910 EUR
after 31.12.2010	<u>388.550 EUR</u>
	583.460 EUR

Main things which are leased are company cars, fork lifts, production printers, warehouse soft- and hardware and some production lines.

Besides the above leasing other commitments resulting from tenancy areements exist with the following amounts and due dates:

	<u>31.12.2009</u>
due till 31.12.2010	334.632 EUR
due after 31.12.2010	<u>815.922 EUR</u>
	1.150.554 EUR

Besides provisions and payables and the commitments, resulting from lease contracts and long-term tenancy agreements, there is one possible commitment:

We had a Chief-Coordinator for the Bauhaus business who received a monthly coordination-money. The cooperation was closed per 30.09.2008. But now the Chief-Coordinator claims that he was employed at our company as commercial representative and that therefore he is entitled to get commission and compensation from Petzetakis Deutschland. He threatens to sue the company for these claims. But so far there is no suit in front of the court regarding the compensation. That's why there is no provision in the annual accounts. But if the company will be sued the value in dispute will be 270.000 EUR. After looking over the facts the lawyer and the tax consultant both adviced the company not to make a provision in this case.

Notes to the financial statements
A. Petzetakis Deutschland GmbH
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23. Related party disclosures
(in thousand EUR)

a) Intercompany transactions (figures taken from ICOY file) as per 31.12.09

A. Petzetakis Deutschland GmbH has trade accounts receivable from...

- Petzetakis Romania: 1
= total 1

A. Petzetakis Deutschland GmbH has other accounts receivable from...

- Eurohose: 4
- Induplas: 47
- Petzetakis Northern Greece: 62
= total 113

A. Petzetakis Deutschland GmbH has trade accounts payable to ...

- Induplas: 93
- Flexiplas: 87
- AG Petzetakis SA: 372
= total 552

A. Petzetakis Deutschland GmbH has other accounts payable to ...

- Induplas: 689
- A. Petzetakis GmbH: 7
- AG Petzetakis SA: 62
= total 758

A. Petzetakis Deutschland GmbH has M/L financial debts to ...

- A. Petzetakis GmbH: 233
= total 233

A. Petzetakis Deutschland GmbH sold finished products to ...

- Eurohose: 3
- Induplas: 4
- AG Petzetakis SA: 8
- Petzetakis Romania: 33
= total 48

A. Petzetakis Deutschland GmbH purchased finished products from ...

- Induplas: 520
- AG Petzetakis SA: 924
= total 1.444

A. Petzetakis Deutschland GmbH sold raw materials to ...

- Induplas: 61
= total 61

A. Petzetakis Deutschland GmbH has other revenues to ...

- Induplas: 47
- Petzetakis Northern Greece: 62
= total 109

A. Petzetakis Deutschland GmbH has other purchase from ...

- Induplas: 538
- AG Petzetakis SA: 72
= total 610

A. Petzetakis Deutschland GmbH has interest expenses to ...

- Induplas : 0
- A. Petzetakis GmbH: 16
= total 16

A. Petzetakis Deutschland GmbH has an existing stock from ...

- Induplas : 215
- A. Petzetakis GmbH: 3
- AG Petzetakis SA: 274
= total 492

Notes to the financial statements
A. Petzetakis Deutschland GmbH
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Intercompany transactions (figures taken from ICOY file) as per 31.12.08

A. Petzetakis Deutschland GmbH has trade accounts receivable from...

- Induplas:	1
- Eurohose:	0
- AG Petzetakis SA:	0
- Petzetakis Romania:	0
= total	<u>1</u>

A. Petzetakis Deutschland GmbH has no other accounts receivable from Intercompany.

A. Petzetakis Deutschland GmbH has trade accounts payable to ...

- Induplas:	496
- A. Petzetakis GmbH:	0
- AG Petzetakis SA:	977
= total	<u>1.473</u>

A. Petzetakis Deutschland GmbH has other accounts payable to ...

- Induplas:	43
- A. Petzetakis GmbH:	1
- AG Petzetakis SA:	59
= total	<u>103</u>

A. Petzetakis Deutschland GmbH has M/L financial debts to ...

- A. Petzetakis GmbH:	327
= total	<u>327</u>

A. Petzetakis Deutschland GmbH sold finished products to ...

- Eurohose:	2
- Induplas :	1
- AG Petzetakis SA:	18
- Petzetakis Romania:	49
= total	<u>70</u>

A. Petzetakis Deutschland GmbH purchased finished products from ...

- Induplas:	923
- A. Petzetakis GmbH:	5
- AG Petzetakis SA:	1.667
= total	<u>2.595</u>

A. Petzetakis Deutschland GmbH has other revenues from ...

- A. Petzetakis GmbH:	23
- AG Petzetakis SA:	91 (includes credit note for a machine minus debit note for machinery parts)
= total	<u>114</u>

A. Petzetakis Deutschland GmbH has interest expenses to ...

- Induplas :	13
- A. Petzetakis GmbH:	44
= total	<u>57</u>

A. Petzetakis Deutschland GmbH has an existing stock from ...

- Induplas:	209
- A. Petzetakis GmbH:	3
- AG Petzetakis SA:	291
= total	<u>503</u>

Notes to the financial statements
A. Petzetakis Deutschland GmbH
31st December, 2009

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>
31 December 2009						
Executive directors						
Name	Surname		kumulated 01.01.2009-31.12.2009			
Giannakopoulos, Athanasios	0	14.000	0	0	0	14.000
Mr. Giannakopoulos was dismissed per 30.06.2009. He received a severance pay of 4.666,00 EUR which is not included in the above basic salary.						
Dontas, Spyriton	0	6.000	0	0	0	6.000
The new managing director receives a salary starting from 01.09.2009.						
Non executive directors						
Name	Surname					
Schwegler, Robert	0	76.770	6.398	2.400	0	85.568
Skowronek, Roland	0	73.253	5.486	0	0	78.739
31 December 2008						
Executive directors						
Name	Surname		kumulated 01.01.2008-31.12.2008			
Giannakopoulos, Athanasios	0	28.000	0	0	0	28.000
Non executive directors						
Name	Surname					
Schwegler, Robert	0	75.265	0	2.400	0	77.665
Skowronek, Roland	0	71.962	0	0	0	71.962

Notes to the financial statements
31st December, 2009
A. Petzetakis Deutschland GmbH

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 A. Petzetakis Deutschland GmbH, Schwalmtal

We have reviewed the accompanying financial statements of 2009, 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 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, February 19, 2010

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.