

## INDEPENDENT AUDITOR'S REPORT

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*To the Shareholders of PLIAS SA*

### **Report on the Financial Statements**

We have audited the accompanying separate and consolidated financial statements of PLIAS AE (the "Company"), which comprise the separate and consolidated balance sheet as at 31 December 2007, and the income statement, statement of changes in equity and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes.

#### *Management's Responsibility for the Financial Statements*

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards, as adopted by the European Union (EU). This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

#### *Auditor's Responsibility*

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Greek Auditing Standards, which are based on the International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the

financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### *Opinion*

In our opinion, the accompanying separate and consolidated financial statements present fairly, in all material respects, the financial position of the Company and of the Group as of 31 December 2007, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union (EU).

Without qualifying our opinion, we draw attention to:

- 1) Note 4.6.1. in the Notes on the financial statements where reference is made to the risks that the company faces with regard to the ability of continuing in operation as a going concern and the resolution of the Extraordinary General Meeting of Shareholders to increase the share capital by Euro 42,4 mil. With the realisation of the above increase, as resolved by the General Meeting, will be faced the risk concerning the company's continuation in operation.
- 2) Note 4.6.3. in the Notes on the financial statements, where reference is made to:
  - The fact that the tax returns of the companies of the Group, for certain years, have not been examined by the tax authorities as yet and, as a consequence, the possibility exists of additional taxes and penalties being assessed at the time when the returns will be examined and will be accepted as final. The outcome of these tax inspections cannot be predicted at present and, therefore, no provision has been made in these financial statements in this respect
  - The fact that at the tax audit for prior years of the subsidiary PLIAS EMPORIKI S.A. that was completed in December 2005, were assessed additional taxes and penalties totalling approximately € 1,9 million. The company has filed a relevant recourse to the Administrative Courts. Management deems that the outcome of the

case will be positive for its own account and, therefore, no provision has been made in these financial statements in this respect.

- The fact that for claim of V.A.T. refund of the subsidiary PLIAS EMPORIKI S.A. from the Greek State of approximately € 1,7 million, the collection of which depends on the tax audit in process, the outcome of which cannot be predicted at present and, therefore, no provision for contingent loss has been made in these financial statements.

### **Report on Other Legal and Regulatory Requirements**

The Report of the Board of Directors includes the information that is provided by the articles 43a paragraph 3, 107 paragraph 3 and 16 paragraph 9 of c.L. 2190/20 as well as the article 11a of L. 3371/2005 and its content is consistent with the accompanying financial statements.

Athens, 24 March 2008

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