TECHNOCAR SA

MANUFACTURING AND TRADING ENTERPRISES

REGISTERED OFFICE: KIFISSIA ATTICA - SA Registration No.: 6563/01AT/B/86/304(05)

BALANCE SHEET OF 31 DECEMBER 2012 - 28th FISCAL YEAR (1 JANUARY - 31 DECEMBER 2012) - AMOUNTS IN EURO											
ASSETS							LIABILITIES	AMOUNTS	AMOUNTS		
	CLOSII	NG YEAR AMOUNTS	S 2012	PREVIO	US YEAR AMOUNT	S 2011		CLOSING	PREVIOUS		
								FISCAL YEAR 2012	FISCAL YEAR 2011		
	Acquisition Value	Depreciation	Net Book Value	Acquisition Value	Depreciation	Net Book Value	A FOURTY				
B. SET-UP EXPENSES							A. EQUITY I. Share capital				
4. Other set-up expenses	937,095.30	920,370.46	16,724.84	937,095.30	863,549.14	73,546.16	(3,542,800 shares of 3.00 euro)				
C. FIXED ASSETS	937,093.30	920,370.40	10,724.04	937,093.30	003,349.14	73,340.10	1. Paid Up	10,628,400.00	10,628,400.00		
II. Tangible assets								10,020,400.00	10,020,400.00		
1. Fields-Lots	17,480,091.91	0.00	17,480,091.91	15,320,779.64	0.00	15,320,779.64	IV. Reserve Funds				
3. Buildings & Technical Works	18,187,816.73	13,790,071.05	4,397,745.68	17,924,756.42	12,616,455.59	5,308,300.83	1. Statutory Reserve	1,652,113.34	1,652,113.34		
4. Machinery - technical			, ,	, ,		, .	Less: Loss from sale or devaluation	, ,	, ,		
installations and other equipment	584,831.05	576,169.89	8,661.16	780,380.25	765,642.31	14,737.94	of participations & securities for offsetting	-3,152,188.89	-3,151,156.22		
5. Transportation Equipment	419,585.65	118,644.34	300,941.31	537,203.80	113,030.31	424,173.49	5. Untaxed reserves				
6. Furniture and other equipment	2,372,185.65	2,339,991.56	32,194.09	2,589,125.66	2,561,466.41	27,659.25	under special law	745,492.57	745,492.57		
7. Fixed assets under construction & advance payment		0.00	7,223.38	7,223.38	0.00	7,223.38		-754,582.98	-753,550.31		
Total Fixed Assets (CII)	39,051,734.37	16,824,876.84	22,226,857.53	37,159,469.15	16,056,594.62	21,102,874.53					
III. Participations and other							V. Results carried forward	0.000.400.00			
long-term assets		- 44- 040-00			- 40- 040 00		Loss carried forward	-8,923,438.60	-7,597,200.33		
Participations in subsidiaries Less: Provisions for value decline		5,145,316.36	E 400 00E 40		5,137,316.36	5 440 050 07	Total aquity (AL+AIV+AV)	050 070 40	0.077.040.00		
	-	24,690.96	5,120,625.40	-	23,658.29	5,113,658.07	Total equity (AI +AIV +AV)	950,378.42	2,277,649.36		
7. Other long-term receivables			44,727.17			27,952.81					
Total fixed assets (CII + CIII)			5,165,352.57			5,141,610.88	C. LIABILITIES				
D. CURRENT ASSETS			27,392,210.10			26,244,485.41	I. Long-term liabilities				
I. Stocks							1. Debenture loans	20,262,760.25	22,500,000.00		
1. Merchandise			5,157,915.15			6,015,196.79	1. Bosontaro todito	20,202,700.23	22,300,000.00		
Raw and Auxiliary Materials - Consumables			3, 137, 913.13			0,013,130.73	II. Short-term liabilities				
Spare parts & packaging products			43,767.21			48,257.66	1. Suppliers	4,482,033.88	5,491,308.67		
5. Down payments for stocks			908,378.41			1,769,793.89	2a. Outstanding checks	347,212.16	576,500.53		
			6,110,060.77			7,833,248.34	3. Banks short-term liabilities account	11,492,680.76	12,593,635.65		
II. Receivables							4. Advances from customers	333,326.97	405,112.06		
1. Customers			3,669,777.19			3,908,013.22	5. Taxes and duties payable	55,415.84	128,946.32		
2. Notes receivable							6. Insurance and pension funds	59,221.97	100,319.93		
- On hand		9,388.90			21,908.71		11. Sundry creditors	2,193,540.41	272,964.13		
- Banks as collateral								18,963,431.99	19,568,787.29		
less discounted		9,143.14			57,901.87		Total Liabilities (CI+CII)	39,226,192.24	42,068,787.29		
		18,532.04	40.400.00		79,810.58						
Less: Non-Accrued Interest	-	101.68	18,430.36	-	473.03	79,337.55					
3. Notes overdue			39,134.55			55,969.80					
3a. Cheques receivable 3b. Cheques overdue			788,298.26 744,734.95			1,897,329.15 926,942.73					
11. Sundry debtors			1,123,654.01			948,845.91					
11. Cariary actions			6,384,029.32			7,816,438.36					
IV. Cash items			-,,								
1. Cash on hand			6,852.86			400,351.39					
3. Sight and time deposits			465,750.98			1,903,699.74					
			472,603.84			2,304,051.13					
Total current assets (DI + DII + DIV)			12,966,693.93			17,953,737.83					
E. DEBIT TRANSIT ACCOUNTS							D. CREDIT TRANSIT ACCOUNTS				
Expenses of subsequent fiscal years			47,746.15			55,960.16	1. Deferred income	317,900.00	357,637.50		
2. Income earned			117,518.20			547,241.20	2. Accrued expenses	279,225.71	462,357.87		
3. Other debit transit accounts			237,076.51			297,516.65	3. Other credit transit accounts	4,273.36	6,055.39		
			402,340.86			900,718.01		601,399.07	826,050.76		
GRAND TOTAL ASSETS (B+C+D+E)			40,777,969.73			45,172,487.41	GRAND TOTAL LIABILITIES (A+C+D)	40,777,969.73	45,172,487.41		
DEBIT MEMO ACCOUNTS							CREDIT MEMO ACCOUNTS				
2. Debit accounts of guarantees and collateral security			13,410,177.40			17,959,177.40	Credit balances of guarantees and collateral security	13,410,177.40	17,959,177.40		
			13,410,177.40			17,959,177.40		13,410,177.40	17,959,177.40		
Note. The lest adjustment to the value of the presenting	hand on the province	ione of Law 2005/0	2 took place on 24	/12/2012 and an adim	atmont difference =		·) was found, which was offset against previous fiscal year losses				

Note: The last adjustment to the value of the properties, based on the provisions of Law 2065/92, took place on 31/12/2012 and an adjustment difference of EUR 2,191,211.80 was found, which was offset against previous fiscal year losses.

31st	PROFIT AND LOSS STATEMENT st DECEMBER 2012 (1 JANUARY - 31 DECEMBER 2012)						APPROPRIATION TABLE			
	CLOSIN	IG YEAR AMOUNTS	2012	PREVIOL	JS YEAR AMOUNTS	S 2011		AMOUNTS CLOSING	AMOUNTS PREVIOUS	
I. Operating Results								FISCAL YEAR 2012		
Turnover (sales)			18,707,849.61			42,612,618.18	Net results (losses) for the year	-3,326,160.48	-3,875,712.56	
Less cost of sales			16,329,288.50		-	37,325,947.27	(+) Balance of results (losses)			
Gross operating results (profit)			2,378,561.11			5,286,670.91	of past years	-7,597,200.33	-3,329,149.27	
Plus: 1. Other operating income		_	3,476,644.65		-	4,080,126.58	(+) Property value adjustment goodwill of Law 2065/92	2,191,211.80	0.00	
Total			5,855,205.76			9,366,797.49	Total	-8,732,149.01	-7,204,861.83	
LESS: 1. Administrative expenses		2,084,862.71			2,686,272.09		LESS: 2. Other taxes not			
3. Selling expenses	_	4,797,571.98	6,882,434.69	_	7,613,697.94	10,299,970.03	integrated in operating cots	191,289.59	392,338.50	
Operating results before financial transactions			-1,027,228.93			-933,172.54	Losses carried forward	-8,923,438.60	-7,597,200.33	
PLUS: 4. Interest & related income		6,511.43			30,255.55					
Less: 3. Interest charges and related expenses	_	2,211,445.96	-2,204,934.53	_	2,416,000.90	-2,385,745.35	CASH FLOW STATEM	ENT		
Total operating results (losses)			-3,232,163.46			-3,318,917.89				
II.PLUS or LESS:Extraordinary items								31.12.2012	31.12.2011	
Extraordinary and non-operating income		144,992.66			86,399.72		Operating activities			
Extraordinary Profits		1,469.48			8,984.24		Receivables from customers	23,758,665.36	50,182,360.52	
Prior period profits	_	624.54		_	21,100.00		Payments to suppliers, creditors and employees	-19,785,918.08	-44,120,264.29	
		147,086.68			116,483.96		Cash flows from operating activities	3,972,747.28	6,062,096.23	
Less:							Income tax payments	-260,964.93	-542,633.82	
Extraordinary and non-operating expenses	90,384.23			615,196.37			Net cash flow from operating activities	3,711,782.35	5,519,462.41	
Extraordinary losses	150,699.47			17,882.03			Investing activities			
3. Prior period expenses	0.00	241,083.70	-93,997.02	40,200.23	673,278.63	-556,794.67	Payments for acquisition of participations in subsidiaries,			
Operating and extraordinary results (losses)			-3,326,160.48			-3,875,712.56	affiliates and joint ventures.	-8,000.00	-16,602.60	
LESS:							Payments for acquisition of tangible and intangible assets	-130,163.43	-367,835.15	
Total depreciation of fixed assets		1,100,825.59			1,062,294.72		Proceeds from sale of participations, tangible, intangible			
Less: those included in							and financial assets	138,062.96	281,965.46	
operating cost	_	1,100,825.59	0.00	_	1,062,294.72	0.00	Receivables from interest, dividends and rents of			
NET RESULTS (LOSSES) OF YEAR before taxes			-3,326,160.48			-3,875,712.56	of investing activity assets	6,511.43	30,255.55	
		=			=		Net cash flows from investing activities	6,410.96	-72,216.74	
	STATEMENT OF CHANGES IN EQUITY						Financing Activities			
			31.12.2012			31.12.2011	Receivables from loans taken	0.00	0.00	
Start equity (01.01.2012 & 01.01.2011 respectively)		_	2,277,649.36		-	6,545,910.74	Payments for loans and interest	-5,549,640.60	-5,914,878.81	
Profits / (losses) net of tax for the period			-3,517,450.07			-4,268,051.06	Net cash flows from financing activities	-5,549,640.60	-5,914,878.81	
Other assets entered directly into Equity			-1,032.67			-210.32	Net increase of period cash flows	-1,831,447.29	-467,633.14	
Other changes in equity			2,191,211.80			0.00	Cash flows at start of year	2,304,051.13	2,771,684.27	
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KIFISSIA, 30 APRIL 2013

THE CHAIRMAN OF THE BOARD OF DIRECTORS

THE VICE-CHAIRMAN OF THE BOARD OF DIRECTORS

THE DIRECTOR OF FINANCIAL SERVICES

AND MANAGING DIRECTOR

ECTOR OF FINANCIAL SERVICES THE CHIEF ACCOUNTANT

THEODOROS EFTYCHIOU VASSILAKIS GEORGIOS THEODOROU VASSILAKIS ELENI NIKOLAOU IGGLEZOU MICHAIL NIKOLAOU CHRISTAKIS

ID Card No. AK 031549 ID Card No. AH 613193 - OEE Lic. No. 0058652 1st class

AUDIT REPORT BY INDEPENDENT CERTIFIED PUBLIC ACCOUNTANT To Messrs. Shareholders of "TECHNOCAR SA"

Report on the Financial Statements We have audited the financial statements of "TECHNOCAR SA", which comprise the balance sheet of 31 December 2012, the income statement and the appropriation table for the year then ended, and the related annex. Management Responsibility for the Financial Statements Management is responsible for preparing and fairly presenting these financial statements in accordance with Accounting Standards specified by the Greek General Accounting Plan and the provisions of Articles 42a to 43c of Codified Law 2190/1920, as well as those internal safeguards that management considers necessary to allow the preparation of financial statements free from material misstatement, whether due to fraud or error. 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 International Standards on Auditing. In the context of these standards we are required to comply with all ethical rules and to design and carry out our audit with a view to providing fair assurance as to whether the financial statements are free of material misstatements. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The audit procedures were selected at the auditor's free discretion, including an assessment of the likelihood of the financial statements containing material misstatements whether due to fraud or error. In assessing that risk, the auditor considers the internal safeguards relevant to the preparation and fair presentation of the company's financial statements, in order to design audit procedures that are appropriate in view of the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal safeguards. An audit also includes evaluating the appropriateness of accounting policies and methods used and the reasonableness of accounting estimates made by Management, as well as evaluating the overall presentation of the company and consolidated financial statements. We have obtained reasonable assurance that all important evidence has been brought to our attention and is sufficient and appropriate to provide a basis for our audit opinion. Basis for Qualified Opinion Our audit came up with the following issues: 1) In the "Participations in subsidiaries", of EUR 5,003,618.60, shows the acquisition value of shares of a societe anonyme not listed on the stock exchange, its financial statements being audited by a Certified Auditor-Accountant. The internal book value of these shares is negative and in deviation of the accounting principles provided for under Cod. Law 2190/1920 of the GGAP no devaluation provision has been formed equivalent to the acquisition value of these shares, and as a result the value of this account, Equity and the results of previous years appear increased by equivalent amounts. 2) The company's receivables include overdue claims from the previous year, equal in total to approx. €800,000. In deviation of the accounting principles provided for under Greek Law (Cod. Law 2190/1920 and GGAP), no relevant provision has been formed. In our assessment, a provision amounting to 400,000 thousand Euros should have been formed to cover losses from the non-liquidation of said receivables. Because this provision has not been formed, the value of receivables, equity and results of previous years appear increased by 400,000. 3) In deviation of the accounting principles provided for under Greek Law (Cod. Law 2190/1920 and the GGAP, no provision is formed for staff compensation due to retirement. On 31.12.2012 the total level of the provision which was not formed amounted to € 316,780, and as a result provisions shown are decreased by € 316,780, equity is increased by € 316,780 and the results for the year are increased by € 34,800. 4) The company's tax liabilities have not been examined by the tax authorities for fiscal years 2005 through 2010. Therefore, the tax results of this financial year have not been rendered definitive. The company has not assessed the additional taxes and surcharges likely to be attributed by any future tax audit and has not made a provision for this contingent liability. It has not been possible to obtain reasonable assurance through our audit regarding the estimated amount of this provision that may be required. Qualified Opinion In our opinion, apart from the impact of the issues referred in the "Basis for Qualified Opinion" paragraph, the above financial statements fairly present from every material viewpoint the financial position of "TECHNOCAR SA" on 31 December 2012, and its financial performance and cash flows for the fiscal year then ended, in accordance with the Accounting Standards laid down by the Greek General Accounting Plan and the provisions of Articles 42a through 43c of Codified Law 2190/1920. Emphasis of matters We draw your attention to the following: 1) Note 13.2 of the annex, where it is described that the company's total equity was less than 1/10 of its share capital, and therefore the conditions for application of the provisions of Article 48 of C.L. Law 2190/1920. The Company's management, during the current fiscal year 2013, has already effected a Share Capital increase of 1,005,000 euro for removing the application of the provisions of this article. 2) Note 13.4 of the annex, which mentions that on 31 December 2012 the Company's short term liabilities exceed the total value of its current assets and in order to avoid the possibility of not being able to pay part of its contractual obligations, the Company's management, in addition to the Share Capital increase described in the previous note, has already entered negotiations for issuing a syndicated debenture loan. The purpose of this Debenture Loan is to refinance part of the existing loan liabilities of the company, to cover its needs in working capital and to continue the company's activities without problems. We do not express a qualified opinion with regard to these matters. Report on Other Legal and Regulatory Requirements We have verified that the content of the Management Report corresponds to and matches that of the above financial statements in the context of the provisions of Articles 43a and 37 of Codified Law 2190/1920.

