

APPENDIX
TO THE BALANCE SHEET OF DECEMBER 31 2011
(according to the provisions of Codified Law 2190/1920, as applicable)

Provision summary

Answer

§ 1. Lawful compilation and structure of the financial statements

Derogations made in favor of the principle of the actual view

(a) Article 42a § 3: Derogation from the relevant provisions for the compilation of financial statements, considered necessary, for representing absolutely clearly the actual view, required by provision § 2 of this article.

Inventory of merchandises (automobiles – spare parts - accessories – promotional materials)

(b) Article 42b § 1: Derogation from the principle of maintaining the structure and form of the balance sheet and income statement unchanged.

No such conducted.

(c) Article 42b § 2: Entry into the appropriate account of an item relating to more mandatory accounts.

No such case incurred.

(d) Article 42b § 3: Adaptation to the structure and headings of accounts under Arabic numerals, when required by the specific nature of business.

No such case incurred.

(e) Article 42b § 4: Consolidation of balance sheet accounts, corresponding to Arabic numerals, when the requirements of this provision are present (for the consolidation).

No such conducted.

(f) Article 42b § 5: Reform of previous years items to be comparable with the corresponding items of the current year.

No such conducted.

§ 2. Valuation of assets

(a) Article 43a § 1-i: Methods for the valuation of assets and calculation of depreciation and provisions for their devaluation.

(1) Fixed assets were valued at acquisition cost or at their adjusted basis under a special law, which is increased by the value of additions and improvements and reduced by depreciation provided by law.

(2) No case incurred for forming depreciation provisions.

(3) Inventory (stock), acquired by purchase was valued at the lower value between their acquisition cost and their current purchase price at the end of the fiscal year. Acquisition cost of automobiles was determined by the method of specific identification of costs and for spare parts and accessories by the method of moving average price or consecutive balance or successive remainders like in the previous fiscal year.

(4) The shares of a not listed joint-stock company ("THE CRETE GOLF CLUB S.A." – acquisition cost 43,761.08 Euros), which is not subject to audit by Certified Public Accountant, were valued at current acquisition cost (i.e., the intrinsic value EUR 20,110.72), according to the latest lawfully compiled Balance Sheet of 12.31.2010.

(b) Article 43a § 1-a: Base for the conversion of assets denominated in Euros into foreign currency and accounting management of exchange rate differences.

No such case incurred.

(c) Article 43 § 2: Derogation from valuation methods and main principles. Application of special valuation methods.

No such conducted.

(d) Article 43 § 7-b: Alteration in the calculation method of acquisition cost or production cost of inventory or securities.

No such conducted.

(e) Article 43 § 7-c: Quotation of the difference between the valuation price of inventory and securities and their current purchase price, if significant.

No significant difference.

(f) Article 43 § 9: Analysis and explanation of the revaluation of fixed assets, conducted within the year under a special law and quotation of the movements in "Revaluation differences" account.

No such conducted.

§ 3. Fixed assets and establishment expenses

- (a) Article 42e § 8: Alteration in fixed assets and establishment expenses (long-term depreciation). Multi-column table with the data required by this provision is included at the end of the Appendix.
- (b) Article 43 § 5-d: Additional depreciation analysis. No such conducted.
- (c) Article 43 § 5-e: Provisions for the devaluation of tangible fixed assets. No such formed.
- (d) Article 43 § 3-e: Analysis and explanation of the establishment expenses amounts (long-term depreciation) related to this fiscal year. No alteration incurred.
As attached table at the end of the Appendix.
- (e) Article 43 § 3-c: Amounts and accounting management of exchange rate differences arising in the current year, upon payment (installments) or valuation at the end of use of loans or credits, used exclusively for the acquisition of fixed assets. There are not such.
- (f) Article 43 § 4 quot. a & b: Analysis and explanation of "Research & Development Expenses", "Concessions and Industrial Property Rights" and "Corporate Goodwill" items. There are not such items.

§ 4. Participations

- (a) Article 43a § 1-b: Participations 10% or more in the share capital of other enterprises. There are not such.
- (β) Participations in the share capital of other enterprises, of which the company is a fully liable member. There are not such.
- (c) Article 43a § 1-o: Compilation of the consolidated financial statements in which the company's financial statements are also included. No such case incurred.

§ 5. Inventory

- (a) Article 43a § 1-k: Valuation of inventory by derogation from the valuation rules of Article 43, for tax relief purposes. No derogation conducted.

(b) Article 43a § 1-j: Differences from devaluation of assets and their causes. There are not such.

§ 6. Share capital

(a) Article 43a § 1-d: Share categories, in which share capital is divided. 1,120,227 registered shares of 03.00 Euros each.

(b) Article 43a § 1-c: Shares issued during the year for increasing share capital. No such issued.

(c) Article 43a § 1-e και 42e § 10: Issued securities and rights incorporated in them. There are not such.

(d) Article 43a § 1-p: Acquisition of own shares during the current fiscal year. No such acquired.

§ 7. Provisions and Liabilities

(a) Article 42e § 14 subpar. d: Analysis of "Other Provisions" account, when its amount is significant.

Other Provisions 27,581.27 Euros.

Provisions, formed in 2011 fiscal year for impaired exposures.

According to Article 43 a § 1-q, the calculation method for staff compensation provisions is cited too.

2) In 2011 again, no provision was made for staff compensation due to retirement, because the standard practice is burdening each fiscal year with the compensation amounts paid during the year and additionally, on 12/31/2011 there was no employee of the company personnel for immediate retirement. If a provision for all staff was formed, in accordance with the provisions of Law 2190/20, this would have amounted to 13,080.00 Euros, of which an amount of 1,630.00 Euros refers to 2011 fiscal year 1.

(b) Article 43a § 1-g: Financial liabilities arising from contracts etc., not shown in the memo accounts. Obligations for payment of specific monthly benefits and financial obligations for affiliated companies.

There are not such.

(c) Article 43a § 1-l: Possible significant amounts of tax debts and taxes which may occur at the expense of the current and previous years, not shown in liabilities or provisions.

Fiscal years 2007-2010 have not been audited by the tax authorities and therefore the company's tax liabilities for these years have not been finalized. For 2011 year, the company is subject to tax audit by Certified Public Accountants under the provisions of Article 82 par. 5 Law 2238/1994. This audit is in progress and the relevant tax certificate is expected to be issued after the publication of the financial statements for 2011 fiscal year. (We assess that any additional tax liabilities that may arise until the completion of the tax audit, shall not have a material impact on the financial statements).

(d) Article 43a § 1-f: Long-term liabilities (over 5 years). There are not such.

(e) Article 43a § 1-f: Liabilities secured with liens. There are not such.

§ 8. Transit Accounts

-- Article 42e § 12: Analysis of the items of "Expenses for future years", "Income receivable" and "Accrued expenses" transit accounts.

1) Expenses for future years EUR 2,620.30.

Refer to: subscriptions EUR 555.00, letters of guarantee commission EUR 233.33, fixed telephone connection fees (FORTHNET) EUR 966.94, insurance premiums EUR 180.87, website expenses EUR 204.15, interest for loans EUR 180.00 and various expenses EUR 300.01.

2) Income receivable EUR 22,614.68.

Refer to: provision for charging GREEK ENERGY to VELMAR S.A. EUR 12,318.18, provision for subsidies from Manpower Employment Organization programs EUR 2,802.86, compensations from insurance companies EUR 6,625.00 and compensations from guarantees EUR 868.64.

3) Accrued expenses EUR 190,909.77.

Refer to: Interest and similar expenses EUR 124,968.37, expenses for Public Utilities Organizations EUR 59,229.85 and various expenses EUR 6,711.55.

§ 9. Memo Accounts

-- Article 42e § 11: Analysis of the memo accounts, to the extent that this obligation is not covered by the following § 10.

- Letters of guarantee received as collaterals EUR 445,000.00.

§ 10. Guarantees and collaterals granted

-- Article 42e § 9: Guarantees and collaterals granted by the company.

Letters of guarantee granted (SAAB & IFS) EUR 300,000.00.

§ 11. Remuneration, advanced payments and credits to administrative bodies

(a) Article 43a § 1-m: Remuneration of the members of administrative and management bodies of the company.

Remuneration paid to the members of the company's Board of Directors amounted to EUR 157,500.00.

(b) Article 43a § 1-m: Liabilities formed or assumed for assistances paid to members of administrative and management bodies of the company, retired during the current year.

There are not such.

(c) Article 43a § 1-n: Advanced payments and credits, granted to members of administrative bodies (members of Boards of Directors or managers).

There are not such.

§ 12. Income Statement

(a) Article 43a § 1-h: Turnover per activity category and geographic market. (Turnover as defined in Article 42e § 15 subpar. a').

Domestic car sales	5,701,145.75
Car sales abroad	808,288.00
Domestic spare parts & accessories sales	2,436,024.57
Spare parts & accessories sales abroad	269.79
Other domestic inventory and un. materials	3,666.76
Domestic provision of services	840,651.17
Total	9,790,046.04

(b) Article 43a § 1-i: Average number of employees during the year and categories with the total labor cost. It is clarified that "Administrative Personnel" includes employees being paid monthly salaries, while "Technical Personnel" includes technicians and workers being paid daily wages.

People	Average	Salaries/wages	Social Security Contributions
Administrative Personnel	55	885,587.49	213,030.37
Technical Personnel	30	456,978.01	133,834.31
Total	85	1,342,565.50	346,864.68
Remuneration of the BoD (as in § par. 11a)			157,500.00
Personnel ancillary benefits and expenses			37,611.19
Compensations due to redundancy or retirement			88,730.98
GRANT TOTAL (PERSONNEL REMUNERATION AND EXPENSES)			1.973.272,35

(c) Article 42e § 15-b: Analysis of extraordinary and non-operating income and expenses (i.e. "extraordinary and non-operating income" and "extraordinary and non-operating expenses" accounts). When the amounts in "extraordinary operating income" and "extraordinary expenses" accounts are significant, by application of the provision of Article 43a par. 1-m, their analysis is quoted too (based on accounts 81.02 και 81.03 of the General Accounting Chart).

Extraordinary and non-operating expenses EUR 26,116.70

Refer to: exchange rate differences EUR 772.86, traffic offenses fines EUR 152.20, account differences EUR 19,830.03 and deficiencies on delivery of goods/commodities EUR 5,361.61.

Extraordinary loss EUR 0.99.

Refers to: losses from divestiture of machinery EUR 0.74 and divestiture of furniture & other equipment EUR 0.25.

Extraordinary and non-operating income: EUR 8,472.45.

Refers to: income from compensations from insurance companies EUR 8,312.59, exchange rate differences EUR 22.60 and account differences EUR 137.26.

Extraordinary profit EUR 52,377.60.

Refers to: profits from divestiture of machinery EUR 885.07, divestiture of transport means EUR 44,232.81 and divestiture of furniture & other equipment EUR 7,259.72.

(d) Article 42e § 15-b : Analysis of "Income from previous fiscal years", "Income from provisions of previous fiscal years" και "Expenses for previous fiscal years" accounts.

Expenses for previous fiscal years: EUR 180.00.

Refer to various expenses EUR 180.00.

e) Auditors' consideration for 2011 fiscal year.

Auditors' consideration for 2011 fiscal year shall amount, following to a request for reducing auditing hours, to € 5,720.00 while the auditors' consideration paid in 2011 fiscal year for auditing 2010 fiscal year amounted to € 8,800.00.

§ 13. Other data required for better information and application of the principle of actual view

Article 43a § 1-q: Other data required under special provisions or considered necessary for better informing the shareholders and third parties and application of the principle of actual view.

The total equity of the company has become negative and therefore the conditions for application of the provisions of Article 48 of Codified Law 2190/1920 are present. The financial statements have been prepared under the principle of continuation of the company business. The company's Management has prepared an appropriate program to remove the application of the provisions of this Article and the uninterrupted continuation of the company's activities.

Kifissia, April 30 2012

THE BoD PRESIDENT

**THE BoD VICE
PRESIDENT & CEO**

THE CFO

**THE HEAD OF
ACCOUNTING**

**THEODOROS E.
VASILAKIS**

**GEORGIOS TH.
VASILAKIS**

**ELENI N.
INGLEZOU**

**MICHAEL N.
CHRISTAKIS**

ID Card No. AK 031549 ID Card No. X 678102

ID Card No. AI 511166 ID Card No. AH 61319

CERTIFICATE

This Appendix consists of 7 pages and a list of fixed assets and is the one mentioned in the Audit Report of May 04 2012.

THE CERTIFIED PUBLIC ACCOUNTANT -AUDITOR

DEMETRIOS N. PAPPAS

INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS OF GREECE REG. No. 14391
INTERNATIONAL CERTIFIED & REGISTERED AUDITORS S.A. \



81 Patision & Heyden - 10434 Athens
INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS OF
GREECE REG. No. 111