

"SPIDER" N.PETSIOS AND SONS S.A.GROUP OF COMPANIES

BALANCE SHEET

Company:SPIDER ITALIA S.R.L.

Period:1/1/08-31/03/08-1/1/07-31/03/07

currency in: EURO

ASSETS

	Period 1/1-31/03/08	Period 1/1-31/03/07
A.UNPAID CAPITAL	<u>0,00</u>	<u>0,00</u>
B.FORMATION EXPENSES		
1.Start-up costs		
Less: Accumulated Depreciation	<u>0,00</u>	<u>0,00</u>
2.Exchange Rate adjustments on loans for acquisition		
Less: Accumulated Depreciation	<u>0,00</u>	<u>0,00</u>
3.Construction Period Interest cost		
Less: Accumulated Depreciation	<u>0,00</u>	<u>0,00</u>
4.Other formation expenses		
Less: Accumulated Depreciation	<u>0,00</u>	<u>0,00</u>
Total Formation Expenses	<u>0,00</u>	<u>0,00</u>
C.FIXED ASSETS		
<i>I. Intangible Assets</i>		
1.Research and Development Costs		
Less: Accumulated Depreciation	<u>0,00</u>	<u>0,00</u>
2.Concessions, Trademarks, Rights & Lisenses	25.374,50	8.456,00
Less: Accumulated Depreciation	<u>8.172,55</u>	<u>7.382,25</u>
	17.201,95	1.073,75
3.Goodwill	1.022.220,09	1.017.420,09
Less: Accumulated Depreciation	<u>737.678,83</u>	<u>635.887,51</u>
	284.541,26	381.532,58
4.Payments on Account for acquisition of intangibles		
5.Other Intangible Assets		46.297,12
Less: Accumulated Depreciation		<u>46.297,12</u>
	0,00	0,00
5a.Consolidation Differences		
Less: Accumulated Depreciation	<u>0,00</u>	<u>0,00</u>
Total Intangible Assets	<u>301.743,21</u>	<u>382.606,33</u>
<i>II. Tangible Assets</i>		
1.Land		
Less: Devaluation Provisions	<u>0,00</u>	<u>0,00</u>
3.Buildings and technical works		
Less: Accumulated Depreciation	<u>0,00</u>	<u>0,00</u>
4.Machinery, technical installations and other equipment	236.145,02	23.717,24
Less: Accumulated Depreciation	<u>57.971,83</u>	<u>14.769,96</u>
	178.173,19	8.947,28
5.Motor Vehicles		
Less: Accumulated Depreciation	<u>0,00</u>	<u>0,00</u>
6.Furniture and fixtures	83.398,65	77.447,70
Less: Accumulated Depreciation	<u>79.160,61</u>	<u>69.890,35</u>
	4.238,04	7.557,35
7.Payments on Account & Constructions in progress		
Total Tangible Assets	<u>182.411,23</u>	<u>16.504,63</u>
Total Fixed Assets (CI+CII)	<u>484.154,44</u>	<u>399.110,96</u>
<i>III. Investments and other long term assets</i>		
1.Investments in Group Undertakings		

1a. Investments in associated companies		
2. Investments in other companies		
Less: Unpaid Installments		
	0,00	0,00
3. Long-term receivables from associated business		
4. Long-term receivables from other associated business		
6. Assets Securities		
7. Other long term assets		
Total Investments and other long term assets	0,00	0,00
Total Fixed Assets Employed (CI+CII+CIII)	<u>484.154,44</u>	<u>399.110,96</u>

D. CURRENT ASSETS

I. inventories

1. Merchandise	965.874,75	262.864,40
2. Finished goods and semi-finished goods		
3. Work in progress		
4. Raw & auxiliary materials, spare parts & packaging materials		
5. Advances against inventories purchases		
Total inventories	<u>965.874,75</u>	<u>262.864,40</u>

II. Current Receivables

1. Trade debtors	6.567.839,21	7.186.762,50
less: Doubtful Claims		
	<u>6.567.839,21</u>	<u>7.186.762,50</u>
2. Bills receivable		
less: Deferred Interest		
	0,00	0,00
3. Bills receivable overdue		
3a. Cheques receivable		
3b. Cheques receivable overdue		
4. Share capital receivable		
5. Short-term receivables from associated business		
6. Short-term receivables from other associated business		
7. Receivables from Directors and managers		
8. Blocked accounts		
9. Long-term receivables		
10. Doubtful trade debtors and receivables		
less: Provision for doubtful accounts	119.528,34	90.778,34
	<u>-119.528,34</u>	<u>-90.778,34</u>
11. Other debtors	950,70	
11a. V.A.T. receivable-State		
11b. Tax advances-State	950,70	2.632,13
11c. Other Taxes-State		6,22
12. Advances and prepayments	384.531,15	454.677,30
Total Current receivables	<u>6.833.792,72</u>	<u>7.553.299,81</u>

III. Marketable Securities

1. Shares		
2. Bonds	500.000,00	
3. Other Securities		
4. Own shares		
less: Unpaid installments		
	0,00	0,00
Total Marketable Securities	<u>500.000,00</u>	<u>0,00</u>

IV. Cash

1. Cash	30.197,35	3.759,19
2. Coupons due		
3. Current & Deferred accounts at banks	1.482,96	279.280,33
Total Cash	<u>31.680,31</u>	<u>283.039,52</u>
Total Current Assets (DI+DII+DIII+DIV)	<u>8.331.347,78</u>	<u>8.099.203,73</u>

E. TEMPORARY ASSETS

1. Deferred expenses	46.049,03	95.257,28
2. Accrued income		
3. Other assets suspense accounts		
Total Temporary Assets	<u>46.049,03</u>	<u>95.257,28</u>
TOTAL ASSETS (A+B+C+D+E)	<u>8.861.551,25</u>	<u>8.593.571,97</u>

DEBIT MEMO ACCOUNTS		
1.Third parties' assets	321.763,36	
2.Guarantees and collateral securities		
3.Claims of bilateral contracts		
4.Other		
	<u>321.763,36</u>	<u>0,00</u>

LIABILITIES AND SHAREHOLDERS EQUITY

A. SHARE CAPITAL

I. Share Capital

1.Issued and fully paid	100.000,00	100.000,00
2.Unpaid Share Capital		
3.Amortized Share Capital		
	<u>100.000,00</u>	<u>100.000,00</u>

II. Share premium account (Excess over par Value of Shares Issued)

III. Revaluation reserves and investment grants

1.Revaluation of investments		
2.Revaluation reserves		
3.Government Grants for fixed Assets		
	<u>0,00</u>	<u>0,00</u>

IV. Reserves

1.Statutory reserve	21,95	
2.Reserves provided by the articles of incorporation		
3.Special reserves		
4.Extraordinary reserves	59.458,01	59.041,01
5.Tax-free reserves under special laws		
6.Reserves for redemption of own shares		
less: Consolidation Differences		
Depreciation of Participation Goodwill in affiliat		
	<u>0,00</u>	<u>0,00</u>
	<u>59.479,96</u>	<u>59.041,01</u>

V. Profit / Losses carried forward

Retained Earnings / Current Year		438,95
Retained Earnings / Prior Year		
<Loss for the year>	-121.562,00	-33.826,31
<Loss brought forward>	-57.448,78	
	<u>-179.010,78</u>	<u>-33.387,36</u>

VI. Amounts to increase share capital

1.Shareholders deposits		
2.Dividends to increase share capital		
	<u>0,00</u>	<u>0,00</u>

Less/Plus: Consolidation's Reformation

Consolidation's Reformation/Rrior Years		
Consolidation's Reformation/Current Year		
	<u>0,00</u>	<u>0,00</u>

VII. Consolidation Differences

Less: Charges in the Consolidated Results

	<u>0,00</u>	<u>0,00</u>
--	-------------	-------------

VIII. Exchange Differences due to the Consolidation of Subsidiaries

IX. Minority Interests

Total shareholders equity (AI+AIII+AIII+AIV+AV+AVI+AVII+AVIII+AIX)	<u>-19.530,82</u>	<u>125.653,65</u>
---	-------------------	-------------------

B. PROVISIONS FOR LIABILITIES AND EXPENSES

1.Severance pay indemnities due to retirement	29.453,79	24.302,95
2.Other provisions	826,33	826,33
	<u>30.280,12</u>	<u>25.129,28</u>

C. LIABILITIES

I. Long terms Liabilities

1.Bond Loans		
2.Bank Loans		
3.Savings accounts loans		
4.Long terms liabilities - affiliates		
5.Long terms liabilities - other affiliates		
6.Banks - Long term loans	500.000,00	224.624,59

7. Long-term bills payable		
Less: Deffered interest		
8. Other long-term liabilities		
Total L-T liabilities	<u>500.000,00</u>	<u>224.624,59</u>
II. Short term liabilities		
1. Suppliers	7.047.945,54	7.291.291,02
2. Bills payable		
Less: Deffered interest		
	<u>0,00</u>	<u>0,00</u>
2a. Cheques payable		
3. Banks - short-term liabilities	1.139.031,74	616.502,60
4. Customers' advances		
5. Taxes and duties payable	151.369,96	274.424,89
5a. Taxes Related with the dividends of Subsidiaries		
6. Social security insurance	2.528,47	2.324,14
7. Current portion of long term loans		
8. Liabilities to associated business		
9. Liabilities to other affiliates		
10. Dividends payable		
11. Other creditors	8.799,57	28.200,36
Total S-T liabilities	<u>8.349.675,28</u>	<u>8.212.743,01</u>
TOTAL LIABILITIES (CI+CII)	<u>8.849.675,28</u>	<u>8.437.367,60</u>

D. ACCRUALS

1. Accrued income		
2. Accrued expenses	1.126,67	5.421,44
3. Other liabilities suspense accounts		
	<u>1.126,67</u>	<u>5.421,44</u>
TOTAL LIABILITIES (A + B + C + D)	<u>8.861.551,25</u>	<u>8.593.571,97</u>

CREDIT MEMO ACCOUNTS

1. Beneficiaries of third parties' assets	321.763,36	
2. Beneficiaries of guarantees and collateral securities		
3. Obligations from bilateral contracts		
4. Other		
	<u>321.763,36</u>	<u>0,00</u>
	0,00	

PROFIT & LOSS STATEMENT

I. Operating results

Turnover	1.173.695,95	2.583.676,24
Less: Cost of goods sold	<u>1.045.881,57</u>	<u>2.420.249,06</u>
Gross operating profit	<u>127.814,38</u>	<u>163.427,18</u>
Plus: 1. Other operating income		
Subtotal	<u>127.814,38</u>	<u>163.427,18</u>
LESS: 1. Administration Expenses	47.410,65	46.170,66
2. Research and Development Expenses		
3. Sales and Marketing Expenses	163.407,81	122.129,60
	<u>210.818,46</u>	<u>168.300,26</u>
Subtotal	<u>-83.004,08</u>	<u>-4.873,08</u>

PLUS (or less)

1. Income from participation		
1a. Income/Dividends from affiliates		
2. Income from marketable securities		
3. Profit from sales of participations and marketable Securities		
4. Interest income and similar income	3.336,89	1,81
Subtotal	<u>3.336,89</u>	<u>1,81</u>

less:

1. Valuation differences of equity participations & securities		
1a. Losses from affiliates		
2. Expenses & losses from participations and marketable securities		
3. Interest expense and similar expense	39.483,14	20.911,84
Subtotal	<u>39.483,14</u>	<u>20.911,84</u>
Total operating profit / <loss>	<u>-119.150,33</u>	<u>-25.783,11</u>

II. PLUS (or less): Non operating items

1.Non operating/extraordinary income & revenues		
2.Extraordinary profits		7.650,59
2a.Monetary gain		
3.Previous years' income/revenue		
4.Income from previous years' provisions		
	0,00	7.650,59
Less:		
1.Non operating/extraordinary expenses		
2.Extraordinary losses	2.411,67	15.693,80
3.Previous years' expenses		
4.Provisions for special risks and unforeseen expenses		
Subtotal of non operating items	-2.411,67	15.693,80
Total operating and non operating results	-121.562,00	-33.826,31
LESS:		
Total Depreciation	37.753,81	27.052,20
Less: Depreciation included in operating results	37.753,81	27.052,20
Depreciation not included in operating results	0,00	0,00
Depreciation of Consolidation Differences		
Depreciation of the goodwill / participation in affiliates		
Exchange differences (revenues/expenses) due consolidation of the Affiliates		
Subtotal	0,00	0,00
PROFIT / < LOSS> BEFORE TAXES	-121.562,00	-33.826,31
Prior Year Retained Earnings / <Losses>		
Prior years income taxes enforced by the tax au (Only if they have not been incorporated in the operating cost)		
Other taxes not incorporated in the operating cost		
Income taxes / provision for income taxes		
Minority Interest		
	0,00	0,00
PROFITS / < LOSSES> FOR DISTRIBUTION / AP	-121.562,00	-33.826,31