

REPORT OF THE AUDITORS

To the Shareholders of Zlatna Panega Beton EOOD

We have audited the accompanying balance sheet of Zlatna Panega Beton EOOD (the Company) as of 31 December 2004 and the related statements of income and cash flow and changes in equity for the eight months then ended. These financial statements set out on pages 2 to 19 are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with International Standards on Auditing. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statements presentation. We believe that our audit provides a reasonable basis for our opinion.

The Company has not prepared Financial Statements in accordance with International Financial Reporting Standards as at and for the eight months ended 31 December 2003. Consequently, the accompanying income statement, statement of changes in shareholders' equity and statement of cash flows do not include comparative figures for the prior eight months period ended 31 December 2003 as required by International Accounting Standard Number 1 (Revised), 'Presentation of Financial Statements'.

In our opinion, except for the effects of the matter discussed in the preceding paragraph the accompanying financial statements present fairly in all material respects the financial position of the Company as of 31 December 2004 and the results of its operations and its cash flows and statement of changes in equity for the eight months then ended in accordance with International Financial Reporting Standards.

PricewaterhouseCoopers
Sofia, Bulgaria
18 February 2005

ZLATNA PANEGA BETON EOOD
INCOME STATEMENT
31 DECEMBER 2004

(all amounts in EUR thousands)	Notes	Eight months ended 31 December 2004
Sales	2	6,572
Cost of sales	3	(5,600)
Gross profit		<hr/> 972
Distribution costs	4	(68)
Administrative expenses	5	(184)
Other operating income (net)	6	<hr/> (28)
Operating profit/(loss)		694
Net finance costs	7	(14)
Profit before tax		<hr/> 678
Tax	8	<hr/> 12
Net profit		<hr/> 690

ZLATNA PANEGA BETON EOOD
BALANCE SHEET
31 DECEMBER 2004

(all amounts in EUR thousands)	Notes	31 December 2004	30 April 2004
ASSETS			
Non-current assets			
Long-term assets	9	2,048	2,176
Deferred tax asset	18	12	12
		<u>2,060</u>	<u>2,188</u>
Current assets			
Inventories	10	72	78
Receivables and prepayments	12	1,170	1,450
Assets held for resale	11	-	98
Deferred expenses		13	13
Cash and cash equivalents	13	326	195
		<u>1,581</u>	<u>1,834</u>
Total assets		<u>3,641</u>	<u>4,022</u>
Capital and reserves			
Ordinary shares	16	3,564	3,564
Accumulated loss	19	(747)	(1,437)
		<u>2,817</u>	<u>2,127</u>
LIABILITIES			
Non-current liabilities			
Deferred tax liabilities	18	48	60
		<u>48</u>	<u>60</u>
Current liabilities			
VAT payable		14	32
Trade and other payables	14	762	1,148
Borrowings	15	-	655
		<u>776</u>	<u>1,836</u>
Total equity and liabilities		<u>3,641</u>	<u>4,022</u>

Signed on behalf of the Board of Directors by
Alexandar Kolev
Executive Director
17 February 2005



**ZLATNA PANEGA BETON FOOD
CASH FLOW STATEMENT
31 DECEMBER 2004**

(all amounts in EUR thousands)	Notes	Eight months ended 31 December 2004
Operating activities		
Cash generated from operations	17	866
Interest paid		(14)
Net cash from operating activities		<u>852</u>
Investing activities		
Purchase of property, plant and equipment		(75)
Proceeds from sale of property, plant and equipment		5
Net cash used in the investing activities		<u>(70)</u>
Financing activities		
Loans repaid	15	(655)
Dividends paid		
Interest received		4
Net cash used in financing activities		<u>(651)</u>
Increase in cash and cash equivalents		<u>131</u>
At start of year	13	195
At end of year	13	<u>326</u>