

Auditor's Report

Kindly refer to the relevant document in the Greek version.

IONIA S.A.
INCOME STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2007
(Amounts in Euro)

	Σημ.	2007	2006
Revenue		7.314.259	6.740.685
Cost of sales		-3.880.937	-3.277.537
Gross profits before depreciation		3.433.322	3.463.148
Other operating income	3	533.039	6.768
Administrative expenses		-951.619	-726.751
Sales and marketing expenses		-3.337.898	-2.971.609
Other operating expenses		0	-262.008
Net losses before taxes, financial results and depreciation		-323.156	-490.452
Depreciation in proportion to the cost of sales	4	-424	-294
Depreciation in proportion to administration and sales expenses	4	-68.564	-66.888
Net losses before taxes and financial results		-392.144	-557.634
Finance revenue		393	941
Finance costs - net		-1.303	-1.937
Net losses before taxes		-393.054	-558.630
Less: Income tax	6	0	-117.047
Net losses after taxes		-393.054	-675.677

The notes on pages 6-24 are an inseparable part of these financial statements.

IONIA S.A.
FOR THE YEAR ENDED 31 DECEMBER 2007

(Amounts in Euro)

<u>ASSETS</u>	Note	2007	2006
Tangible fixed assets	7	578.299	549.507
Non-current receivables	8	305.539	333.557
Total non-current assets		883.838	883.064
Inventories	9	1.000.177	972.627
Receivables and prepayments	11	1.002.218	426.014
Cash and cash equivalents	10	116.572	146.439
Total current assets		2.118.967	1.545.080
TOTAL ASSETS		3.002.805	2.428.144
<u>LIABILITIES</u>			
Share capital (260.000 shares at € 3,00)	16	780.000	780.000
Reserves	17	121.561	121.561
Retained losses		-2.355.208	-1.962.154
TOTAL SHAREHOLDERS' CAPITAL (a)		-1.453.647	-1.060.593
Pension payment liabilities	14	716.150	1.499.510
Total non-current liabilities		716.150	1.499.510
Trade and other payables	12	3.740.302	1.989.227
Total current liabilities		3.740.302	1.989.227
TOTAL LIABILITIES (b)		4.456.452	3.488.737
TOTAL SHAREHOLDERS' CAPITAL AND LIABILITIES (a+b)		3.002.805	2.428.144

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IONIA S.A.
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2007
(Amounts in Euro)

	Common shares	Reserves	Retained earnings/ (losses)	Total
Amounts of period ending 31 December 2006				
Balance at 1 January 2006	780.000	121.561	-1.286.477	-384.916
Net loss of period			-675.677	-675.677
Balance at 31 December 2006	<u>780.000</u>	<u>121.561</u>	<u>-1.962.154</u>	<u>-1.060.593</u>
Amounts of period ending 31 December 2007				
Balance at 1 January 2007	780.000	121.561	-1.962.154	-1.060.593
Net loss of period			-393.054	-393.054
Balance at 31 December 2007	<u>780.000</u>	<u>121.561</u>	<u>-2.355.208</u>	<u>-1.453.647</u>

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IONIA S.A.
CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2007
(Amounts in Euro)

	Notes	2007	2006
Cash flow from operational activities			
Cash flow from main operations	18	335.402	906.820
Tax payments		0	-196.776
Indemnity payments to former personnel		-262.800	-85.910
Total cash flow from operational activities		72.602	624.134
Cash flow from investment activities			
Purchase of tangible and intangible assets	7	-97.780	-529.792
Decrease of other non-current receivables		-3.779	-17.925
Total cash flow from investment activities		-101.559	-547.717
Cash flow from financial activities			
Interest paid		-910	-1.937
Total cash flow from finance activities		-910	-1.937
(Decrease) /increase in cash		-29.867	74.480
Cash at beginning of period	10	146.439	71.959
Cash at end of period	10	116.572	146.439

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