

INDEPENDENT AUDITOR'S REPORT

To: The Shareholder of
Sarantis Bulgaria Ltd.

Report on the Financial Statement

We have audited the accompanying financial statement of Sarantis Bulgaria Ltd., which comprise the statement of financial position as at December 31, 2011, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statement

Management is responsible for the preparation and fair presentation of this financial statement in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statement that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on this financial statement based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statement presents fairly, in all material respects, the financial position of Sarantis Bulgaria Ltd. as at December 31, 2011, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

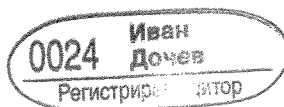
Report on Other Legal and Regulatory Requirements

We confirm that the information presented in the annual activity management report is consistent with the data of the financial statement and complete in the context of the requirements of the Commercial Law in Bulgaria and the Accounting Law.

Auditor: 

/ Ivan Dochev /

Date: 21.07.....2012



Address: Sofia, Lyuben Karavelov Str. 59

STATEMENT OF FINANCIAL POSITION OF SARANTIS BULGARIA LTD. AS OF DECEMBER 31, 2011

	31/12/2011	31/12/2010
	('000 BGN)	('000 BGN)
ASSETS		
NON-CURRENT ASSETS		
Equipment, transportation means and other	162	275
Deferred tax asstes	87	93
TOTAL NON-CURRENT ASSETS	249	368
CURRENT ASSETS		
Inventories	2 284	2 990
Trade and other receivables	6 851	7 051
Cash	4 969	4 111
TOTAL CURRENT ASSETS	14 104	14 152
TOTAL ASSETS	14 353	14 520
EQUITY		
Authorised capital	10 624	10 624
Reserves	1	1
Profit carried forward	1 748	1 408
TOTAL EQUITY	12 373	12 033
LIABILITIES		
SHORT-TERM LIABILITIES		
Trade and other liabilities	1 500	1 999
Net current tax liabilities	356	383
Provisions	124	105
TOTAL SHORT-TERM LIABILITIES	1 980	2 487
TOTAL EQUITY AND LIABILITIES	14 353	14 520

Prepared by:

(Vessela Tsvetanova)

General Manager:

(Nenad Marinkovic)

Date: 13/01/2012



Иван
21.01.2012.



**STATEMENT OF COMPREHENSIVE INCOME OF SARANTIS BULGARIA LTD.
FOR THE PERIOD FROM 01/01/2011 TO 31/12/2011**

	2011	2010
	('000 BGN)	('000 BGN)
Revenue	19 956	23 241
Cost of sales	(9 535)	(12 537)
Expenses for materials	(1 176)	(1 205)
Expenses for external services	(5 125)	(5 541)
Expenses for personnel	(2 080)	(2 182)
Depreciation expenses	(121)	(168)
Other operating income	133	143
Other operating expenses	(256)	(271)
Operating profit	1 796	1 480
Net financial income	147	97
Profit before taxes	1 943	1 577
Income tax expense	<u>(195)</u>	<u>(169)</u>
Profit for the year after tax	1 748	1 408
Total comprehensive income for the year	<u>1 748</u>	<u>1 408</u>

Prepared by:

Vessela Tsvetanova
(Vessela Tsvetanova)

General Manager:

Nenad Marinkovic
(Nenad Marinkovic)

Date: 13.01.2012



Иван Дочев
21.07.2012

