

Original

AECO (Holdings) Limited

**Report and financial statements
31 December 2007**

AECO (Holdings) Limited

Report and financial statements 31 December 2007

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AECO (Holdings) Limited

Board of Directors and other officers

Board of Directors

Soterakis Koupepides
Stella Raouna

Company Secretary

Zet Secretarial Limited

Elenion Building
2nd floor
5 Themistocles Dervis Street,
1066 Nicosia
Cyprus

Registered office

Julia House
3 Themistocles Dervis Street
1066 Nicosia
Cyprus

AECO (Holdings) Limited

Report of the Board of Directors

1 The Board of Directors presents its report together with the audited financial statements of the Company for the year ended 31 December 2007.

Principal activities

2 The principal activities of the Company, which are unchanged from last year, are those of an investment holding company and the provision of loans to related companies.

Review of developments, position and performance of the Company's business

3 The profit of the Company for the year ended 31 December 2007 was €106.853 (2006: loss €19.649). On 31 December 2007 the total assets of the Company were €4.058.002 (2006: €554.835) and the net assets were €648.951 (2006: €542.098). The financial position, development and performance of the Company as presented in these financial statements is considered satisfactory.

Principal risks and uncertainties

4 The Company's principal risks and uncertainties are in relation to market risk and liquidity risk. The Board of Directors of the Company employs the risk management policies to manage these risks.

Future developments

5 The Board of Directors does not expect any significant changes or developments in the operations, financial position and performance of the Company in the foreseeable future.

Results

6 The Company's results for the year are set out on page 6. The Board of Directors does not recommend the payment of a dividend and the profit for the year is retained.

Share capital

7 There were no changes in the share capital of the Company.

AECO (Holdings) Limited

Report of the Board of Directors (continued)

Board of Directors

8 The members of the Board of Directors at 31 December 2007 and at the date of this report are shown on page 1. All of them were members of the Board throughout the year 2007.

9 There were no significant changes in the assignment of responsibilities and remuneration of the Board of Directors.

Events after the balance sheet date

10 There were no material post balance sheet events, which have a bearing on the understanding of the financial statements.

Branches

11 The Company did not operate through any branches during the year.

Independent Auditors

12 The Independent Auditors, PricewaterhouseCoopers Limited, have expressed their willingness to continue in office. A resolution giving authority to the Board of Directors to fix their remuneration will be proposed at the Annual General Meeting.

By order of the Board



Soterakis Koupepides
Director

Nicosia
13 June 2008



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Independent Auditors' Report To the Members of AECO (Holdings) Limited

Report on the Financial Statements

We have audited the financial statements of AECO (Holdings) Limited (the "Company") on pages 6 to 20, which comprise the balance sheet as at 31 December 2007 and the income statement, statement of changes in equity and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Board of Directors' Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards as adopted by the European Union (EU) and the requirements of the Cyprus Companies Law, Cap. 113. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditors' Responsibility

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 comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, 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 statements 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 the Board of Directors, as well as evaluating the overall presentation of the financial statements.

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

Board Members: Phidias K Pillides (CEO), Dinos N Papadopoulos (Deputy CEO), Tassos I Telefantides (Deputy CEO), Panikos N Tsiallis, Christakis Sanlis, Stephanos D Stephanides, Costas L Hadjiconstantinou, George Foradakis, Costas M Nicolaidis, Angelos M Loizou, Vasilis Hadjivassiliou, Androulla S Pittas, Savvas C Michail, Costas L Mavrocordatos, Christos M Themistocleous, Panicos Kavouris, Nicos A Neophytou, George M Loizou, Pantelis G Evangelou, Liakos M Theodorou, Stelios Constantinou, Tassos Procopiou, Andreas T Constantinides, Theo Papperis, Constantinos Constantinou, Petros C Patrakis, Philippos C Sotillos, Evgenios C Evgoniou, Christos Tsolakis, Nicos A Theodoulou, Nikos T Nikolaidis, Cleo A Papadopolou, Marinos S Andreou, Nicos P Chimarides, Aram Tavittan, Constantinos Taliotis, Stavros A Kattamis, Yiannos A Kaponides, Tassos N Nolas, Chrysalios K Pelekanos, Etyonios Etychiou, George C Lambrou, Chris Odysseos
Directors of Operations: Adrian Ioannou, Androulla Aristidou, Achilles Chrysanthou, George Skapoullaris, Bambos A Charalambous, Demetris V Pselte, Constantinos L Kapsalis, Stelios A Violaris

Offices: Nicosia, Limassol, Larnaca, Paphos

PricewaterhouseCoopers Ltd is a private company.
Registered in Cyprus (Reg. No. 143594)

Opinion

In our opinion, the financial statements give a true and fair view of the financial position of AECO (Holdings) Limited as of 31 December 2007, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the EU and the requirements of the Cyprus Companies Law, Cap. 113.

Report on Other Legal Requirements

Pursuant to the requirements of the Companies Law, Cap. 113, we report the following:

- We have obtained all the information and explanations we considered necessary for the purposes of our audit.
- In our opinion, proper books of account have been kept by the Company.
- The Company's financial statements are in agreement with the books of account.
- In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Companies Law, Cap. 113, in the manner so required.
- In our opinion, the information given in the report of the Board of Directors on pages 2 to 3 is consistent with the financial statements.

Other Matter

This report, including the opinion, has been prepared for and only for the Company's members as a body in accordance with Section 156 of the Companies Law, Cap. 113 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whose knowledge this report may come to.


PricewaterhouseCoopers Limited
Chartered Accountants

Nicosia, 13 June 2008

AECO (Holdings) Limited

Income statement for the year ended 31 December 2007

		For the period from 30 January 2006 to 31 December 2006	
	Note	2007 €	2006 €
Administrative expenses		(32.568)	(19.603)
Other income	5	<u>156.317</u>	<u>-</u>
Operating profit/(loss)		123.749	(19.603)
Finance costs	7	<u>(6.373)</u>	<u>(46)</u>
Profit/(loss) before tax		117.376	(19.649)
Tax	8	<u>(10.523)</u>	<u>-</u>
Profit/(loss) for the year/period		<u>106.853</u>	<u>(19.649)</u>

The notes on pages 10 to 20 are an integral part of these financial statements.

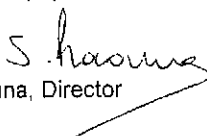
AECO (Holdings) Limited

Balance sheet at 31 December 2007

	Note	2007 €	2006 €
Assets			
Non-current assets			
Investments in joint ventures	11	508.496	508.496
Non-current receivables	12	<u>1.452.775</u>	<u>-</u>
		<u>1.961.271</u>	<u>508.496</u>
Current assets			
Receivables	13	-	1.747
Cash and cash equivalents	14	<u>2.096.731</u>	<u>44.592</u>
		<u>2.096.731</u>	<u>46.339</u>
Total assets		<u>4.058.002</u>	<u>554.835</u>
Equity and liabilities			
Capital and reserves			
Share capital	15	3.479	3.479
Share premium	15	558.268	558.268
Retained earnings/ (Accumulated losses)		<u>87.204</u>	<u>(19.649)</u>
Total equity		<u>648.951</u>	<u>542.098</u>
Current liabilities			
Payables	16	<u>3.409.051</u>	<u>12.737</u>
Total equity and liabilities		<u>4.058.002</u>	<u>554.835</u>

On 13 June 2008 the Board of Directors of AECO (Holdings) Limited authorised these financial statements for issue.


Soterakis Koupepides, Director


Stella Raouna, Director

The notes on pages 10 to 20 are an integral part of these financial statements.

AECO (Holdings) Limited

Statement of changes in equity for the year ended 31 December 2007

	Note	Share capital €	Share premium €	(Accumulated losses)/ Retained earnings ⁽¹⁾ €	Total €
Balance at 30 January 2006		-	-	-	-
Issue of shares	15	3.479	558.268	-	561.747
Loss for the year		-	-	(19.649)	(19.649)
Balance at 31 December 2006/ 1 January 2007		<u>3.479</u>	<u>558.268</u>	<u>(19.649)</u>	<u>542.098</u>
Profit for the year		-	-	106.853	106.853
Balance at 31 December 2007		<u>3.479</u>	<u>558.268</u>	<u>87.204</u>	<u>648.951</u>

- (1) Companies which do not distribute 70% of their profits after tax, as defined by the Special Contribution for the Defence of the Republic Law, during the two years after the end of the year of assessment to which the profits refer, will be deemed to have distributed this amount as dividend. Special contribution for defence at 15% will be payable on such deemed dividend to the extent that the shareholders (individuals and companies) at the end of the period of two years from the end of the year of assessment to which the profits refer are Cyprus tax residents. The amount of this deemed dividend distribution is reduced by any actual dividend paid out of the profits of the relevant year at any time. This special contribution for defence is paid by the Company for the account of the shareholders.

The notes on pages 10 to 20 are an integral part of these financial statements.

AECO (Holdings) Limited

Cash flow statement for the year ended 31 December 2007

	2007	For the period from 30 January 2006 to 31 December 2006
Note	€	€
Cash flows from operating activities		
Profit/(loss) before tax	117.376	(19.649)
Adjustments for:		
Interest income	5 (156.317)	-
Exchange difference on loans to related parties	17(ii) <u>146.333</u>	<u>-</u>
	107.392	(19.649)
Changes in working capital:		
Receivables	1.747	(1.747)
Payables	<u>3.396.314</u>	<u>12.737</u>
Cash generated from/(used in) operations	3.505.453	(8.659)
Tax paid	<u>(10.523)</u>	<u>-</u>
Net cash from/(used in) operating activities	<u>3.494.930</u>	<u>(8.659)</u>
Cash flows from investing activities		
Acquisition of stake in joint venture	11 -	(508.496)
Loans to related parties	17(ii) (1.549.565)	-
Interest received	<u>106.774</u>	<u>-</u>
Net cash used in investing activities	<u>(1.442.791)</u>	<u>(508.496)</u>
Cash flows from financing activities		
Proceeds from issue of share capital	15 -	561.747
Net cash from financing activities	<u>-</u>	<u>561.747</u>
Net increase in cash and cash equivalents	2.052.139	44.592
Cash and cash equivalents at beginning of year/period	<u>44.592</u>	<u>-</u>
Cash and cash equivalents at end of year/period	14 <u>2.096.731</u>	<u>44.592</u>

The notes on pages 10 to 20 are an integral part of these financial statements.

AECO (Holdings) Limited

Notes to the financial statements

1 General information

Country of incorporation

The Company is incorporated and domiciled in Cyprus as a private limited liability company in accordance with the provisions of the Companies Law, Cap. 113. Its registered office is at Julia House, 3 Themistocles Dervis Street, 1066 Nicosia, Cyprus.

Principal activities

The principal activities of the Company, which are unchanged from last year, are those of an investment holding company and the provision of loans to related companies.

2 Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented in these financial statements unless otherwise stated.

Basis of preparation

The financial statements of the Company have been prepared in accordance with International Financial Reporting Standards (IFRS), as adopted by the European Union (EU), and the requirements of the Cyprus Companies Law, Cap. 113. The financial statements have been prepared under the historical cost convention.

All International Financial Reporting Standards issued by the International Accounting Standards Board (IASB) and effective as at 1 January 2007 have been adopted by the EU through the endorsement procedure established by the European Commission, with the exception of certain provisions of IAS 39 "Financial Instruments: Recognition and Measurement" relating to portfolio hedge accounting.

The preparation of financial statements in conformity with IFRSs requires the use of certain critical accounting estimates and requires management to exercise its judgment in the process of applying the Company's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 4.

AECO (Holdings) Limited

2 Summary of significant accounting policies (continued)

Adoption of new and revised IFRSs

In the current year the Company adopted all new and revised IFRSs that are relevant to its operations and are effective for accounting periods beginning on 1 January 2007.

The adoption of IFRS 7, "Financial Instruments: Disclosures", and the complementary amendment to IAS1, "Presentation of financial statements - Capital Disclosures", introduces new disclosures relating to financial instruments and does not have any impact on the classification and valuation of the Company's financial statements or the disclosures relating to taxation and trade and other payables.

At the date of authorisation of these financial statements the following Standards were in issue but not yet effective:

Standards that become effective for years ending 31 December 2008

- IFRIC Interpretation 11 "IFRS 2 – Group and Treasury Share Transactions" (effective for annual periods beginning on or after 1 March 2007).
- IFRIC Interpretation 12 "Service Concession Arrangements" (effective for annual periods beginning on or after 1 January 2008). *
- IFRIC Interpretation 14 "IAS 19 - The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction" (effective for annual periods beginning on or after 1 January 2008). *

Standards that become effective for years ending 31 December 2009

- IFRS 8 "Operating Segments" (effective for annual periods beginning on or after 1 January 2009).
- IAS 23 (Amendment) "Borrowing Costs" (effective for annual periods beginning on or after 1 January 2009). *
- IFRIC Interpretation 13 "Customer Loyalty Programmes" (effective for annual periods beginning on or after 1 July 2008). *
- IAS 1 (Revised 2007) "Presentation of Financial Statements" (effective for annual periods beginning on or after 1 January 2009). *
- IFRS 2, Share-based Payment (Amendment 2008: Vesting Conditions and Cancellations) (effective for annual periods beginning on or after 1 January 2009). *
- IAS 32, Financial Instruments: Presentation and IAS 1, Presentation of Financial Statements (Amendment 2008: Puttable Financial Instruments and Obligations Arising on Liquidation) (effective for annual periods beginning on or after 1 January 2009). *

AECO (Holdings) Limited

2 Summary of significant accounting policies (continued)

Adoption of new and revised IFRSs (continued)

Standards that become effective for years ending 31 December 2010

- IFRS 3 (Revised 2008), "Business Combinations" (effective for business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after 1 July 2009). *
- IAS 27 (Revised 2008), "Consolidated and Separate Financial Statements" (effective for annual periods beginning on or after 1 July 2009). *

** Have not been endorsed by the European Union.*

The Board of Directors anticipates that the adoption of these Standards in future periods will have no material impact on the financial statements of the Company.

Foreign currency translation

(i) Functional and presentation currency

Items included in the Company's financial statements are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The financial statements are presented in Euro (€), which is the Company's functional and presentation currency.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement.

Tax

Current tax liabilities and assets for the current and prior periods are measured at the amount expected to be paid to or recovered from the taxation authorities, using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is provided in full, using the liability method, on all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax is determined using tax rates and laws that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised.

AECO (Holdings) Limited

2 Summary of significant accounting policies (continued)

Loans

Loans originated by the Company by providing money directly to the borrower are categorised as loans and are carried at amortised cost. This is defined as the fair value of cash consideration given to originate those loans as is determined by reference to market prices at origination date. All loans are recognised when cash is advanced to the borrower. An allowance for loan impairment is established if there is objective evidence that the Company will not be able to collect all amounts due according to the original contractual terms of loans. The amount of the provision is the difference between the carrying amount and the recoverable amount, being the present value of expected cash flows including amounts recoverable from guarantees and collateral, discounted at the original effective interest rate of loans.

Joint Ventures

Joint ventures are contractual arrangements whereby the Company together with other parties undertake an economic activity that is subject to joint control. The Company carries its investments in joint ventures at cost less any impairment in its separate financial statements.

Share capital

Ordinary shares are classified as equity.

Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and the amount has been reliably estimated. Provisions are not recognised for the future operating losses. Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

Cash and cash equivalents

Cash and cash equivalents include deposits held at call with banks.

Comparatives

Where necessary, comparative figures have been adjusted to conform with changes in presentation in the current year.

AECO (Holdings) Limited

3 Financial risk management

(i) Financial risk factors

The Company's activities expose it to a variety of financial risks: market risk (including currency risk and fair value interest rate risk) and liquidity risk.

The Company does not have a formal risk management policy

- **Market risk**

 - **Cash flow and fair value interest rate risk**

 - As the Company has significant interest-bearing assets, the Company's income and operating cash flows are dependent of changes in market interest rates.

 - The Company does not monitor interest rate risk.

- **Liquidity risk**

- The table below analyses the Company's financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

	Up to 1 month	1 to 3 months
At 31 December 2007		
Payables	<u>10,828</u>	<u>3,398,223</u>
At 31 December 2006		
Payables	<u>5,264</u>	<u>7,473</u>

- Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. The management maintains flexibility in funding by maintaining availability under committed credit lines.

(ii) Capital risk management

The Company's capital is not geared as it has no borrowings.

The Company does not have formal policies and procedures for capital risk management.

(iii) Fair value estimation

The carrying value less impairment provision of receivables and payables are assumed to approximate their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Company for similar financial instruments.

AECO (Holdings) Limited

4 Critical accounting estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. As at the balance sheet date, the Company's estimates and assumptions had no significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

5 Other income

	2007	For the period from 30 January 2006 to 31 December 2006
	€	€
Interest income:		
Bank balances	106.774	-
Loans to related parties (Note 17(ii))	<u>49.543</u>	<u>-</u>
	<u>156.317</u>	<u>-</u>

6 Expenses by nature

	2007	For the period from 30 January 2006 to 31 December 2006
	€	€
Auditors' remuneration	6.206	2.800
Professional fees	22.945	6.100
Formation expenses	-	4.758
Other expenses	<u>3.417</u>	<u>5.945</u>
Total cost of administrative expenses	<u>32.568</u>	<u>19.603</u>

7 Finance costs

	2007	For the period from 30 January 2006 to 31 December 2006
	€	€
Net foreign exchange transaction losses	<u>6.373</u>	<u>46</u>

AECO (Holdings) Limited

8 Tax

	2007 €	For the period from 30 January 2006 to 31 December 2006 €
Current tax charge:		
Defence contribution	<u>10.523</u>	<u>-</u>

The tax on the Company's profit before tax differs from the theoretical amount that would arise using the applicable tax rate as follows:

	2007 €	For the period from 30 January 2006 to 31 December 2006 €
Profit/(loss) before tax	<u>117.376</u>	<u>(19.649)</u>
Tax calculated at the applicable corporation tax rate of 10%	11.738	(1.965)
Tax effect of expenses not deductible for tax purposes	-	414
Tax effect of allowances and income not subject to tax	(5.339)	-
Special contribution for defence	10.523	-
Tax effect of utilisation of previously unrecognised tax losses	(6.886)	-
Tax effect of tax losses for which no deferred tax asset was recognised	-	1.551
Additional tax	<u>487</u>	<u>-</u>
Tax charge	<u>10.523</u>	<u>-</u>

The Company is subject to corporation tax on taxable profits at the rate of 10%.

Under certain conditions interest may be subject to defence contribution at the rate of 10%. In such cases 50% of the same interest will be exempt from corporation tax thus having an effective tax rate burden of approximately 15%.

9 Financial instruments by category

	Loans and receivables €	Total €
31 December 2007		
Assets as per balance sheet		
Non-current receivables	1.452.775	1.452.775
Cash and cash equivalents	<u>2.096.731</u>	<u>2.096.731</u>
Total	<u>3.549.506</u>	<u>3.549.506</u>
	Other financial liabilities	Total
Liabilities as per balance sheet		
Payables	<u>3.409.051</u>	<u>3.409.051</u>

AECO (Holdings) Limited

9 Financial instruments by category (continued)

	Loans and receivables €	Total €
31 December 2006		
Assets as per balance sheet		
Receivables	1.747	1.747
Cash and cash equivalents	<u>44.592</u>	<u>44.592</u>
Total	<u>46.339</u>	<u>46.339</u>
Liabilities as per balance sheet		
Trade and other payables	<u>12.737</u>	<u>12.737</u>

10 Credit quality of financial assets

The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to external credit ratings (if applicable) or to historical information about counterparty default rates:

	2007 €	2006 €
Other receivables		
Group 1	<u>-</u>	<u>1.747</u>
Cash at bank and short-term bank deposits		
A2	<u>2.096.731</u>	<u>44.592</u>

Group 1 – Directors, shareholders and key management personnel.

11 Investments in joint ventures

The joint venture, which is unlisted, is:

Name	Principal activity	Country of incorporation	2007	2006
			% Holding	% Holding
AECO Development LLC	Construction	Sultanate of Oman	50	50
			2007 €	2006 €
At beginning of year/period			508.496	-
Acquisition of stake in joint venture			<u>-</u>	<u>508.496</u>
At end of year/period			<u>508.496</u>	<u>508.496</u>

AECO (Holdings) Limited

12 Non-current receivables

	2007 €	2006 €
Non-current		
Loan to related party (Note 17(ii))	<u>1.452.775</u>	<u>-</u>

The carrying amounts of non-current receivables approximate their fair value.

The maximum exposure to credit risk at the reporting date is the carrying value of each class of receivable mentioned above. The Company does not hold any collateral as security. None of the non-current receivables is either past due or impaired.

13 Receivables

	2007 €	2006 €
Receivable from parent entity (Note 17(i))	<u>-</u>	<u>1.747</u>

The fair values of receivables approximate their carrying amounts.

14 Cash and cash equivalents

	2007 €	2006 €
Cash at bank	<u>2.096.731</u>	<u>44.592</u>

Cash and cash equivalents include the following for the purposes of the cash flow statement:

	2007 €	2006 €
Cash and cash equivalents	<u>2.096.731</u>	<u>44.592</u>

15 Share capital and share premium

	Number of shares	Share capital €	Share premium €	Total €
At 30 January 2006	-	-	-	-
Issue of shares	<u>2.000</u>	<u>3.479</u>	<u>558.268</u>	<u>561.747</u>
At 31 December 2006 and 2007	<u>2.000</u>	<u>3.479</u>	<u>558.268</u>	<u>561.747</u>

The total authorized number of ordinary shares is 10 000 shares (2006: 10 000 shares) with a par value of €1 per share. All issued shares are fully paid.

On 30 January (date of incorporation), the Company issued 1 000 shares of C£1 each at their par value of C£1 per share, amounting to C£1.000. On 1 June 2006, the Company issued additional 1 000 shares of C£1 each at a price of C£324,58 per share, amounting to C£324.580.

AECO (Holdings) Limited

16 Payables

	2007 €	2006 €
Payables to related parties (Note 17(i))	3,398,223	7,473
Accrued expenses	<u>10,828</u>	<u>5,264</u>
	<u>3,409,051</u>	<u>12,737</u>

The fair value of payables which are due within one year approximates their carrying amount at the balance sheet date.

17 Related party transactions

The Company is controlled by Elliniki Technodomiki TEB A.E., a company listed in the Athens Stock Exchange, which owns 100% of the Company's shares.

The following transactions were carried out with related parties:

(i) Balances with related parties

	2007 €	2006 €
Receivable from parent entity (Note 13): Elliniki Technodomiki TEB S.A.	<u>-</u>	<u>1,747</u>
Payables to related parties (Note 16): AECO Development LLC	3,390,750	-
Gulf Millennium Holdings Limited	<u>7,473</u>	<u>7,473</u>
	<u>3,398,223</u>	<u>7,473</u>

Balances with related parties bear no interest and there are no specified terms and conditions.

(ii) Loans to related parties

	2007 €	2006 €
Loan to related party:		
Loans advanced during year/period	1,549,565	-
Interest charged (Note 5)	49,543	-
Exchange difference	<u>(146,333)</u>	<u>-</u>
At end of year/period (Note 12)	<u>1,452,775</u>	<u>-</u>

The loan to related party bears interest at the rate of 5,5% per annum, is repayable by 7 June 2012 and is guaranteed by the related company Aktor S.A..

AECO (Holdings) Limited

17 Related party transactions (continued)

(iii) Directors' remuneration

The total remuneration of the Directors was as follows:

	2007 €	For the period from 30 January 2006 to 31 December 2006 €
Fees	<u>992</u>	<u>876</u>

18 Events after the balance sheet date

There were no material post balance sheet events, which have a bearing on the understanding of the financial statements.

Independent Auditors' Report on pages 4 to 5.

AECO (Holdings) Limited

Analysis of expenses for the year ended 31 December 2007

	2007	For the period from 30 January 2006 to 31 December 2006
	€	€
Administrative expenses		
Auditors' remuneration	5.200	2.800
Auditors' remuneration - prior year	1.006	-
Professional fees	22.945	6.100
Directors' fees	992	876
Bank charges	422	998
Taxes and licences	404	155
Legalisation of documents	439	725
Secretarial fees	397	351
Registered office fees	397	352
Printing and stationery	336	891
Formation expenses	-	4.758
Postages and telephones	-	250
Sundry expenses	30	1.347
	<u>32.568</u>	<u>19.603</u>