

Auditor:

CRG NEXIA AUDIT SRL

Share capital: 10.000 lei

CAFR Authorisation: 936/2009

Constanta, 208 Mamaia Bvd, 2nd floor

ORC registration: J13/2444/2009

Fiscal registration RO 26196149

Company:

INSCUT SA Bucuresti

București, 11 Preciziei Bd, sector 6

ORC registration : J40/2220/1991

Fiscal registration: RO 449582

AUDITOR'S INDEPENDENT REPORT

TO THE SHAREHOLDERS OF SC INSCUT SA Bucuresti

REPORT ON THE ANNUAL FINANCIAL STATEMENTS 2009

We have audited the financial statements of **SC INSCUT SA (Company)**, prepared in accordance with the National Financial Reporting Frame (Law no.82/1991, Order no.1752/2005R issued by the Ministry of Public Finance), as of December 31, 2009.

The components of the financial statements are: balance sheet 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 information.

The above financial statements refer to:

• Total assets	30.818.685 lei
• Net assets (total assets – current liabilities)	18.255.006 lei
• Net result (loss)	(3.424.601) lei

Management's Responsibility

Management is responsible for the preparation and the fair presentation of these financial statements in accordance with Order no.1752/2005R issued by the Ministry of Public Finance). This responsibility includes maintaining internal control relevant to the preparation 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.

Auditor's 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 plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of 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 management, as well as valuating 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.

Opinion

In our opinion the financial statements of SC INSCUT SA give a true and fair view of the financial position of the Company as at December 31, 2009 and its financial performance and its cash flows for the year then ended in accordance with the Romanian Financial Reporting Frame.

Other matters

This report is made solely to the company's shareholders, as a body, in accordance with the law. Our audit work has been undertaken so that we might state to the company's shareholders those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

The Financial Statements that we have audited are not meant to give a true and fair view other than that in accordance with Generally Accepted Accounting Practice in

Romania, so for this reason the Financial Statements are not made to persons that are not familiar with these.

Conclusion regarding the compliance of Managers' Report to annual financial statements.

In accordance with OMFP no.1752/2005, art.263, point 2, we have read the managers' report attached to financial statements. This report does not include in the financial statements. We didn't find in this report financial informations which are not accordingly with the prepared financial statements as of December 31, 2009.

Constanta, 10th of March 2010

Auditor

CRG NEXIA AUDIT Ltd.

Member of Nexia International

Audit partner,

Silvia Ichimescu

CAFR: 1990/2007

