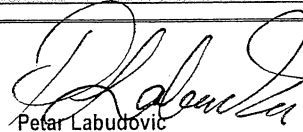


NetWest Distribution Services

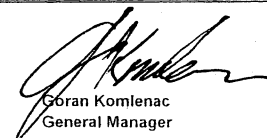
ASSETS		Acquisition	Accumulated	Net Value	LIABILITIES		Net Value
IN €		Value	Depreciation		IN €		
<b>A</b>	<b>Capital Due</b>				<b>A</b>	<b>Owners Equity</b>	
<b>B</b>	<b>Installation Expenses</b>				<b>A I</b>	<b>Capital</b>	
<b>B 1</b>	First Installation Expenses				<b>A I 1</b>	Paid-In Capital	902,999.72
<b>B 2</b>	Foreign Exchange Differences of Loans to Acquire Assets				<b>A I 2</b>	Capital Due	
<b>B 3</b>	Interest Expenses of Loans of Installation Period				<b>A I 3</b>	Depreciated	902,999.72
<b>B 4</b>	Other Installation Expenses						
<b>B</b>	Installation Expenses				<b>A II</b>	Paid In Capital in Excess of Par	
<b>C</b>	<b>Fixed Assets</b>				<b>A III</b>	Revaluations & Grants	
<b>C I</b>	<b>Intangible Assets</b>				<b>A III 1</b>	Revaluations of Participations & Securities	
<b>C I 1</b>	Research & Development Costs				<b>A III 2</b>	Revaluations of Other Assets	
<b>C I 2</b>	Property Rights				<b>A III 3</b>	Investment Grants	
<b>C I 3</b>	Company Goodwill				<b>A IV</b>	Reserves	
<b>C I 4</b>	Advances for Intangible Assets				<b>A IV 1</b>	Legal Reserves	58,604.05
<b>C I 5</b>	Other Intangible Assets	20,328.15	5,200.70	15,127.46	<b>A IV 2</b>	Statutory Reserves	70,315.90
<b>C I 5a</b>	Consolidation Differences				<b>A IV 3</b>	Special Reserves	
<b>C II</b>	<b>Tangible Assets</b>				<b>A IV 4</b>	Extraordinary Reserves	
<b>C II 1</b>	Land				<b>A IV 5</b>	Tax Free Reserves	
<b>C II 2</b>	Mines				<b>A IV 6</b>	Reserves for Own Shares	
<b>C II 3</b>	Buildings - Technical Works				<b>A IV 7</b>	Consolidation Differences	
<b>C II 4</b>	Equipment	43,415.94	23,979.70	19,436.24	<b>A IV 8</b>	Depreciation of Goodwill in Affiliated Companies	129,919.95
<b>C II 5</b>	Means of Transportation	224,082.85	181,476.58	62,606.27	<b>A V</b>	Carried Forward Results	
<b>C II 6</b>	Furniture	17,804.68	12,688.33	5,116.33	<b>A V 1a</b>	Results of Previous Periods	-300,067.88
<b>C II 7</b>	Assets Under Construction	3,685.38		3,685.36	<b>A V 1b</b>	Results of Current Period	418,184.83
		288,988.82	198,154.62	90,834.20	<b>A V 2</b>	Plus / (Less) Consolidation Recalculation	
					<b>A V 3</b>	Recalculation of Previous Periods' Results	
					<b>A V 4</b>	Recalculation of Current Periods' Results	
					<b>A V 5</b>	Tax Penalties for Previous Periods	119,116.55
	<b>Tangible &amp; Intangible Assets (C I + C II)</b>	<b>309,316.97</b>	<b>203,355.32</b>	<b>105,961.66</b>	<b>A VI</b>	Amounts for Capital Increase	
<b>C III</b>	<b>Participations &amp; Other Long Term Claims</b>				<b>A VI 1</b>	Shareholders' Deposits	
<b>C III 1</b>	Participation in Affiliated Companies				<b>A VI 2</b>	Available Dividends	
<b>C III 2</b>	Participation in Other Companies				<b>A VII</b>	FX Difference from Translation of International Affiliates	
<b>C III 2a</b>	Less: Installments Due				<b>A VIII</b>	Consolidation Differences	
<b>C III 3</b>	Long Term Claims from Affiliated Companies				<b>A VIII 1</b>	Less: Transfer to Consolidated Results	
<b>C III 4</b>	Long Term Claims from Other Participating Companies				<b>A</b>	Total Owner's Equity	1,152,036.52
<b>C III 5</b>	Long Term Notes Receivables				<b>B</b>	<b>Provisions</b>	
<b>C III 5a</b>	Less: Non-earned Interest				<b>B 1</b>	Provision for Identification of Personnel	1,176.88
<b>C III 6</b>	Other Titles of Assets' Nature				<b>B 2</b>	Other Provisions	
<b>C III 7</b>	Other Long Term Claims				<b>B 3</b>	Provisions for Tax (art 105, par 5, L. 2190/20)	1,176.88
<b>C</b>	<b>Fixed Assets (C I + C II + C III)</b>	<b>309,316.97</b>	<b>203,355.32</b>	<b>105,961.66</b>	<b>B</b>	<b>Provisions</b>	<b>1,176.88</b>
<b>D</b>	<b>Working Capital</b>				<b>C</b>	<b>Liabilities</b>	
<b>D I</b>	<b>Stock</b>			840,984.95	<b>C I</b>	<b>Long Term Liabilities</b>	
<b>D I 1</b>	Merchandise			840,984.95	<b>C I 1</b>	Bonds	
<b>D I 2</b>	Ready and Partly-made Products				<b>C I 2</b>	Bank Loans	
<b>D I 3</b>	Work in Progress				<b>C I 3</b>	Depository Institute Loans	
<b>D I 4</b>	Auxiliary Material				<b>C I 4</b>	Long Term Liabilities to Affiliated Companies	
<b>D I 5</b>	Advances to Suppliers			840,984.95	<b>C I 5</b>	Long Term Liabilities to Other Companies	
<b>D II</b>	<b>Claims</b>				<b>C I 6</b>	Banks, Long Term Credit	
<b>D II 1</b>	Customers		1,126,494.43	1,126,494.43	<b>C I 7</b>	Long Term Notes Payable	
<b>D II 1a</b>	Less: Bad Debt Provisions				<b>C I 7a</b>	Less: Non-earned Interest	
<b>D II 2</b>	Notes Receivable				<b>C I 8</b>	Other Long Term Liabilities	
<b>D II 2a</b>	In Portfolio				<b>C II</b>	<b>Short Term Liabilities</b>	
<b>D II 2b</b>	In Banks to Collect				<b>C II 1a</b>	Suppliers (Gr. Serantis SA)	854,155.95
<b>D II 2c</b>	In banks as Pledge				<b>C II 1b</b>	Suppliers (Other Serantis Group Companies)	
<b>D II 3</b>	Notes Receivable Delayed				<b>C II 1c</b>	Suppliers (Tridentstar)	
<b>D II 3a</b>	Checks Receivable				<b>C II 1d</b>	Suppliers (Other)	238,661.45
<b>D II 3b</b>	Checks Delayed				<b>C II 2</b>	Notes Payable	1,083,817.40
<b>D II 4</b>	Capital Receivable at Next Financial Period			900.76	<b>C II 2a</b>	Checks Payable	
<b>D II 5</b>	Short Term Claims from Affiliated Companies				<b>C II 3</b>	Banks, Short Term Liabilities in Local Currency	
<b>D II 6</b>	Short Term Claims from Other Participating Companies				<b>C II 3a</b>	Banks, Short Term Liabilities in Foreign Currency	1,192.73
<b>D II 7</b>	Claims against Management				<b>C II 4</b>	Customer Advances	
<b>D II 8</b>	Blocked Bank Accounts				<b>C II 5</b>	Tax Liabilities	26,099.02
<b>D II 9</b>	Long Term Claims Receivable at Next Financial Period			900.76	<b>C II 5a</b>	Tax from Affiliates Dividends	
<b>D II 10</b>	Doubtful Debts		23,560.79	23,560.79	<b>C II 6</b>	Social Security	
<b>D II 10a</b>	Less: Provisions			23,560.79	<b>C II 7</b>	Short Term Liabilities Payable at Next Financial Period	
<b>D II 11</b>	Sundry Debtors			4,240.55	<b>C II 8</b>	Short Term Liabilities to Affiliated Companies	
<b>D II 12</b>	Advances			2,180.01	<b>C II 9</b>	Short Term Liabilities to Other Companies	
				1,157,376.56	<b>C II 10</b>	Dividends Payable	34,541.46
<b>D III</b>	<b>Securities</b>				<b>C II 11</b>	Sundry Creditors	1,155,650.62
<b>D III 1</b>	Shares				<b>C</b>	<b>Liabilities (C I + C II)</b>	<b>1,155,650.62</b>
<b>D III 2</b>	Bonds				<b>D</b>	<b>Liabilities Transitional Accounts</b>	
<b>D III 3</b>	Other Securities				<b>D 1</b>	Deferred Income	
<b>D III 4</b>	Own Shares				<b>D 2</b>	Accrued Expenses	
<b>D III 4a</b>	Less: Installments Due				<b>D 3</b>	Other Transitional Accounts	
<b>D IV</b>	<b>Cash &amp; Banks</b>			1,026.81	<b>D</b>	<b>Transitional Accounts</b>	
<b>D IV 1</b>	Cash			1,026.81			
<b>D IV 2</b>	Share Coupons Receivable			203,283.98			
<b>D IV 3</b>	Banks			204,310.79			
<b>D</b>	<b>Working Capital (D I + D II + D III + D IV)</b>			<b>2,202,612.28</b>			
<b>E</b>	<b>Assets Transitional Accounts</b>						
<b>E 1</b>	Deferred Expenses			230.17			
<b>E 2</b>	Accrued Income						
<b>E 3</b>	Other Transitional Accounts						
<b>E</b>	<b>Transitional Accounts</b>			<b>230.17</b>			
<b>TOTAL ASSETS (A + B + C + D + E)</b>				<b>2,308,864.12</b>	<b>Total Liabilities (A + B + C + D)</b>		<b>2,308,864.12</b>

  
 Branka Kosovac  
 Finance Manager

  
 Petar Labudovic  
 General Manager

ASSETS IN €		Acquisition Value	Accumulated Depreciation	Net Value	LIABILITIES IN €	Net Value	
A	Capital Due				A Owners Equity		
B	Installation Expenses				A I Capital		
B 1	First Installation Expenses				A I 1 Paid-In Capital	155,595.09	
B 2	Foreign Exchange Differences of Loans to Acquire Assets				A I 2 Capital Due		
B 3	Interest Expenses of Loans of Installation Period				A I 3 Depreciated	155,595.09	
B 4	Other Installation Expenses						
B	Installation Expenses				A II Paid In Capital in Excess of Par		
C	Fixed Assets				A III Revaluations & Grants		
C I	Intangible Assets				A III 1 Revaluations of Participations & Securities		
C I 1	Research & Development Costs				A III 2 Revaluations of Other Assets	18,722.95	
C I 2	Property Rights				A III 3 Investment Grants	18,722.95	
C I 3	Company Goodwill						
C I 4	Advances for Intangible Assets				A IV Reserves		
C I 5	Other Intangible Assets	26,703.54	26,670.79	32.75	A IV 1 Legal Reserves		
C I 5a	Consolidation Differences				A IV 2 Statutory Reserves		
		26,703.54	26,670.79	32.75	A IV 3 Special Reserves		
C II	Tangible Assets				A IV 4 Extraordinary Reserves		
C II 1	Land				A IV 5 Tax Free Reserves		
C II 2	Mines				A IV 6 Reserves for Own Shares		
C II 3	Buildings - Technical Works				A IV 7 Consolidation Differences		
C II 4	Equipment	57,798.34	32,652.16	25,146.18	A IV 8 Depreciation of Goodwill in Affiliated Companies		
C II 5	Means of Transportation	137,776.25	48,347.99	89,428.27			
C II 6	Furniture	17,890.05	17,750.95	139.10			
C II 7	Assets Under Construction				A V Carried Forward Results		
		213,464.64	98,751.10	114,713.54	A V 1a Results of Previous Periods	-47,933.16	
					A V 1b Results of Current Period	54,093.79	
	Tangible & Intangible Assets (C I + C II)	240,168.18	125,421.89	114,746.29	A V 2 Plus / (Less) Consolidation Recalculation		
C III	Participations & Other Long Term Claims				A V 3 Recalculation of Previous Periods' Results		
C III 1	Participation in Affiliated Companies				A V 4 Recalculation of Current Periods' Results		
C III 2	Participation in Other Companies				A V 5 Tax Penalties for Previous Periods	6,160.63	
C III 2a	Less: Installments Due						
C III 3	Long Term Claims from Affiliated Companies				A VI Amounts for Capital Increase		
C III 4	Long Term Claims from Other Participating Companies				A VI 1 Shareholders' Deposits		
C III 5	Long Term Notes Receivables				A VI 2 Available Dividends		
C III 5a	Less: Non-earned Interest						
C III 6	Other Titles of Assets' Nature				A VII FX Difference from Translation of International Affiliates		
C III 7	Other Long Term Claims						
C	Fixed Assets (C I + C II + C III)	240,168.18	125,421.89	114,746.29	A VIII Consolidation Differences		
D	Working Capital				A VIII 1 Less: Transfer to Consolidated Results		
D I	Stock				A Total Owner's Equity	180,478.67	
D I 1	Merchandise			199,226.73			
D I 2	Ready and Partly-made Products				B Provisions		
D I 3	Work in Progress				B 1 Provision for Identification of Personnel		
D I 4	Auxiliary Material				B 2 Other Provisions		
D I 5	Advances to Suppliers				B 3 Provisions for Tax (art 105, per 5, L.2190/20)		
				199,226.73	B Provisions		
D II	Claims				C Liabilities		
D II 1	Customers		301,069.65		C I Long Term Liabilities		
D II 1a	Less: Bad Debt Provisions			301,069.65	C I 1 Bonds		
D II 2	Notes Receivable				C I 2 Bank Loans		
D II 2a	In Portfolio				C I 3 Depository Institute Loans		
D II 2b	In Banks to Collect				C I 4 Long Term Liabilities to Affiliated Companies		
D II 2c	In banks as Pledge				C I 5 Long Term Liabilities to Other Companies		
D II 3	Notes Receivable Delayed				C I 6 Banks, Long Term Credit		
D II 3a	Checks Receivable				C I 7 Long Term Notes Payable		
D II 3b	Checks Delayed				C I 7a Less: Non-earned Interest		
D II 4	Capital Receivable at Next Financial Period				C I 8 Other Long Term Liabilities		
D II 5	Short Term Claims from Affiliated Companies						
D II 6	Short Term Claims from Other Participating Companies				C II Short Term Liabilities		
D II 7	Claims against Management				C II 1a Suppliers (Gr. Sarantis SA)	328,128.93	
D II 8	Blocked Bank Accounts				C II 1b Suppliers (Other Sarantis Group Companies)		
D II 9	Long Term Claims Receivable at Next Financial Period				C II 1c Suppliers (Tridentstar)		
D II 10	Double/Full Debts				C II 1d Suppliers (Other)	108,058.38	
D II 10a	Less: Provisions			10,935.21	C II 2 Notes Payable	436,187.31	
D II 11	Sundry Debtors			1,315.45	C II 2a Checks Payable		
D II 12	Advances			313,320.31	C II 3 Banks, Short Term Liabilities in Local Currency		
D III	Securities				C II 3a Banks, Short Term Liabilities in Foreign Currency		
D III 1	Shares				C II 4 Customer Advances		
D III 2	Bonds				C II 5 Tax Liabilities	14,040.99	
D III 3	Other Securities				C II 5a Tax from Affiliates Dividends		
D III 4	Own Shares				C II 6 Social Security	1,412.87	
D III 4a	Less: Installments Due				C II 7 Short Term Liabilities Payable at Next Financial Period		
D IV	Cash & Banks				C II 8 Short Term Liabilities to Affiliated Companies		
D IV 1	Cash			3,209.88	C II 9 Short Term Liabilities to Other Companies		
D IV 2	Share Coupons Receivable				C II 10 Dividends Payable	2,512.29	
D IV 3	Banks			4,128.91	C II 11 Sundry Creditors	454,154.46	
				7,339.80			
D	Working Capital (D I + D II + D III + D IV)			519,886.84	C Liabilities (C I + C II)	454,154.46	
E	Assets Transitional Accounts				D Liabilities Transitional Accounts		
E 1	Deferred Expenses				D 1 Deferred Income		
E 2	Accrued Income				D 2 Accrued Expenses		
E 3	Other Transitional Accounts				D 3 Other Transitional Accounts		
E	Transitional Accounts				D Transitional Accounts		
TOTAL ASSETS (A + B + C + D + E)				634,633.13	Total Liabilities (A + B + C + D)		634,633.13

  
Ljiljana Stevanovska  
Chief Accountant

  
Goran Komlenac  
General Manager

INDEPENDENT AUDITOR'S REPORT TO THE  
SHAREHOLDERS OF "NET WEST DISTRIBUTION SERVICES" SKOPJE

We have audited the accompanying financial statements of "Net west distribution services" GR Sarantis Skopje, for the tax year starting 01.01.2004 and ending 31.12.2004

We conducted our audit in accordance with international and domestic Standards of 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. Our audit included examining evidence supporting the amounts 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 presentation of the financial statements. We believe our audit provides a reasonable basis for our opinion.

In our opinion, the Balance Sheet and Profit and Loss Statement give a true, fair and accurate representation of the economic situation of the company.

Skopje 25.01.2005

Chartered Accountant  
Filipovska Suzana



*Filipovska*