

# M. J. MAILLIS S.A.

## SUMMARY FINANCIAL STATEMENTS for the year ended 31 December 2008 (Amounts in EUROS) (in terms of article 135 of Law 2190, for the companies publishing group and company annual financial statements in accordance with IAS/IFRS)

The financial statements listed below aim to provide a general awareness about the financial results of M.J.MAILLIS S.A. and its subsidiaries. Consequently, it is recommended to the reader, before any investment decision or transaction performed with the Company, to visit the website of the company where the annual financial statements prepared in accordance with International Accounting Standards are available along with the certified auditor's opinion.

COMPANY'S STATUTORY INFORMATION	
Head Office and Registered Address:	Xenias 5 & Charilaou Trikoupi, 145 62 Kifissia, Athens
Company's Number in the Register of Societes Anonymes:	2716/06/B/86/43
Supervising Authority:	Ministry of Commerce
Board of Directors:	President: Michael J. Maillis, Vice-President and Chief Executive Officer: John Kourouglos, Members: Victor Papaconstantinou, Theocharis Filippopoulos, Sotiris Orestidis, Ilias Gounaris, Lito Ioannidou
Date of Approval of the Financial Statements	30 March 2009
Auditor's Name:	Constantinos Michalatos (SOEL Reg. No. 17701)
Auditor's Firm:	PRICEWATERHOUSECOOPERS S.A.
Report of the Auditors:	Unqualified audit report – Matter of emphasis
Company's web address:	www.maillis.gr

BALANCE SHEET AS AT 31 DECEMBER 2008				
	GROUP		COMPANY	
	31/12/2008	31/12/2007	31/12/2008	31/12/2007
<b>ASSETS</b>				
Tangible assets	128.229.824	139.293.866	75.822.494	79.713.385
Intangible assets	109.105.333	111.570.795	945.525	1.615.367
Other non-current assets	18.439.690	19.413.648	191.798.131	164.422.604
Inventories	73.551.094	89.660.260	18.832.979	24.536.556
Trade receivables	58.459.528	79.033.355	63.036.500	99.386.868
Other current assets	22.240.636	29.330.992	11.595.016	11.024.908
<b>TOTAL ASSETS</b>	<b>410.026.105</b>	<b>468.302.916</b>	<b>362.030.645</b>	<b>380.699.688</b>
<b>EQUITY AND LIABILITIES</b>				
Share capital	55.614.327	55.614.327	55.614.327	55.614.327
Other equity attributable to company'sshareholders	36.896.188	83.570.661	133.813.345	150.744.866
<b>Equity attributable to company's shareholders (a)</b>	<b>92.510.515</b>	<b>139.184.988</b>	<b>189.427.672</b>	<b>206.359.193</b>
Minority interest (b)	1.164.588	1.532.742	0	0
<b>Total equity (c) = (a) + (b)</b>	<b>93.675.103</b>	<b>140.717.730</b>	<b>189.427.672</b>	<b>206.359.193</b>
Non-current borrowings	8.152.618	12.241.556	1.646.670	2.831.949
Provisions and other non-current liabilities	19.386.250	20.240.658	10.339.038	10.543.490
Current borrowings	237.947.919	202.471.706	147.277.987	126.100.355
Other current liabilities	50.864.215	92.631.266	13.339.278	34.864.701
<b>Total liabilities (d)</b>	<b>316.351.002</b>	<b>327.585.186</b>	<b>172.602.973</b>	<b>174.340.495</b>
<b>TOTAL EQUITY AND LIABILITIES (c)+(d)</b>	<b>410.026.105</b>	<b>468.302.916</b>	<b>362.030.645</b>	<b>380.699.688</b>

STATEMENT OF CHANGES IN EQUITY				
	GROUP		COMPANY	
	31/12/2008	31/12/2007	31/12/2008	31/12/2007
<b>Net equity opening balance (01.01.2008 and 01.01.2007)</b>	<b>140.717.730</b>	<b>184.517.473</b>	<b>206.359.193</b>	<b>223.617.085</b>
Profit / (Loss) after tax	-42.871.694	-38.583.274	-16.473.992	-14.720.953
Increase/(Decrease) of share capital				
Increase / (Decrease) of share premium				
Share issue expenses		-2.350		-2.350
Dividends	-58.000	-3.083.125	0	-2.982.570
Net Gain / (Loss) directly attributable to net equity	-46.010	258.951	0	0
Translation differences	-3.609.394	-2.369.450		
Movement in reserves attributed to acquisition of minority	0	-315.926	0	0
Movement in reserves attributed to sale of subsidiaries	0	-517.917	0	0
Cash flow hedges	-457.529	447.981	-457.529	447.981
Movement in equity attributed to acquisition of subsidiaries	0	365.367	0	0
<b>Net equity closing balance (31.12.2008 and 31.12.2007)</b>	<b>93.675.103</b>	<b>140.717.730</b>	<b>189.427.672</b>	<b>206.359.193</b>

INCOME STATEMENT FOR THE PERIOD 01.01-31.12.2008				
	GROUP		COMPANY	
	01/01-31/12/08	01/01-31/12/07	01/01-31/12/08	01/01-31/12/07
Turnover	340.511.598	368.142.605	112.937.795	139.115.600
Gross margin	59.467.117	72.861.281	13.207.788	23.600.081
Earnings/(Losses) before taxes and financial results	-17.870.918	-11.469.600	-7.665.693	-3.091.579
<b>Earnings / (Losses) before tax</b>	<b>-39.726.303</b>	<b>-32.690.106</b>	<b>-18.653.317</b>	<b>-15.806.899</b>
Less tax	3.145.391	5.893.168	-2.179.325	-1.085.946
<b>Earnings / (Losses) after tax</b>	<b>-42.871.694</b>	<b>-38.583.274</b>	<b>-16.473.992</b>	<b>-14.720.953</b>
<b>Distributed as follows:</b>				
Company shareholders	-42.607.772	-38.122.361	-16.473.992	-14.720.953
Minority interest	-263.922	-460.913		0
<b>Earnings / (Losses) per share (in €)</b>	<b>-0,5823</b>	<b>-0,5210</b>	<b>-0,2251</b>	<b>-0,2012</b>
Earnings before taxes, financial results, depreciation and amortisation (EBITDA)	-2.096.341	6.997.786	-704.868	4.582.991

VICE-CHAIRMAN  
OF THE BOARD OF DIRECTORS AND CEO

IOANNIS M. KOUROUGLOS  
PASS. No. AE 1202747

Kifissia, March 30, 2009  
CHIEF FINANCIAL  
OFFICER

VICTOR K. PAPAKONSTANTINOU  
Id. No T 003140

FINANCIAL MANAGER  
OF GREECE

SPYRIDON D. PARGAS  
Reg. No. 5293-A'Class

CASH FLOW STATEMENT				
	GROUP		COMPANY	
	01/01-31/12/08	01/01-31/12/07	01/01-31/12/08	01/01-31/12/07
<b>Cash Flows from Operating Activities</b>				
Profit / (Loss) before tax	-39.726.303	-32.690.106	-18.653.317	-15.806.899
Adjustments for:				
Depreciation and amortisation	16.534.027	18.467.386	7.497.069	7.674.570
Provisions	4.921.207	7.460.353	3.897.527	7.901.127
Exchange differences	6.917.343	-130.664	1.151.861	1.575.277
(Gain) or loss from investing activities	-2.373.765	528.913	-3.643.711	997.807
Interest payable	23.122.740	11.268.630	13.762.396	6.134.151
Working capital changes:				
Decrease/(Increase) in inventories	19.898.483	-6.374.464	2.128.221	-3.980.833
Decrease/(Increase) in trade receivables	16.885.218	-3.733.878	12.979.182	-12.229.783
Increase/(Decrease) in trade payables (except banks)	-18.598.286	11.318.650	-9.713.702	825.269
Less:				
Interest paid	-21.706.341	-11.270.630	-13.587.195	-6.064.367
Tax paid	-2.256.230	-5.858.294	-128.786	-934.413
<b>Net Cash from operating activities</b>	<b>3.618.093</b>	<b>-11.014.104</b>	<b>-4.310.455</b>	<b>-13.908.094</b>
<b>Cash Flows from Investing Activities</b>				
Acquisition of subsidiary	0	-711.796	-2.100.000	-800.535
Net cash outflow on sale of subsidiaries		704.652		2.972.729
Purchase of intangible assets, property, plant and equipment	-8.555.030	-15.930.172	-4.640.265	-10.354.305
Proceeds on sale of fixed assets	1.633.707	3.787.934	2.036.626	78.601
Interest received	1.109.398	2.102.256	1.449.772	608.926
Dividends received			1.225.000	723.604
<b>Net Cash used in investing activities</b>	<b>-5.811.925</b>	<b>-10.047.126</b>	<b>-2.028.867</b>	<b>-6.770.980</b>
<b>Cash Flows from Financing Activities</b>				
Proceeds from borrowings raised	10.022.549	12.552.073	7.839.664	15.945.535
Repayment of finance lease liabilities	-2.840.646	-811.560		
Dividends paid	-59.036	-3.039.867	-1.036	-2.982.570
<b>Net cash used in financing activities</b>	<b>7.122.867</b>	<b>8.700.646</b>	<b>7.838.628</b>	<b>12.962.965</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>4.929.035</b>	<b>-12.360.584</b>	<b>1.499.306</b>	<b>-7.716.109</b>
<b>Cash and cash equivalents in beginning of period</b>	<b>14.618.086</b>	<b>28.237.862</b>	<b>1.927.855</b>	<b>9.643.964</b>
<b>Exchange differences adjustment</b>	<b>-10.218.809</b>	<b>-1.259.192</b>		
<b>Cash and cash equivalents at end of period</b>	<b>9.328.312</b>	<b>14.618.086</b>	<b>3.427.161</b>	<b>1.927.855</b>

### ADDITIONAL INFORMATION:

- Companies that are included in the consolidated financial statements of fiscal year 2008 are presented in note 11 in the Group's annual financial statements including locations, percentage Group ownership and consolidation method.
- The accounting principles followed, are in accordance with those followed at 31/12/2007.
- The Company has been audited by the tax authorities up to and including the financial year 2007. The unaudited tax years for the other Group entities are detailed in Note (25) in the Annual Financial Statements.
- There are no contested or doubtful legal cases which might influence materially the financial position of the Company and the Group.
- The number of employees as at 31/12/2008 was 1.883 for the Group (31/12/2007: 2.068) and 350 for the Company (31/12/2007: 404).
- Intercompany related party transactions for the year ended 31 December 2008 and related party balances for the year then ended according to IAS 24 are as follows:

Amounts in € thousand	Group	Company
a) Income	2.280	70.223
b) Expenses	236	2.073
c) Receivables	667	63.571
d) Payables	7	999
e) Key management compensations	4.206	2.386
f) Receivables from key management	0	0
g) Payables to key management	0	0
- During the second quarter of 2007 the subsidiaries HELERO BV, MJ MAILLIS ALBANIA LTD, MJ MAILLIS SVERIGE AB, MEGA SRL, MJ MAILLIS NETHERLANDS BV, MJ MAILLIS d.o.o. BEOGRAD, MJ MAILLIS SYSTEMS SRL, were either sold or absorbed by other Group subsidiaries.
- The Group has formed cumulative provisions amounting to € 1.377 thousand for unaudited fiscal tax years, € 5.672 thousand for retirement benefit obligations and € 3.591 thousand for other liabilities. The Company has formed cumulative provisions amounting to € 877 thousand for unaudited fiscal tax years, € 1.103 thousand for retirement benefit obligations and € 209 thousand for other liabilities.
- At the end of the current period no shares of the parent company are possessed by either the parent company or any subsidiaries or associate companies.
- The losses incurred by the Group and the Company for the twelve month period ended 31 December 2008 have resulted in a continuing breach of the bank borrowing covenants described in Note 19 of the Financial Statements. This breach of covenants has necessitated the reclassification of the affected bank borrowings from non-current to current.
- The amount included in the statement of changes in equity as cash flow hedges is the net loss that arises from the gain from the valuation of the loans in foreign currency and the loss from the valuation of the currency and interest rate swaps as of 31 December 2008.

KRONOS S.A.