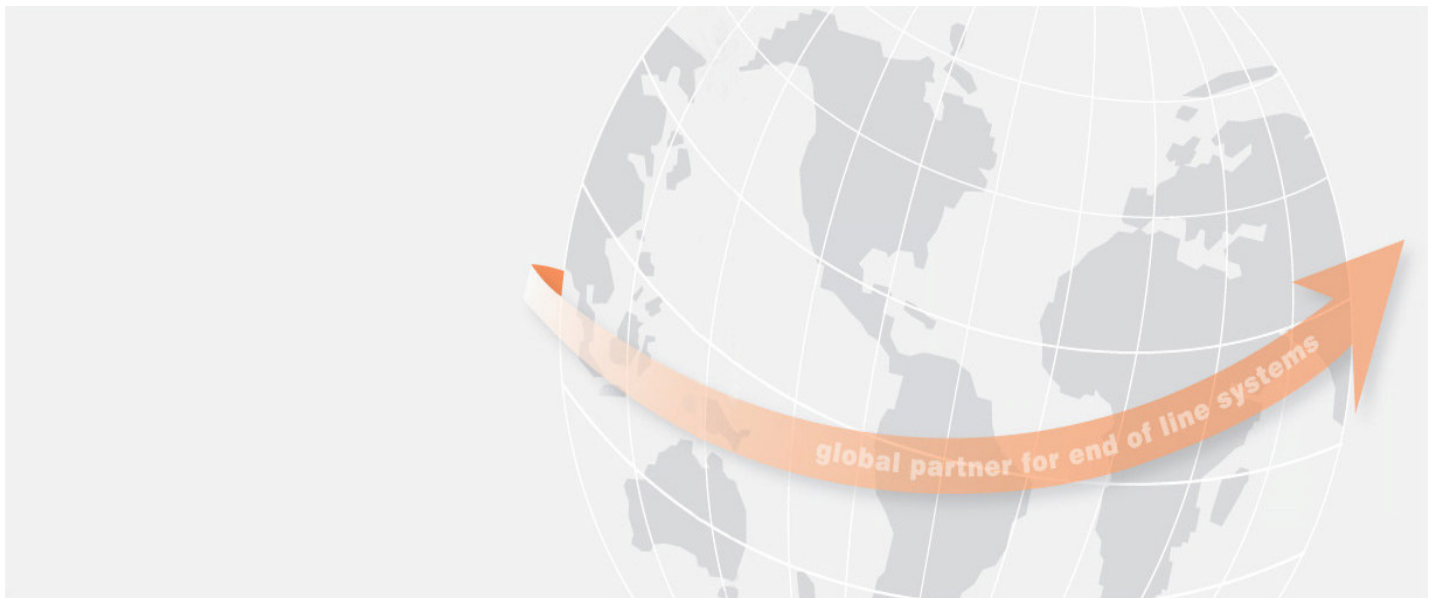


**M.J.MAILLIS GROUP  
INTERIM CONDENSED FINANCIAL STATEMENTS  
30 SEPTEMBER 2007**



**CHAIRMAN OF THE  
BOARD OF  
DIRECTORS AND  
CHIEF EXECUTIVE  
OFFICER**

**MICHAEL J. MAILLIS**  
Id. No Φ020206

**VICE-CHAIRMAN OF  
THE BOARD OF  
DIRECTORS AND C.E.O.  
DESIGNATE**

**IOANNIS M.  
KOUROUGLOS**  
PASS. No. A2203681

**CHIEF FINANCIAL  
OFFICER**

**VICTOR K.  
PAPACONSTANTINOY**  
Id. No T 003140

**FINANCIAL  
MANAGER OF  
GREECE**

**NIKOLAOS V.  
MAROULIS**  
Reg. No. 46629-  
A'Class

*These financial statements have been translated from the original statutory financial statements that have been prepared in the Greek language. In the event that differences exist between this translation and the original Greek language financial statements, the Greek language financial statements will prevail over this document.*

**M.J.MAILLIS S.A.  
PACKING SYSTEMS  
P.C.S.A.2716/06/B/86/43  
XENIAS 5 & CHARILAOU TRIKOUPY  
145 62 KIFISSIA, ATHENS**

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## BALANCE SHEET AS AT 30 SEPTEMBER 2007

Amounts in Euro '000

	Note	GROUP		COMPANY	
		30/09/2007	31/12/2006	30/09/2007	31/12/2006
<b>ASSETS</b>					
<b>Non Current Assets</b>					
Tangible assets		129,029	126,596	77,882	76,105
Intangible assets		116,861	116,215	1,873	2,618
Investments in subsidiaries and joint ventures		0	0	164,850	167,005
Investments in associates (equity method)		0	0	0	0
Deferred tax assets		13,005	12,776	2,408	2,448
Other receivables		5,828	6,214	237	234
		<b>264,723</b>	<b>261,801</b>	<b>247,250</b>	<b>248,410</b>
<b>Current Assets</b>					
Inventories		90,271	88,148	21,486	20,616
Trade and other receivables		98,389	97,386	113,661	103,708
Deferred tax assets		4,980	5,713	0	0
Cash and cash equivalents		17,530	28,238	258	9,644
		<b>211,170</b>	<b>219,485</b>	<b>135,405</b>	<b>133,968</b>
<b>Total Assets</b>		<b>475,893</b>	<b>481,286</b>	<b>382,655</b>	<b>382,378</b>
<b>EQUITY</b>					
<b>Equity Attributable to Company's Shareholders</b>					
Share capital		55,614	55,614	55,614	55,614
Share premium		139,203	139,205	139,203	139,205
Own shares		0	0	0	0
Fair value reserves		0	0	0	0
Reserves		20,051	19,765	18,558	18,558
Retained losses / earnings		-44,675	-30,817	2,885	10,240
Translation differences reserve		-4,014	-1,135	0	0
		<b>166,179</b>	<b>182,632</b>	<b>216,260</b>	<b>223,617</b>
Minority interest		1,939	1,886	0	0
<b>Total Equity</b>		<b>168,118</b>	<b>184,518</b>	<b>216,260</b>	<b>223,617</b>
<b>LIABILITIES</b>					
<b>Non Current Liabilities</b>					
Loans and finance lease liabilities		162,154	160,540	113,479	113,434
Deferred tax liabilities		4,003	3,600	2,224	2,113
Retirement and termination benefit obligations		5,630	5,400	659	582
Government grants		6,574	7,237	4,143	4,637
Other non current liabilities		252	276	0	0
		<b>178,613</b>	<b>177,053</b>	<b>120,505</b>	<b>120,766</b>
<b>Current Liabilities</b>					
Trade and other payables		71,352	75,089	27,101	33,454
Deferred tax liabilities		6,251	6,350	3,511	3,511
Current tax liabilities		5,943	6,072	90	1,030
Loans and finance lease liabilities		44,655	31,028	15,188	0
Provisions		961	1,176	0	0
		<b>129,162</b>	<b>119,715</b>	<b>45,890</b>	<b>37,995</b>
<b>Total Liabilities</b>		<b>307,775</b>	<b>296,768</b>	<b>166,395</b>	<b>158,761</b>
<b>Total Equity and Liabilities</b>		<b>475,893</b>	<b>481,286</b>	<b>382,655</b>	<b>382,378</b>

The notes on pages 7 to 17 are an integral part of the interim condensed financial statements

## INCOME STATEMENT FOR THE PERIOD 1 JANUARY - 30 SEPTEMBER 2007

	Note	GROUP				COMPANY			
		01/01/2007-30/09/2007	01/01/2006-30/09/2006	01/07/2007-30/09/2007	01/07/2006-30/09/2006	01/01/2007-30/09/2007	01/01/2006-30/09/2006	01/07/2007-30/09/2007	01/07/2006-30/09/2006
<i>Amounts in Euro '000</i>									
Sales		275,734	285,082	87,645	96,115	104,391	106,976	32,575	38,560
Cost of sales		-216,407	-215,060	-71,395	-74,712	-85,656	-83,288	-27,489	-30,906
Gross profit		59,327	70,022	16,250	21,403	18,735	23,688	5,086	7,654
Other operating income		5,322	3,907	787	991	211	559	152	140
Administrative expenses		-17,342	-17,028	-5,676	-5,588	-7,018	-6,432	-2,388	-1,961
Distribution costs		-32,970	-31,884	-10,306	-9,699	-7,768	-8,439	-2,287	-2,951
Other operating expenses		-7,710	-3,127	-2,805	-608	-1,875	-491	-950	-225
Restructuring costs		-1,310	-3,005	-145	-1,869	-145		-145	
Earnings before tax, financial and investment results		5,317	18,885	-1,895	4,630	2,140	8,885	-532	2,657
Loss on disposal of subsidiaries		-6,590				-4,457			
Income from dividends						1,226		-5	
Financial expenses		-5,554	-7,249	-2,057	-2,242	-3,091	-2,349	-1,183	-880
Earnings / (Loss) before tax		-6,827	11,636	-3,952	2,388	-4,182	6,536	-1,720	1,777
Current tax for the period		-3,564	-3,174	-1,235	-499	-39	-885	99	-115
Earnings / (Loss) after current tax for the period		<b>-10,391</b>	<b>8,462</b>	<b>-5,187</b>	<b>1,889</b>	<b>-4,221</b>	<b>5,651</b>	<b>-1,621</b>	<b>1,662</b>
Deferred tax		-215	-1,339	373	-373	-151	-1,560	288	-549
Earnings / (Loss) after current tax and deferred tax for the period		<b>-10,606</b>	<b>7,123</b>	<b>-4,814</b>	<b>1,516</b>	<b>-4,372</b>	<b>4,091</b>	<b>-1,333</b>	<b>1,113</b>
<b>Earnings after Tax distributed as follows:</b>									
Company shareholders		-10,584	6,989	-4,721	1,495	-4,372	4,091	-1,333	1,113
Minority interest		-22	134	-93	21				
Earnings / (Loss) after tax per share (expressed in €)	8	-0.14	0.10	-0.06	0.02	-0.06	0.06	-0.02	0.02
<b>Other information</b>									
Depreciation		13,402	14,988	4,291	4,367	5,725	5,582	1,921	1,857
Earnings before tax, financial expenses, amortisation, depreciation and restructuring costs		<b>20,029</b>	<b>36,878</b>	<b>2,541</b>	<b>10,866</b>	<b>8,010</b>	<b>14,467</b>	<b>1,534</b>	<b>4,514</b>
Earnings before tax, financial expenses, amortisation and depreciation (EBITDA)		<b>18,719</b>	<b>33,873</b>	<b>2,396</b>	<b>8,997</b>	<b>7,865</b>	<b>14,467</b>	<b>1,389</b>	<b>4,514</b>

The notes on pages 7 to 17 are an integral part of the interim condensed financial statements

STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD 1 JANUARY - 30 SEPTEMBER 2007

Amounts in Euro '000	GROUP							COMPANY						
	Attributable to the Mother Company's Shareholders						Minority Interest	Total Equity	Attributable to the Mother Company's Shareholders				Total Equity	
	Share Capital	Share Premium	Treasury Shares	Other Reserves	Currency Translation Reserve	Retained Losses			Share Capital	Share Premium	Treasury Shares	Other Reserves		Retained Earnings
<b>Balance at 01/01/2006</b>	55,379	139,138	0	18,433	3,770	-27,013	1,672	191,379	55,379	139,138	0	17,511	11,659	223,687
Net loss directly attributable to net equity						-346		-346						0
Dividends paid						-4,402	-68	-4,470						
Exchange difference adjustments				378	-2,394	-2,008	16	-4,008					-4,402	-4,402
Reserves movement				500		-500		0						0
Earnings / (Loss) after tax						6,989	134	7,123						0
<b>Balance at 30/09/2006</b>	55,379	139,138	0	19,311	1,376	-27,280	1,754	189,678	55,379	139,138	0	17,511	7,257	219,285
Income from share issue	235	67						302	55,379	139,138		17,511	11,348	223,376
Dividends paid							50	50	235	67				302
Net loss directly attributable to net equity						346		346						0
Exchange difference adjustments				-377	-2,511	1,978	-15	-925						0
Reserves movement				832		-922	90	0						0
Earnings / (Loss) after tax						-4,940	7	-4,933				1,047	-1,047	0
<b>Balance at 31/12/2006</b>	55,614	139,205	0	19,766	-1,135	-30,818	1,886	184,518	110,993	278,343	0	36,069	17,558	442,963

Amounts in Euro '000	GROUP							COMPANY						
	Attributable to the Mother Company's Shareholders						Minority Interest	Total Equity	Attributable to the Mother Company's Shareholders				Total Equity	
	Share Capital	Share Premium	Treasury Shares	Other Reserves	Currency Translation Reserve	Retained Losses			Share Capital	Share Premium	Treasury Shares	Other Reserves		Retained Earnings
<b>Balance at 01/01/2007</b>	55,614	139,205	0	19,766	-1,135	-30,818	1,886	184,518	55,614	139,205	0	18,558	10,240	223,617
Share issue expenses		-2						-2		-2				-2
Net loss directly attributable to net equity						-415	-236	-651						
Dividends paid						-2,983	-54	-3,037						0
Net gain/(loss) directly attributable to net equity - Acquisition of minority in subsidiary						-475		-475					-2,983	-2,983
Net gain/(loss) directly attributable to net equity - Minority of new subsidiary acquisition							365	365						0
Movement in reserves due to sale of investments					93			93						0
Fair value reserve				885				885						0
Exchange differences					-2,972			-2,972						0
Reserves movement				-600		600		0						0
Earnings / (Loss) after tax						-10,584	-22	-10,606						0
<b>Balance at 30/09/2007</b>	55,614	139,203	0	20,051	-4,014	-44,675	1,939	168,118	55,614	139,203	0	18,558	7,257	220,632

The notes on pages 7 to 17 are an integral part of the interim condensed financial statements

## CASH FLOW STATEMENT

Amounts in Euro '000	Note	GROUP		COMPANY	
		01/01 - 30/09/2007	01/01 - 30/09/2006	01/01 - 30/09/2007	01/01 - 30/09/2006
<b>Cash Flows from Operating Activities</b>					
Earnings before tax		-6,827	11,635	-4,182	6,536
Adjustments for:					
Depreciation and amortisation		13,402	14,989	5,725	5,582
Provisions		-588	-1,358	-14	
Exchange differences		628	-574	904	8
(Gain) / Loss from investing activities		2,378	-2,031	1,554	-1,975
Interest payable and related expenses		7,278	8,331	4,274	4,324
Working capital changes					
Decrease / (Increase) in inventories		-7,460	-1,737	-869	-334
Decrease / (Increase) in receivables		-9,395	-2,316	-13,743	12,980
Increase / (Decrease) in payables (excluding banks)		73	828	-8,143	38
Less:					
Interest paid and other related expenses		-6,192	-7,588	-3,491	-3,322
Tax paid		-3,691	-4,792	-334	-2,071
<b>Total Cash Inflows / (Outflows) from Operating Activities (a)</b>		<b>-10,394</b>	<b>15,387</b>	<b>-18,319</b>	<b>21,766</b>
<b>Cash Flows from Investing Activities</b>					
Acquisition of subsidiary, related companies, joint ventures and other investments		-88	-743	-652	-1,993
Net cash outflow on sale of subsidiaries	4	-68		2,200	
Purchase of intangible assets, property, plant and equipment		-12,937	-9,590	-5,977	-5,105
Proceeds of sale of tangible and intangible assets		3,800	2,836	7	155
Interest received		400	330	416	1,038
Dividends received				690	666
<b>Total Cash Inflows / (Outflows) from Investing Activities (b)</b>		<b>-8,893</b>	<b>-7,167</b>	<b>-3,316</b>	<b>-5,239</b>
<b>Cash Flows from Financing Activities</b>					
Proceeds of loans issued		13,281	30,181	15,232	
Repayments of borrowings			-30,365		-14,816
Payments of finance lease liabilities		-385	-4,482		
Dividends paid		-3,037	-4,470	-2,983	-4,402
<b>Total Cash Inflows / (Outflows) from Financing Activities (c)</b>		<b>9,859</b>	<b>-9,136</b>	<b>12,249</b>	<b>-19,218</b>
<b>Net increase/(decrease) in Cash and Cash Equivalents (a) + (b) + (c)</b>		<b>-9,428</b>	<b>-916</b>	<b>-9,386</b>	<b>-2,691</b>
<b>Cash and Cash Equivalents in Beginning of Period</b>		<b>28,238</b>	<b>20,941</b>	<b>9,644</b>	<b>4,691</b>
<b>Exchange differences adjustment</b>		<b>-1,280</b>	<b>-1,412</b>		
<b>Cash and Cash Equivalents at End of Period</b>		<b>17,530</b>	<b>18,613</b>	<b>258</b>	<b>2,000</b>

The notes on pages 7 to 17 are an integral part of the interim condensed financial statements

## Notes to the interim condensed financial statements

### 1. General information

M.J.Maillis SA (the “Company”) and its subsidiaries (together the “Group”) are involved in the manufacture and distribution of end of line industrial solutions. The Group operates in Greece and another 20 countries in Europe and North America.

The Company is located in Greece, Xenias 5, 14 562 Kifissia. The website of the Company is [www.maillis.gr](http://www.maillis.gr).

The shares of the Company are publicly traded on the Athens Stock Exchange.

### 2. Basis of preparation of the interim condensed financial statements

The interim condensed financial statements of the Company and the Group for the 9 month period of 2007 have been prepared in accordance with the International Financial Reporting Standards as adopted by the European Union (IFRS) and specifically in accordance with IAS 34 “Interim Financial Reporting”.

The accounting principles that have been used in the preparation of the interim condensed financial statements are in accordance with those used for the preparation of the Company and Group financial statements for the year ended 31/12/2006.

The interim condensed financial statements must be read in conjunction with the annual financial statements as at 31/12/2006 that are available on the website of the Company.

The preparation of financial statements in terms of IFRS requires the use of calculations and assumptions which affect the balances of the assets and liabilities, the acknowledgment of contingencies at the balance sheet date, and the amounts of the income and expenses relating to the current period. These calculations are based on the best knowledge available to the management of the Company and the Group in relation to the current situation.

Certain reclassifications have been made in the prior period figures in order to make them comparable to the current period's figures. Any differences between amounts in the financial statements and similar amounts detailed in the accounts are due to rounding of figures.

**New standards, amendments to standards and interpretations:** Certain new standards, amendments to standards and interpretations have been issued that are mandatory for periods beginning during the current reporting period and subsequent reporting periods. The Group's evaluation of the effect of these new standards, amendments to standards and interpretations is as follows:

#### Standards and interpretations effective for 2007

*IFRS 7 - Financial Instruments: Disclosures and the complementary amendment to IAS 1 - Presentation of Financial Statements: Capital Disclosures*

This standard and amendment introduces new disclosures relating to financial instruments. The Group will comply with the requirements of IFRS 7 in its annual financial statements for 2007 as is

relevant and applicable. For the current interim period the applicable IFRS 7 disclosures have only been presented in respect of events and transactions related to financial instruments which are material to an understanding of the current interim period.

*IFRIC 7 - Applying the Restatement Approach under IAS 29*

This interpretation provides guidance on how to apply requirements of IAS 29 in a reporting period in which a company identifies the existence of hyperinflation in the economy of its functional currency, when the economy was not hyperinflationary in the prior period. As none of the Group companies operate in a hyperinflationary economy this interpretation does not affect the Group's financial statements.

*IFRIC 8 - Scope of IFRS 2*

This interpretation considers transactions involving the issuance of equity instruments – where the identifiable consideration received is less than the fair value of the equity instruments issued – to establish whether or not they fall within the scope of IFRS 2. This interpretation will not affect the Group's financial statements.

*IFRIC 9 - Reassessment of Embedded Derivatives*

This interpretation requires an entity to assess whether an embedded derivative is required to be separated from the host contract and accounted for as a derivative when the entity first becomes a party to the contract. This interpretation is not relevant to the Group's operations.

*IFRIC 10 - Interim Financial Reporting and Impairment*

This interpretation prohibits the impairment losses recognised in an interim period on goodwill, investments in equity instruments and investments in financial assets carried at cost to be reversed at a subsequent balance sheet date. This interpretation does not have any impact on the Group's financial statements.

Standards and interpretations effective after 1 January 2008

*IFRS 8 - Operating Segments*

This standard is effective for annual periods beginning on or after 1 January 2009 and supersedes IAS 14, under which segments were identified and reported based on a risk and return analysis. Under IFRS 8 segments are components of an entity regularly reviewed by the entity's chief operating decision maker and are reported in the financial statements based on this internal component classification. The Group will apply IFRS 8 from 1 January 2009.

*IAS 23 – Borrowing Costs*

This standard is effective for annual periods beginning on or after 1 January 2009 and replaces the previous version of IAS 23. The main change is the removal of the option of immediately recognising as an expense borrowing costs that relate to assets that need a substantial period of time to get ready for use or sale. The Group will apply IAS 23 from 1 January 2009.

*IFRIC 11 - IFRS 2: Group and Treasury share transactions*

This interpretation is effective for annual periods beginning on or after 1 March 2007 and clarifies the treatment where employees of a subsidiary receive the shares of a parent. It also clarifies whether certain types of transactions are accounted for as equity-settled or cash-settled transactions. This interpretation is not expected to have any impact on the Group's financial statements.

*IFRIC 12 - Service Concession Arrangements*

This interpretation is effective for annual periods beginning on or after 1 January 2008 and applies to companies that participate in service concession arrangements. This interpretation is not relevant to the Group's operations.

*IFRIC 13 – Customer Loyalty Programmes*

This interpretation is effective for annual periods beginning on or after 1 July 2008 and clarifies the treatment of entities that grant loyalty award credits such as "points" and "travel miles" to

customers who buy other goods or services. This interpretation is not relevant to the Group's operations.

### 3. Segment Information

#### Primary Segment Information – Business Segment

The Group is divided in 3 major Business Segments:

- (1) Production and sale of packaging consumables
- (2) Construction and sale of packaging machines
- (3) Merchandise and other non core products

The Company produces and sells only packaging consumables

The segment results for the 9 months ended at 30<sup>th</sup> September 2007 and 30<sup>th</sup> September 2006 are as follows:

#### 9 months to 30th September 2007

	Consumables	Machines	Other	Non Classified	Total
<i>Amounts in Euro '000</i>					
Total Sales	180,141	91,400	4,193	0	275,734
Operating Income	1,568	4,971	-255	-967	5,317
Loss from sale of subsidiaries				6,590	6,590
Financial Cost - Net				5,554	5,554
Associate Share				0	0
<b>Earnings before Tax</b>	<b>1,568</b>	<b>4,971</b>	<b>-255</b>	<b>-13,111</b>	<b>-6,827</b>
Income Tax	0	0	0	0	3,779
<b>Net Profit</b>					<b>-10,606</b>

#### 9 months to 30th September 2006

	Consumables	Machines	Other	Non Classified	Total
<i>Amounts in Euro '000</i>					
Total Sales	176,464	105,294	3,323	0	285,081
Operating Income	6,045	12,530	18	292	18,885
Financial Cost - Net				7,249	7,249
Associate Share	0	0			0
<b>Profit before Tax</b>	<b>6,045</b>	<b>12,530</b>	<b>18</b>	<b>-6,957</b>	<b>11,636</b>
Income Tax					4,513
<b>Net Profit</b>					<b>7,123</b>

The other elements of the income statement are as follows:

**9 months to 30th September 2007**

	Consumables	Machines	Other	Non Classified	Total
<i>Amounts in Euro '000</i>					
Depreciation of Tangible Assets	6,390	4,077	220	331	11,018
Depreciation of Intangible Assets	1,383	906	48	48	2,384
Provisions for bad debt and obsolete stock	-111	-924			-1,035

**9 months to 30th September 2006**

	Consumables	Machines	Other	Non Classified	Total
<i>Amounts in Euro '000</i>					
Depreciation of Tangible Assets	7,103	4,531	245	367	12,246
Depreciation of Intangible Assets	1,590	1,015	55	82	2,742
Provisions for bad debt and obsolete stock	-775	-8			-783

Inter-segment transfers or transactions are entered into under the normal commercial terms and conditions that would also be available to unrelated third parties.

The segment assets and liabilities at 30<sup>th</sup> September 2007 and at 31<sup>st</sup> December 2006 are as follows:

**30th September 2007**

	Consumables	Machines	Other	Non Classified	Total
<i>Amounts in Euro '000</i>					
<b>Assets</b>	<b>375,622</b>	<b>84,376</b>	<b>4,188</b>	<b>11,707</b>	<b>475,893</b>
<b>Capital expenditure</b>	<b>10,364</b>	<b>2,573</b>			<b>12,937</b>
<b>Liabilities</b>	<b>190,359</b>	<b>58,539</b>	<b>3,016</b>	<b>55,861</b>	<b>307,775</b>

**31st December 2006**

	Consumables	Machines	Other	Non Classified	Total
<i>Amounts in Euro '000</i>					
<b>Assets</b>	<b>379,880</b>	<b>85,323</b>	<b>4,231</b>	<b>11,852</b>	<b>481,286</b>
<b>Capital expenditure</b>	<b>16,735</b>	<b>4,793</b>			<b>21,528</b>
<b>Liabilities</b>	<b>183,548</b>	<b>56,444</b>	<b>2,912</b>	<b>53,864</b>	<b>296,768</b>

#### 4. Investments in subsidiaries and joint ventures

Below are listed the Group subsidiary companies with their respective addresses and the percentage of ownership:

<u>Directly Controlled</u>	<u>Investment %</u>
M.J.MAILLIS SA, Kifissia, Athens, Greece	Parent
STRAPTECH SA, Kifissia, Athens, Greece	100%
M.J.MAILLIS BULGARIA EOOD, Sofia, Bulgaria	100%
M.J.MAILLIS ROMANIA S.A., Bucurest, Romania	81,7%
M.J.MAILLIS FRANCE SAS, Saint Ouen L'Amone, France	100%
MARFLEX M.J.MAILLIS POLAND SP ZOO, Karzcew, Poland	100%
M.J.MAILLIS ESPANA SL, Barcelona, Spain	100%
M.J.MAILLIS CZECH SRO, Prague, Czech	100%
EUROPACK SA, Luxembourg	100%
COLUMBIA SRL, Milan, Italy	100%
M.J.MAILLIS HUNGARY PACKING SYSTEMS LTD, Budapest, Hungary	100%
M.J.MAILLIS OSTERREICH GMBH, Vienna, Austria	100%
M.J.MAILLIS FINLAND OY, Vantaa, Finland	100%
MAILLIS HOLDING GMBH, Wuppertal, Germany	100%
<u>Indirectly Controlled</u>	
M.J.MAILLIS UK LTD, Nottingham, UK	100%
SIAT SPA, Como, Italy	100%
SICME SRL, Varese, Italy	100%
SIAT BENELUX, Wvaalwijk, Holland	51%
TAM SRL, Milan, Italy	71%
SIAT USA, Delaware, USA	100%
MAILLIS SANDER GMBH, Wuppertal, Germany	100%
SANDER GMBH &CO KG, Wuppertal, Germany	100%
M.J. MAILLIS BENELUX NV, Dendermonde, Belgium (previously named M.J. MAILLIS BELGIUM N.V.)	100%
WULFTEC INTERNATIONAL INC, Ayer's Cliff, Canada	100%
MAILLIS STRAPPING SYSTEMS USA Inc. Fountain Inn, USA	100%
3L Srl, Modena, Italy	100%
<u>Joint Venture</u>	
COMBI PACKAGING SYSTEMS, Canton, USA	50%
MAILLIS STRONG STRAP PRIVATE Ltd, Mumbai, India	50%

In November 2006, M.J. Maillis Group acquired a 50% shareholding in a new joint venture company in India, "MAILLIS STRONG STRAP PRIVATE LTD", producer of plastic strapping, which is consolidated for the first time in the current year. Also the affiliate of the Group, "3L SRL" is consolidated for the first time in the current year.

The values of the above listed companies in the Balance Sheet of the parent company are as follows:

		30/9/2007	31/12/2006	
		Cost	Cost	Investment %
<i>Amounts in Euro '000</i>				
Straptech SA	Greece	4,975	4,922	100%
Helero B.V.	Netherlands	0	28,176	
Europack SA	Luxembourg	78,810	50,739	100%
M.J Maillis Osterreich Gmbh	Austria	3,448	3,448	100%
Columbia SRL	Italy	9,338	5,958	100%
M.J.Maillis Finland OY	Finland	2,388	2,388	100%
M.J.Maillis Albania Ltd	Albania	0	53	
M.J.Maillis Sverige AB	Sweden	0	1,949	
M.J.Maillis Bulgaria EOOD	Bulgaria	325	325	100%
M.J.Maillis Romania SA	Romania	2,693	2,693	81.7%
Marflex MJ Maillis Poland SP ZOO	Poland	22,047	21,959	100%
MJ Maillis Czech SRO	Czech	1,984	1,984	100%
MJ Maillis France SAS	France	5,425	5,425	99.9%
M.J. Maillis Hungary KFT	Hungary	2,130	2,130	100%
Maillis Holding GMBH	Germany	24,112	24,112	100%
M.J. Maillis Netherlands BV	Netherlands	0	699	
Mega SRL	Italy	0	2,905	
Maillis Strong Strap Private Ltd	India	171	136	13.1%
M.J. Maillis Espana SL	Spain	8,514	8,514	100%
Impairment charge M.J.Maillis Espana SL		-1,511	-1,511	
		<b>164,849</b>	<b>167,004</b>	

### Disposal and merger of subsidiaries

During the current six month period the Group disposed of certain 100% held subsidiary companies. The effective date of all the disposals is 30.6.2007 and relates to the following subsidiary companies:

- HELERO BV (that is the holding company of the Serbian subsidiary M.J. MAILLIS d.o.o)
- M.J.MAILLIS ALBANIA LTD
- M.J.MAILLIS SVERIGE AB
- M.J MAILLIS NETHERLANDS BV
- MEGA SRL

The results of the disposals on the Group and Company financial statements are as follows:

	GROUP	COMPANY
<i>Amounts in Euro '000</i>		
<b>Sale proceeds</b>	<b>3,050</b>	<b>3,050</b>
Cost of investment of subsidiaries sold		-7,507
Net assets of subsidiaries sold at the date of disposal	-8,509	
Goodwill on consolidation at the date of sale - M.J.MAILLIS SVERIGE AB	-1,131	
<b>Loss on disposal of subsidiaries</b>	<b>-6,590</b>	<b>-4,457</b>

	GROUP	COMPANY
	01/01- 30/09/2007	01/01- 30/09/2007
<i>Amounts in Euro '000</i>		
<b>Cash effects of disposals</b>		
Sales proceeds	3,050	3,050
Proceeds receivable as at 30/6/2007	-850	-850
Cash balances of subsidiaries at date of disposal	-2,268	
<b>Net cash flows on sale of subsidiaries</b>	<b>-68</b>	<b>2,200</b>

The disposal of these subsidiaries has been undertaken in line with the Group's restructuring plan. Additional information regarding these disposals is as follows:

- The operations of the Serbian subsidiary M.J.MAILLIS d.o.o and the Albanian subsidiary M.J.MAILLIS ALBANIA LTD have been transferred to local distributors who have entered into distribution agreements with the Group. Following this these subsidiary companies were sold.
- The Swedish subsidiary M.J.MAILLIS SVERIGE AB has been liquidated and the Group has entered into a distribution agreement with a distributor in Sweden for the sale of its products in that country.
- The operations of the Netherlands subsidiary M.J. MAILLIS NETHERLANDS BV have been absorbed by the Belgium subsidiary M.J. MAILLIS BELGIUM NV. The Belgium subsidiary was subsequently renamed M.J. MAILLIS BENELUX NV with operations in both countries. Subsequent to this the company M.J. MAILLIS NETHERLANDS BV was disposed of.
- Following the acquisition of the minority shareholders in the Italian subsidiary MEGA SRL for €475,000, the operations of MEGA SRL were absorbed by the Italian subsidiary COLUMBIA SRL. Subsequent to this the company MEGA SRL was disposed of.
- The Italian subsidiary M.J. MAILLIS SYSTEMS SRL was merged with the Italian subsidiary COLUMBIA SRL

#### Acquisition of subsidiary

As set out above, on November 15th 2006, the Group participated in a 50% joint venture in India called STRONG STRAP PRIVATE Ltd in line with Group's expansion strategy in Asia. The company proceeded with the production of PET strap at the beginning of 2007 and has therefore been consolidated for the first time with effect from 31.3.2007. The terms of the joint venture agreement state that the Group has management control of this company and therefore in terms of IFRS it has been consolidated using the full consolidation method.

Details of the net assets acquired and goodwill are as follows:

<i>Amounts in Euro '000</i>	
Cash paid	
- MJ Maillis S.A.	136
- Europack SA	385
Acquisition costs	19
<b>Total purchase consideration</b>	<b>540</b>
<b>Fair value of net assets acquired</b>	<b>457</b>
<b>Goodwill</b>	<b>83</b>

The book value of the net assets of the company comprises the following. As the company was formed six months prior the date of the Group's participation and as the property, plant and equipment of the company were acquired in an arms length transaction immediately after its formation it has been assumed that the book values of assets and liabilities closely approximates their fair values.

<i>Amounts in Euro '000</i>	
Property, plant and equipment	1,830
Inventory	301
Receivables	337
Cash	226
Bank loans	-1,657
Payables and accruals	-165
Other liabilities	-50
<b>Fair value of total net assets</b>	<b>822</b>
Less: Minority shareholders	-365
<b>Fair value of net assets acquired</b>	<b>457</b>

## 5. Contingencies

The Group has contingent liabilities in respect of bank and other guarantees and other matters arising in the ordinary course of business. It is not anticipated that any material liabilities will arise from the contingent liabilities. The Group has given guarantees in the ordinary course of business amounting to € 97 million.

## 6. Encumbrances

As at 30<sup>th</sup> September 2007 no encumbrances exist on Company's and Group's fixed assets.

## 7. Related Parties Transactions

The related party transactions are as follows:

	GROUP		COMPANY	
	01/01- 30/09/2007	01/01 - 30/09/2006	01/01- 30/09/2007	01/01 - 30/09/2006
<i>Amounts in Euro '000</i>				
<b>Sales of goods and services</b>				
- Associate	2,148	1,847	61,953	60,967
<b>Purchase of goods and services</b>				
- Associate	41	61	2,858	2,070
<b>Key Management compensation</b>				
Salaries and other short term benefits to key management and member of the board	2,772	2,935	1,622	1,785

	GROUP		COMPANY	
	01/01- 30/09/2007	01/01 - 31/12/2006	01/01- 30/09/2007	01/01 - 31/12/2006
<b>Year End Balances arising from purchases - sales of goods and services</b>				
Receivables from Associate	790	575	86,218	75,994
Loans receivable from Associates			6,625	16,484
Payables to Associate	4	30	3,078	1,541

## 8. Earnings per Share

1/1/2006 - 30/09/2007

	GROUP		COMPANY	
	1/1 - 30/09/07	1/1 - 30/09/06	1/1 - 30/09/07	1/1 - 30/09/06
<i>Amounts in Euro '000</i>				
Earnings attributable to the Company's shareholders	-10,584	6,989	-4,372	4,091
Weighted Average number of shares	73,176,746	72,867,451	73,176,746	72,867,451
Basic Earnings per share (expressed in Euro)	<b>-0.14</b>	<b>0.10</b>	<b>-0.06</b>	<b>0.06</b>

1/7/2006 - 30/09/2007

	GROUP		COMPANY	
	1/7 - 30/09/07	1/7 - 30/09/06	1/7 - 30/09/07	1/7 - 30/09/06
<i>Amounts in Euro '000</i>				
Earnings attributable to the Company's shareholders	-4,721	1,495	-1,333	1,113
Weighted Average number of shares	73,176,746	72,867,451	73,176,746	72,867,451
Basic Earnings per share (expressed in Euro)	<b>-0.06</b>	<b>0.02</b>	<b>-0.02</b>	<b>0.02</b>

## 9. Personnel

The number of employees as at 30<sup>th</sup> September 2007 was 2,067 for the Group and 386 for the Company.

## 10. Unaudited tax years

The parent company has been audited by tax authorities until year 2004.

The unaudited tax years of the remaining companies of the Group are analysed as follows:

- M.J.MAILLIS BULGARIA EOOD has been audited until FY 2000
- M.J.MAILLIS ROMANIA SA has been audited until FY 2002
- STRAPTECH SA has been audited until FY 2004
- M.J.MAILLIS ESPANA SL has been audited until FY 1998
- MARFLEX M.J.MAILLIS GROUP Sp Zoo has not been tax audited since incorporation in 1997
- SANDER GMBH & CO KG has been audited until FY 2005
- M.J.MAILLIS FRANCE SAS has been audited until FY 2002
- SIAT SPA has been audited until FY 1998
- M.J.MAILLIS OSTERREICH GMBH has been audited until FY 1999
- M.J.MAILLIS HUNGARY PACKING SYSTEMS LTD has been audited until FY 2002
- M.J.MAILLIS CZECH SRO has been audited until FY 2004
- M.J.MAILLIS BENELUX NV (former M.J. MAILLIS BELGIUM N.V.) has been audited until FY 2001
- WULFTEC INTERNATIONAL INC has been audited until FY 2004
- COLUMBIA has been audited until FY 2004
- M.J.MAILLIS UK has been audited until FY 2003
- MAILLIS STRAPPING SYSTEMS USA INC has not been tax audited since incorporation in FY 2004
- SICME SRL has been tax audited until FY 1998
- TAM SRL has been tax audited until FY 1998
- SIAT BENELUX BV has not been tax audited since incorporation
- SIAT USA, MJ MAILLIS FINLAND OY are dormant
- MAILLIS HOLDING GMBH has been tax audited until FY 2005
- MAILLIS SANDER GMBH has been tax audited until FY 2005
- EUROPACK SA has been tax audited until FY 2001

## **11. Post Balance Sheet events**

There are no significant post balance sheet events.

## **12. Other information**

The Annual General Shareholders meeting of 21<sup>st</sup> May 2007, approved the distribution of € 0.04 dividend per share.