Annual Report 2010

Penta Holding Limited

PENTA

ANNUAL REPORT **2010**

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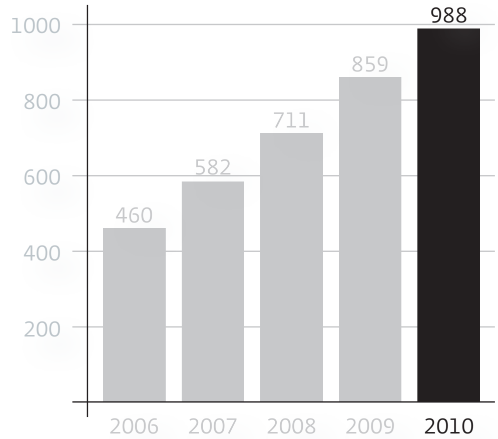
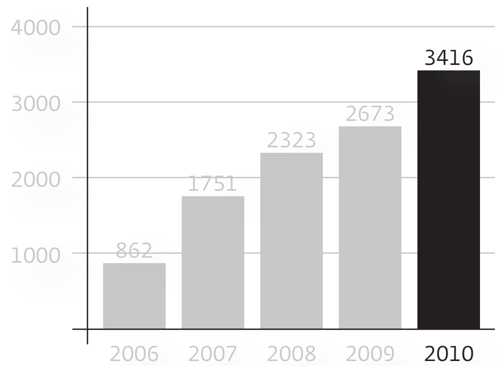
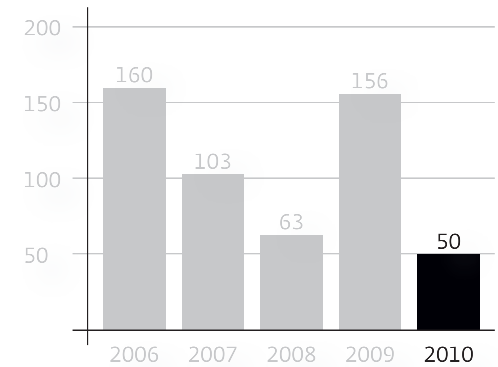


Equity Attributable to Shareholders *(in EUR million)*



Total Assets *(in EUR million)*



Consolidated Profit Attributable to Shareholders *(in EUR million)*

Director's Statement

DIRECTOR'S STATEMENT — Annual Report

Dear Shareholders and Business Partners,

Penta generated significant increases in equity and assets in the year 2010. This performance was supported by an improvement in the economic climate in Europe and especially in Central Europe. The Equity grew by 13 % to the level of 1 billion euro and assets of the Group increased by 22 % to reach 3.4 billion euro. The positive development in growth of equity and assets compensated for the lower profit of 50 million euro. The Group maintained a very strong liquidity position of 600 million euro at the end of 2011.

In 2010 Central Europe recovered from the 2009 recession and the countries set forward on a course of economic growth. They also showed a healthier state of public finances than many other EU members. Poland powered ahead with strong growth and became a regional magnet for investors looking for investment opportunities. The Czech Republic with its matured and stable economic environment proved itself to be still attractive for strategic investors. A change of government due to elections placed Slovakia again on pro-reform course and the new government reversed some anti-market policies of the previous government. The only country with unresolved economic and political problems was Hungary, still in the midst of financial crisis. Growth of the region was certainly strongly supported by an export boom and essential increase in domestic demand in neighbouring Germany. 2010's regional economic development proved Penta's 2008 decision to focus on Central Europe right.

The Group's business drive corresponded with improving economic conditions in its main markets. The Project teams produced 11 significant transactions with essential impact on 2010 results as well as future performance. In comparison to 2009 with 7 transactions, this was a considerable improvement.

Slovakia's health reform back on track again gave a shot of new life into Penta's health care projects. Economic perspectives of health insurer DOVERA improved substantially after the ban on dividends initiated by previous government was upheld. Furthermore, the dire financial condition of the state health insurer opened a window for DOVERA to essentially strengthen its market position. Our health care portfolio expanded through new polyclinics and hospitals within the ProCare project. In 2010 Penta negotiated with DEXIA headquarters in Brussels the purchase of its Slovakian banking unit. The transaction was successfully closed in the spring of 2011. It was already the second acquisition of a bank by Penta and increased the Group's foothold in Slovakian banking. Early 2010, real estate activities saw a finalizing of Digital Park II., a business centre in Bratislava's new prime business location. Digital Park also became the new address of Penta Investments in Slovakia.

In the Czech Republic, Penta entered a new sector through the acquisition of AB Facility, facility management company. This step provided the opportunity to create a strategic position in the newly forming utility services market. The Dr. MAX pharmacy chain continued its growth throughout the markets in the Czech Republic, Slovakia and Poland. During the whole year the project team and management of FORTUNA, the largest betting operator in Central Europe, was working on partial listing of the company. The effort was crowned by successful placing of 35 % shares of FORTUNA'S Dutch holding company, FORTUNA ENTERTAINMENT GROUP, on the Warsaw and Prague stock exchanges. At the end of the year Penta sold to TESCO its newly consolidated convenience store chain Zabka, a Czech project, developed based on the popular and commercially successful format of the Žabka store chain in Poland. The end of the year was marked by a divestment of the telecom company Mobilkom, which had not been able to meet our investment criteria for a prolonged time. The loss on the sale had an impact on the otherwise positive results of the Group.

The Polish deal flow turned out to be pretty rich too. At the beginning of the year Penta acquired the largest Polish steel wire, rope and staple band producer Drumet from bankruptcy by winning a public tender. After injecting new investments into steel rope manufacturing facilities and redefinition of the product portfolio, the company was able to restart its production and regain its previous market position. In the middle of the year we entered the new market of frozen food when we acquired Iglokrak. The position has been further consolidated by the merger with Iglotex, which resulted in a joint venture with the Polish business partner, thus creating a leading frozen food distribution in Poland offering broad services for traditional retailers. At the end of the year we sold Stream Communications, a provider of cable services to a Polish IT group. The second half of the year saw increased activity in respect of the agreement with Kulczyk Investments over debt financing of the purchase of the Polish State stake in ENEA, which in the end failed to materialise.

In second half of 2010, Penta, having in mind scores of investment opportunities, boosted its liquidity and waited for right deals to come.

I would like to thank all Penta employees for their endeavour in achieving our goals. Also, I have the honour of thanking all of our business partners for their cooperation and support and understanding.

Radoslav Zuberec

Partners

PARTNERS — Annual Report

Marek Dospiva

Jaroslav Haščák

Martin Kúšik

Jozef Oravkin

Iain Child

Eduard Maták

Jozef Špirko

Management Discussion & Analysis

MANAGEMENT DISCUSSION & ANALYSIS — Annual Report

Consolidated Income Statement

Operating Revenue (EUR 2,048.6 million including EUR 1,178.3 million continuing operations and EUR 870.3 million discontinued operations), Interest income from banking and non-banking clients (EUR 30.9 million), Raw materials, consumables used, goods for resale and direct cost (EUR 1,351.5 million including EUR 732.3 million continuing operations and EUR 619.2 million discontinued operations), Interest expense from banking and other related operations (EUR 19.4 million)

Penta Holding Limited Group (the Group) recognised slightly lower operating revenues in 2010 as compared to 2009. The net decline of EUR 172.8 million was mainly driven by the partial sale of DÔVERA zdravotná poisťovňa, a. s. health insurance business in 2009. On the other hand the Group experienced significant growth in revenues of existing businesses including Dr. Max pharmacies (increase of EUR 86.6 million), Žabka convenience stores (increase of EUR 113.6 million) and DRUMET Liny i Druty sp. z o.o. , a manufacturer of steel wires and ropes (increase of EUR 49.5 million).

Among the most significant acquisitions made by the Group in 2010 was the purchase of Iglokrak Group, a leader in the production and distribution of frozen food and ice cream in southern Poland contributing EUR 27.9 million to the Group's revenue, the acquisition of PR Market, s.r.o., a chain of convenience stores in the Czech Republic, contributing EUR 50.5 million to the Group's revenue, the purchase of MEZSERVIS a.s., an engineering and service company in the Czech Republic, contributing EUR13.7 million to the Group's revenue, the purchase of several health care centres through subsidiary ProCare, a.s. in Slovak Republic, contributing EUR11.2 million to the Group's revenue, the purchase of RHP Development, s.r.o., the owner of office premises in Prague, contributing EUR 2.2 million to the Group's revenue and the acquisition of KAISER FOOD Élelmiszer-ipari Kft. which is engaged in the production, distribution and selling of a variety of meat products in Hungary, contributing EUR 2.5 million to the Group's revenue.

The cost of goods for resale, raw materials consumed, and other direct costs of sales/services amounted to EUR 1,351.5 million in 2010 and EUR 1,593.8 million in 2009. The net decrease in these costs was primarily due to the above mentioned divestiture of the health insurance business, partially offset by cost increases associated with the above mentioned revenue growth.

Other significant operating costs: Salaries and benefits (EUR 270.1 million including EUR 210.6 million continuing operations and EUR 59.5 million discontinued operations), depreciation and amortization (EUR 70.6 million including EUR 46.8 million continuing operations and EUR 23.8 million discontinued operations), rental costs (EUR 70.6 million including EUR 31.6 million continuing operations and EUR 39.0 million discontinued operations), other operating expenses (EUR 247.8 million including EUR 131.0 million continuing operations and EUR 116.8 million discontinued operations)

Salaries and benefits decreased from EUR 277.2 million in 2009 to EUR 270.1 million in 2010. Although there was salary growth from existing businesses in 2010, the net reduction in expense reflects significant one-off compensation paid to departing employees in 2009.

Depreciation and amortization expenses of EUR 70.6 million in 2010 are comparable to EUR 70.9 million in 2009.

The growth in rental costs from EUR 60.3 million to EUR 70.6 million is mainly due to expansion of retail businesses including Žabka convenience stores, Dr. Max pharmacies, Pet Centre stores, and health care businesses. Absolute rental costs were largely related to Žabka convenience stores (EUR 31.2 million), Fortuna betting businesses (EUR 9.8 million) and Dr. Max pharmacies (EUR 11.5 million).

Other operating expenses are mainly comprised of legal and professional services, marketing and advertising costs, logistics and transportation costs, utilities, commissions, various taxes and repairs and maintenance expenses. Excluding the results of the health insurance business which was partially disposed in 2009, these expenses have increased in line with the group's revenue growth.

Other gains (EUR 21.8 million including EUR 22.6 million continuing operations and loss of EUR 0.8 million discontinued operations), other expenses (EUR 58.1 million including EUR 36.5 million continuing operations and EUR 21.7 million discontinued operations) and financial expenses (EUR 67.0 million including expense of EUR 58.3 million continuing operations and income of EUR 8.7 million discontinued operations)

The Group reported other gains (net of losses) in the amount of EUR 21.8 million in 2010 and EUR 26.5 million in 2009. The decrease is attributable to lower increase in the fair value of investment property of just EUR 1.1 million in 2010 (compared with EUR 27.1 million in 2009) and a gain on derivatives of EUR 5.2 million in 2010 (compared to a loss of EUR 16.2 million in 2009) related mainly to commodity swaps entered into by the Group to hedge the exposure to aluminium prices by associate company Slovalco, a.s.

Other expenses, net primarily include an impairment charge on receivables net of reversals (EUR 10.2 million), impairment losses of property, plant and equipment (EUR 16.9 million), impairment of assets classified as held for sale (EUR 17.6 million) and the creation of provisions for litigations, environmental risks and other provisions (EUR 11.6 million). In 2009 the Group reported other expenses, net in the amount of EUR 86.0 million which included an impairment charge on receivables (EUR 78.4 million), reversal of impairment loss on property, plant and equipment (EUR 19.2 million), settlement expense of EUR 20.0 million and the creation of provisions for litigations, environmental risks and other provisions (EUR 6.5 million).

Net financial expenses increased from EUR 38.5 million in 2009 to EUR 67.0 million in 2010 primary due to higher amounts of borrowings drawn during 2010 and a less favourable impact from foreign exchange rate developments compared to 2009 (exchange gains of EUR 7.1 million in 2009 compared to EUR 0.2 million in 2010).

Results of Discontinued Operations (profit of EUR 17.7 million)

The reported profit of EUR 17.7 million relates mainly to the results of discontinued operations of Cyfoca Holdings Limited, Penta Pet Food GmbH, Iglokrak Sp. z.o.o., MobilKom, a.s., O3 Invest, a.s., TES VSETÍN, a.s., MEZSERVIS a.s., Żabka Polska S.A., Žabka, a.s. and PR market s.r.o.

In 2009 the Group reported a profit from discontinued operations in the amount of EUR 101.9 million, comprising results of DZP insurance business, Ozeta Group, AVC Group, NOVOKER, a.s and PM ZBROJNÍKY, a.s.

Share of Profit from Associated Companies (EUR 28.3 million) and Reversal of impairment of investment in associate (EUR 15.5 million)

The share of profit from associated companies, and the increase of such, primarily relates to results of Slovalco, a.s., a member of ZSNP, a.s. Group (amounting to EUR 27.7 million in 2010 compared with EUR 18.1 million in 2009). The significant increase in the profitability of Slovalco,(also giving rise to the reversal of impairment on investment recognised in respect of Slovalco, a.s.) was mainly due to significantly higher average aluminium prices.

Income from joint ventures (EUR 22.7 million)

The Group recognized income from DÔVERA zdravotná poisťovňa, a. s., joint venture amounting to EUR 22.7 million in 2010. The income represents unwinding of discount from the dividend receivable which is expected to be settled over the period of the next ten years.

Taxation (EUR 17.5 million)

The tax charge for the year is made up of a corporate tax charge of EUR 21.2 million and a deferred tax credit of EUR 3.7 million. The overall tax charge on continuing operations amounted to EUR 12.5 million (2009: EUR 10.7 million). The most significant tax charges relate to PPC Energy Group a.s. (EUR 3.0 million), Česká lékárna a.s. (EUR 2.8 million), Fortuna Entertainment Group N.V.(EUR 2.8 million), Żabka Polska S.A. (EUR 2.7 million) and MECOM group s.r.o. (EUR 3.3 million credit).

Non-controlling interest (Profit EUR 2.3 million)

The non-controlling interest represents the share of the results of the subsidiary companies that minority shareholders are entitled to (i.e., subsidiaries in which the Group does not hold a 100% interest). These main items include the respective minority interests in losses of MobilKom, a.s. (EUR 2.9 million) and in profits of Fortuna Entertainment Group N.V. (EUR 1.8 million), TES VSETÍN, a.s. (EUR 1.9 million), ZSNP, a.s. Group (EUR 1.5 million) and Żabka Polska S.A. (EUR 1.1 million).

Consolidated Statement Of Financial Position

Excluding the significant increases in cash and debt, the majority of balance sheet items have decreased in 2010 compared to 2009 mainly as a result of the disposals of Penta Pet Food GmbH Group and Cyfoca Holdings Limited Group as well as the reclassification of Żabka Polska S.A., TES VSETÍN, a.s., MobilKom, a.s. and others to separate balance sheet line items described as assets and liabilities of a disposal Group classified as held for sale

Property, Plant and Equipment (EUR 388.1 million)

The Group uses property, plant and equipment primarily in the following businesses: meat processing (EUR 85.8 million), power generation (EUR 72.9 million), aerospace (EUR 69.8 million), wire and rope production (EUR 60.8 million), property development, pharmacies and window production.

The major classes of property, plant and equipment as of 31 December 2010 were Land & buildings in the amount of EUR 206.3 million, Plant, machinery and equipment in the amount of EUR 141.6 million and assets under construction in the amount of EUR 40.2 million.

Property, plant and equipment decreased significantly during the year ended 31 December 2010. The carrying amount of property, plant and equipment decreased from EUR 520.3 million to EUR 388.1 million mainly due to reclassification as held for sale of the following capital intensive subsidiaries: Żabka Polska S.A., MobilKom, a.s., TES VSETÍN, a.s. and the disposals of Cyfoca Holdings Limited Group and Penta Pet Food GmbH Group.

Intangible Assets (EUR 75.5 million)

Intangible assets consist mainly of customer relationships in the amount of EUR 34.6 million, brand names in the amount of EUR 25.9 million, software in the amount of EUR 5.7 million, intangibles not yet in use in the amount of EUR 4.4 million and Aero storage contracts and patents in the amount of EUR 2.6 million.

Intangible assets decreased significantly during the year ended 31 December 2010. The decrease from EUR 131.2 million to 75.5 million was mainly due to reclassification as held for sale of the following subsidiaries: Żabka Polska S.A. and MobilKom, a.s. and disposals of Cyfoca Holdings Limited Group and Penta Pet Food GmbH Group.

Investment Property (EUR 288.2 million)

During 2010 the Group acquired a new subsidiary, RHP Development s.r.o. with investment property in Prague in the amount of EUR 40.2 million. Additionally, the Group continued to invest in the real estate business with total capital expenditures of EUR 19.3 million mainly into land situated in Bratislava and a building situated in Prague.

Investment in Associates (EUR 117.6 million)

Interest in associates consists of 44.69% interest in Slovalco, a.s. and 29.88% interest in STABILITA, d.d.s., a.s. Investments in associates increased from EUR 96.5 million to EUR 117.6 million mainly due to the increased carrying amount of Slovalco, a.s. The carrying amount of Slovalco, a.s. changed from EUR 94.9 million as of 31 December 2009 to EUR 115.7 million as of 31 December 2010. This was driven mainly by the impairment loss reversal in the amount of EUR 15.5 million owing to the increase in aluminium prices and a positive exchange difference in the amount of EUR 10.5 million.

Investment in Joint ventures (EUR 153.1 million)

Investment in joint ventures represents a distribution receivable from health insurance company DÔVERA zdravotná poisťovňa, a. s. The receivable increased from EUR 136.4 million to EUR 153.1 million. During 2010 the Group increased the receivable for the effect of unwinding discount of EUR 22.7 million and received cash of EUR 6 million.

Available-for-sale Investments (EUR 289.1 million – short-term EUR 120.8 million and long-term EUR 168.3 million), Investments at Fair Value through Profit or Loss (EUR 5.6 million – short-term EUR 1.4 million and long-term EUR 4.2 million)

Available-for-sale investments and investments at fair value through profit or loss (FVTPL) increased significantly from EUR 255.9 million to EUR 294.7 million due to increased purchases of Slovak state treasury bills and Slovak government bonds by Privatbanka, a.s., a bank operating in the Slovak Republic.

Available-for-sale investments mainly represent investments in bonds and other securities (EUR 288.6 million). The majority of the securities and bonds are Slovak government bonds (EUR 109.7 million), Eurozone government bonds (EUR 49.3 million), Slovak corporate bonds (EUR 48.9 million) and foreign bank bonds (EUR 38.6 million). The stated securities are carried at fair value either based on their current bid prices on active markets, or by using appropriate valuation methods such as discounted cash flow techniques with reference to market rates.

FVTPL investments consist of listed securities amounting to EUR 0.8 million that were fairly valued as of 31 December 2010 based on quoted bid prices from the active market and non-listed securities in the amount of EUR 4.8 million which were fairly valued as of 31 December 2010 based on discounted cash flow models using market yield returns and appropriate risk premiums.

Other investments (EUR 116.5 million)

Other investments represent investments in subsidiary companies held by the Group as at 31 December 2010 which are currently under liquidation . As they are in liquidation, the Group cannot effectively exercise control and hence they are not consolidated. The major part of other investments represents investment in DZP zdravotná poisťovňa, a.s. in the amount of EUR 115.0 million.

Goodwill on Acquisition of Subsidiaries (EUR 237.7 million)

The carrying amount of goodwill decreased from EUR 363.3 million in 2009 to EUR 237.7 million in 2010. This was mainly due to goodwill reclassified as held for sale in the amount of EUR 113.9 million, goodwill disposed of in the amount of EUR 38.0 million and goodwill arising on the acquisitions of new subsidiaries in the amount of EUR 18.0 million.

The most significant goodwill reclassified as held for sale related to Żabka Polska S.A. and TES VSETÍN, a.s. and the goodwill disposed of related to Penta Pet Food GmbH Group, PR market, s.r.o. and Cyfoca Holdings Limited Group. The most significant goodwill arising on 2010 acquisitions related to 100% acquisition of Iglokrak Sp. z.o.o. (EUR 14.7 million) that was classified as held for sale upon acquisition.

The most significant businesses which goodwill was allocated to are the following: Fortuna Entertainment Group N.V. in the amount of EUR 50.8 million, MECOM GROUP s.r.o. in the amount of EUR 47.3 million, PPC Power, a.s. in the amount of EUR 36.2 million, Česká lékárna, a.s. in the amount of EUR 34.5 million and Okna Rąbień Sp. z o.o. in the amount of EUR 11.6 million.

Trade and Other Receivables (Short-term EUR 190.9 million and long-term EUR 12.8 million) and Loans and Advances to Banking and Other Customers (Short-term EUR 179.4 million and long-term EUR 122.9 million)

Total trade and other receivables decreased from EUR 229.6 million in 2009 to EUR 203.7 million in 2010. The main reason is the reclassification of Żabka Polska S.A. as held for sale.

Trade and other receivables include trade receivables from various businesses in the amount of EUR 178.6 million, other receivables and prepayments in the amount of EUR 60.6 million, other non-trade receivables in the amount of EUR 12.0 million and allowance for doubtful debts in the amount of EUR 47.5 million.

Trade receivables net decreased from EUR 183.9 million in 2009 to EUR 131.1 million in 2010 due to reclassification of Żabka Polska S.A. as held for sale. The most significant trade debtors included within trade receivables are recorded by AERO Vodochody, a.s. Group (EUR 24.2 million), Česká lékárna, a.s. (EUR 17.6 million), PPC Energy Group a.s. (EUR 15.2 million), MECOM GROUP s.r.o (EUR 14.3 million), and Alpha Medical SK (EUR 10.0 million).

Other receivables and prepayments include the consideration for the disposal of PR market, s.r.o. and Žabka, a.s. in the amount of EUR 30.5 million, prepayments in the amount of EUR 6.5 million, VAT receivable in the amount of EUR 2.8 million, unbilled revenues in the amount of EUR 2.7 million and sundry other debtors arising from the ordinary activities of the Group.

Loans and Advances consist of loans and advances to banking customers (EUR 174.7 million) and loans to non-banking customers (EUR 127.5 million). The loans and advances to banking customers are provided by the subsidiary Privatbanka, a.s. at a 5.7% average effective interest rate. The loans provided to non-banking customers are mainly loans provided to parties in the real estate business outside the Group at a 6.95% average interest rate.

Loans and Advances increased from EUR 182.5 million in 2009 to EUR 302.3 million in 2010 due to both increased loans and advances to banking customers by EUR 60.4 million and non-banking customers by EUR 59.4 million.

Inventories (Short-term EUR 144.7 million)

Inventories held as of 31 December 2010 include raw materials in the amount of EUR 82.0 million, work in progress in the amount of EUR 29.1 million, finished goods in the amount of EUR 54.5 million, land held for sale in the amount of EUR 34.0 million and provision for obsolete stock in the amount of EUR 54.9 million.

Inventories decreased from EUR 195.8 million in 2009 to EUR 144.7 million in 2010 mainly due to reclassification as held for sale of Żabka Polska S.A. and TES VSETÍN, a.s. and disposals of Penta Pet Food GmbH Group and Žabka, a.s..

As at 31 December 2010 the Group maintains inventory for the aerospace business in the amount of EUR 54.4 million, land held for sale in the amount of EUR 32.3 million, inventory for healthcare business in the amount of EUR 23.5 million, for machinery business in the amount of EUR 15.1 million and for food product production in the amount of EUR 14.9 million.

Cash and Cash Equivalents (EUR 602.5 million)

The most significant balances included in cash and cash equivalents relate to Penta Investments Limited (EUR 506.4 million), Privatbanka, a.s. (EUR 35.5 million), Fortuna Entertainment Group N.V. (EUR 20.4 million), DÔVERA Holding, a.s. (EUR 6.0 million) and Iglo Holdings Limited (EUR 5.0 million).

Cash and cash equivalents, including cash classified as held for sale and bank overdrafts, increased from EUR 169.4 million as of 31 December 2009 to EUR 607.0 million as of 31 December 2010.

The Group showed positive cash flows from operating activities before working capital changes in the amount of EUR 120.0 million, cash outflow from increases in working capital of EUR 197.5 million and payment of taxes in the amount of EUR 21.8 million. Cash outflows from increases in working capital reflect the overal growth of the Group's main operating and financing businesses before reclassifications of businesses to held for sale.

Investing activities showed a net cash inflow in the amount of EUR 54.8 million driven mainly by the proceeds from disposal of non-controlling interest, net cash inflow arising on disposal of subsidiaries and dividends received from associates. Finally, net cash inflows from financing activities amounted to EUR 482.1 million as a result of the increase in borrowings.

Assets of Disposal Groups classified as held for sale (EUR 475.3 million) and Liabilities Directly Associated with Assets of Disposal Group (EUR 309.2 million)

The Disposal Groups classified as held for sale in 2010 related to the subsidiaries Żabka Polska S.A. with total assets in the amount of EUR 280.9 million and total liabilities in the amount of EUR 194.4 million, TES VSETÍN, a.s. with total assets in the amount of EUR 63.9 million and total liabilities in the amount of EUR 44.2 million, MEZSERVIS a.s. with total assets in the amount of EUR 18.7 million and total liabilities in the amount of EUR 6.2 million and MobilKom, a.s. with total assets in the amount of EUR 23.3 million and total liabilities in the amount of EUR 26.4 million which were subsequently disposed of during 2011 and Iglokrak Sp.z.o.o. with total assets in the amount of EUR 88.5 million and total liabilities in the amount of EUR 38.0 million that became a joint venture during 2011.

Derivative financial instruments in assets (Short-term in the amount of EUR 0.1 million) and Derivative financial instruments in liabilities (Short-term in the amount of EUR 5.8 million and long-term in the amount of EUR 2.8 million)

Derivative assets represent forward exchange contracts for cash flow hedges of EUR 0.1 million.

Derivative liabilities include mainly interest rate swaps for cash flow hedges in the amount of EUR 5.9 million. These are mainly used for hedging the interest exposure of the Group's borrowings.

Equity Attributable to Owners of the Parent (EUR 987.8 million)

Equity consists of share capital and share premium (EUR 47.7 million) and retained earnings and other reserves (EUR 940.1 million). The equity increased significantly from EUR 859.3 million as of 31 December 2009 to EUR 987.8 million as of 31 December 2010. This was mainly due to the profit generated for the year ended 31 December 2010 in the amount of EUR 49,7 million and to partial disposal of the subsidiary Fortuna Entertainment Group N.V. through an initial public offering on the Prague and Warsaw stock exchanges resulting in profit for the year ended 31 December 2010 in the amount of EUR 53 million credited to retained earnings.

Non-controlling Interest (EUR 24.0 million)

Non-controlling interests in the net assets of consolidated subsidiaries are identified separately from the Group's equity therein. Non-controlling interests represent the non-controlling share of the net assets of consolidated subsidiaries. Non-controlling interest relates mainly to the following subsidiaries: Fortuna Entertainment Group N.V. (EUR 17.0 million) Zabka Holdings Co Limited Group (EUR 6.0 million), ZSNP, a.s. Group (EUR 4.3 million), TES VSETÍN, a.s. (EUR 3.7 million) and MobilKom, a.s. (EUR negative 6.4 million). Non-controlling interest in 2010 increased significantly compared to 2009 due to the partial disposal of the subsidiary Fortuna Entertainment Group N.V. through an IPO on the stock exchanges of Prague and Warsaw.

Provisions (Short-term portion EUR 36.7 million and long-term portion EUR 6.7 million)

The carrying amount of provisions relates mainly to provision relating to a legal case of the subsidiary company Gratio Holdings Limited in the amount of EUR 9.0 million, provision for environmental risks in the amount of EUR 8.5 million, provision for employee benefits and bonuses in the amount of EUR 7.0 million, provision for released emission rights in the amount of EUR 6.3 million, provisions for guarantee, contractual issues and litigations in the amount of EUR 6.1 million and provision for guarantees and repairs in the amount of EUR 5.1 million.

Provisions decreased from EUR 53.7 million in 2009 to EUR 43.4 million in 2010 mainly due to the disposal of Penta Pet Food GmbH Group, a decrease of EUR 7.1 million, to the release and utilisation of the environmental provision in the amount of EUR 7.1 million and to the release of a provision in the amount of EUR 2.3 million relating to a legal case of the subsidiary company Gratio Holdings Limited.

Creditors and Accruals (Long-term EUR 69.9 million and short-term EUR 248.4 million)

Long-term creditors and accruals include mainly advances received from the liquidated DZP zdravotná poisťovňa, a.s. in liquidation in the amount of EUR 39.2 million, deferred purchase consideration for DRUMET Liny i Druty sp. z o.o. in the amount of EUR 19.6 million and deferred income in the amount of EUR 8.6 million.

Short-term creditors and accruals included trade creditors in the amount of EUR 164.2 million, other payables and accruals in the amount of EUR 68.1 million, deferred income in the amount of EUR 10.8 million, deferred purchase consideration for DRUMET Liny i Druty sp. z o.o. and RHP Development s.r.o. in the amount of EUR 3.3 million and advances received in the amount of EUR 2.0 million.

Trade creditors mostly include balances of the following subsidiaries: Česká lékárna, a.s. (EUR 44.8 million), Mirakl, a.s. (EUR 25.1 million), MECOM GROUP s.r.o. (EUR 24.3 million), PPC Energy Group a.s. (EUR 17.1 million) and BRL Center Polska Sp.z o.o. (EUR 8.2 million).

Total creditors and accruals decreased from EUR 442.0 million in 2009 to EUR 318.3 million in 2010. The main reason for the decrease was the disposal of Penta Pet Food GmbH Group and Žabka, a.s. and reclassification as held for sale of Żabka Polska S.A.

Borrowings (Long-term EUR 693.8 million and short-term EUR 733.5 million), Deposits from Banking Customers (Long-term EUR 112.1 million and short-term EUR 138.9 million) and Deposits from Other Banks (EUR 10.0 million)

Non-current borrowings comprise bank borrowings (EUR 401.2 million), bonds and other debt securities (EUR 128.2 million), other borrowings (EUR 96.0 million), promissory notes payable (EUR 39.0 million), debt securities issued by Privatbanka a.s. (EUR 17.9 million) and finance leases (EUR 11.5 million).

Current borrowings comprise bank borrowings (EUR 523.7 million), promissory notes payable (EUR 143.7 million), other borrowings (EUR 25.9 million), bonds and other debt securities (EUR 13.9 million), bank overdrafts (EUR 11.0 million), debt securities issued by Privatbanka a.s. (EUR 9.3 million) and finance leases (EUR 6.0 million).

During 2010 the Group obtained new borrowings to finance business acquisitions in 2010 and 2011 and the business expansion of existing subsidiaries in the fields of the power energy sector, pharmacies and real estate.

The Group mainly finances its borrowings through top tier banks and to a lesser extent through corporate bonds and promissory notes. The weighted average borrowing cost from banks was approximately 3.8% in 2010 and 4.1% in 2009.

Deposits from other banks (EUR 10.0 million) and from banking clients (EUR 251.1 million) are those kept by Privatbanka, a.s. in its normal course of business activity. The effective interest paid on deposits from other banks was 1.00% in 2010 (2009: 0.95%) and on deposits from banking clients 2.58% (2009: 2.25%).

Taxation (deferred taxation of EUR 23.7 million and corporate tax of EUR 2.3 million)

Corporate taxation principally consists of balances for the following subsidiaries: Česká lékárna, a.s. (EUR 1.6 million), DÔVERA Holding, a.s. (EUR 0.5 million), Mirakl, a.s. (EUR 0.4 million), MECOM GROUP s.r.o. (EUR negative 0.5 million) and AeskuLab Holding, a.s. (EUR negative 0.4 million).

Corporation tax liability in the amount of EUR 2.3 million as of 31 December 2010 is in line with corporation tax liability in the amount of EUR 2.8 million as of 31 December 2009.

Deferred taxation includes the balances of DRUMET Liny i Druty sp. z o.o. (EUR 8.4 million), Digital Park Einsteinova, a.s. (EUR 6.6 million), AeskuLab Holding, a.s. (EUR 4.8 million), ZSNP, a.s. Group (EUR 5.0 million) and Penta Investments Limited (negative EUR 5.0 million).

Deferred tax liability decreased from EUR 33.5 million in 2009 to EUR 23.7 million in 2010 mainly due to reclassification as held for sale of Żabka Polska S.A. (EUR 3.3 million) and disposal of the following subsidiaries: Cyfoca Holdings Limited Group (EUR 2.7 million) and Penta Pet Food GmbH Group (EUR 1.5 million).

Penta
Holding
Limited

PENTA HOLDING LIMITED — Annual Report

Corporate data

Company name:
PENTA HOLDING LIMITED

Registration number:
HE 101570

Legal form:
Private Company Limited by Shares

Share capital as at December 31st, 2010:
EUR 171,000

Share capital from August 31st, 2011:
EUR 172,562.94

Number and class of shares
as at December 31st, 2010:
93,000 ordinary shares
7,000 B class shares

Number and class of shares
from August 31st, 2011:
93,000 ordinary shares
7,914 B class shares

Nominal value per share:
EUR 1,71 per ordinary share
EUR 1,71 per B class share

Principal activities:
Long term holding of investments

Registered office:
Agias Fylaxeos & Polygnostou, 212
C&I CENTER, 2nd floor
3082, Limassol, Cyprus

Date of incorporation:
April 22nd, 1999

Auditor:
Deloitte Limited, Limassol, Cyprus

Board of Directors:
Radoslav Zuberec
George Crystallis

Penta
Holding
Limited

PENTA HOLDING LIMITED — Annual Report

Consolidated Income Statement

for the Year Ended 31 December 2010 *(expressed in thousands of Euro)*

	2010 EUR '000	2009 EUR '000
CONTINUING OPERATIONS		
Operating revenue	1.178.339	988.329
Interest income from banking and non-banking clients	30.867	19.683
Total operating revenue	**1.209.206**	**1.008.012**
Change in inventories of finished goods and work in progress	7.629	5.074
Work performed by enterprise and capitalized	4.253	1.448
Raw materials, consumables used, goods for resale and direct costs	(732.364)	(640.363)
Interest expense from banking and other related operations	(19.391)	(10.781)
Other gains and losses, net	22.598	25.693
Share of profit from associates	28.295	8.277
Income from joint ventures	22.658	136.438
Investment revenue	216	11.823
Salaries and benefits	(210.627)	(214.434)
Depreciation and amortisation expense	(46.845)	(39.751)
Finance expenses, net	(58.296)	(32.000)
Rental expense	(31.626)	(27.785)
Impairment of goodwill	(9.545)	(14.678)
Reversal/(impairment) of investments	15.867	(20.934)
Other operating expenses, net	(130.954)	(91.574)
Other expenses, net	(36.478)	(81.569)
Excess of acquirer's interest in the net fair value of acquiree's identifiable assets, liabilities and contingent liabilities over acquisition cost	12.267	39.006
Profit before taxation	**46.863**	**61.902**
Taxation	(12.519)	(10.682)
Profit for the year from continuing operations	**34.344**	**51.220**
Discontinued operations		
Profit for the year from discontinued operations	17.669	101.899
Profit for the year	**52.013**	**153.119**
Profit attributable to:		
Owners of the parent Company	49.680	156.240
Non-controlling interests	2.333	(3.121)
	52.013	**153.119**

Consolidated Statement of Financial Position

as at 31 december 2010 *(expressed in thousands of Euro)*

	2010 EUR '000	2009 EUR '000
ASSETS		
Non-current assets		
Goodwill	237.719	363.297
Property, plant and equipment	388.103	520.257
Investment property	288.221	229.955
Investments in associates	117.567	96.470
Investments in joint ventures	153.096	136.438
Available for sale investments	168.319	176.015
Investments at fair value through profit or loss	4.205	4.853
Held to maturity investments	5.408	–
Intangible assets	75.519	131.234
Derivative financial instruments	–	324
Trade and other receivables	12.808	10.558
Loans and advances to banking and other customers	122.891	67.620
Other financial assets	66	–
Deferred tax asset	8.087	7.784
Total non-current assets	**1.582.009**	**1.744.805**
Current assets		
Inventories	144.708	195.830
Available for sale investments	120.752	70.230
Investments at fair value through profit or loss	1.405	4.802
Held to maturity investments	267	22.491
Other investments	116.494	115.640
Derivative financial instruments	116	13.695
Non-current assets held for sale	95	–
Trade and other receivables	190.861	219.034
Loans and advances to banking and other customers	179.401	114.850
Assets of disposal Group classified as held for sale	475.325	14.304
Current tax asset	2.572	–
Cash and balances with central banks	602.459	157.429
Total current assets	**1.834.455**	**928.305**
Total assets	**3.416.464**	**2.673.110**

Consolidated Statement of Financial Position

for the year ended 31 december 2010 *(expressed in thousands of Euro)*

	2010 EUR '000	2009 EUR '000
EQUITY AND LIABILITIES		
Equity		
Share capital	171	171
Share premium	47.538	47.538
Retained earnings and other reserves	940.054	811.607
Equity attributable to owners of the parent	**987.763**	**859.316**
Non-controlling interests	24.043	14.547
Total equity	**1.011.806**	**873.863**
Non-current liabilities		
Borrowings	693.846	537.238
Deposits from banking customers	112.118	18.321
Provisions	6.706	30.563
Derivative financial instruments	2.827	2.823
Deferred taxation	31.827	41.296
Creditors and accruals	69.895	37.376
Total non-current liabilities	**917.219**	**667.617**
Current liabilities		
Borrowings	733.474	432.602
Deposits from other banks	9.992	110.194
Deposits from banking customers	138.945	152.844
Provisions	36.677	23.089
Derivative financial instruments	5.842	5.113
Creditors and accruals	248.448	404.608
Taxation	4.901	2.781
Liabilities directly associated with assets of disposal Group classified as held for sale	309.160	399
Total current liabilities	**1.487.439**	**1.131.630**
Total liabilities	**2.404.658**	**1.799.247**
Total equity and liabilities	**3.416.464**	**2.673.110**

The financial statements were approved by the Board on 28 July 2011 and signed on its behalf by:

Radoslav Zuberec — Director

George Crystallis — Director

Deloitte.

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Independent Auditors' Report

To the Members of PENTA HOLDING LIMITED

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of **PENTA HOLDING LIMITED (the "Company")** and its subsidiaries **(the "Group")** on pages **7** to **163** which comprise the consolidated statement of financial position as at 31 December 2010, and the statements of consolidated income statement, consolidated comprehensive income, consolidated changes in equity and consolidated cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Board of Directors' Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with International Financial Reporting Standards as adopted by the European Union (EU) and the requirements of the Cyprus Companies Law, Cap. 113, and for such internal control as the Board of Directors determines necessary to enable the preparation of consolidated financial statements that are free from material misstatements, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated 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 of the financial statements that give a true and fair view, 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.

Opinion

In our opinion, the consolidated financial statements give a true and fair view of the financial position of the **Group** as at 31 December 2010, 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.

Deloitte.

Independent Auditors' Report

To the Members of PENTA HOLDING LIMITED

Report on the Consolidated Financial Statements

Emphasis of matter

Without qualifying our opinion we draw attention to Note 14 (c) to the consolidated financial statements, where the investment of the Group in an iron processing plant, which is under construction in Ukraine, is discussed. This plant was provided to Slovenský investičný holding, s. r. o., ("SIH") until recently being a subsidiary of the Group (merged with Gratio Holdings Limited in 2009 - subsidiary of the Group), free of charge by the Government of the Czech and Slovak Federal Republic in 1992 when its value was estimated at EUR 337.218 thousand (SKK 10.159.018 thousand). Since 1993 the SIH Group has incurred additional expenditure on construction and maintenance of the plant in the amount of EUR 37.103 thousand which has been written off. The Group is seeking to dispose its interest, but no solution has yet been found in negotiations with the Ukrainian and Slovak governments. This investment is not recognised in the consolidated financial statements as the management of the Group is not able to determine reliably whether any economic benefits could be derived from this investment.

Report on other legal and regulatory requirements

Pursuant to the requirements of the Auditors and Statutory Audits of Annual and Consolidated Accounts, Law of 2009, 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 consolidated financial statements give the information required by the Cyprus 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 consolidated financial statements.

Deloitte.

Independent Auditors' Report

To the Members of PENTA HOLDING LIMITED

Report on the Consolidated 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 34 of the Auditors and Statutory Audits of Annual and Consolidated Accounts Law of 2009 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.

Andreas Georgiou
Certified Public Accountant and Registered Auditor
for and on behalf of

DELOITTE LIMITED
Certified Public Accountants and Registered Auditors **(Cyprus)**
Maximos Plaza, Tower 1, 3rd floor
213 Arch. Makariou III Avenue
CY 3030,
Limassol, 28 July 2011

Deloitte.

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CONFIRMATION

We hereby confirm that the figures presented on pages 29 to 31 and the auditors' report of Penta Holding Limited on pages 32 to 34 of the Annual Report of Penta Holding Limited, are consistent, in all material respects, with Penta Holding Limited audited consolidated financial statements.

The pages to which reference is made in the auditors' report presented on pages 32 to 34, are the pages of the original full set of the audited consolidated financial statements of Penta Holding Limited.

For a better understanding, of the Penta Holding Limited Group financial position and results of its operations and cash flows, the consolidated Income Statement and Statement of Financial Position presented on pages 29 to 31 should be read in conjunction with the full set of the audited consolidated financial statements of Penta Holding Limited.

Deloitte Limited

DELOITTE LIMITED
Certified Public Accountants (Cyprus)

Limassol, 28 July 2011

Penta Investments Limited

PENTA INVESTMENTS LIMITED — Annual Report

Corporate data

Company name:
PENTA INVESTMENTS LIMITED

Registration number:
HE 158996

Legal form:
Private Company Limited by Shares

Share capital as at December 31st, 2010:
EUR 314, 415.99

Number and class of shares as at December 31st, 2010:
183,869 ordinary shares

Nominal value per share:
EUR 1,71

Principal activities:
Private Equity Fund; Holding and Trade of Investments in Shares and other Securities, Loan Financing

Registered office:
Agias Fylaxeos & Polygnostou, 212
C&I CENTER, 2nd floor
3082, Limassol, Cyprus

Date of incorporation:
March 28th, 2005

Auditor:
Deloitte Limited, Limassol, Cyprus

Board of Directors:
Radoslav Zuberec
Nicos-Alecos Nicolaou

Penta Investments Limited

PENTA INVESTMENTS LIMITED — Annual Report

Consolidated Income Statement

for the Year Ended 31 December 2010 *(expressed in thousands of Euro)*

	2010 EUR '000	2009 EUR '000
CONTINUING OPERATIONS		
Operating revenue	**1.178.442**	**988.391**
Interest income from banking and non-banking clients	30.867	19.683
Total operating revenue	**1.209.309**	**1.008.074**
Change in inventories of finished goods and work in progress	7.629	5.074
Work performed by enterprise and capitalized	4.253	1.448
Raw materials, consumables used, goods for resale and direct costs	(732.364)	(640.363)
Interest expense from banking and other related operations	(26.398)	(15.924)
Other gains and losses, net	22.358	25.659
Share of profit from associates	28.295	8.277
Income from joint ventures	22.658	136.438
Investment revenue	216	11.823
Salaries and benefits	(210.617)	(214.434)
Depreciation and amortisation expense	(46.722)	(39.578)
Finance expenses, net	(51.508)	(30.819)
Rental expense	(31.618)	(27.759)
Impairment of goodwill	(8.930)	(14.678)
Reversal/(impairment) of investments	15.867	(20.934)
Other operating expenses, net	(130.556)	(91.059)
Other expenses, net	(33.598)	(82.275)
Excess of acquirer's interest in the net fair value of acquiree's identifiable assets, liabilities and contingent liabilities over acquisition cost	12.267	39.006
Profit before taxation	**50.541**	**57.976**
Taxation	(12.515)	(10.202)
Profit for the year from continuing operations	**38.026**	**47.774**
Discontinued operations		
Profit for the year from discontinued operations	17.660	101.899
Profit for the year	**55.686**	**149.673**
Profit attributable to:		
Owners of the parent Company	53.354	152.794
Non-controlling interests	2.332	(3.121)
	55.686	**149.673**

Consolidated Statement of Financial Position

as at 31 December 2010 *(expressed in thousands of Euro)*

	2010 EUR '000	2009 EUR '000
ASSETS		
Non-current assets		
Goodwill	237.719	362.682
Property, plant and equipment	388.103	518.400
Investment property	288.221	229.955
Investments in associates	117.567	96.470
Investments in joint ventures	153.096	136.438
Available for sale investments	168.319	176.015
Investments at fair value through profit or loss	4.205	4.853
Held to maturity investments	5.408	–
Intangible assets	75.152	131.234
Derivative financial instruments	–	324
Trade and other receivables	12.808	10.558
Loans and advances to banking and other customers	177.658	69.281
Other financial assets	66	–
Deferred tax asset	8.087	7.784
Total non-current assets	**1.636.409**	**1.743.994**
Current assets		
Inventories	144.708	195.830
Investments at fair value through profit or loss	1.405	4.802
Available for sale investments	120.752	70.230
Held to maturity investments	267	22.491
Other investments	116.494	115.640
Derivative financial instruments	116	13.695
Non-current assets held for sale	95	–
Trade and other receivables	190.973	219.050
Loans and advances to banking and other customers	255.867	143.599
Assets of disposal Group classified as held for sale	475.325	14.304
Current tax asset	2.541	–
Cash and balances with central banks	602.355	156.890
Total current assets	**1.910.898**	**956.531**
Total assets	**3.547.307**	**2.700.525**

Consolidated Statement of Financial Position

for the Year Ended 31 December 2010 *(expressed in thousands of Euro)*

	2010 EUR '000	2009 EUR '000
EQUITY AND LIABILITIES		
Equity		
Share capital	314	313
Share premium	264.462	72.302
Retained earnings and other reserves	726.721	672.392
Equity attributable to owners of the parent	**991.497**	**745.007**
Non-controlling interests	23.983	14.513
Total equity	**1.015.480**	**759.520**
Non-current liabilities		
Borrowings	728.290	551.289
Deposits from banking customers	112.118	18.321
Provisions	6.706	30.563
Derivative financial instruments	2.827	2.823
Deferred taxation	31.827	41.296
Creditors and accruals	69.895	37.376
Total non-current liabilities	**951.663**	**681.668**
Current liabilities		
Borrowings	786.923	470.340
Deposits from other banks	9.992	110.194
Deposits from banking customers	181.814	184.211
Provisions	33.813	23.089
Derivative financial instruments	5.842	5.113
Creditors and accruals	246.015	463.285
Taxation	4.851	2.706
Liabilities directly associated with assets of disposal Group classified as held for sale	310.914	399
Total current liabilities	**1.580.164**	**1.259.337**
Total liabilities	**2.531.827**	**1.941.005**
Total equity and liabilities	**3.547.307**	**2.700.525**

The financial statements were approved by the Board on 28 July 2011 and signed on its behalf by:

Radoslav Zuberec — Director

Nicos Alecos Nicolaou — Director

Deloitte.

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Independent Auditors' Report

To the Members of PENTA INVESTMENTS LIMITED

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of **PENTA INVESTMENTS LIMITED (the "Company")** and its subsidiaries **(the "Group")** on pages **7** to **164** which comprise the consolidated statement of financial position as at 31 December 2010, and the statements of consolidated income statement, consolidated comprehensive income, consolidated changes in equity and consolidated cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Board of Directors' Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with International Financial Reporting Standards as adopted by the European Union (EU) and the requirements of the Cyprus Companies Law, Cap. 113, and for such internal control as the Board of Directors determines necessary to enable the preparation of consolidated financial statements that are free from material misstatements, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated 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 of the financial statements that give a true and fair view, 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.

Opinion

In our opinion, the consolidated financial statements give a true and fair view of the financial position of the **Group** as at 31 December 2010, 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.

Deloitte.

Independent Auditors' Report

To the Members of PENTA INVESTMENTS LIMITED

Report on the Consolidated Financial Statements

Emphasis of matter

Without qualifying our opinion we draw attention to Note 14 (c) to the consolidated financial statements, where the investment of the Group in an iron processing plant, which is under construction in Ukraine, is discussed. This plant was provided to Slovenský investičný holding, s. r. o., ("SIH") until recently being a subsidiary of the Group (merged with Gratio Holdings Limited in 2009 - subsidiary of the Group), free of charge by the Government of the Czech and Slovak Federal Republic in 1992 when its value was estimated at EUR 337.218 thousand (SKK 10.159.018 thousand). Since 1993 the SIH Group has incurred additional expenditure on construction and maintenance of the plant in the amount of EUR 37.103 thousand which has been written off. The Group is seeking to dispose its interest, but no solution has yet been found in negotiations with the Ukrainian and Slovak governments. This investment is not recognised in the consolidated financial statements as the management of the Group is not able to determine reliably whether any economic benefits could be derived from this investment.

Report on other legal and regulatory requirements

Pursuant to the requirements of the Auditors and Statutory Audits of Annual and Consolidated Accounts, Law of 2009, 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 consolidated financial statements give the information required by the Cyprus 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 consolidated financial statements.

Deloitte.

Independent Auditors' Report

To the Members of PENTA INVESTMENTS LIMITED

Report on the Consolidated 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 34 of the Auditors and Statutory Audits of Annual and Consolidated Accounts Law of 2009 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.

Andreas Georgiou
Certified Public Accountant and Registered Auditor
for and on behalf of

DELOITTE LIMITED
Certified Public Accountants and Registered Auditors **(Cyprus)**
Maximos Plaza, Tower 1, 3rd floor
213 Arch. Makariou III Avenue
CY 3030,
Limassol, 28 July 2011

Deloitte.

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CONFIRMATION

We hereby confirm that the figures presented on pages 39 to 41 and the auditors' report of Penta Investments Limited on pages 42 to 44 of the Annual Report of Penta Holding Limited, are consistent, in all material respects, with Penta Investments Limited audited consolidated financial statements.

The pages to which reference is made in the auditors' report presented on pages 42 to 44, are the pages of the original full set of the audited consolidated financial statements of Penta Investments Limited.

For a better understanding, of the Penta Investments Limited Group financial position and results of its operations and cash flows, the consolidated Income Statement and Statement of Financial Position presented on pages 39 to 41 should be read in conjunction with the full set of the audited consolidated financial statements of Penta Investments Limited.

Deloitte Limited

DELOITTE LIMITED
Certified Public Accountants (Cyprus)

Limassol, 28 July 2011

Contacts

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PENTA INVESTMENTS LIMITED,
organizational unit

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