ÚVOD

Výročná správa spoločnosti Privatbanka, a.s. (ďalej len banka) je vypracovaná v zmysle § 77 zákona č. 566/2001 Z.z. o cenných papieroch a investičných službách v znení neskorších predpisov, v zmysle § 34 zákona č. 429/2002 Z.z. o burze cenných papierov v znení neskorších predpisov a v zmysle § 20 zákona č. 431/2002 Z.z. o účtovníctve v znení neskorších predpisov.

6. SPRÁVA O FINANČNEJ SITUÁCII

a) INFORMÁCIA O VÝVOJI BANKY, O STAVE, V KTOROM SA NACHÁDZA, A O VÝZNAMNÝCH RIZIKÁCH A NEISTOTÁCH, KTORÝM JE BANKA VYSTAVENÁ

(§ 77 ods. 2 písm. B1) zákona č. 566/2001 Z.z. o cenných papieroch a investičných službách v znení neskorších predpisov)
(§ 20 ods. 1 písm. A) zákona č. 431/2002 Z.z. o účtovníctve v znení neskorších predpisov)
(§ 34 ods. 2 písm. A) zákona o burze v znení neskorších predpisov)

Bilančná suma dosiahla k 31.12.2009 výšku 470 388 tis. EUR. V porovnaní s ultimom roku 2008 sa bilančná suma zvýšila o 12%.

Zisk po zdanení dosiahol výšku 3 035 tis. EUR, čo predstavuje v medziročnom porovnaní nárast o 37%. Banka dosiahla vo väčšine prevádzkových činností lepšie výsledky ako v roku 2008, čoho odrazom je výrazné medziročné zvýšenie prevádzkového zisku. Ku koncu roku 2009 dosiahol prevádzkový zisk výšku 5 273 tis. EUR, čo predstavuje 56% nárast v porovnaní s predchádzajúcim rokom.

Porovnanie finančných ukazovateľov

tis. EUR	31.12.2009	31.12.2008	Zmena	Zmena v %
Celkové aktíva	470 388	420 900	49 488	12%
Peniaze a pohľadávky voči centrálnym bankám	9 234	129 703	(120 469)	(93%)
Pohľadávky voči bankám	72 239	52 653	19 586	37%
Pohľadávky voči klientom	108 423	96 706	11 717	12%
Cenné papiere	277 683	139 496	138 187	99%
Záväzky voči bankám	110 194	12 336	97 858	793%
Záväzky voči klientom	279 336	237 850	41 486	17%
Záväzky z dlhových cenných papierov	41 820	139 511	(97 691)	(70%)
Základné imanie	25 121	25 124	(3)	-
Vlastné imanie	32 591	27 702	4 889	18%
Prevádzkový hospodársky výsledok	5 273	3 377	1 896	56%
Hospodársky výsledok po zdanení	3 035	2 218	817	37%
Vlastné zdroje	27 177	24 876	2 301	9%
Primeranosť vlastných zdrojov	12,87%	16,77%	(3,9%)	(23%)

Najväčším zdrojom zisku banky v roku 2009 boli čisté úrokové výnosy, ktoré medziročne vzrástli o 25% na hodnotu 8 222 tis. EUR. Na zvýšení čistých úrokových výnosov mali zásluhu najmä medziročný nárast priemerného objemu úverového portfólia, rast úrokovej marže z úverov, medziročné zvýšenie priemerného objemu portfólia cenných papierov, ako aj celkovo vyššia priemerná bilančná suma v porovnaní s predchádzajúcim rokom.

Objem poskytnutých úverov ku koncu roku 2009 dosiahol hodnotu 108 423 tis. EUR, čo predstavuje medziročné zvýšenie o 12%. Portfólio cenných papierov dosiahlo ku koncu roku 2009 objem 277 683 tis. EUR, čo predstavuje medziročný nárast o 99%.

Medziročne rástli aj čisté výnosy z poplatkov a provízií. Zvýšenie čistých výnosov z poplatkov a provízií dosiahlo 28% a ich konečná hodnota bola 1 580 tis. EUR.

K celkovému zisku banky prispel vo významnej miere čistý zisk z obchodovania s cennými papiermi a z devízových a derivátových obchodov. Tento dosiahol v roku 2009 výšku 2 211 tis. EUR, čo predstavuje medziročný rast na úrovni 69%. V rámci tejto položky vzrástol zisk z obchodovania s cennými papiermi a poklesol zisk z devízových operácií, najmä z dôvodu zavedenia meny EUR.

Prevádzkové náklady dosiahli ku koncu roku 2009 výšku 6 758 tis. EUR, čo predstavuje medziročný nárast o 17%. Z nich všeobecné prevádzkové náklady predstavujú 6 214 tis. EUR (medziročný nárast o 17%) a odpisy k hmotnému a nehmotnému majetku 544 tis. EUR (medziročný nárast o 22%). Zvýšené prevádzkové náklady súvisia najmä s otvorením zastúpenia banky v Českej republike (Praha), ako aj s otvorením novej pobočky v Bratislave a nových retailových pracovísk v Košiciach, Nitre a Dunajskej Strede.

Primeranosť vlastných zdrojov k 31.12.2009 dosiahla výšku 12,87% a v priebehu roka 2009 sa znížila o 3,9 percentuálneho bodu.

Ďalšie konkrétne údaje k výsledkom banky v roku 2009 sú uvedené v účtovných výkazoch banky a v poznámkach k účtovnej závierke.

b) INFORMÁCIA O UDALOSTIACH OSOBITNÉHO VÝZNAMU, KTORÉ NASTALI PO SKONČENÍ ÚČTOVNÉHO OBDOBIA K 31. DECEMBRU 2009
(§ 20 ods. 1 písm. B) zákona č. 431/2002 Z.z. o účtovníctve v znení neskorších predpisov)

K dátumu zostavenia výročnej správy sa nevyskytli žiadne významné udalosti, ktoré nastali po skončení účtovného obdobia k 31. decembru 2009.

c) INFORMÁCIA O PREDPOKLADANOM BUDÚCOM VÝVOJI ČINNOSTI BANKY
(§ 77 ods. 2 písm. D) zákona č. 566/2001 Z.z. o cenných papieroch a investičných službách v znení neskorších predpisov)
(§ 20 ods. 1 písm. C) zákona č. 431/2002 Z.z. o účtovníctve v znení neskorších predpisov)

Banka v roku 2009 napriek pretrvávajúcej hospodárskej kríze dosiahla dobré hospodárske výsledky, a to z hľadiska objemov i vnútornej štruktúry. V roku 2010 banka neočakáva výrazný negatívny vplyv prebiehajúcich globálnych sociálno-ekonomických procesov na svoju činnosť a výkonnosť.

Hlavnou oblasťou aktivít banky je rozvoj privátneho bankovníctva a činností, ktoré s ním úzko súvisia (asset management, treasury). Paralelne s privátnym bankovníctvom bude banka naďalej rozvíjať korporátne bankovníctvo s dôrazom na poskytovanie úverov korporátnym klientom.

Relatívne novou oblasťou činnosti bany je retailové bankovníctvo. Banka už v priebehu roka 2009 posilnila sieť svojich retailových pracovísk, a v tomto trende bude pokračovať aj v roku 2010. Svoje aktivity v oblasti retailu bude banka orientovať najmä na získavanie termínovaných vkladov od obyvateľstva.

Cieľom banky v oblasti privátneho bankovníctva v roku 2010 je zabezpečiť kontinuálny nárast objemu aktív pod správou. Predpokladom pre dosiahnutie tohto cieľa je aktívna akvizičná činnosť siete privátnych bankárov. Po kvalitatívnej stránke je cieľom banky poskytovať privátnym klientom vysoko individuálne a flexibilné služby, najmä v rámci produktu Privatbanka Wealth Management. Významným prvkom ponuky investičných nástrojov budú emisie korporátnych zmeniek a korporátnych dlhopisov denominovaných v eurách a českých korunách, ktoré bude banka aranžovať najmä pre subjekty v rámci akcionárskej skupiny.

V oblasti korporátneho bankovníctva je cieľom banky v roku 2010 výrazne dynamizovať rast bilančného zostatku úverov. Sústreďovať sa pritom bude na SME sektor. Z hľadiska stratégie bude banka pokračovať v osvedčenom spôsobe poskytovania úverov, ktorý je postavený na dobrom zabezpečení a podporený doterajšími výsledkami klienta. V podmienkach pretrvávajúceho turbulentného ekonomického vývoja sa bude banka orientovať na úverovanie klientov, s ktorými už má ekonomické vzťahy, a teda pozná ich bonitu.

Za účelom zabezpečenia potrebnej zdrojovej základne bude banka vo významne intenzívnejšej miere realizovať vkladové produkty pre retailových klientov s atraktívnym úročením, a tiež emisie svojich dlhopisov.

V súhrnnom vyjadrení banka očakáva na konci roku 2010 bilančnú sumu na úrovni 538 mil. EUR a hospodársky výsledok po zdanení v objeme 3,5 mil. EUR.

Účtovná jednotka nemá vplyv na životné prostredie.

Rozširovaním retailovej siete prispieva k posilneniu zamestnanosti v rôznych regiónov Slovenskej republiky.

Účtovnej jednotke nie sú známe významné riziká a neistoty, ktoré by mali významný vplyv na činnosť účtovnej jednotky.

g) INFORMÁCIE O ZLOŽENÍ A ČINNOSTI PREDSTAVENSTVA A JEHO VÝBOROV

(§ 20 ods. 6 písm. f) zákona č. 431/2002 Z.z. o účtovníctve v znení neskorších predpisov)

Zloženie predstavenstva:

Mgr. Ing. Ľuboš Ševčík, CSc.	predseda predstavenstva a generálny riaditeľ
Ing. Ľubomír Lorencovič	podpredseda predstavenstva a vrchný riaditeľ úseku privátneho bankovníctva
Ing. Vladimír Hrdina	člen predstavenstva a vrchný riaditeľ úseku riadenia rizík a ekonomiky

Činnosť predstavenstva:

Predstavenstvo je štatutárnym orgánom spoločnosti, ktorý riadi činnosť spoločnosti a koná v jej mene. Predstavenstvo rozhoduje o všetkých záležitostiach spoločnosti, pokiaľ nie sú zákonom alebo stanovami vyhradené do pôsobnosti valného zhromaždenia alebo dozornej rady. Predstavenstvo zasadá pravidelne, minimálne raz do mesiaca.

Predstavenstvo v rámci svojej pôsobnosti najmä:

a) zvoláva valné zhromaždenie,
b) vykonáva uznesenia valného zhromaždenia a dozornej rady,

c) zabezpečuje a zodpovedá za vypracovanie návrhu a vykonávanie schválenej organizácie a systému riadenia spoločnosti v súlade so zákonom o bankách a zákonom o cenných papieroch,
d) zabezpečuje vedenie účtovníctva, obchodných kníh, inej povinnej evidencie, obchodnej dokumentácie a iných dokladov spoločnosti v súlade so všeobecne platnými právnymi predpismi,
e) v lehote určenej zákonom oznamuje NBS audítora, ktorého výber schválila dozorná rada a valné zhromaždenie,
f) udeľuje a odvoláva prokúru po predchádzajúcom schválení dozornou radou, udeľuje ďalšie písomné splnomocnenia v súlade so schváleným štatútom predstavenstva,
g) rozhoduje o použití rezervného fondu a ďalších účelových fondov tvorených zo zisku spoločnosti pokiaľ sú zriadené,
h) predkladá, po prerokovaní v dozornej rade, valnému zhromaždeniu na schválenie:
   1. návrhy na zmeny stanov,
   2. návrhy na zvýšenie a zníženie základného imania a vydanie dlhopisov,
   3. účtovné závierky, ktoré je spoločnosť povinná vyhotovovať podľa osobitného predpisu, návrh na rozdelenie zisku alebo vysporiadanie straty, návrh na určenie výšky a spôsobu vyplatenia dividend a tantiém,
   4. výročnú správu spracovanú podľa osobitného predpisu, ktorej súčasťou je správa o podnikateľskej činnosti spoločnosti a o stave jej majetku,
   5. návrh na zrušenie spoločnosti s predchádzajúcim súhlasom NBS, vymenovanie likvidátora spoločnosti,
   6. návrh na zlúčenie, splynutie, rozdelenie spoločnosti, vrátane zlúčenia inej právnickej osoby so spoločnosťou, s predchádzajúcim súhlasom NBS,
   7. návrh na predaj podniku spoločnosti alebo jej časti, s predchádzajúcim súhlasom NBS,
   8. iné návrhy, o ktorých na základe zákona, alebo stanov rozhoduje valné zhromaždenie,
i) predkladá dozornej rade na schválenie materiály uvedené v stanovách,
j) informuje valné zhromaždenie:
   1. o výsledkoch podnikateľskej činnosti a o stave majetku spoločnosti,
   2. o obchodnom pláne a finančnom rozpočte schválenom na bežný rok,
k) v pracovnoprávnych vzťahoch robí úkony za zamestnávateľa. Namiesto neho môžu robiť právne úkony aj osoby uvedené v § 9 Zákonníka práce,
l) ustanovuje osobu do funkcie riaditeľa odboru vnútornej kontroly a vnútorného auditu na návrh dozornej rady alebo po predchádzajúcom súhlase dozornej rady a po predchádzajúcom súhlase NBS,
m) vykonáva zmeny vedúcich zamestnancov spoločnosti, s výnimkou vedúcich zamestnancov priamej riadiacej pôsobnosti predstavenstva a s výnimkou riaditeľa odboru vnútornej kontroly a vnútorného auditu,
n) schvaľuje podmienky pracovných zmlúv vedúcich zamestnancov spoločnosti, s výnimkou vedúcich zamestnancov v priamej riadiacej pôsobnosti predstavenstva a s výnimkou vedúceho útvaru vnútornej kontroly a vnútorného auditu,
o) zriaďuje a ruší organizačné jednotky spoločnosti,
p) schvaľuje finančné a obchodné transakcie s výnimkou finančných a obchodných transakcií schvaľovaných dozornou radou a finančných a obchodných transakcií schvaľovaných inými orgánmi a vedúcimi zamestnancami banky podľa kompetenčného a podpisového poriadku,
q) schvaľuje organizačný poriadok spoločnosti,
r) zabezpečuje vytváranie materiálnych, personálnych a iných podmienok pre vykonávanie povolených bankových činností,
s) informuje dozornú radu o všetkých skutočnostiach, ktoré môžu podstatne ovplyvniť vývoj podnikateľskej činnosti a stave majetku spoločnosti, najmä jej likviditu,
t) schvaľuje kompetencie a zodpovednosť vedúcich zamestnancov spoločnosti, na ktorých môže predstavenstvo preniesť aj rozhodovanie o záležitostiach spoločnosti spadajúcich do pôsobnosti predstavenstva.

Výbory predstavenstva:

Výbor riadenia aktív a pasív	koordinuje riadenie bankových aktív a pasív
Úverový výbor	zabezpečuje stratégiu a platné zásady obchodnej politiky banky v oblasti úverových obchodov
Investičný výbor	stanovuje základnú stratégiu investovania finančných prostriedkov klientov, ako aj investičnej stratégie jednotlivých portfólií v správe odboru Asset Management
Výbor pre informačné technológie	koordinuje organizačné, technické, finančné, metodické a právne zabezpečenie IT projektov v banke

Zloženie výborov predstavenstva:

1. Výbor pre informačné technológie

Predseda výboru:	-Riaditeľ odboru informačných technológii
Podpredseda a tajomník výboru:	-Vedúci oddelenia infraštruktúry a prevádzky
Členovia výboru:	-Ridaiteľ odboru platobného styku
	-Riaditeľ odboru riadenia rizík
	-Riaditeľ odboru asset managementu
	-Riaditeľ odboru účtovníctva
	-Vedúci oddelenia vývoja IS
	-Bezpečnostný manažér

2. Úverový výbor

a) členovia, ktorí sa zúčastňujú hlasovania:

Predseda:	-Vrchný riaditeľ úseku riadenia rizík a ekonomiky
Členovia:	-Generálny riaditeľ
	-Vrchný riaditeľ úseku privátneho bankovníctva
	-Riaditeľ odboru úverového rizika

b) Členovia, ktorí sa nezúčastňujú hlasovania:

-Riaditeľ odboru riadenia rizík
-Riaditeľ odboru treasury
-Vedúci oddelenia analýz odboru úverového rizika

3. Investičný výbor

Predseda výboru:	-Vrchný riaditeľ úseku privátneho bankovníctva
Podpredseda výboru:	-Riaditeľ odboru asset managementu
Členovia výboru:	-Riaditeľ odboru treasury a investičného bankovníctva
	-Zamestnanci odboru asset managementu

4. Výbor riadenia aktív a pasív

Predseda:	-Generálny riaditeľ
Členovia:	-Vrchný riaditeľ úseku privátneho bankovníctva
	-Vrchný riaditeľ úseku riadenia rizík a ekonomiky
	-Riaditeľ odboru treasury
	-Riaditeľ odboru riadenia rizík
	-Riaditeľ odboru asset managementu
	-Riaditeľ odboru úverového rizika

PENTA INVESTMENTS LIMITED

ANNUAL REPORT AND PARENT COMPANY SEPARATE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2009

PENTA INVESTMENTS LIMITED

NOTES TO THE PARENT COMPANY SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2009

Contents

PENTA INVESTMENTS LIMITED
DIRECTORS AND PROFESSIONAL ADVISERS

Directors	Radoslav Zuberec - Slovak Nicos A. Nicolaou – Cypriot
Secretary	Confucius Services Limited Limassol, Cyprus
Registered Office	C & I Center Building, 2nd Floor, 212 Agias Phylaxeous & Polygnostou Street, CY-3083, Limassol, Cyprus
Auditors	Deloitte Limited Limassol, Cyprus
Legal advisers	Georgiades & Pelides Nicosia, Cyprus
Bankers	Privatbanka, a.s. Bratislava, Slovak Republic LBBW Bank CZ, a.s. Prague, Czech Republic Citibank (Slovakia) a.s. Bratislava, Slovak Republic Citibank, a.s. Prague, Czech Republic Hellenic Bank Limited Nicosia, Cyprus Societe Generale Cyprus Paphos, Cyprus Marfin Popular Bank Public Co. Ltd Nicosia, Cyprus National Bank of Greece (Cyprus) Limassol, Cyprus Tatra Bank Bratislava, Slovak Republic

PENTA INVESTMENTS LIMITED

DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2009

The Board of Directors presents its report together with the audited parent company separate financial statements of Penta Investments Limited for the year ended 31 December 2009.

Consolidated financial statements of the Company and its subsidiaries (the Group) for the year 2009 have been separately presented and authorised for issue on the same date as these financial statements.

Incorporation and principal activities
Penta Investments Limited ("the Company") was incorporated in Cyprus on 28 March 2005 as a private limited liability company in accordance with the provisions of the Cyprus Company Law Cap.113. The Company was incorporated at that time under the name of Penta Trust Limited and in May 2005 changed its name.

The principal activities of the Company which remained unchanged from last year comprise the holding of investments in subsidiaries as well as loan financing activities to subsidiaries and other related and unrelated parties and the provision of consulting and advisory services. The Company is also engaged in the trading of shares and other securities.

Results
The Profit for the year after taxation, was Euro 403.871.612 (2008: Euro 82.946.546).

Dividends
On 18 December 2009, the Board of Directors declared the payment of an interim dividend amounting to Euro 58.152.024 out of 2007 profits (2008: Euro 56.600.000).

Review of the development, financial performance and current position of the Company
The current financial performance and position of the Company as presented in these financial statements are considered satisfactory.

Risks and uncertainties
The Company's activities are subject to various risks and uncertainties associated with the industries and the general and economic environment in which the Company's subsidiaries operate. The operations are affected by a number of factors including but not limited to:

- International and national economic and geopolitical conditions
- Movements in foreign exchange and interest rates
- Tax regulations, legal and environmental developments within the European Union
- Contracted issues, guarantees and litigations.

Expected future developments of the Company
The Board of Directors expects that the Company will continue its growth through new acquisitions of businesses mainly in the Central East Europe region.

Branches
The Company maintains significant branches in the Czech Republic, Slovakia, Poland and the Netherlands.

PENTA INVESTMENTS LIMITED

DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2009

Share Capital
There were no changes in the authorised or the issued share capital of the Company for the year under review.

Significant events after the reporting period
All significant events that occurred after the reporting period are described in note 27 of the financial statements.

Board of Directors
The members of the Board of Directors at 31 December 2009 and at the date of this report are shown on page 1. All the members of the Board of Directors will continue in office. There were no significant changes in the assignment of responsibilities of the Board of Directors during the period.

Auditors
The auditors Messrs Deloitte Limited have expressed their willingness to continue in office and a resolution authorising the Directors to fix their remuneration will be submitted at the forthcoming Annual General Meeting.

BY ORDER OF THE BOARD OF DIRECTORS

Director

Limassol, 6 August 2010

Deloitte.

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Independent Auditor's Report

TO THE MEMBERS OF PENTA INVESTMENTS LIMITED

Report on the Financial Statements

We have audited the parent company financial statements of **Penta Investments Limited (the "Company")** on pages 6 to 66 which comprise the statement of financial position as at 31 December 2009, and the statements of comprehensive income, changes in equity and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes.

We have reported separately on the consolidated financial statements of the Company and its subsidiaries (the Group) for the year ended 31 December 2009.

Board of Directors' Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards as adopted by the European Union (EU) and the requirements of the Cyprus Companies Law, Cap 113. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those Standards require that we 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 and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by 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.

Deloitte.

Opinion

In our opinion, the financial statements give a true and fair view of the financial position of the parent company **Penta Investments Limited,** as of 31 December 2009, 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.

Report on Other Legal Requirements

Pursuant to the requirements of the Companies Law, Cap. 113, 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 financial statements give the information required by the 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 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 156 of the Companies Law, Cap.113 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 whom this report may be divulged.

Deloitte Limited

DELOITTE LIMITED
Certified Public Accountants (Cyprus)

Limassol, 6 August 2010

PENTA INVESTMENTS LIMITED

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2009

	Notes	2009 Euro	2008 Euro
Operating revenue	5	907.153.557	263.362.991
Operating costs	5	(53.494.930)	(54.786.104)
Gross profit		853.658.627	208.576.887
Other expenses, net	6	(352.431.827)	(128.826.181)
Other gains and losses, net	7	(17.672.131)	53.783.493
Administration and other expenses		(82.643.630)	(35.402.081)
Operating profit		400.911.039	98.132.118
Financial expense, net	8	(692.457)	(14.946.412)
Profit before taxation	9	400.218.582	83.185.706
Taxation	10	3.653.030	(239.160)
Profit after taxation		403.871.612	82.946.546
Other comprehensive income			
Loss on cash flow hedge arising on derivative designated in hedge accounting relationship - Realised		-	319.909
Other comprehensive income for the year after tax		-	319.909
Total comprehensive income for the year		403.871.612	83.266.455

The notes on pages 10 to 66 form an integral part of these financial statements.

PENTA INVESTMENTS LIMITED

STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED 31 DECEMBER 2009

	Notes	2009 Euro	2008 Euro
ASSETS			
Non-current assets			
Property, plant and equipment	11	2.366.590	2.664.670
Intangible assets	12	1.758.986	1.483.826
Investments in subsidiaries	16	772.964.831	407.857.354
Derivative financial instruments	18	-	30.561.105
Deferred tax asset	10	5.000.000	-
Loans and advances	19	117.366.412	170.715.239
Total non-current assets		899.456.819	613.282.194
Current assets			
Investments held for trading	14	8.088	85.070
Investments held for sale	15	1.545.742	901.273
Investments in subsidiaries – available for sale	16	5.430	2.384.906
Loans and advances	19	252.426.796	221.337.548
Tax receivable – branches	10	1.365	204.952
Trade and other receivables	20	74.348.132	10.658.331
Derivative financial instruments	18	13.656.000	27.095.427
Cash and cash equivalents	21	46.460.072	73.055.194
Total current assets		388.451.625	335.722.701
Total assets		1.287.908.444	949.004.895
EQUITY AND LIABILITIES			
Equity			
Share capital	22	312.704	312.704
Share premium		72.301.786	72.301.786
Other reserves		(2.367.016)	(2.367.016)
Retained earnings		467.709.094	121.989.506
Total equity		537.956.568	192.236.980
Liabilities			
Non-current liabilities			
Derivative financial instruments	18	289.254	-
Borrowings	23	118.740.339	117.881.069
Total non-current liabilities		119.029.593	117.881.069
Current liabilities			
Derivative financial instruments	18	761.130	-
Creditors and accruals	24	171.923.548	93.212.417
Borrowings	23	457.059.313	545.673.025
Taxation	10	1.178.292	1.404
Total current liabilities		630.922.283	638.886.846
Total liabilities		749.951.876	756.767.915
Total equity and liabilities		1.287.908.444	949.004.895

The financial statements were approved by the Board on 6 August 2010 and signed on its behalf by:

Radoslav Zuberec
Director

Nicos Alecos Nicolaou
Director

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2009

	Share capital Euro	Share Premium Euro	Other reserves Euro	Hedging reserve Euro	Retained earnings Euro	Total Euro
At 1 January 2008	316.180	72.301.786	-	(319.909)	95.642.960	167.941.017
Profit for the year and total comprehensive income	-	-	-	319.909	82.946.546	83.266.455
Declared dividend	-	-	-	-	(56.600.000)	(56.600.000)
Merger with subsidiary and fellow subsidiary (Note 17)	-	-	(2.370.492)	-	-	(2.370.492)
Changes in equity due to conversion to the Euro	(3.476)	-	3.476	-	-	-
At 1 January 2009	312.704	72.301.786	(2.367.016)	-	121.989.506	192.236.980
Profit for the year and total comprehensive income	-	-	-	-	403.871.612	403.871.612
Declared dividend	-	-	-	-	(58.152.024)	(58.152.024)
At 31 December 2009	312.704	72.301.786	(2.367.016)	-	467.709.094	537.956.568

The share premium account is available for distribution only in the form of issue of bonus shares.

Note: Companies which do not distribute 70% of their profits after tax, as defined by the Special Contribution for the Defence of the Republic law, during the two years after the end of the year of assessment to which the profits refer, will be deemed to have distributed this amount as dividend. Special contribution for defence at 15% will be payable on such deemed dividend to the extent that the year of assessment to which the profits refer are Cyprus tax residents. The amount of this deemed dividend distribution is reduced by any actual dividend paid out of the profits of the relevant year at any time. This special contribution for defence is paid by the Company for account of the shareholders.

The notes on pages 10 to 66 form an integral part of these financial statements

PENTA INVESTMENTS LIMITED

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2009

Cash flows from operating activities			
Profit before taxation		400.218.582	83.185.706
Adjustments for:			
Depreciation		790.698	692.333
Amortization of computer software		290.272	157.585
Impairment of receivables	6	66.965.456	99.024.213
Impairment / write off of investments	6	266.347.379	26.904.383
Fair value change of derivative financial instruments	18	45.050.916	(54.838.540)
Gain from disposal of subsidiaries and other investments	5	(3.355.873)	(15.746.617)
Loss/(gain) on sale of property, plant & equipment		12.541	(9.443)
Loss on sale of intangible assets		-	5.831
Realised loss on derivative financial instruments		(27.378.785)	2.532.321
Operating profit before working capital changes		748.941.186	141.907.772
(Increase)/decrease in trade and other receivables		(63.689.801)	2.817.377
Increase in creditors and accruals		20.559.107	23.133.363
Cash inflows from operations		705.810.492	167.858.512
Taxation refunded/(paid), net		33.504	(239.160)
Net cash inflow from operating activities		705.843.996	167.619.352
Cash flows from investing activities			
Payments to acquire subsidiary companies	16 i	(432.303.853)	(42.364.854)
Subscription to the new capital issue of subsidiaries	16 ii	(205.972.182)	(130.019.342)
Net cash outflow from loans granted		(44.705.877)	(182.473.538)
Purchases of property, plant and equipment	11	(1.948.136)	(1.487.182)
Purchase of intangible assets	12	(565.432)	(1.219.711)
Payments to acquire other investments	13	(1.712.125)	-
Proceeds from sale of subsidiary companies and other investments		8.809.504	79.735.966
Proceeds from sale of other investments		4.891.662	7.187.685
Proceeds from sale of property, plant & equipment		1.442.978	162.718
Net cash acquired from acquisition of subsidiaries	17	-	312.498
Net cash outflows from investing activities		(672.063.461)	(270.165.760)
Cash flows from financing activities			
Net cash (outflow)/inflow from borrowings		(87.754.442)	153.773.567
Net cash inflow/(outflow) from closed derivatives		27.378.785	(2.532.185)
Net cash (outflow)/inflow from financing activities		(60.375.657)	151.241.382
Net (decrease)/increase in cash and cash equivalents		(26.595.122)	48.694.974
Cash and cash equivalents at beginning of the year		73.055.194	24.360.220
Cash and cash equivalents at end of the year	21	46.460.072	73.055.194

Incorporation and principal activities
Penta Investments Limited ("the Company") was incorporated in Cyprus on 28 March 2005 as a private limited liability company in accordance with the provisions of the Cyprus Companies Law Cap.113.

The principal activities of the Company comprise the holding and trade of investments in shares and other securities as well as loan financing activities and the provision of consulting, advisory services and other services including intermediation and restructuring.

Significant Accounting policies
The following accounting policies were adopted by the Company and applied consistently and are those that are considered significant or material for the financial results and for the presentation of the financial statements.

Basis of preparation
The financial statements are prepared in accordance with the International Financial Reporting Standards ("IFRS") as adopted by the EU and comply with the requirements of the Cyprus Companies Law, Cap.113.

These financial statements represent the separate parent company financial statements for compliance with the requirements of the Cyprus Income Tax Law and also for the needs of various users of the said financial statements.

The Company has also prepared consolidated financial statements in accordance with International Financial Reporting Standards as adopted by the European Union (EU) for the Company and its subsidiaries (the "Group"). The Consolidated financial statements can be obtained from the registered office of the Company.

Users of these parent's separate financial statements should read them together with the Group's consolidated financial statements for the year ended 31 December 2008 in order to obtain a proper understanding of the financial position, performance and cash flows of the Company and the Group.

Adoption of new and revised International Financial Reporting Standards
In the current period, the Company has adopted all of the new and revised Standards and Interpretations issued by the International Accounting Standards Board (the "IASB") and the International Financial Reporting Interpretations Committee (IFRIC) of the IASB that are relevant to its operations and effective for accounting periods beginning on 1 January 2009. This adoption did not have a material effect on the accounting policies of the Group and the Company, with the exception of the following:

(a) International Accounting Standard (IAS) 1 "Presentation of financial statements" (revised). As a result of the adoption of this revised standard, the Group and the Company presents in the statement of changes in equity all changes resulting from transactions with shareholders, whereas all changes in equity resulting from transactions with non-shareholders of the Company are presented in the statement of comprehensive income. The presentation of comparative information has been adjusted in conformity with the revised standard. The change had an impact only on the presentation of the financial statements.

2. Significant Accounting policies (continued)

Standards and Interpretations issued but not yet effective
At the date of authorisation of these financial statements, the following Standards and Interpretations were in issue but not yet effective:

Standard / Interpretation	**Effective for annual periods beginning on or after**
(i) Adopted by the European Union	
IFRS 1 "First time adoption of International Financial Reporting Standards" (Revised)	1 July 2009
IFRS 3 "Business combinations" (Revised)	1 July 2009
International Accounting Standard (IAS) 27 "Consolidated and separate financial statements" (Amended)	1 July 2009
International Financial Reporting Interpretation Committee (IFRIC) 17 "Distribution of non-cash assets to owners"	1 July 2009
Amendments to IAS 39 "Eligible hedged items"	1 July 2009
Improvements to IFRSs 2008 – Amendments to IFRS 5 "Non-current assets held for sale and discontinued operations"	1 July 2009
Amendments to IAS 32 "Classification of rights issue"	1 February 2010
(ii) Not yet adopted by the European Union	
Improvements to IFRSs – 2009	1 July 2009 / 1 January 2010
Amendments to IFRS 2 "Group cash-settled share-based payment transactions"	1 January 2010
Amendments to IFRS 1 "Additional exemptions for first-time adopters"	1 January 2010
IFRIC 19 "Extinguishing financial liabilities with equity instruments"	1 July 2010
Amendments to IFRIC 14 "Prepayments of a minimum funding requirement"	1 January 2011
IAS 24 "Related party disclosures" (Revised)	1 January 2011
IFRS 9 "Financial instruments"	1 January 2013

The directors anticipate that the adoption of these Standards and Interpretations in future periods will have no material impact on the financial statements of the Company.

2. Significant Accounting policies (continued)

Accounting convention
The financial statements, which are expressed in Euro, have been prepared under the historical cost convention as modified by the fair valuation and revaluation of certain financial instruments, as explained in the accounting policies below.

Revenue recognition
Revenue represents profit on assignment of receivables and recovery from acquired receivables, dividend income, interest received from debtors and banks, the net profit from sale of stocks of shares and bonds and other investments and income from advisory work.

The Company recognises revenue when the amount of revenue can be measured reliably, if it is probable that the future economic benefits will flow to the Company and when the specific criteria explained below are met:

(a) Dividend income
Dividend income is recognised when the shareholder's right to receive payment has been established.

(b) Interest income
Interest income and interest expense are recognized on a time proportion basis using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial asset or a financial liability by allocating interest income and expense over the relevant period.

The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts over the expected life of the financial instrument so that they correspond to the net carrying amount of the financial asset or liability.

(c) Assignment of receivables and recovery of acquired receivables
Gain arising on settlement of acquired receivable is recognised upon realisation of receivables. Gain on assignment of receivables is recognised when the risks and rewards of ownership of the asset are transferred to the buyer.

(d) Advisory and consulting work
Income arising from provision of advisory and other consulting work is recognised upon rendering of services and client acceptance.

(e) Gain on disposal of investments
Gain on disposal of investments in subsidiaries and other investments is recognised when the rights to receive cash flows from the investments have been transferred to the buyer and the Company has transferred substantially all risks and rewards of ownership.

2. Significant Accounting policies (continued)

Foreign currencies

Items included in the Company's financial statements are measured using the currency of primary economic environment in which the entity operates (the functional currency). The financial statements are presented in Euro being the Company's functional and presentation currency.

Transactions in currencies other than the functional currency are translated into the functional currency at exchange rates which approximate those applicable at transaction dates. Foreign currency monetary assets and liabilities at the statement of financial position date are translated into functional currency at exchange rates that approximate those ruling at that date. Any gain or loss arising from a change in exchange rates subsequent to the date of the transaction is included as an exchange gain or loss in the statement of comprehensive income.

Borrowing costs and financial expenses

Financial expenses comprise of interest expenses, bank charges, foreign exchange gains and losses and fair value gains or losses of derivative financial instruments.

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in the statement of comprehensive income in the period in which they are incurred.

Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit reported in the statement of comprehensive income because it excludes items of income or expenses that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using the tax rates that have been enacted or substantively enacted by the statement of financial position date.

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets to the extent that is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantially enacted by the statement of financial position date.

Legal mergers, common control transactions

Business combinations in which all the combining entities and/or businesses ultimately are controlled by the same party, before and after combination, are accounted for using the principal of merger accounting as follows. The Company does not restate the underlying assets and liabilities of the acquired entities/businesses, but instead incorporate them at the amount recorded in the books of the acquired entities, as adjusted only to achieve harmonization of accounting policies. Any difference arising between the cost of investments and the aggregate book value of net assets absorbed are recognized as separate reserve in equity.

2. Significant Accounting policies (continued)

Plant and equipment
Plant and equipment are carried at cost less accumulated depreciation.
Acquisition cost includes the purchase price plus other costs directly attributable to the acquisition of the assets.

The costs of expansion, modernisation, or improvements leading to increased productivity, capacity or efficiency are capitalised. Maintenance and repair expenses are expensed as incurred.

Where the carrying amount of an asset is greater than the amount that it is estimated to be recoverable, it is written down to its recoverable amount.

The Company depreciates its plant and equipment on a straight-line basis in order to write off the cost of each asset less the estimated residual value over its estimated useful life.

The period of estimated useful life applied on average is as follows:

Office equipment	10 years
Furniture, fixtures and fittings	10 years
Computer Hardware	5 years
Motor Vehicles	5 years

Intangibles
These consist of computer software and allocated flight hours of an airplane.

These are carried at cost less any accumulated amortisation and impairment losses. Amortisation is calculated using the straight line method over their useful life of the intangibles.

The amortisation begins when the intangible is available for use, i.e. when it is in the location and condition necessary for it to be capable of operating in the manner intended by management.

Computer software is amortised over a period of three years. The "flight hours" are amortised over a period of five years.

Impairment of Tangible and Intangible Assets
At each statement of financial position date, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication for impairment. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units).

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current assessments of the time value of money and the risks specific to the asset.

2. Significant Accounting policies (continued)

Impairment of Tangible and Intangible Assets (continued)
If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the statement of comprehensive income, unless the relevant asset is carried at revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the reversal is recognised immediately in the statement of comprehensive income, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

Investments in subsidiaries
Investments in subsidiaries are carried at cost less any impairment provisions. These are undertakings over which the Company has the ability to control their financial and operating decisions.

Investments in associates
These are undertakings over which the Company generally have between 20% and 50% of the voting rights, or over which the Company has significant influence, but for which it does not have control.

Investments in associated undertakings are stated at cost less provision for any permanent diminution in value.

Financial assets
The Company classifies its financial assets in the following categories: financial assets at fair value through profit or loss, loans and trade receivables, held to maturity investments and available-for-sale financial assets. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of financial assets at initial recognition.

Financial assets are recognised and derecognised primarily on settlement date where the purchase or sale of an investment is under a contract whose terms require delivery of an investment within a time frame established by the market concerned. The investments are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets classified as fair value through profit or loss, are initially recognised at fair value.

(a) Financial assets at fair value through profit or loss (FVTPL)

This category consists of financial assets held for trading and those designated at fair value through profit or loss at inception. A financial asset is classified as held for trading if acquired principally for the purpose of selling in the short term. Derivatives that are not designated and effective for hedging are also categorised as at FVTPL. Financial assets designated as at fair value through profit or loss at inception are those that are managed and their performance is evaluated on a fair value basis, in accordance with a documented investment strategy. Assets in this category are classified as current assets if they are either held for trading or are expected to be realised within twelve months of the statement of financial position date.

All financial assets at FVTPL are stated on the statement of financial position date at fair value. Any realised and unrealised gain and losses are recognised in the statement of comprehensive income as "other gains/losses".

2. Significant Accounting policies (continued)

Financial assets (continued)

(b) Loan and trade receivables
These are financial assets with fixed or determinable payments and fixed maturities that are not quoted in an active market. The Company's loans and receivables comprise mainly of "trade receivables" and "loans provided to related and unrelated parties" The accounting policy of trade receivables is disclosed in caption "Trade receivables" of the Note "Significant Accounting Policies". After initial recognition loan receivables are subsequently measured at the amortised cost using the effective interest rate method, less allowance for impairment. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees and costs that are an integral part of the effective interest rate. The amortisation is included in "Interest income" as part of operating revenue. Losses arising from impairment are recognised in the statement of comprehensive income within "other expenses".

(c) Held to maturity investments
Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities that the Company's management has the positive intention and ability to hold to maturity. After initial recognition measurement the said investments are measured at amortised cost using the effective interest rate method.

(d) Available for sale financial assets
Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories. These are mainly investments held with an unspecified period of holding. They are included in non-current assets unless management intends to dispose of the investment within twelve months of the statement of financial position date. They include mainly investments currently under liquidation. Available for sale investments are fairly valued at the statement of financial position date and any unrealised gains or losses are recognised in "revaluation reserve" in equity. When the securities are disposed of, the cumulative gain or loss previously recognised in equity is reported in the statement of comprehensive income. Any losses arising from impairment (permanent) of these investments are recognised in the statement of comprehensive income as "other expenses".

The fair values of quoted investments are based on current bid prices and prices from recent market transactions. If the market for a financial asset is not active (and for unlisted securities), the Company establishes fair value by using valuation techniques. These include the use of recent arm's length transactions, reference to other instruments that are substantially the same and discounted cash flow analysis, making maximum use of market inputs and relying as little as possible on entity specific inputs. When the fair value of the investments cannot be reliably determined, then the investments are stated at cost less any impairment provisions.

Impairment of financial assets
The Company assesses at each statement of financial position date whether there are indications for impairment. A financial asset or a group of financial assets is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events that has occurred after the initial recognition of the asset (an incurred "loss event") and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliably estimated.

2. Significant Accounting policies (continued)

Impairment of financial assets (continued)

Evidence of impairment may include indications that a borrower or a group of borrowers is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganisation and where observable data indicate that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

Impairment of loans and advances

The Company assesses for each individual loan whether objective evidence of impairment exist.
If there is evidence that an impairment loss has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future expected credit losses that have not yet been incurred). The carrying amount of the asset is reduced through the use of an allowance account and the amount of the loss is recognised in the statement of comprehensive income. Interest income continues to be accrued on the reduced carrying amount based on the original effective interest rate of the asset. Loans together with the associated allowance for doubtful debts are written off when there is no realistic prospect of future recovery and all collaterals have been realised or have been transferred to the Company. If, in a subsequent year, the amount of the estimated impairment loss increases or decreases because of an event occurring after the impairment was recognised, the previously recognised impairment loss is increased or reduced by adjusting the allowance for doubtful debts.

The present value of the estimated future cash flows is discounted at the financial asset's original effective interest rate. If a loan has a variable interest rate for measuring any impairment loss is the current effective interest rate. The calculation of the present value of the estimated future cash flows of a collaterised financial asset reflects the cash flows that may result from foreclosure less costs for obtaining and selling the collateral, whether or not foreclosure is probable.

Impairment of held to maturity investments

The Company assesses at each statement of financial position date, whether there is objective evidence for impairment of held to maturity investments. If there is objective evidence that an impairment loss has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows. The carrying amount of the asset is reduced and the amount of the loss is recognised in the statement of comprehensive income.

Impairment of available-for-sale investments

The Company assesses at each statement of financial position date, whether there is objective evidence that an available-for-sale investment is impaired. In case of equity investments classified as available for sale, objective evidence would include a significant prolonged decline in the fair value of the investment below its cost. Where there is evidence of impairment, the cumulative loss-measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that investment previously recognised in the statement of comprehensive income is removed from equity and recognised in the statement of comprehensive income. Impairment losses on equity investments are not reversed through the statement of comprehensive income; increases in their fair value after impairment are recognised directly in the equity.

2. Significant Accounting policies (continued)

Derecognition of financial assets

A financial asset (or, where applicable a part of a financial asset or part of a group of similar financial assets) is derecognised when:

- The rights to receive cash flows from the asset have expired;
- The Group retains the right to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a "pass through" arrangement; or

The Group has transferred its rights to receive cash flows from the asset and either (a) has transferred substantially all the risks and rewards of the asset, or (b) has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Renegotiated loans

Where possible, the Company seeks to restructure loans rather than to take possession of collateral, in cases that collateral exists. This may involve extending the payment arrangements and the agreement of new loan conditions. Once the terms have been renegotiated, the loan is no longer considered past due. Management continuously reviews renegotiated loans to ensure that all criteria are met and that the future payments are likely to occur. The loans continue to be subject to an individual or collective impairment assessment, calculated using the loan's original effective interest rate.

Trade receivables

Trade receivables are measured at initial recognition at fair value and subsequently measured at amortised cost using the effective interest method. Appropriate allowances for estimated irrecoverable amounts are recognised in profit and loss when there is objective evidence that the asset is impaired. The allowance recognized is measured as the difference between the asset's carrying amount and the present value of future cash inflows discounted at the effective interest rate computed at initial recognition.

Borrowings

Borrowings are initially recorded at fair value, being the consideration received less transaction costs incurred. Subsequent to initial recognition, borrowings are carried at amortised cost by using the effective interest rate method.

Borrowings are classified as current liabilities unless the Company has the right to defer settlement of the liability at least 12 months after the statement of financial position date.

Derivative financial instruments and hedging

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to their fair value at each reporting date. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

A derivative is presented as a non-current asset or a non-current liability if the remaining maturity of the instrument is more than 12 months and it is not expected to be realised or settled within 12 months. Other derivatives are presented as current assets or current liabilities.

2. Significant Accounting policies (continued)

Derivative financial instruments and hedging (continued)

Hedge accounting
At the inception of the hedge relationship, the Company documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the Company documents whether the hedging instrument that is used in a hedging relationship is highly effective in offsetting changes in the cash flows of the hedged item.

Cash flow hedges
The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges are recognised in other comprehensive income and accumulated in equity. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss, and is included in the "other gains and losses" line of the statement of comprehensive income.

Amounts deferred in equity are recycled to profit or loss in the periods when the hedged item is recognised in profit or loss, in the same line of the statement of comprehensive income as the recognised hedged item. However, when the forecast transaction that is hedged results in the recognition of a non-financial asset or a non-financial liability, the gains and losses previously deferred in equity are transferred from equity and included in the initial measurement of the cost of the asset or liability.

When a hedging instrument is sold or expires, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss existing in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in the statement of comprehensive income.

Hedging business risk
The Company's indirect associate Slovalco, a.s. (direct associate of Company's subsidiary, ZSNP, a.s.) operates in the worldwide aluminium and metal markets and is exposed to fluctuations in metal prices that can affect its revenues and cost of sales. The Company's management has used and intends to use commodity-based derivative contracts to reduce the associated business risk. The commodity based derivative contracts cannot be designated as hedging instruments for hedge accounting in accordance with current IFRS applicable standards. As a result, the Company designated the said derivative instruments which are commodity-based derivative contracts in respect of Slovalco's commodity price risk as held for trading at FVTPL. Any realised gain/losses and unrealised gain/losses resulting from the revaluation of these derivatives are recognised in the statement of comprehensive income.

Note 18 to the financial statements describe the fair value of these derivatives.

Trade Payables and Accruals
Trade payables are initially measured at fair value, being the invoiced amount and subsequently measured at amortised cost using the effective interest method.

Liabilities are recognised for amounts to be paid in the future for goods and services received regardless of whether or not they have been invoiced by the supplier.

2. Significant Accounting policies (continued)

Share capital
Ordinary shares issued are classified as equity when they are entitled to a residual interest in the assets of the Company after deducting all liabilities. They are recorded at amounts issued less any incremental costs directly attributable to the issue of new shares.

Dividend distribution
Proposed dividends are recognised as liability in the financial statements in the period in which they are approved by the Company's shareholders.

Any interim dividends approved for distribution to the shareholders by the Board of Directors, are recognised within equity in the period in which the decision was made.

Cash and Cash Equivalents
The Company considers all short-term highly liquid instruments with maturities of 3 months or less to be cash equivalents.

Comparatives
When necessary, comparative figures have been adjusted to conform to the changes in the presentation of the current year.

3. Financial risk management

3.1 Financial risk factors
The Company's activities expose it to a variety of financial risks: market risk (currency risk and interest rate risk), credit risk and liquidity risk. The Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Company's financial performance. The Company's treasury function coordinates access to local and international markets, identifies and evaluates financial risks and assists in hedging financial risks. Generally the Company's financial risks are naturally hedged although in few occasions the Company uses derivative financial instruments.

3.1.1Market risk

(a) Foreign exchange risk
Currency risk is the risk that the value of financial instruments will vary due to changes in foreign exchange rates. Foreign exchange risk arises when recognised assets and liabilities are denominated in a currency that is not the Company's functional currency. The Company is mainly exposed to foreign exchange risk with respect to Czech Korunas, United States Dollars and Polish Zloty.

The Company's treasury function monitors the exchange rate movements and acts accordingly to minimize the risk. This is mainly achieved through natural hedging by establishing financial assets and liabilities denominated in the same foreign currency. In addition the exchange risk is monitored at the Group level where the risk is kept at acceptable level since the majority of foreign operations are carried out within Central East Europe and hence any movements of currency rates of their functional currency against each other and the Euro do not give rise to significant exchange risk.

3.1 Financial risk factors (continued)

3.1.1Market risk (continued)

(a) Foreign exchange risk (continued)

(i) Profile of foreign currency denominated assets and liabilities

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities at the reporting date are as follows:

2009	Czech Koruna	Euro (Functional currency)	US Dollars	Polish Zloty	Other	Total
	Euro	Euro	Euro	Euro	Euro	Euro
Investments held for trading	-	8.088	-	-	-	8.088
Cash and cash equivalents	5.678.224	15.538.370	25.044.244	-	199.234	46.460.072
Loans and advances to third parties, gross	19.852.860	97.012.992	11.834.962	-	-	128.700.814
Loans and advances to related parties, gross	138.852.452	256.005.595	-	32.582.614	450.744	427.891.405
Trade and other receivables	3.983.555	69.890.147	-	474.430	-	74.348.132
Trade and other payables	(1.832.750)	(170.015.858)	(1.208)	(44.389)	(29.343)	(171.923.548)
Borrowings	(252.605.245)	(283.178.738)	(40.015.669)	-	-	(575.799.652)
Net assets/(liabilities)	(86.070.904)	(14.739.404)	(3.137.671)	33.012.655	620.635	(70.314.689)
Net exposure	(86.070.904)	-	(3.137.671)	33.012.655	620.635	(55.575.285)

2008	Czech Koruna	Euro (Functional currency)	US Dollars	Slovak Koruna	Other	Total
	Euro	Euro	Euro	Euro	Euro	Euro
Investments held for trading	-	-	-	85.070	-	85.070
Cash and cash equivalents	24.527.608	3.097.786	240.355	45.112.605	76.840	73.055.194
Loans and advances to third parties, gross	6.514.858	23.915.684	13.984.036	66.962.192	-	111.376.770
Loans and advances to related parties, gross	60.269.886	72.511.849	14.275.946	264.945.418	5.801.010	417.804.109
Trade and other receivables	2.846.366	3.914.887	30.306	3.353.012	513.760	10.658.331
Trade and other payables	(2.160.868)	(65.469.131)	(7.411)	(25.270.006)	(305.001)	(93.212.417)
Borrowings	(111.250.907)	(13.694.622)	(22.046.195)	(516.562.370)	-	(663.554.094)
Net assets/(liabilities)	(19.253.057)	24.276.453	6.477.037	(161.374.079)	6.086.609	(143.787.037)
Net exposure	(19.253.057)	-	6.477.037	(161.374.079)	6.086.609	(168.063.490)

3.1 Financial risk factors (continued)

3.1.1 Market risk (continued)

(ii) Sensitivity analysis

The following tables detail the impact that positive changes in foreign currencies against their functional currency might have on income and equity of the Company. The positive amount reflects net potential gain and negative amount net potential loss.

2009	Average exchange rate	Year end exchange rate	Change in exchange rate	Impact on profit	Impact on equity
Euro – CZK	26,445	26,465	3%	(2.582.127)	(2.582.127)
Euro – USD	1,3935	1,4332	5%	(156.884)	(156.884)
Euro – PLN	4,3282	4,1082	1%	360.051	360.051

2008	Average exchange rate	Year end exchange rate	Change in exchange rate	Impact on profit	Impact on equity
Euro – CZK	26,775	26,930	5%	(962.653)	(962.653)
Euro – USD	1,4319	1,3917	6%	388.622	388.622

(b) Interest rate risk

Interest rate risk is the risk that the value of financial instruments will fluctuate due to changes in market interest rates. Variable interest bearing instruments expose the Company to cash flow interest rate risk. Fixed interest bearing instruments expose the Company to fair value interest rate risk.

The Company is exposed to interest rate risk with respect to the cash placed at banks and intra group borrowings and intra group loans granted since almost all loan payables/receivables are due to/from subsidiary undertakings. The management monitors interest rate fluctuations on a continuous basis and ensures that borrowings obtained and loans granted are agreed for competitive interest rates. Subsequent to the origination of the borrowing received or loan granted from/to subsidiaries, the Company monitors interest rate risk only to the extent of interest bearing financial instruments entered into by the Group it belongs with third parties. The Company is the parent of Penta Investments Limited Group of companies and the interest rate risks are monitored at Group level only to the extent that they relate to third parties.

(i) Interest profile of assets and liabilities

At the reporting date the interest rate profile of interest-bearing financial instruments was as follows:

	Receivables 2009	Payables 2009	Receivables 2008	Payables 2008
Cash and cash equivalents – variable	46.460.072	-	73.055.194	-
Variable rate instruments	-	20.655.236	-	185.885.946
Fixed rate instruments	556.592.219	555.144.416	529.180.879	477.668.148
	603.052.291	575.799.652	602.236.073	663.554.094

3.1 Financial risk factors (continued)

3.1.1 Market risk (continued)

(ii) Sensitivity analysis

The tables below show the change in the net profit and equity of the Company due to reasonable possible change in interest rates of the major currencies. The analysis assumes that all other variables, in particular foreign currency rates remain constant and takes into account the effect of the timing that the borrowings were provided.

	Equity and Profit or Loss 2009 Euro	Equity and Profit or Loss 2008 Euro
-0,5% for all currencies	(129.024)	223.455
+0,5% for all currencies	129.024	(223.455)

3.1.2 Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. Credit risk arises from cash and cash equivalents, trade receivables, loan advances and guarantees given.

The credit risk on cash and cash equivalents is limited because the Company deals only with high credit-quality financial institutions.

Loans provided to related parties and other counterparties are not usually secured. The Company generally grants short term loans to various counterparties mainly to fund their investment projects. In addition the Company grants loans to related parties to fund their investment projects and operations. The Company has policies of granting project funding loans for projects having high probability of success that will produce positive returns. The Company monitors regularly the credit risk by reviewing payment history of the loans, project financial analysis and borrowers' underlying assets and liabilities and financial projections.

(i) Credit quality of receivables

The loans provided to related parties and counterparties are not rated by the Company. However the Company monitors the financial performance of the clients and 57,58% (2008: 71.43%) are fully performing of which 71,02% (2008: 61%) are repayable during 2010.

(ii) Concentration of credit risk

Concentration of credit risk arises from financial instruments that have similar characteristics and are affected similarly by changes in economic conditions. The Company considers receivables belonging to the same business sector and accounting for more than 5% of the total receivables, as receivables giving rise to a concentration of credit risk.

The following table provides details of the concentration of credit risk with respect to loan advances.

3.1 Financial risk factors (continued)

3.1.2 Credit risk (continued)

Loan advances per industry	**2009 Euro**	**2008 Euro**
Real estate activities	158.317.389	185.093.182
Financial services	82.641.574	42.604.378
Telecommunications	74.004.308	60.783.651
General trading	36.433.810	-
Laboratories	34.831.904	8.289.696
Health care	26.596.591	8.861.730
Electricity and power generation	28.265.318	43.782.580
Manufacturing of helicopters and aircraft equipment	19.275.468	3.430.759
Window manufacturing	18.091.396	2.502.966
Steel wire manufacturing	16.070.748	-
Betting	10.289.034	21.035.538
Pet food	11.753.035	-
Ceramic tile manufacturer	9.872.262	-
Clothing	9.703.859	-
Individuals	7.951.237	4.537.190
Meat processing and distribution	5.089.270	76.993.007
Pharmacy business	4.599.860	19.007.893
Manufacturing	2.131.861	-
Cable TV	33.816	36.999.381
Water utilities	-	8.981.624
Holding companies	229.212	2.683.739
Other	410.267	3.593.565
	556.592.219	529.180.879

(iii) Maximum credit exposure

Except as detailed in the table below the carrying amount of financial assets recorded in the financial statements net of impairment losses, represents the Company's maximum exposure to credit risk.

Financial assets and other credit exposures	**Maximum credit exposure**	
	2009 Euro	**2008 Euro**
Cash at bank	46.460.072	73.055.194
Derivative financial instruments	13.656.000	57.656.532
Loan commitments	310.194.879	157.039.241
Guarantees provided to group companies for obtaining financing	341.279.730	260.586.556
Loans granted to clients	128.700.814	113.671.237
Loans granted to related companies	427.891.405	415.509.642
Trade and other receivables	74.348.132	10.658.331
Total	1.342.531.032	1.088.176.733
Impairment losses	(186.799.011)	(137.128.092)
	1.155.732.021	951.048.641

3.1 Financial risk factors (continued)

3.1.3 Liquidity risk

Liquidity risk is the risk that arises when the maturity of assets and liabilities does not match. The responsibility for liquidity risk management rests with the Board of Directors which has built an appropriate liquidity risk management framework and monitors rolling cash flow forecasts of the Company's funding and liquidity management requirements. However the Company's liabilities are mostly borrowings obtained from its subsidiaries and hence liquidity risk is minimal. Should the Company not be in a position to repay any inter-group liabilities other arrangements would be made by the Group.

The following tables provide a summary of the Company's remaining contractual maturity for its financial liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities and on the earliest date on which the Company can be required to pay. The tables include both interest and principal cash flows. The adjustment column represents the possible future cash flows attributable to the instrument included in the maturity analysis which are not included in the carrying amount of the financial liabilities on the statement of financial position.

2009	Less than 6 months or on demand	6-12 months	1-2 years	2-5 years	More than 5 years	Adjustment	Total
	Euro	Euro	Euro	Euro	Euro	Euro	Euro
Borrowings	223.626.071	246.000.719	17.722.387	101.311.973	26.229.855	(39.091.353)	575.799.652
Trade and other payables	-	171.923.548	-	-	-	-	171.923.548
Derivative financials instrument	380.564	380.566	289.254	-	-	-	1.050.384
	224.006.635	418.304.833	18.011.641	101.311.973	26.229.855	(39.091.353)	748.773.584

2008	Less than 6 months or on demand	6-12 months	1-2 years	2-5 years	More than 5 years	Adjustment	Total
	Euro	Euro	Euro	Euro	Euro	Euro	Euro
Borrowings	313.128.111	248.513.819	96.320.561	46.464.944	-	(40.873.341)	663.554.094
Trade and other payables	-	93.212.417	-	-	-	-	93.212.417
	313.128.111	341.726.236	96.320.561	46.464.944	-	(40.873.341)	756.766.511

3.2 Fair values

Financial instruments comprise of financial assets and financial liabilities. Financial assets mainly consist of bank balances, trade and loans receivables and derivatives. Financial liabilities mainly consist of borrowings, trade and other creditors and accruals and derivatives.
The fair values of the financial assets and financial liabilities approximate their carrying amounts as at the statement of financial position date. The fair values of financial assets and liabilities are determined by using accepted pricing models mostly based on discounted cash flow analysis and assumptions exist in the market.

3.3 Capital risk management

The Company manages its capital to ensure that it will be able to continue as a going concern while maximizing the return to the shareholders through the optimization of the debt and equity balance.

4. Critical accounting estimates, judgments and sources of estimation uncertainty

In the application of the Company's accounting policies management is required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and assumptions are based on historical experience and other factors that are considered relevant. Actual results might differ from these estimates.

The following are the critical judgments made by management in the process of applying accounting policies as well as the key sources of estimation uncertainty that have significant risk of causing material adjustment to the carrying amounts of the assets and liabilities.

(a) Income taxes

Significant judgment is required in determining the provision for income taxes. There are transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Company recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

(b) Impairment losses on loans and advances

The Company reviews its receivables to assess whether there is an impairment risk. In determining whether impairment losses should be reported in the financial statements, the Company exercises judgment as to whether there is any observable data indicating that there is a decrease in the estimated future cash flows from accounts receivable. Accordingly, an allowance for impairment is made where there is an identified loss event or condition which based on previous experience and estimates provides evidence for reduction of cash inflows expected to be recovered from the receivable.

In addition the Company reviews problematic loan receivables at each reporting date to assess whether an allowance for impairment should be recognised. In particular, judgment by management is required in the estimation of the amount and timing of future cash flows when determining the level of allowance required. Such estimates are based on assumptions about various factors and actual results may differ resulting in future changes to the allowance.

(c) Assessment of Impairment risk of investments

The Company holds investments in unquoted securities in Central East Europe and exercises judgment to determine whether such investments are impaired. In making such judgment the Company among other factors evaluates the financial health and near-term business outlook for the investee including factors such as industry and sector performance, changes in technology and operational and financing cash flows.

(d) Fair value of financial instruments

Where the fair values of financial instruments (including derivatives) recorded at the statement of financial position cannot be derived from quoted prices in active markets, they are determined using a variety of valuation techniques that are commonly used by market practitioners. The input of these models is taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values.

5. Operating revenue

	2009 Euro	2008 Euro
Dividend income	865.969.079	213.726.540
Profit from disposal of equity and other securities	3.355.873	15.476.488
Interest income from loans and advances	37.933.415	34.240.949
Net loss from assignment of receivables	(104.810)	(80.986)
	907.153.557	263.362.991

Operating costs

	2009 Euro	2008 Euro
Interest expense	51.255.648	48.792.183
Management fees	-	5.292.681
Advisory costs	2.239.282	701.240
	53.494.930	54.786.104

6. Other expenses, net

	2009 Euro	2008 Euro
Impairment loss recognised on receivables (note 19)	66.965.456	99.024.213
Impairment loss on investments (notes 15 & 16)	266.347.379	26.904.383
Co-investment settlement fee (note 24)	19.950.000	-
Other (income)/expenses, net	(831.008)	2.897.585
	352.431.827	128.826.181

Other income relates to a reversal of a provision previously raised (2008: provision of Euro 2.897.181 incurred) in respect of an additional amount of Euro 2.897.585 advanced to the subsidiary Mobile Entertainment Company Sp. Z o.o. in 2009 in order to cover its debts.

7. Other gains and losses, net

	2009 Euro	2008 Euro
Gain on expired options, net	-	1.477.274
Unrealised revaluation loss on Interest Rate Swap (IRS) (note 18 (ii))	(1.050.384)	-
Realised loss on IRS for the year (note 18(ii))	(410.939)	-
Realised and unrealised (loss)/gain on Commodity Swap (note 18 (i))	(16.210.808)	52.306.219
	(17.672.131)	53.783.493

8. Financial expenses, net

	2009 Euro	2008 Euro
Bank Interest income	228.255	789.866
Exchange gains, net	356.915	-
	585.170	789.866
Exchange loss , net	-	12.245.971
SWAP termination fees (note i)	-	1.051.000
Bank charges and other financial expenses	1.277.627	2.439.307
	(1.277.627)	(15.736.278)
Net financial expenses	(692.457)	(14.946.412)

(i) This represents the termination fee paid by the Company to terminate the interest rate swap, which was due for termination on 17 October 2011. This interest rate swap was initially entered into to hedge the cash flow risk arising from fluctuations of interest rates relating to a bank borrowing obtained during 2007.

9. Profit before taxation

	2009 Euro	2008 Euro
The profit before taxation is stated after charging:		
Staff costs	58.802.527	14.431.872
Auditors' remuneration	357.932	550.707
Auditors' remuneration – prior year	-	206.372
Impairment of receivables (note 19)	66.965.456	99.024.213
Impairment of investments (note 16(v))	266.347.379	25.601.968
Depreciation charge (note 11)	790.698	692.332
Amortisation of intangibles (note 12)	290.272	157.585

Staff costs

	2009 Euro	2008 Euro
Staff costs analysed as follows:		
Wages and salaries	7.955.530	7.450.201
Key management personnel costs	1.278.834	854.256
Profit sharing, bonuses and other short term costs	47.319.238	4.191.324
Social security costs	2.248.925	1.936.091
	58.802.527	14.431.872

10. Taxation

	2009 Euro	2008 Euro
The tax charge for the year consists of:		
Corporation tax charge (i)	1.346.970	239.160
Deferred tax credit (ii)	(5.000.000)	-
	(3.653.030)	239.160

(i) Corporation tax

	Corporation tax – Cyprus Euro	Corporation tax – Branches Euro	Tax withheld abroad Euro	Total 2009 Euro	Total 2008 Euro
As of 1 January	1.404	(204.952)		(203.548)	1.404
Taxation arising upon merger of branches (Note 17)	-	-	-	-	19.019
Corporation tax charge		1.282.874	64.096	1.346.970	239.160
Tax refunded / (paid)		97.601	(64.096)	33.505	(463.131)
Balance 31 December	1.404	1.175.523	-	1.176.927	(203.548)

10. Taxation (continued)

(i) Corporation tax (continued)

	2009 Euro	2008 Euro
Profit subject to domestic corporation tax of 10%	464.610.080	100.837.115
Profit subject to corporation tax of 19%	(21.233.968)	(12.567.728)
Profit subject to corporation tax of 20% (where tax base is 15% of costs)	(41.987.551)	-
Profit subject to corporation tax of 21%	-	(5.083.681)
Profit subject to corporation tax of 25%	(1.169.979)	-
Profit before tax	400.218.582	83.185.706
Corporation tax thereon at the applicable rates (10% - 25%)	45.346.453	5.217.556
Tax effect of income not taxable	(86.950.987)	(28.273.404)
Tax effect of expenses that are not deductible in determining taxable profit	41.320.374	8.837.203
Tax effect of unutilised losses of branches	2.397.429	2.387.871
Tax effect of (utilised)/unutilised losses	(830.395)	11.983.267
Witholding tax on income from abroad	64.097	86.667
Tax expense	1.346.971	239.160

In accordance with the Income Tax Law of 2002 which came into effect on 1 January 2003, the Company is subject to corporation tax at the rate of 10% on its total taxable profits.
In case of tax losses, these can be carried forward indefinitely to be offset against profits of subsequent years.

Permanent establishments abroad

In accordance with the provisions of the Cyprus Income Tax Law, any profits attributed to permanent establishments abroad (definition includes foreign branches) of the company are exempt from income tax in Cyprus subject to certain conditions. In case the branches suffer tax losses, those losses can be claimed against the taxable profits of the Cypriot head office, however, there is a recapture rule under which when the foreign branches subsequently become profitable, an amount up to the tax losses previously claimed in Cyprus will be added to the taxable profits of the head office and be taxed in Cyprus.

The profits attributed to the branches of the company which are registered in foreign jurisdictions, are subject to taxation in those foreign jurisdictions.

Special contribution to defence

As from 1 January 2003, defence contribution on the taxable profits of the Company is abolished. Under certain conditions interest income and foreign dividends received may be subject to defence contribution at the rates of 10% and 15% respectively.

However interest earned, arising from the ordinary activities of the business, is not subject to special defence contribution. In this respect, the Company's interest income which arises from its operating activities is not subject to special defence contribution.

(ii) Deferred taxation

	2009 Tax losses Euro	2008 Euro
Debit balance on 1 January	-	-
Credit charge in profit and loss for the year	5.000.000	-
Debit balance on 31 December	5.000.000	-

11. Property, plant and equipment

	Furniture, fixtures & fittings & office equipment Euro	Computer Hardware Euro	Motor Vehicles Euro	Total Euro
Cost				
1 January 2008	69.523	35.996	62.156	167.675
Arising on merger with subsidiaries	1.929.105	-	1.687.503	3.616.608
Additions	1.260.650	24.807	201.725	1.487.182
Disposals	(194.138)	-	(169.358)	(363.496)
1 January 2009	3.065.140	60.803	1.782.026	4.907.969
Additions	875.753	346.963	725.421	1.948.137
Disposals	(972.282)	(22.850)	(642.028)	(1.637.160)
31 December 2009	2.968.611	384.916	1.865.419	5.218.946
Depreciation				
1 January 2008	16.650	17.475	27.117	61.242
Arising on merger with subsidiaries	843.874	-	856.071	1.699.945
Charge for the year	301.276	9.836	381.220	692.332
Disposals	(17.911)	-	(192.309)	(210.220)
1 January 2009	1.143.889	27.311	1.072.099	2.243.299
Charge for the year	73.671	267.197	449.830	790.698
Disposal	(2.128)	(40.971)	(138.542)	(181.641)
31 December 2009	1.215.432	253.537	1.383.387	2.852.356
Net Book Value				
31 December 2009	1.753.179	131.379	482.032	2.366.590
31 December 2008	1.921.251	33.492	709.927	2.664.670

12. Intangible assets

	Computer Software	Software under construction (i)	Right of flight hours (ii)	Total
	Euro	Euro	Euro	Euro
Cost				
1 January 2008	29.232	84.153	-	113.385
Arising on merger with subsidiaries	474.123	-	-	474.123
Additions	22.603	164.400	1.032.708	1.219.711
Disposals	(26.175)	-	-	(26.175)
1 January 2009	499.783	248.553	1.032.708	1.781.044
Additions	104.002	461.430	-	565.432
Disposals	-	-	-	-
31 December 2009	603.785	709.983	1.032.708	2.346.476
Amortisation				
01 January 2008	3.309	-	-	3.309
Arising on merger with subsidiaries	156.669	-	-	156.669
Charge for the year	63.809	7.717	86.059	157.585
Disposals	(20.345)	-	-	(20.345)
1 January 2009	203.442	7.717	86.059	297.218
Charge for the year	83.730	-	206.542	290.272
31 December 2009	287.172	7.717	292.601	587.490
Net book value				
31 December 2009	316.613	702.266	740.107	1.758.986
31 December 2008	296.341	240.836	946.649	1.483.826

(i) Software under construction
Software under construction represents costs incurred for the installation of new application software relating to exchange of knowledge and information management. The software is currently under construction and testing

(ii) Right of flight hours.
The Company entered into an agreement on 25 July 2008, whereby it purchased a 12.5% interest in an aircraft. This aircraft is used exclusively for the transportation of senior executives, in the carrying out their duties for the Company. In substance, the Company acquired the right of use of the aircraft for transportation and allocated specified flight hours.

13. Investments held to maturity

	2009 Euro	2008 Euro
At 1 January	-	1.788.444
Additions	-	-
Redeemed	-	(1.788.444)
At 31 December	-	-

These represent investments in bonds raised by the subsidiary, Privatbanka, a.s. and were acquired during 2007. These bonds were redeemed during 2008.

14. Investments held for trading

	2009 Euro	2008 Euro
At 1 January	85.070	5.214.182
Additions (note i)	1.712.125	289
Disposals (note i)	(1.789.107)	(5.129.401)
At 31 December	8.088	85.070

(i) These mainly represent investments in bonds acquired and disposed during 2009. Out of the total bonds acquired 538 bonds in the amount of Euro 1.789.107 were fully disposed during 2009 for a consideration of Euro 1.787.574, incurring a loss of Euro 1.533.
The carrying amount of the investments as of 31 December 2009, approximate their fair value which was determined by reference to current market transactions.

15. Investments held for sale

	2009 Euro	2008 Euro
At 1 January	901.273	12.934.535
Disposals	(901.273)	(12.934.535)
Reclassified from investments in subsidiaries (note 16)	1.545.742	2.203.688
Impairment (ii)	-	(1.302.415)
At 31 December	1.545.742	901.273

	Country of incorporation	Activities	% holding	Carrying amount 2009 Euro	Carrying amount 2008 Euro
Kotapera, a.s.	Czech Republic	Holding company	100%	-	901.273
O3 Invest a.s (i)	Slovak Republic	General Trading	100%	1.545.742	-
				1.545.742	901.273

(i) O3 Invest, a.s.
The Company took a decision to dispose its 100% shareholding interest in O3 Invest, a.s. during 2009 and committed to a plan to sell the subsidiary within one year. An active programme to locate a buyer has been initiated during 2009 and the investment has been reclassified as held for sale. On 17 March 2010, the Company signed a formal sale agreement to dispose its 100% interest in O3 Invest, a.s. (note 27) for a consideration of Euro 1.545.742.

(ii) Impairment
These relate to provisions for impairments of investments which operate in the telecommunications industry in Poland. The investment was disposed of during 2009 through subsidiaries of Penta Investments Limited. The Company recognised an adequate provision in 2008 by estimating the recoverable amount through the expected sales proceeds.

16. Investments in subsidiaries

Current -Available for sale investments	**2009** **Euro**	**2008** **Euro**
At 1 January	2.384.906	267.955
Reclassified from long term investments during the year	-	2.844.288
Additions during the year	-	101.521
Write off and provisions	-	(828.858)
Derecognition upon completion of liquidation	(2.379.476)	-
At 31 December	5.430	2.384.906

These represent investments in subsidiary undertakings held by the Company at the statement og financial position date which are under liquidation. The investments are accounted for as available for sale, in accordance with IAS 39: "Financial instruments: Recognition and Measurement".

Initially these investments are recognised at their carrying amount at the date of entering liquidation and subsequently tested for impairment by evaluating the recoverable amount of the said investments.

Non-current investments in subsidiaries	**2009** **Euro**	**2008** **Euro**
As of 1 January	407.857.354	321.007.572
Additions – acquisitions and new establishments (i)	432.303.853	43.168.002
Additions – capital contributions (ii)	205.972.182	130.019.342
Disposals (iii)	(5.275.437)	(56.516.476)
Reclassified to short term investments (iv)	-	(2.844.288)
Reclassified to investments held for sale (note 15)	(1.545.742)	(2.203.688)
Impairment (v)	(266.347.379)	(24.773.110)
At 31 December	772.964.831	407.857.354

16. Investments in subsidiaries (continued)

Details of the Company's subsidiaries at 31 December 2009 are as follows:

Entity	Country of incorporation	Nature of Activity	Percentage participation		Carrying amount	
			2009	2008	2009	2008
			%	%	Euro	Euro
Abrastor Holdings Limited	Cyprus	Holding company	100%	-	1.000	-
B Four, a.s.	Slovak Republic	General trading	100%	100%	14.899.439	14.899.439
Bonamassa Trading Limited	Cyprus	Holding company	100%	100%	1.727	1.727
Centrade, a.s.	Slovak Republic	Investment property	100%	100%	21.613.948	8.014.570
Clemency Holdings Limited	Cyprus	Investment holding	100%	100%	105.745	1.745
Ceska Lekarna Holding a.s (Former Larkfield a.s)	Czech Republic	Holding company	100%	-	7.834.685	-
Cyfoca Holdings Public Co Ltd	Cyprus	Holding company	100%	100%	25.546.049	26.494
Denda Beheer B.V.	The Netherlands	Holding company	95%	100%	28.594	25.829
DGK Trade, spol. s.r.o.	Czech Republic	Real estate	100%	100%	2.532.975	2.532.975
Digital Park Einsteinova, a.s.	Slovak Republic	Real estate	100%	100%	15.773.843	15.773.843
Dr Max Holding B.V.	The Netherlands	Holding company	100%	-	21.967.500	-
Equinox Investments B.V.	The Netherlands	Holding company	100%	100%	25.480.985	17.027.483
Fajne, a.s. (formerly IDAX Holding, a.s.)	Slovak Republic	Holding company	100%	100%	483.544	483.544
Fortuna SK a.s. (formerly Terno, a.s.)	Slovak Republic	Betting industry	100%	100%	782.351	782.351
Fortuna Entertainment Group B.V.	The Netherlands	Betting industry	100%	-	64.644.000	-
Fortuna zaklady bukmacherskie Sp. z o.o. (formerly Professional Sp. z.o.o.)	Poland	Betting industry	33,33%	33,33%	829.766	829.766
Fortunor Trading Limited	Cyprus	Investment holding	100%	100%	1.203.070	2.070
Gambella Holdings Limited	Cyprus	Holding company	100%	-	146.936.313	-
Glebi Holdings Plc	Cyprus	Holding company	100%	-	1.699.570	-
Gratio Holdings Limited	Cyprus	Investment holding	99,8%**	100%	6.288.988	3.070
HICEE B.V.	The Netherlands	Investment holding	100%	100%	18.598.586	18.598.586
Tes Vsetin, s.r.o (formerly Kelisia a.s.)	Czech Republic	General trading	80%	80%	12.165.388	12.135.487
KARMUG, a.s. (change of name from Fan&Tic)	Slovak Republic	Holding company	100%	100%	27.500	27.500
Keladone, a.s.	Czech Republic	Holding company	100%	-	69.979	-

16. Investments in subsidiaries (continued)

Entity	Country of incorporation	Nature of Activity	Percentage participation 2009 %	Percentage participation 2008 %	Carrying amount 2009 Euro	Carrying amount 2008 Euro
Kure Limited	Cyprus	Holding company	100%	100%	4.413.376	4.163.871
LLC "Davonet"	Ukraine	Holding company	100%	100%	5.970	5.970
LLC "Penta Kos Ukraine"	Ukraine	Holding company	100%	100%	7.162	7.162
LLC "Penta Voda Ukraine"	Ukraine	Holding company	100%	100%	7.125	7.125
Lorea Investments Limited	Cyprus	Holding company	99,99%	99,99%	2.914.030	2.914.030
Lunga Enterprises Limited	Cyprus	Holding company	100%	100%	1	1
Massarosa Holdings Limited	Cyprus	Holding company	100%	100%	1	1
Mecom Group s.r.o.	Slovak Republic	Investment holding	100%	100%	81.740.990	10.773.525
Mediworx Software Solutions, a.s.	Slovak Republic	Health Care	100%	-	176.000	-
Mobilkom, a.s.	Czech Republic	Telecommunications industry	90%	90%	4.525.640	4.525.640
Novoker, a.s.	Slovak Republic	Production of ceramic tiles	-	100%	-	3.106.247
O3 Invest, a.s.	Slovak Republic	General trading	-	100%	-	317.564
Oakfield, a.s.	Czech Republic	Investment holding	100%	100%	22.261.433	22.261.433
Obona Trading Limited	Cyprus	Investment holding	100%	100%	3.780	3.780
Office Park, s.r.o	Slovak Republic	Real estate	100%	100%	1.309.125	1.309.125
Penta First Fund Limited	Cyprus	Investment holding	100%	100%	560.000	560.000
PPC Energy Group, a.s. (previously Paroplynovy cyklus, a.s.)	Slovak Republic	Energy sector-production of electricity	10%*	10%*	7.056.568	17.806.268
Penta Energy Acquisitions Limited	Cyprus	Holding company	100%	-	46.569.014	-
PFSE, a.s.	Czech Republic	General trading	100%	100%	32.366	3.448
PIL Trade,a.s.	Slovak Republic	General trading	100%	100%	27.500	27.500
Bory Mall, a.s. (formerly Port Mall, a.s.)	Slovak Republic	Real estate	100%	100%	5.002.949	5.002.949
Port Mall Management, a.s.	Slovak Republic	Real estate	100%	100%	1.100.000	1.000.000
Privatbanka, a.s.	Slovak Republic	Banking services	100%	100%	23.040.799	23.040.799
Point Akciova Spolocnost Kosice	Slovak Republic	Service Company	100%	-	85.000	-

16. Investments in subsidiaries (continued)

Entity	Country of incorporation	Nature of Activity	Percentage participation 2009 %	Percentage participation 2008 %	Carrying amount 2009 Euro	Carrying amount 2008 Euro
PPC Investments, a.s.	Slovak Republic	Investment holding	100%	100%	27.500	27.500
PXP Corp., s.r.o. v likvidácii	Slovak Republic	General trading	100%	100%	14.728	14.728
Remobo Holding Ltd	Cyprus	Holding company	100%	100%	1.740	1
Rotortech Aero Composites Limited	United Kingdom	Composite engineering	-	100%	-	1.134
Rotortech Meadows Limited	United Kingdom	Investment property	100%	100%	1.457.523	1.134
Salori Holding B.V.	Netherlands	Investment holding	99.99%	99,99%	46.099.371	42.418.520
Salvis Real Estate, a.s.	Czech Republic	Real estate	100%	100%	2.042.317	73.038
Sandwedge B.V.	Netherlands	Holding company	95%	95%	9.451.582	24.700
Sidonio Holding Ltd	Cyprus	Holding company	100%	100%	1.000	1.000
Slovenska Teplarenska S.H.P Limited (previously Penta Asset Management Limited)	Cyprus	Provision of management services	100%	100%	10.475	10.475
Slovenský Investicný Holding, s.r.o. (formerly Slovensky Investicny Holding, a.s.)	Slovak Republic	Investment holding	-**	99.89%	-	89.140.028
Sunsize, a.s.	Slovak Republic	Real estate	100%	100%	2.634.255	1.291.730
Tredar Investments Limited	Cyprus	Holding company	100%	100%	2.070	2.070
The Port, a.s. (former Uphill, a.s.)	Slovak Republic	Real estate	100%	100%	8.153.689	8.153.688
Tirrellus, a.s.	Slovak Republic	Real estate	100%	100%	31.814	31.814
VSZ Kgokor, a.s.	Slovak Republic	Metal Industry	100%	-	3.606.000	-
Vinaco Holdings Limited	Cyprus	Acquisition and collection of debts	100%	100%	1.744	1.744
Vinipreg, a.s.	Czech Republic	Empty SPV	100%	100%	80.580	80.580
Walago Holdings Limited	Cyprus	Holding company	100%	100%	1.000	1.000
Waterfall Holding B.V.	Netherlands	Investment holding	-	100%	-	90.000
Wedgesand B.V.	Netherlands	Holding company	95%	100%	23.792.572	22.800
WFSE, a.s.	Slovak Republic	General trading	100%	100%	200.870	200.869
Zabka, a.s. (previously Catasta, a.s.)	Czech Republic	Operator of convenience stores	100%	100%	9.351.689	3.280.400

16. Investments in subsidiaries (continued)

Entity	Country of incorporation	Nature of Activity	Percentage participation 2009 %	Percentage participation 2008 %	Carrying amount 2009 Euro	Carrying amount 2008 Euro
Zabka Holdings Public Co Ltd (previously Sitima K. Holdings Limited)	Cyprus	Investment holding	99,96%	99,94%	47.601.730	47.601.730
ZSNP, a.s.	Slovak Republic	Production of aluminium and power supply	96,06%	96,06%	27.383.754	27.383.754
ZAO "Penta Investments"	Russia	Service Company	100%	-	662.456	-
					772.964.831	**407.857.354**

*Penta Investments Limited exercises control over PPC Energy Group, a.s. (PPC) through its indirect subsidiary, Sandbar Limited, which owns the remaining 90% share capital of PPC.

** In view of the restructuring of the companies belonging to the Penta Investments Limited Group, Gratio Holdings Limited ("Gratio"), a company incorporated in the Republic of Cyprus, implemented a cross-border merger with Slovenský Investicný Holding, s.r.o. (SIH), a company incorporated in the Slovak Republic. Both companies are controlled by Penta Investments Limited. Under the cross-border merger, Gratio signed a merger agreement with SIH, which was approved at the Extraordinary General Meetings of Gratio and SIH on 22 and 23 December 2008 respectively. Upon successful finalization of the merger process during 2009, Gratio, as the surviving entity, acquired all assets, liabilities and business activities of SIH.

SIH upon finalization of the cross border merger on 13 March 2009 ceased to exist and was struck off from the Official Registrar in Slovakia. The Company reallocated the carrying amount of the investment in SIH to Gratio Holdings Limited.

In addition, as part of the restructuring process of the companies belonging to Penta Investments Limited, Gratio Holdings Limited, by the end of the year 2009 sold certain subsidiaries obtained through the cross border merger to the Company. Details of the acquisitions are disclosed below under *(i–a)*.

16. Investments in subsidiaries (continued)

(i-a) Acquisitions during the year 2009

During the year the Company has made the following acquisitions and new establishments in subsidiary undertakings:

Entity	Acquisition (A) Establishment (E)	Country of incorporation	Percentage acquired	Euro
Dr Max Holding B.V	E	The Netherlands	100%	21.967.500
Energie Voda, a.s.	A	Czech Republic	100%	75.586
Ceska Lekarna Holding, a.s (Former Larkfield a.s)	E	Czech Republic	100%	69.978
Fortuna Entertainment Group B.V.	E	The Netherlands	100%	64.644.000
Keladone, a.s	A	Czech Republic	100%	69.979
Glebi Holdings Plc	A	Cyprus	100%	1.699.570
PM Zbrojniky, a.s.	A	Slovak Republic	100%	437.240
Mediworx Software Solutions a.s *	A	Slovak Republic	100%	176.000
Point Akciova Spolocnost Kosice *	A	Slovak Republic	100%	85.000
VSZ Kgokor, a.s. *	A	Slovak Republic	100%	3.606.000
Gambella Holdings Ltd *	A	Cyprus	100%	151.028.000
Penta Energy Acquisition Limited *	A	Cyprus	100%	188.445.000
				432.303.853

* Acquired from its subsidiary, Gratio Holding Limited.

16. Investments in subsidiaries (continued)

(i-b) Acquisitions during the year 2008

During the year the Company has made the following acquisitions and new establishments in subsidiary undertakings:

Entity	Acquisition (A) Establishment (E)	Country of incorporation	Percentage acquired	Euro
Debreceni Hus	A	Hungary	100%	26.147.581
Denda Beheer B.V.	E	The Netherlands	100%	25.829
Fortunor Trading Limited	E	Cyprus	100%	2.070
Gratio Holdings Limited	E	Cyprus	100%	3.070
Mecom Group, s.r.o	A	Slovak Republic	100%	10.773.525
Kotapera, a.s.	A	Slovak Republic	100%	901.273
Obona Trading Limited	E	Cyprus	100%	3.780
Penta Investments Limited, o.s.	E	Czech Republic	100%	803.148
PIL Trade, a.s.	E	Slovak Republic	100%	27.500
Port Mall Management, a.s.	E	Slovak Republic	100%	1.000.000
PPC Investments, a.s.	A	Slovak Republic	100%	27.500
Privatbanka, a.s.	A	Slovak Republic	6.90%	1.053.246
Remobo Holdings Ltd	E	Cyprus	100%	1
Sidonio Holdings Ltd	E	Cyprus	100%	1.000
Slovenský Investicný Holding, s.r.o.	A	Slovak Republic	0.80%	2.314.829
Tredar Investments Limited	A	Cyprus	100%	2.070
Vinipreg, a.s.	A	Slovak Republic	100%	80.580
Walago Holdings Limited	A	Cyprus	100%	1.000
				43.168.002

The amounts above represent acquisition costs or contributed capital upon establishment of new subsidiaries.

(ii) Contributions to share capital in existing subsidiaries

The capital contributions made by the Company to its existing subsidiaries are as follows:

Entity	Country of incorporation	2009	2008
		Euro	Euro
Abrastor Holding Limited	Cyprus	1.000	-
B Four, a.s.	Slovak Republic	-	14.871.305
Denda Beheer B.V.	The Netherlands	320.297	-
Digital Park Einsteinova, a.s.	Slovak Republic	-	4.446.146
Equinox Investments B.V.	The Netherlands	8.453.502	-
Žabka, a.s. (former Catasta, a.s.)	Czech Republic	6.071.289	3.205.704
Office Park, s.r.o.	Slovak Republic	-	1.077.947
The Port, a.s. (former Uphill, a.s.)	Slovak Republic	-	5.136.815
Bory Mall, a.s. (former Port Mall, a.s.)	Slovak Republic	-	5.000.000

16. Investments in subsidiaries (continued)

Entity	Country of incorporation	2009 Euro	2008 Euro
continues from pervious page			
Kure Limited	Slovak Republic	4.958.300	4.163.870
Rotortech Aero Composites Limited	United Kingdom	1.555.556	1.132
Rotortech Meadows Limited.	United Kingdom	1.456.389	1.132
Centrade, a.s.	Slovak Republic	13.925.800	7.859.348
Clemency Holdings Limited	Cyprus	104.000	-
Cyfoca Holdings Public Co Ltd	Cyprus	43.626.125	24.785
Ceska Lekarna Holding a.s (Former Larkfield a.s)	Czech Republic	7.764.708	-
Equinox Investments B.V.	The Netherlands	-	17.000.000
Mecom Group, s.r.o	Slovak Republic	70.967.465	-
MobilKom, a.s.	Czech Republic	-	24.033.479
NOVOKER, a.s	Slovak Republic	-	2.915.633
PXP Corp., s.r.o. v likvidácii	Slovak Republic	-	9.865
Port Mall Management, a.s.	Slovak Republic	100.000	-
PFSE, a.s.	Czech Republic	28.918	-
Remodo Holdings Limited	Cyprus	1.739	-
Fortunor Trading Limited	Cyprus	1.201.000	-
Salori Holding B.V.	The Netherlands	3.680.851	24.499.010
Salvis Real Estate a.s	Czech Republic	1.969.279	-
Sunsize, a.s.	Slovak Republic	4.660.000	640.000
Sandwedge B.V.	The Netherlands	9.426.882	-
Tes Vsetin, s.r.o (formerly Kelisia a.s.)	Czech Republic	37.376	15.096.618
Wedgesand B.V.	The Netherlands	23.771.072	3.600
WFSE, a.s.	Slovak Republic	-	32.953
O3 Invest, a.s.	Slovak Republic	1.228.178	-
ZAO "Penta Investments"	Russia	662.456	-
		205.972.182	130.019.342

(iii-a) Disposals made in 2009

During the year the Company has made the following disposals of subsidiary undertakings:

Entity	Country of incorporation	Percentage disposed/decreased	Euro
Disposals			
Denda Beheer B.V	The Netherlands	5%	900
Kotapera, a.s.	Slovak Republic	100%	-
PM Zbrojniky, a.s.	Slovak Republic	100%	437.240
Rotortech Aero Composites Limited	United Kingdom	100%	1.556.689
Energie Voda, a.s.	Czech Republic	100%	75.586
Novoker a.s	Slovak Republic	100%	3.106.247
Waterfall Holding B.V	The Netherlands	100%	90.000
Wedgesand B.V.	The Netherlands	5%	1.300
Tes Vsetin, s.r.o (formerly Kelisia a.s.)	Czech Republic	20%	7.475
			5.275.437

16. Investments in subsidiaries (continued)

(iii-b) Disposals made in / decrease in Share Capital 2008

During the year the Company has made the following disposals and/or decreases in share capital in subsidiary undertakings:

Entity	Country of incorporation	Percentage disposed	Euro
Disposals			
Weastra, a.s.	Czech Republic	100%	72.741
Kelisia, a.s.	Czech Republic	20%	3.033.872
Bintorio Holdings Ltd	Cyprus	100%	1
Cerezian Holdings Ltd	Cyprus	100%	1.709
Debreceni Hus	Hungary	100%	26.147.581
Penta Investments Limited, a.s.	Czech Republic	*100%	803.148
PM Zbrojniky, a.s.	Slovak Republic	100%	5.085.032
PPC Energy, a.s. (formerly Arcane, a.s.)	Slovak Republic	100%	27.500
Penta Investments, s.r.o.	Slovak Republic	*100%	3.483.687
Sandwedge B.V.	Netherlands	5%	1.300
Decrease in Share Capital			
Bory Mall, a.s. (former Port Mall, a.s.)	Slovak Republic	-	29.493
FAJNE, a.s. (former IDAX Holding, a.s.)	Slovak Republic	-	1.036.700
Oakfield, a.s.	Czech Republic	-	16.793.712
			56.516.476

*As per note 17 – "Merger with subsidiaries", the operations of Penta Investments, s.r.o. and Penta Investments Limited, a.s. were merged with Penta Investments Limited during 2008.

(iv) Reclassified to short term- available for sale investments

Entity	Interest held	2009 Euro	2008 Euro
Dovera, a.s. v likvidacii (under liquidation)	100%	-	-
LPV B.V.	100%	-	2.010.000
Safinvest Limited	100%	-	833.663
Malta Entertainment Holding Limited	50%	-	625
		-	2.844.288

16. Investments in subsidiaries (continued)

(v) Impaired non-current investments

The investments are stated at cost less impairment provisions made. The following investments have been assessed as being impaired and provision was recognised against their cost:

2009

	Entity name	Cost	Provisions			Transfer on merger	Carrying Amount
			At 1.1.2008	Charge for the year	At 31.12.09		
		Euro	Euro	Euro	Euro	Euro	Euro
(a)	Mobilkom, a.s.	29.505.491	(24.979.850)	-	(24.979.850)	-	4.525.641
(b)	Gratio Holdings Ltd	89.143.098	-	(82.854.111)	(82.854.111)	-	6.288.987
(c)	Sunsize, a.s.	6.502.500	(550.770)	(3.317.475)	(3.868.245)	-	2.634.255
(d)	Gambella Holdings Limited	151.028.000	-	(4.091.687)	(4.091.687)	-	146.936.313
(e)	Kure Limited	9.122.171	-	(4.708.795)	(4.708.795)	-	4.413.376
(f)	PPC Energy Group, a.s.	17.806.268	-	(10.749700)	(10.749700)	-	7.056.568
(f)	Penta Energy Acquisitions Limited	188.445.000	-	(141.875.987)	(141.875.987)		46.569.013
(g)	Cyfoca Holdings Public Co Ltd	43.652.619	-	(18.106.570)	(18.106.570)	-	25.546.049
	Centrade, a.s.	21.940.371	-	(326.422)	(326.422)	-	21.613.949
	Denda Beheer B.V.	345.226	-	(316.632)	(316.632)		28.594
	Slovenska Teplarenska S.H.P Limited (previously Penta Asset Management Limited)	450.450	(439.975)	-	(439.975)	-	10.475
		557.941.194	(25.970.595)	(266.347.379)	(292.317.974)	-	265.623.220

2008

Entity name	Cost	Provisions			Transfer on merger	Carrying Amount
		At 1.1.2007	Charge for the year	At 31.12.08		
	Euro	Euro	Euro	Euro	Euro	Euro
Mobilkom, a.s.	29.505.491	(1.197.485)	(23.782.365)	(24.979.850)	-	4.525.640
Slovenska Teplarenska S.H.P Limited (previously Penta Asset Management Limited)	450.450	-	(439.975)	(439.975)	-	10.475
Sunsize, a.s.	1.842.500	-	(550.770)	(550.770)	-	1.291.730
Penta Investments s.r.o. (Slovak Republic)	13.577.358	(10.093.671)	-	-	(3.483.687)	-
	45.375.799	(11.291.156)	(24.773.110)	(25.970.595)	(3.483.687)	5.827.845

(a) Mobilkom, a.s.

The investment together with loans advanced to the subsidiary, were tested for impairment based on value in use calculations. The value in use calculation was based on a recent financial budget approved by management for the next five years, and then extrapolated the results and concluded that the opening provision recognized during previous years was adequate. The rate used to discount the forecast cash flows is 15,8% per annum. Management included in its projections revenue growth of 16% per annum.

Based on the impairment test performed, the Company did not recognize any further impairment provisions.

16. Investments in subsidiaries (continued)

The accumulated impairment loss was allocated and recognised against the carrying amount of the following assets:

Underlying asset	2009 Euro	2008 Euro
Investment - Mobilkom, a.s.	24.979.851	24.979.851
Loan receivables - Mobilkom, a.s.	29.909.681	29.909.681
Loan receivables - Kherem, a.s.	5.619.414	5.619.414
	60.508.946	60.508.946

(b) Gratio Holdings Limited

With respect to the impairment test carried out for Gratio Holdings Limited (Gratio) the Company estimated Gratio's recoverable amount using the amount that the Company would obtain at the end of the reporting period from the disposal of the assets held and the settlement of the liabilities due by Gratio in arms length transactions with third parties. A year end audited statement of assets and liabilities was used to establish the recoverable amount. An impairment provision of Euro 82.919.946 was recognized during the year. Gratio Holdings Limited suffered significant impairment since almost all its equity was distributed during 2009 and disposed all its underlying assets.

(c) Sunsize, a.s.

With respect to the impairment test carried out for Sunsize, a.s. the Company assess the total exposure of funds contributed to Sunsize, a.s. of Euro 8.252.807 which consists of a loan receivable amounting to Euro 1.750.307 and equity contributions of Euro 6.502.500. The recoverable amount of Sunsize, a.s. was calculated using the fair value less costs to sell method by examining the real estate assets held by the subsidiary. The Company maintains an impairment provision of Euro 5.618.552 (2008: Euro 5.076.318) as of 31 December 2009.

(d) Gambella Holdings Limited

The Company calculated the subsidiary's recoverable amount using the audited statement of assets and liabilities of the subsidiary and concluded that the carrying amount of the investment was higher than its recoverable amount by Euro 4.091.682.

(e) Kure Limited

The subsidiary incurred losses during the year and management assessed that the total exposure of invested funds amounted to Euro 10.633.111. These consist of an investment in share capital of Euro 9.122.171 and loans receivable of Euro 1.510.940. Based on recent bid offers, management recognised a provision of Euro 4.708.795 against the investment and Euro 1.510.940 against the loan receivable.

(f) PPC Energy Group, a.s. and Penta Energy Acquisitions Limited

The Company has, through its subsidiaries above, invested in the electricity generation industry in the Slovak Republic by investing in two electricity generation power stations (power station). The fair values of these power stations have been calculated by management by using the discounted cash flow method (DCF). The DCF assumes the following:

	Methodology	Period	Average annual growth rate p.a.	Discount rate p.a.
Power station 1	Discounted cash flow	2010 - 2015	2,57%	10,7%
		2015 - 2025	1,94%	
		Terminal liquidation value of assets		
Power station 2	Discounted cash flow	2010 - 2015	1,04%	9,05%
		2015 - 2035	2,35%	

16. Investments in subsidiaries (continued)

(g) Cyfoca Holdings Public Co Ltd

The Company has, though its subsidiary Cyfoca Holdings Public Co Ltd (Cyfoca), invested in the telecommunications industry and has recognised an impairment of its investment in Cyfoca in view of the recent financial crisis, which has adversely affected this industry. The Company established the recoverable amount of Cyfoca by reference to best estimate of recent market offers and value in use calculations.

(vi) Securities on investments

The table below shows the % of shareholding in subsidiaries of the Company pledged as security to various financial institutions against borrowings provided to those subsidiaries. The balance disclosed represents the liability due to those financial institutions at 31 December 2009 by the subsidiaries of the Company.

Subsidiaries	Borrowings at 31 December 2009	Pledged % holding in subsidiaries	Borrowings at 31 December 2008	Pledged % holding in subsidiaries
Disposals				
MobilKom, a.s.	15.434.925	100%	20.388.200	100%
Tes Vsetin, s.r.o	32.933.837	100%	38.506.053	100%
Digital Park Einsteinova, a.s.	61.147.410	100%	33.910.078	100%
ZSNP a.s.	59.070.000	96.06%	6.148.676	96.06%
Mecom Group, s.r.o	108.606.621	100%	106.454.657	100%
Sunsize, a.s.	1.770.000	100%	3.774.149	100%
Zabka, a.s.	3.922.766	100%	711.289	100%
Centrade, a.s.	18.828.613	100%	20.070.637	100%
Alpha Medical, a.s.	6.030.252	100%	-	-
PPC Energy Group, s.r.o.	140.419.109	100%	-	-
Fortuna SK, a.s.	21.824.984	100%	23.244.905	100%
	469.988.517		253.208.644	

In addition to the above pledge of investments in subsidiaries, the1.463.524 shares out of the total shares held by the company in the subsidiary ZSNP, a.s. representing 25,28% out the total issued share capital of the subsidiary, are pledged in favor of Citibank N.A in order to secure the transactions entered by the Company in commodity SWAP transactions to fix the price of aluminium.

17 Merger with subsidiaries

During 2008, Penta Investment, s.r.o. (subsidiary of Penta Investments Limited) and Penta Investment, a.s. (fellow subsidiary) merged with the Company.

The cross border merger of the Company with Penta Investments s.r.o. (Penta Slovakia) was finalized upon approval of the cross border merger by the Limassol (Cyprus) District Court on 4 June 2008. Penta Slovakia was liquidated without been dissolved and the Company being the surviving entity of the merger has undertaken all the underlying assets and liabilities and ongoing activities of Penta Slovakia. The cross border merger was implemented in accordance with the relevant agreement signed between the two parties on 31 March 2008 and the National Laws of the Republic of Cyprus and Slovakia as well as the provisions of the European Union Directive 2005/56/EC.

The cross border merger of the Company and Penta Investments, a.s. (Penta Czech Republic) was finalized on 24 October 2008 upon the approval of the merger by the Limassol (Cyprus) District Court. In accordance with the common terms of the Cross-border Merger Agreement signed by the merging entities on 31 May 2008, the Company as the surviving entity continues as from the finalization of the merger to carry on the existing activities of Penta Czech Republic and undertook all assets and liabilities. The cross border merger has been implemented in accordance with the relevant National Laws of the Republic of Cyprus and Czech Republic as well as the European Union Directive 2005/56/EC.

On the respective dates of the mergers, the net assets of the merging companies are indicated below.

	Penta Investment, s.r.o. Euro	**Penta Investment, a.s. Euro**	**Total Euro**
Intangible assets	314.610	2.844	317.454
Property, plant and equipment	1.202.523	714.140	1.916.663
Inventories	1.411	-	1.411
Trade and other receivables	1.442.850	690.851	2.133.701
Taxation payable	(19.019)	-	(19.019)
Cash and cash equivalents	142.209	170.289	312.498
Trade and other payables	(2.065.949)	(680.416)	(2.746.365)
Net assets	1.018.635	897.708	1.916.343
Company's share of net assets	1.018.635	897.708	1.916.343
Carrying value of investments	3.483.687	803.148	4.286.835
Transfer to Reserves	2.465.052	(94.560)	2.370.492

18 Derivative financial instruments

	2009 Euro	2008 Euro
Assets		
Non-current		
Commodity swap (i)	-	30.561.105
	-	30.561.105
Current		
Commodity swap (i)	13.656.000	27.095.427
	13.656.000	27.095.427
Liabilities		
Non-current		
Interest rate swap (ii)	289.254	-
	289.254	-
Current		
Interest rate swap (ii)	761.130	-
	761.130	-

(i) Commodity swap

The Company entered into commodity swaps during the years 2008 and 2007 in order to hedge the business risk arising from its significant indirect investment in associate Slovalco, a.s. (a direct associate of subsidiary ZSNP, a.s.). Slovalco, a.s. operates in the worldwide aluminium and metal markets and is exposed to fluctuations in metal prices that can affect its revenues and cost of sales. In Slovalco, a.s. part of the risk is naturally hedged whilst a certain part is directly hedged by using financial instruments by Slovalco, a.s. itself, with the remaining part of the risk being unhedged. The Company thus entered into commodity swaps to hedge its interest for the remaining unhedged position for expected production. The commodity swaps entered into by the Company cannot be designated as hedging instruments to be used for hedge accounting since it relates to general business risk hedging. As a result, the Company accounted for the said derivatives as at fair value through profit or loss. During the year, the Company recognised net losses on fair value (realised and unrealised) of Euro 16.210.808. The fair value of the swaps was determined by using discounted cash flow model and market prices of LME futures.

The following table provides details of the open commodity swap contracts at 31 December:

2009	Average contracted price Euro/tone	Contracted tones	Fair value Euro Euro
2010	2.637	47.100	13.656.000

2008	Average contracted price Euro/tone	Contracted tones	Fair value Euro Euro
2009	1.872	39.576	27.095.427
2010	1.872	47.700	30.561.105
		87.276	57.656.532

18 Derivative financial instruments (continued)

(i) Commodity swap (continued)

Any receivable relating to the swap agreement with the financial institution referred to above, is pledged as security for bank borrowings of Euro 59 million provided to the subsidiary ZSNP, a.s. Group at 31 December 2009.

The maturity analysis of the commodity swap is shown below:

Assets 2009	1- 6 months Euro	6- 12 months Euro	1-2 years Euro	Adjustment Euro	Total Euro
Commodity swap	13.656.000	-	-	-	13.656.000

Assets 2008	1- 6 months Euro	6- 12 months Euro	1-2 years Euro	Adjustment Euro	Total Euro
Commodity swap	12.626.000	14.626.000	31.167.000	(762.468)	57.656.532

(ii) Interest rate swap

The Company entered into an interest rate swap contract to hedge the cash flow risk arising from fluctuations of interest rates relating to a bank borrowing obtained by its subsidiary Digital Park Einsteinova, a.s. Under the terms of the interest rate swap contract the Company exchanges floating for fixed interest rate amounts based on a principal notional amount of Euro 20.210.682 until 10 April 2011. The fair value of the interest rate swap as at the end of the 2009 financial period has been determined by discounting the expected future net cash flows using the swap curve at the reporting date.

During the year, a net realised loss amounting to Euro 410.939 which was recognised in the statement of comprehensive income (note 7) related to the settlement of SWAP transactions (difference between the variable and fixed interest rates that have been agreed).

The table below details the notional principal amount and remaining terms of the interest rate swap outstanding at the year end date:

2009	Average fixed interest rate %	Floating rate %	Expected cash inflows Euro	Expected cash outflows Euro	Fair value Euro
Less than 1 year	5,75%	3M EURIBOR	404.021	1.165.630	761.130
1 to 2 years	5,75%	+1,10%	280.814	513.244	289.254
			684.835	1.678.874	1.050.384

19 Loans and advances

	2009 Euro	2008 Euro
Current		
Loans and advances to third parties	104.995.188	92.189.636
Allowance for doubtful debts	(75.730.494)	(51.190.431)
Loans and advances to third parties, net	29.264.694	40.999.205
Loans and advances to related parties (note 25)	264.657.837	224.248.025
Allowance for doubtful debts	(41.495.735)	(43.909.682)
Loans and advances to related parties, net	223.162.102	180.338.343
	252.426.796	221.337.548
Non current		
Loans and advances to third parties	23.705.626	19.187.134
Allowance for doubtful debts	(12.827.390)	(711.703)
Loans and advances to third parties, net	10.878.236	18.475.431
Loans and advances to related parties (note 25)	163.233.568	193.556.084
Allowance for doubtful debts	(56.745.392)	(41.316.276)
Loans and advances to related companies, net	106.488.176	152.239.808
	117.366.412	170.715.239
Total loans and advances	369.793.208	392.052.787

Analysis of loans and advances (gross amount)

	2009 Euro	2008 Euro
Not impaired	320.496.770	379.689.553
Past due but not impaired	5.671.533	1.294.780
Impaired	230.423.916	148.196.546
	556.592.219	529.180.879

Ageing analysis of past due but not impaired

2009

	Overdue up to 3 months Euro	Overdue 3-6 months Euro	Overdue 3-12 months Euro	Overdue more than 12 months Euro	Total Euro
Loan and advances to third parties	1.017.951	72.376	-	279.340	1.369.667
Loan and advances to related parties	249.514	4.010.259	42.093	-	4.301.866
	1.267.465	4.082.635	42.093	279.340	5.671.533

19 Loans and advances (continued)

Ageing analysis of past due but not impaired (continued)

2008

	Overdue up to 3 months	Overdue 3-6 months	Overdue 3-12 months	Overdue more than 12 months	Total
	Euro	Euro	Euro	Euro	Euro
Loan and advances to third parties	395.955	-	648.356	250.469	1.294.780
Loan and advances to related parties	-	-	-	-	-
	395.955	-	648.356	250.469	1.294.780

The management recognised cumulative impairment losses of Euro 186.799.011 (2008: Euro 137.128.092) against the loan receivables being impaired.

Movement in allowance for doubtful debts
The movement of the provision for impairment of loan advances is shown in the table below:

	2009 Euro	2008 Euro
1 January	137.128.092	40.091.461
Increase in allowance recognised in statement of comprehensive income, net	66.965.456	99.024.213
Transferred	(6.767.367)	(1.987.582)
Amounts written off during the year against receivables	(10.527.170)	-
31 December	186.799.011	137.128.092

(i) **Analysis of the major impairment losses for the year 2009**

(a) Allowance for doubtful debts of Euro 25.648.117 (2008: Euro 22.015.891) relate to loans provided to counterparties which are in unexpectedly difficult economic situations due to the financial crisis. Management has created provisions for these loans receivable based on their recoverability. The recoverability of these loans has been estimated by management based on prudent estimates of expected cash inflows.

(b) Impairment losses of Euro 21.216.296 have been recognised against the loan receivable from Vinaco Holdings Ltd, which is engaged in the acquisition and collection of default receivables. The Company estimated the recoverability of its loan by examining the financial health of its subsidiary. Due to the financial crisis, the subsidiary experienced significant losses.

(c) With respect to the impairment test carried out for Kure Limited, the Company assessed the total exposure of funds contributed to Kure Limited of Euro 10.633.111 which consists of a loan receivable amounting to Euro 1.510.940 and equity contributions of Euro 9.122.171. The recoverable amount of Kure Limited was calculated by reference to best estimate of recent market offers and value in use calculations. The Company recognised an impairment loss of Euro 6.219.735, with Euro 1.510.940 been provided for against its loan receivable and the additional amount of Euro 4.708.795 been allocated to its equity contributions in the company.

19 Loans and advances (continued)

(d) Impairment losses amounting to Euro 1.480.239 (2008: Euro 48.249) were recognised against receivables from subsidiaries which are under liquidation. The management reviewed the financial position of the said subsidiaries and determined that any receivables from these subsidiaries are not recoverable.

(e) Loans granted to financial restructuring management company amounted to Euro 32.656.423, have been assessed as impaired. Out of the total amount advanced, Euro 17.775.000 has been recognised as a provision for impairment. The management established the recoverable amount and provision needed for impairment by examining the underlying assets and liabilities of the debtor. They relate to manufacturing activities which were heavily affected by the financial crisis.

(ii) **Renegotiated loans**

Renegotiated loans that would otherwise be past due during 2009 amounted to Euro 57.620.954 (2008: Euro 62.660.087).

(iii) **Fair values**

The fair values of loans advanced approximate their carrying amounts as at the statement of financial position date.

(iv) **Maturity analysis of loans and advances**

The following tables detail the Company's remaining contractual maturity for its loans receivables. The tables have been drawn up based on the undiscounted cash inflows of loans receivables based on the earliest date on which the Company will receive. The table includes both interest and principal cash inflows. The adjustment column represents the possible future cash inflows attributable to the instrument included in the maturity analysis which are not included in the carrying amount of the loan receivables on the statement of financial position.

2009	Weighted average effective interest rate	Less than 6 months or on demand	6-12 months	1-2 Years	2-5 years	More than 5 years	Adjustment	Carrying amount
	%	Euro	Euro	Euro	Euro	Euro	Euro	Euro
Loan and advances to third parties	7,30%	51.475.342	57.690.730	12.306.920	12.827.390	2.550.964	(8.150.532)	128.700.814
Loan and advances to related parties	7,32%	47.272.442	231.309.783	28.613.779	33.513.759	162.170.251	(74.988.609)	427.891.405
		98.747.784	289.000.513	40.920.699	46.341.149	164.721.215	(83.139.141)	556.592.219

2008	Weighted average effective interest rate	Less than 6 months or on demand	6-12 months	1-2 Years	2-5 years	More than 5 years	Adjustment	Carrying amount
	%	Euro	Euro	Euro	Euro	Euro	Euro	Euro
Loan and advances to third parties	7.87%	35.274.574	62.699.991	2.126.988	20.734.011	-	(9.458.794)	111.376.770
Loan and advances to related parties	7.61%	38.225.811	199.509.528	147.399.681	3.574.148	91.960.346	(62.865.405)	417.804.109
		73.152.385	262.209.519	149.526.669	24.308.159	91.960.346	(71.976.199)	529.180.879

20. Trade and other receivables

	2009 Euro	2008 Euro
Current		
Trade receivables	3.026.670	1.444.466
Amounts due from related parties (note 25)	68.022.472	8.989.110
Other receivables	3.298.990	224.755
	74.348.132	10.658.331

21. Cash and cash equivalents

	2009 Euro	2008 Euro
Cash at bank and in hand	46.460.072	73.055.194

22. Share capital

	2009 Euro	2008 Euro
Authorised capital		
200.000 ordinary shares of Euro 1.71 each	342.000	342.000

	2009 Euro	2008 Euro
Issued, called up and fully paid		
182.868 ordinary shares of Euro 1.71 each	312.704	312.704

In view of the adoption of the Euro as the official currency of the Republic of Cyprus as from 1 January 2008 and following the provisions of the Law relevant to the adoption of the Euro (Law 33(1)/2007), the Company's share capital has been converted from the Cyprus Pound into the Euro during the year 2008. Following the shareholders special resolution taken on 2 January 2008, the authorized capital of the Company which at the time of the conversion was CY£200.000 divided into 200.000 ordinary shares of CY£1 each, has been converted to Euro 342.000 divided into 200.000 shares of Euro 1,71 each. Further, following the said shareholders' resolution dated 2 January 2008 the issued share capital of the Company which on the date of the conversion was C£182.868 divided into 182.868 shares of CY£1 each have been converted to Euro 312.704 divided into 182.868 ordinary shares of Euro 1,71 each.

23. Borrowings

	2009 Euro	2008 Euro
Current		
Promissory notes payable (ii)	84.702.735	58.537.633
Other borrowings (iv)	13.687.908	13.085.726
Loans due to related parties (v & note 25)	358.668.670	474.049.666
	457.059.313	545.673.025
Non current		
Bank borrowings (i)	19.099.906	-
Promissory notes payable (ii)	7.415.858	5.721.498
Other borrowings (iv)	5.496.352	4.645.652
Loans due to related parties (v & note 25)	86.728.223	107.513.919
	118.740.339	117.881.069
Total borrowings	575.799.652	663.554.094

(i) **Bank borrowings**
Bank's borrowings basic terms are as follows:

Bank name	Currency	Interest rate	Maturity date	Carrying amount 2009 Euro	Carrying amount 2008 Euro
J&T Bank, a.s.	CZK	10%	30/09/2012	12.960.514	-
J&T Bank, a.s.	Euro	10%	23/11/2012	6.139.392	-
Total				19.099.906	-

Bank's borrowings have been guaranteed by way of a blank bill of exchange been provided by the Company to the counterparty bank.

(ii) **Promissory notes payable**
The weighted average interest rate is 6.37% per annum (2008:7,47%). The promissory notes payable are denominated in Euros (Euro 82.257.062 representing 89%), CZK (Euro 9.192.882 representing 10%) and US$ (Euro 668.647 representing 1%). In 2008, the 75,77% of the promissory notes were denominated in Slovak Korunas and the remaining amounts mainly in Euro and Czech Korunas.

(iii) **Loans due to related parties**
The weighted average interest rate on these loans is 5.89% per annum (2008: 7,08%).

(iv) **Other borrowings**
The weighted average interest rate on these borrowings is 7.83% per annum (2008: 9,51%). These borrowings are mainly denominated in Czech Korunas (89%) (2008: 91,5%).

23. Borrowings (continued)

(v) Securities over loans due to related parties

Loans due to related parties are secured as follows:

- Borrowings from indirect subsidiary, Aero Vodochody, a.s. (Aero) in the amount of Euro 50.409.777 (2008: Euro 35.830.135), are secured by issuing a blank promissory note in favor of Aero in respect of the borrowed amount.
- Borrowings from ZSNP, a.s. in the total amount of Euro 68.546.840 (2008: Euro 52.060.420) are secured by promissory notes issued by the Company in favor of ZSNP, a.s. in respect of the borrowed amount and through blank promissory notes issued as security for the settlement of interest and default interest payable.
- The remaining borrowings obtained from related parties amounting to Euro 235.877.503 (2008: Euro 164.423.258) are unsecured.

(vi) Securities on loans which were outstanding at 31 December 2008 and settled in 2009 were:

Borrowings from PPC Power, a.s. in the amount of Euro 185.885.946 were secured in 2008 by issuing a blank promissory note in favor of the fund provider in respect of the borrowed amount.

Borrowings from Slovensky Investicny Holding, s.r.o. in the total amount of Euro 150.729.843 were secured as follows:

(i) By promissory notes issued by the Company in favor of the fund provider in respect of the borrowed amount and by issuing blank promissory notes as security for the settlement of interest and default interest payable.
(ii) By pledge over the 100% interest held in subsidiary Dovera, a.s. and indirect interest in Dovera Holding, a.s.
(iii) By pledge over 4.066.397 shares (70,24% shareholding) held in subsidiary ZSNP, a.s. in the nominal value of SKK 220 per share.
(iv) By a pledge on the administration and office building in Bratislava owned by Penta Reality, a.s. a fellow subsidiary of Penta Investments Limited. The fair value of the real estate based on recent valuation amounted to Euro 4.317.115.

(vi) Fair values

The fair values of the current borrowings equal their carrying amounts. The fair values of non-current borrowings approximate their carrying amounts.

(vii) The following tables details the Company's remaining contractual maturity for its borrowings. The tables have been drawn up based on the undiscounted cash flows of borrowings based on the earliest date on which the Company can be required to pay. The table includes both interest and principal cash flows. The adjustment column represents the possible future cash flows attributable to the instrument included in the maturity analysis which are not included in the carrying amount of the borrowings in the statement of financial position.

23. Borrowings (continued)

2009

	Weighted average effective interest rate	Less than 6 months or on demand	6-12 months	1-2 Years	2-5 years	More than 5 years	Adjustment	Carrying amount
	%	Euro	Euro	Euro	Euro	Euro	Euro	Euro
Bank borrowings	10%	-	-	-	24.425.704	-	(5.325.798)	19.099.906
Promissory notes payable	6,37%	40.519.856	47.270.637	1.793.516	6.986.948	-	(4.452.364)	92.118.593
Other borrowings	7,83%	948.135	13.386.323	1.048.451	6.157.370	-	(2.356.019)	19.184.260
Loans due to related parties	5,89%	182.158.079	185.343.759	14.880.421	63.741.950	26.229.855	(26.957.171)	445.396.893
		223.626.070	246.000.719	17.722.388	101.311.972	26.229.855	(39.091.352)	575.799.652

2008

	Weighted average effective interest rate	Less than 6 months or on demand	6-12 months	1-2 Years	2-5 years	More than 5 years	Adjustment	Carrying amount
	%	Euro	Euro	Euro	Euro	Euro	Euro	Euro
Promissory notes payable	7,47%	32.366.164	28.589.653	6.396.571	-	-	(3.093.257)	64.259.131
Other borrowings	9,51%	13.080.919	460.542	-	6.686.288	-	(2.496.371)	17.731.378
Loans due to related parties	7,08%	267.681.028	219.463.624	89.923.990	39.778.656	-	(35.283.713)	581.563.585
		313.128.111	248.513.819	96.320.561	46.464.944	-	(40.873.341)	663.554.094

24. Creditors, accruals and other liabilities

	2009 Euro	2008 Euro
Current		
Amounts due to related parties (note 25)	137.872.298	83.915.078
Other creditors and accruals	34.051.250	9.297.339
	171.923.548	93.212.417

The creditors above include dividends payable to the parent of Euro 58.152.024 (2008: Euro 56.600.000) and unpaid share capital contributions to subsidiaries amounting to Euro 8.300.658 (2008: Euro 23.273.665). Additionally, the amount includes outstanding purchase consideration for acquisition of subsidiaries amounting to Euro 2.000.003 (2008: Euro 4.930.082). Other payables, include a settlement fee for participation agreement amounting to Euro 19.950.000. The agreement was entered into early in the year and created an obligation to pay participants 13,5% of realised income from a project for a period of time. The agreement was terminated by the year end, and the parties agreed the payout by estimating the future cashflows for a future period of the next 6 – 8 years and an effective discount rate of 7,16% per annum. The 2009 year end balance also includes an amount of Euro 11.000.000 payable to Mecom Group, s.r.o. for the right of use of intellectual property. The repayment of this amount is secured through a blank promissory note issued to Mecom Group, s.r.o.

The following tables details the Company's remaining contractual maturity for its creditors and accruals. The tables have been drawn up based on the undiscounted cash flows of creditors and accruals based on the earliest date on which the Company can be required to pay. The table includes both interest and principal cash flows. The adjustment column represents the possible future cash flows attributable to the instrument included in the maturity analysis which are not included in the carrying amount of the creditors and accruals in the statement of financial position.

2009	Weighted average effective interest rate %	Less than 6 months or on demand Euro	6-12 months Euro	1-2 Years Euro	2-5 years Euro	More than 5 years Euro	Carrying amount Euro
Amounts due to related parties	-	-	137.872.298	-	-	-	137.872.298
Other creditors and accruals	-	-	34.051.250	-	-	-	34.051.250
		-	171.923.548	-	-	-	171.923.548

2008	Weighted average effective interest rate %	Less than 6 months or on demand Euro	6-12 months Euro	1-2 Years Euro	2-5 years Euro	More than 5 years Euro	Carrying amount Euro
Amounts due to related parties	-	-	83.915.078	-	-	-	83.915.078
Other creditors and accruals	-	-	9.297.339	-	-	-	9.297.339
		-	93.212.417	-	-	-	93.212.417

25. Related Party Balances and Transactions

The following related party transactions and balances were effected during the year 2009.

		2009 Euro	2008 Euro
Due from related companies:			
Due from direct subsidiary companies			
Abrastor Holdings Limited	Loan	4.061	-
AERO Vodochody, a.s.	Trade balance	-	10.100
B Four, a.s.	Loan	45.556.771	100.735.779
Bonamassa Trading Limited	Loan	20.707	14.498
Bory Mall, a.s (formerly Port Mall, a.s)	Loan	3.797.219	-
CEESG Ltd	Other Loan	-	-
Centrade a.s	Loan	-	5.011.222
Clemency Holdings Limited	Loan	239	92.762
Cyfoca Holdings Public Co Ltd	Unpaid dividend declared	114.656	-
Cyfoca Holdings Public Co Ltd	Loan	33.815	36.999.381
DOVERA Holding, a.s	Trade balance	-	22.059
DGK Trade, spol s.r.o.	Loan	525.980	485.954
DGK Trade, spol s.r.o.	Trade balance	-	34.645
Digital Park Einsteinova, a.s.	Loan	7.666.716	7.777.485
Dovera, a.s. v likvidacii	Advance payment	-	17.371
Dr.Max Holding B.V	Loan	4.599.860	-
Equinox Investments B.V.	Loan	11.753.035	17.100.103
Fortunor Trading Limited	Loan	18.091.396	2.502.966
Fortunor Trading Limited	Reinvoicing	8.687	-
Gambella Holdings Limited	Loan	24.000	6.154
Gratio Holdings Ltd	Reinvoicing	45.047	-
Gratio Holdings Ltd	Overpayment	12.092	-
Gratio Holdings Ltd	Loan	-	922.119
Gratio Holdings Ltd	Unpaid dividend declared	66.581.540	-
Tes Vsetin, s.r.o (former Kelisia, a.s.)	Advance payment	-	29.552
Kure Limited	Loan	-	1.320.801
Lorea Investments Limited	Loan	-	19.007.893
Lorea Investments Limited	Unpaid dividend declared	-	3.357.992
Lorea Investments Limited	Assignment of receivable	-	4.062.260
Lunga Enterprises Limited	Loan	366.868	337.118
Massarosa Holdings Limited	Loan	985.072	914.034
Mecom Group, s.r.o	Loan	620.179	-
Mecom Group, s.r.o.	Trade balance	-	15.627
Mecom Group, s.r.o.	Reinvoicing	45.000	-
Mediworx Software Solutions, a.s.	Loan	109.010	-
Mobile Entertainment Company, a.s.	Loan	-	-
MobilKom, a.s.	Loan	19.896.641	-
O3 Invest, a.s.	Loan	11.086.544	8.861.730
Obona Trading Limited	Loan	16.094	7.076
Office Park, s.r.o	Loan	414.769	2.042.188
Ozeta Neo, a.s.	Trade balance	-	76.713
Penta Energy Acquisitions Limited	Loan	252.751	198.409
Penta First Fund Limited	Unpaid dividend declared	260.000	260.000

25. Related Party Balances and Transactions (continued)

The following related party transactions and balances were effected during the year 2009.

		2009 Euro	2008 Euro
Due from related companies:			
PIL organizacna zložka	Accrued Income	5.000	-
Penta Investments Limited o.z.	Trade receivable		227.234
Port Mall Management, a.s.	Loan	1.002.595	-
PPC Power, a.s.	Unpaid consideration for acquisition of shares	-	19.112
PXP Corp., s.r.o. v likvidácii	Unpaid dividend declared	33.194	33.194
Remobo Holdings Ltd	Loan	19.232	-
Rotortech Meadows Limited	Loan	217.952	1.563.845
Salori Holding B.V.	Loan	-	196.586
Salvis Real Estate, a.s.	Loan	1.596.124	3.273.016
Sandwedge B.V.	Loan	34.831.903	8.289.696
Sidonio Holdings Ltd	Loan	15.748.577	5.028
Slovenska Teplarenska S.H.P Limited (previously Penta Asset Management Limited)	Trade balance	-	2.767
Sunsize, a.s.	Loan	-	-
Tikka, a.s.	Trade balance	-	189.288
Tirrellus, a.s.	Loan	6.034.252	2.207.590
The Port, a.s. (former Uphill, a.s.)	Loan	91.058.694	86.096.689
Tredar Investments Limited	Loan	90.915	84.269
VelveTex, a.s.	Trade balance	-	18.687
Vinaco Holdings Ltd	Loan	-	330.086
VSŽ Kgokor, a.s.	Loan	322.171	-
Walago Holdings Limited	Loan	7.424	5.028
Zabka, a.s. (previously Catasta, a.s.)	Loan	14.608	947
PFSE, a.s.	Loan	-	19.540
WFSE, a.s	Trade balance	174.288	-
<u>Due from indirect subsidiary companies</u>			
Alicela, a.s.	Loan	7.914.730	1.720.958
Bintorio Holdings Limited	Loan	128.530	98.149
Cerezian Holdings Limited	Loan	19.746	3.284
Fortuna sazkova kancelar, a.s.	Other Loan	-	70.565
Malta Entertainment Holding Ltd	Other Loan	-	-
LLC "PAVIS"	Other Loan	776.483	-
Penta Pet Food GmbH	Reinvoicing	152.734	152.734
Point Akciova Spolocnost Kosice	Loan	410.269	-
Rotortech Aero Composites Limited	Other Loan	232.792	1.670.329
Sandbar Services Ltd.	Loan	-	20.039.808
Stream Communications. Sp. Z o.o.	Reinvoicing	-	16.825
Tularosa, a.s.	Loan	18.824.723	-
Wedgesand B.V.	Loan	13.890.098	33.071
Zabka Polska S.A.	Reinvoicing	426.203	-

25. Related Party Balances and Transactions (continued)

		2009 Euro	2008 Euro
Due from related companies:			
Key management personnel	Loan	7.618.562	2.294.467
Other related companies			
Innovatel, a.s.	Loan	59.623	63.871
Kherem, a.s.	Loan	3.008.548	574.308
Other related companies	Other	164.031	42.299
		397.672.750	341.567.261

The above mentioned loan receivables earn interest at the rate ranging from 3,43% to 20% (2008: 3,43% to 20%) per annum and are reported in the financial statements under the following captions:

	2009 Euro	2008 Euro
Current loans and advances (note 19)	223.162.102	180.338.343
Non-current loans and advances (note 19)	106.488.176	152.239.808
Current trade receivables and other debtors (note 20)	68.022.472	8.989.110
	397.672.750	341.567.261

Cash at bank:	2009 Euro	2008 Euro
Cash at bank held by subsidiary:		
Privatbanka, a.s.	37.998.659	57.011.702

Due to related companies:	**Nature of balances**	**2009 Euro**	**2008 Euro**
Due to holding company:			
Penta Holding Limited	Loan	75.789.550	57.484.766
Penta Holding Limited	Assignment of receivable	190.846	757.210
Penta Holding Limited	Unpaid consideration for purchase of shares	-	710.546
Penta Holding Limited	Dividends payable	58.151.706	56.600.000
Due to subsidiary companies:			
B.Four, a.s.	Unpaid consideration for the increase of share capital	-	10.426.435
Centrade, a.s.	Unpaid consideration for the increase of share capital	8.268.060	5.512.257
Česká lékárna, a.s.	Loan	20.655.236	-
Cyfoca Holdings Public Co Ltd	Unpaid consideration for the increase of share capital	-	24.785
Denda Beheer B.V.	Unpaid consideration for the increase of share capital	-	12.829

25. Related Party Balances and Transactions (continued)

		2009 Euro	2008 Euro
Due to related companies:			
Denda Beheer B.V.	Current account	2.195	-
DGK Trade, spol. s.r.o.	Trade payables	31.407	
Digital park Einsteinova	Unpaid consideration for the increase of share capital	-	1.799.486
Dôvera Holding, a.s.	Loan	13.874.174	-
Equinox Investments B.V.	Current account	25.960	-
Fajne, a.s. (previously IDAX Holding, a.s.)	Loan	107.504	99.858
Fortuna SK a.s. (formerly Terno, a.s.)	Loan	28.257.452	26.250.880
Fortunor Trading Limited	Other	1	-
Gambella Holdings Limited	Loan	146.977.364	44.952.820
Gratio Holdings Limited	Unpaid consideration for purchase of shares	-	866.993
Gratio Holdings Limited	Unpaid consideration for purchase of shares	58.050.412	-
Gratio Holdings Limited	Other	408.000	-
HICEE B.V	Loan	14.773.224	16.050.109
Tes Vsetin, s.r.o (formerly Kelisia a.s.)	Loan	-	1.083.215
Lorea Investments Limited	Loan	128.811	-
LPV Finance B.V.	Loan	-	2.341.721
MECOM, Group, s.r.o.	Accrued professional fees	5.095	11.233
MECOM Group, s.r.o.	Right of use of intellectual property	11.000.000	-
Oakfield, a.s.	Loan	-	174.946
Penta First Fund Limited	Loan	458.603	452.636
Penta Reality, a.s.	Trade payables	-	96.019
Port Mall Management, a.s.	Unpaid consideration for the increase of share capital	-	600.000
Bory Mall, a.s. (formerly Port Mall, a.s.)	Unpaid consideration for the increase of share capital	9.362	1.043.510
PPC Holding, a.s.	Unpaid consideration for purchase of shares	-	1.327.764
Privatbanka, a.s.	Current account	845	82.218
Privatbanka, a.s.	Trade payables	-	3.432
Salori Holding B.V	Current Account	406	-
Sandwedge B.V	Current Account	44.474	-
Slovenský Investicný Holding, s.r.o. (formerly Slovensky Investicny, a.s.)	Loan	-	150.729.843

25. Related Party Balances and Transactions (continued)

		2009 Euro	2008 Euro
Due to related companies:			
Sunsize, a.s	Unpaid consideration for the increase of share capital	-	439.867
The Port, a.s. (former Uphill, a.s.)	Unpaid consideration for the increase of share capital	-	3.428.874
Vinaco Holdings Limited	Loan	-	2.270.206
WFSE, a.s.	Unpaid consideration for the increase of share capital	23.236	23.236
Zabka Holdings Public Co Ltd (previously Sitima K. Holdings Limited)	Loan	300.753	2.270.924
ZSNP, a.s.	Loan	68.546.839	52.060.419
ZSNP, a.s.	Other	862.402	862.402
Due to indirect subsidiaries:			
Aero Vodochody, a.s.	Loan	50.409.777	35.830.135
Aero Vodochody, a.s.	Current account	-	25.997
Clanton, a.s.	Loan	83.315	186.797
Mirakl, a.s.	Loan	1.957.271	1.818.754
PPC Power, a. s.	Loan	23.004.521	185.885.943
Sandbar Services Limited	Loan	72.499	-
Due to fellow subsidiary companies:			
Morma Holdings Limited	Advance payment	684.481	684.482
Penta Reality, a.s.	Accrued professional fees	93.901	195.116
Due to other related companies:			
Bonefeld Holding Ltd	Dividends payable	318	-
Other related companies	Trade payables	19.191	-
		583.269.191	665.478.663

The above liabilities are reported under the following captions in the financial statements:

	2009 Euro	2008 Euro
Borrowings - current (note 23)	358.668.670	474.049.666
Borrowings - non-current (note 23)	86.728.223	107.513.919
Creditors - current (note 24)	137.872.298	83.915.078
	583.269.191	665.478.663

25. Related Party Balances and Transactions (continued)

	Revenues 2009 Euro	Expenses 2009 Euro	Revenues 2008 Euro	Expenses 2008 Euro
Interest on loans and other financial services				
Subsidiary companies	29.664.178	39.134.460	29.904.251	39.129.769
Fellow subsidiary companies	-	88.805	-	112.874
Holding company	-	4.373.783	-	1.662.525
Other related companies	484.301	-	-	-
Key management personnel	361.283	-	12.004	-
	30.509.762	43.597.048	29.916.255	40.905.168
Consulting, administration and management services				
Fellow subsidiary companies	-	-	-	5.292.680
	-	-	-	5.292.680
Intercompany dividend				
Subsidiary companies	857.437.952	-	213.726.540	-
Holding company	-	58.152.024	-	56.600.000
	857.437.952	58.152.024	213.726.540	56.600.000
Purchases of investments and other financial assets				
Holding company	-	-	-	803.148
Subsidiary companies	-	-	-	343.340.000
	-	-	-	344.143.148
Other revenue /expense				
Subsidiary companies	880.110	12.522.032	-	-
Other related companies	946.632	689.648	-	-
	1.826.742	13.211.680	-	-
Profit from disposal of investments and other instruments				
Subsidiary companies	1.755.177	-	33.716.906	-
	1.755.177	-	33.716.906	-

26. Contingencies and Commitments

(i) During 2002, the Company disposed of its participating interests in Drotovna Kordy, a.s. and Drotovna Droty, a.s. Under the terms of the sale agreement, the Company has the obligation to indemnify the buyers on any losses that might arise from breach or inaccuracy of any representation or warranty, covenant or obligation given or taken by the Company and from obligations of the sold undertakings as a result of certain environmental risks, including soil and groundwater contamination and other environmental contaminations that has occurred at the site of the sold entities until the date of the transfer of ownership. The indemnification loss relating to environmental risks described above is valid for a 25 year period starting from April 2004. Based on the advice of legal counsels, the management is of the opinion that no loss is expected to occur, in respect of environmental risks and other risks referred to above.

(ii) The Company has provided various corporate guarantees to financial institution as security for loans provided to direct and/or indirect subsidiaries. The table below discloses the total exposure at 31 December 2009 in relation to these corporate guarantees:

Direct/indirect subsidiary & other related parties	**Exposure at 31 December 2009 Euro**	**Exposure at 31 December 2008 Euro**
The Port, a.s.*	4.200.000	1.934.351
DGK Trade spol, s.r.o.	1.348.234	1.671.444
PPC Power, a.s.	185.885.900	171.015.070
ZSNP, a.s. (iv)	28.782.157	30.596.907
Tes Vsetin, s.r.o.	32.933.837	-
Mobilkom, a.s.	6.355.400	6.355.400
PPC Energy, a.s.	13.000.000	12.945628
Digital Park Einstenova, a.s.	61.147.410	33.910.000
Sunsize, a.s.	1.770.000	-
Alison Slovakia, a.s.	-	451.234
Fortuna Sportska Kladionica d.o.o.	-	481.522
Česká lékárna, a.s.	-	1.225.000
Key management personnel	5.856.792	-
	341.279.730	260.586.556

* the corporate guarantee was provided in favor of subsidiary Privatbanka, a.s. as the lender to The Port, a.s.

(iii) Penta Investments Limited agreed to provide MobilKom, a.s. with a long-term loan amounting to Euro 51.061.100 (CZK 1.351.332 thousand).

Out of the total commitment amounting to Euro 51.061.100, the Company provided loans to MobilKom, a.s. of Euro 49.806.322 as at 31 December 2009.

Penta Investments Limited guarantees that it will not demand any repayment from MobilKom, a.s. or the repayment date shall be deferred until the total amount due to creditors or the bank with respect to financing the network build up is fully repaid. The bank borrowing of MobilKom, a.s. amounted to Euro 16.367.204 at the statement of financial position date.

26. Contingencies and Commitments (continued)

(iv) The Company provided corporate guarantee to Citibank (Slovakia), a.s. in respect of bank borrowing obtained by the subsidiary ZSNP a.s., during 2007 in the total amount of Euro 86.769.402 (US$ 125.000.000) as at the Statement of Financial Performance date. The Company is a capped guarantor covering two principal repayments and one interest payment amounting in aggregate to Euro 28.782.157 (US$ 41.250 thousand).

(v) In addition to the loans granted to MobilKom, a.s. (disclosed in (iii) above), the Company granted loans to other direct and indirect subsidiaries. The subsidiaries have unused granted loans of Euro 310.194.879 (2008: 157.039.241) at year end.

(vi) During 2008, the associate KSC Holding, a.s. was sold to a third party for Euro 22.357.474 and as per the disposal agreement the Company had made certain representations and warranties. Should any of the representations or warranties stipulated in the agreement prove to be inaccurate or incorrect, the Company agreed to indemnify the purchaser up to the amount of the purchase price of all proven damages, harm or loss which the purchaser or KSC Holdings suffers as a result thereof.
The indemnification covenant of the Company towards the seller shall cease after 4 years from the closing date (11 September 2008).

(vii) During 2008, the associate BTS Holding, a.s. was sold to a third party for Euro 660.873, and as per the disposal agreement the Company had made certain representations and warranties. Should any of the representations or warranties stipulated in the agreement prove to be inaccurate or incorrect, the Company agreed to indemnify the purchaser up to the amount of the purchase price of all proven damages, harm or loss which the purchaser suffers as a result thereof.
The indemnification covenant of the Company towards the seller shall cease after 4 years from the closing date (17 September 2008).

(viii) On 25 July 2008, Gambella Holdings Limited (subsidiary of the Group), a Group company, had signed a sales and purchase agreement with a third party, to sell its 100% ownership with Realitní developerská, a.s. and its subsidiaries (note 35). The closing date was 19 December 2008. As part of the sale agreement, Gambella Holdings Limited provided guarantees to indemnify the buyer for all losses and damages which might result from (a) breach, incorrectness or untruthfulness of any representation or guarantees made by Gambella Holdings Limited, (b) breach of non performing obligations of Gambella Holdings Limited as specified in the sales and purchase agreement, (c) the potential claims brought against one of the disposed entity's subsidiaries with respect to the sale of division of Gambella's subsidiary to the said counterparty, (d) invalidity of respective ownership titles over the land and assets of the disposed entity and its subsidiaries.

The provided guarantees include a bank guarantee for the amount of Euro 24.108.936 (CZK 638.043 thousand) which is valid until January 2012. The said bank guarantee can be extended for a period of three years if a notified claim exists two months prior to the expiration of the bank guarantee. The same rules for extension apply to all guarantees provided by Gambella Holdings Limited excluding the bank guarantee; however the period for extension is four years. The guarantees provided by Gambella Holdings Limited for the matters specified above are the actual losses which the buyer may suffer and up to the amount of total proceeds.

Penta Holding Limited being the parent of Penta Investments Limited provided a back to back guarantee to the financial institution which provided the bank guarantees mentioned in the preceding paragraph above with respect to the business transaction

27 Events after the reporting period

(i) Acquisition of RHP DEVELOPMENT s.r.o.

Penta Investments Limited, through its subsidiary company DENDA BEHEER B.V., acquired 100% of RHP DEVELOPMENT s.r.o., the owner of Česká Typografie building complex (former Rudé Právo building). The said property is situated in Prague 1 between Na Florenci Street and Na Poříčí Street and it is the Group's first project in real estate development in the Czech Republic. On the site of the current building, the Group plans to build a new administrative centre.

The share purchase agreement was signed on 20 January 2010, for a total consideration of Euro 10.493.154 out of which Euro 8.493.154 has already been paid in two instalments and the payment of the remaining Euro 2.000.000 has been deferred to January 2013. The acquisition cost also includes settlement of liabilities towards the previous owner in the total amount of Euro 1.270.400. The acquisition was fully financed by the Group's own funds. As part of the purchase transaction there was an agreement on the extension of the payment period and an increase of the existing bank loan in the amount of Euro 28.000.000.

Based on management accounts of the acquiree, the net asset value on acquisition date amounts to Euro 3.225.014 (85.350.000 CZK). The Group is currently conducting a fair value exercise to determine the fair values of the underlying assets and liabilities of RHP DEVELOPMENT s.r.o.

(ii) Acquisition of PR market, s.r.o.

Penta Investments Limited, through its subsidiary company KELADONE a.s., signed the agreement for the acquisition of 100% stake in PR market, s.r.o. (PR Market). Under the brand Koruna, PR market operates 45 supermarkets in the Czech Republic (Northern Moravia and Silesia region).

The share purchase agreement was signed on 10 February 2010, for a total consideration of Euro 10.916.305 (288.900.000 CZK). The acquisition was partly financed by the Group's own funds and by bank borrowing obtained in the total amount of Euro 6.228.982 (164.850.000 CZK).

The transaction was subject to the approval of the Czech Antimonopoly Office, which was obtained on 8 March 2010.

Based on management accounts of the acquiree, the net asset value on acquisition date amounted to Euro 2.746.155 (72.677.000 CZK). The Group is currently conducting a fair value exercise to determine the fair values on the underlying assets and liabilities of PR Market.

27 Events after the reporting period (continued)

(iii) Acquisition of MEZSERVIS spol s.r.o.

Penta Investments Limited, through its subsidiary company Vinipreg a.s., acquired 100% stake in Czech-based electronics production, installation and repair company MEZSERVIS spol s.r.o.

A general agreement was signed on 16 December 2010 followed by the share purchase agreement signed on 24 April 2010, for a total consideration of Euro 3.400.718 (90.000.000 CZK) plus a contingent consideration of 50% of 2010 EBITDA. The acquisition was partly financed by the Group's own funds and by bank borrowing obtained in the total amount of Euro 2.720.574 (72.000.000 CZK).

The transaction was subject to the approval of the Czech Antimonopoly Office, which was obtained on 2 February 2010.

Based on management accounts of the acquiree, the net asset value as at acquisition date amounted to Euro 5.727.073 (151.567.000 CZK).

(iv) Acquisition of Železničné zdravotníctvo Košice, s.r.o. and NOVAPHARM, s.r.o

Penta Investments Limited, through its subsidiary company ProCare, a.s., acquired a 100% stake in Železničné zdravotníctvo Košice, s.r.o. and a 51% stake in NOVAPHARM, s.r.o. for a consideration of Euro 6.639 and Euro 620.000 respectively plus settlement of liabilities towards the previous owner in the net amount of Euro 763.808 and Euro 915.821.

The share purchase agreements were signed on 1 June 2010, and the acquisition was financed by Groups own funds.

The transaction was subject to the approval of the Antimonopoly Office of the Slovak Republic, which was obtained on 17 May 2010.

(v) Acquisition of KAISER FOOD Élelmiszeripari Kft

Penta Investments Limited is aiming to continue with the growth of its meat processing business in the Hungarian market by acquiring through Debreceni Csoport Húsipari, Kft. the 97.3% stake in the company KAISER FOOD Élelmiszeripari Kft.

The share purchase agreement was signed on 8 June 2010, for a consideration of Euro 8.414.562 (HUF 2.279.000.000) which is subject to further price adjustments resulting primarily from half year performance of the company.

An approval from the Hungarian Bureau of Antitrust Regulation is a condition for the successful finalization of the transaction.

27 Events after the reporting period (continued)

(vi) Acquisition of Iglokrak Sp. Z o.o.

The Group continues the penetration of the Polish market and has successfully finalised the acquisition of Iglokrak Sp. Z o.o. and its subsidiaries (Iglokrak Group) by purchasing a 100% stake in the group through its subsidiary company Iglo Holdings Limited (previously Abrastor Holdings Limited). The consideration for the purchase of the Iglokrak Group amounted to Euro 47.420.861 (169.632.950 PLN). The Iglokrak Group is a leader in the segment of production and distribution of frozen food and ice-cream in south Poland.

The share purchase agreement was signed on 9 July 2010, and the acquisition was fully financed by Groups own funds.

The final approval from the Polish Antimonopoly Office was obtained on 29 May 2010.

(vii) Disposal of O3 Invest, a.s.

On 17 March 2010, the Group concluded an agreement to dispose of 100% of its shareholding in O3 Invest, a.s. for a total consideration of Euro 1.545.742. The net liability value as at disposal date amounts to Euro 137.074.

(viii) Increase of share capital

The shareholders have resolved, by way of a special resolution passed on 7 April 2010, to increase the share capital of the Company by issuing one new ordinary share at a share premium of Euro 111.699.998. The new share was issued to its parent, Penta Holding Limited.

(vii) Declaration of dividends

On 19 June 2010 ZSNP SCO received a dividend from associate entity Slovalco, a.s. amounting to US$ 40.200.000. ZSNP a.s. being the parent of ZSNP SCO and indirectly holds a significant percentage of the associatae Slovalco, a.s., declared a dividend to the Company of Euro 34.091.729 on the same day.

On 4 August 2010, the subsidiary company, Lorea Investments Limited, declared a dividend of Euro 5.057.457 (CZK 125.096.189) to the Company.