



HERMANN GUTMANN WERKE AG

Nürnberger Straße 57 – 81

91781 Weißenburg, Germany

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Report on the situation of the Hermann Gutmann Werke AG over the financial year 2005

I. Business process 2005

General economic development

The world economy was also in the year 2005 on growth course. In relation to the previous year show up however weakened dynamics relating to market conditions, which are essentially due to the raw material and energy prices risen strongly.

In the comparison of the relevant world-wide marketing areas Europe exhibits have a growth below average. Within Europe the large national economies of Western Europe - and here in particular Germany - register maximally the half of the growth of Central and Eastern European countries.

During the view of the industry development in Germany a similar development shows up as in the previous year. The strong export oriented industries faced a declining construction industry also in this year.

The production of aluminum extruded profiles in Germany reached an increase of approximately 2% in relation to the previous year.

Sales

The sales profits of the Hermann Gutmann Werke AG increased in the financial year to 107,3 millions € (prior year. 92,4 millions €).

In this increase in sales a portion of 6,3 millions is contained €, which is to due to sales of scraps. Since the end of the year 2004 aluminum production wastes of the Hermann Gutmann Werke AG are sold to the subsidiary Gartner Extrusion GmbH. In the result statement of the Hermann Gutmann Werke AG these sales show up result-neutrally.

The export volume increased to 26,2 millions € (prior year. 20,2 million €), and/or 24.4% of the gross income, which corresponds to an increase of 29,7%.

The section of structural systems reached a turnover of 50,3 millions € (prior year. 52,2 millions €). The decrease in relation to the previous year results from the product range of building fittings. Causes for this are to be seen in the declining construction industry as well as an aggressive competition behavior in certain product groups. On the other hand the product range wood aluminum could obtain pleasing increases.

The turnover of the section of industrial profiles reached with 36,3 millions € (prior year. 37,1 millions €) nearby the level of the previous year. This small turnover reduction is essentially based on changes in product-mixes.

The section facade with the product ranges complete aluminum systems and composite panel proves a conversion at a value of 11,9 million €. Herein Composite panels have a clear expansion and also included is the sales from the product range of the former Thyssen Schulte Gutmann Bausysteme GmbH.

Production

The net production achievement of the presses lies with 19,000 tons (prior year 19,150 tons) on the level of the previous year. Here it is to be considered that the production capacity of the extrusion press 4 was available only on a reduced level. Caused by the blackout of a supplier it came to substantial delays with the installation of the run-out system at the extrusion press 4.

The production achievement of the anodisation department amounts to 1,874 T-square meters (prior year 1,923 T-square meters). By the declining portion of the building profiles the production achievement of the powder coating reduced to 844 T-square meters (prior year 914 T-square meters).

Procurement

The further rise of the aluminum price led to a clear increase of the purchase costs. In relation to the previous year the aluminum price rose at the LME from USD 1,721 to USD 1.902. A further clear rise of the purchase costs is to be determined in the range of the energy purchase.

Investments

The extraordinary investments of the recent past are mostly completed. The total volume of the investments into tangible assets reduced thereby to 4,1 millions € (prior year 6,3 millions €). For the renewal of the run-out and handling systems at the extrusion press 4 a pre-payment is contained in this amount. The conclusion of this investment takes place in the year 2006.

Personal

The number in the annual average of employees rose to 591 (prior year 576). This rise resulted from the enlargement of the development department.

II. Situation of the society

Financial position

The fixed assets reduced to 37,7 millions € (prior year 38,3 millions €). Tangible assets are with 29,6 million € nearby on the level of the previous year

The current assets increased to 25,1 millions € (prior year 23,1 millions €).

In relation to the previous year the smaller cash position results from the reduced result of the society.

Financial situation

The financing of the Hermann Gutmann Werke AG and the partially connected financing of the subsidiaries and participation came to a large extent from the cash flow of the society.

Earnings



The balance profit reduced to 1,9 millions € (prior year 2,6 millions €). Causes for this are the risen materials prices as well as the increased expenditures by the delays with the installation of the run-out and handling systems at the extrusion press 4.

The equity amounts to 41,1 millions € (prior year 41,2 millions). With consideration of the 63,0 millions € (prior year 61,7 millions €) balance sheet total the equity ratio decreased to 65,2 % (prior year 66,8%).

III. Procedures of special importance

Procedures of special importance did not occur after the conclusion of the financial year.

IV. Prospective development and risks

The prognoses for economic development for the year 2006 as well as the positive tendency reversal in the German industry suggest a pleasing growth.

For the financial year 2006 the Hermann Gutmann Werke AG plans an increase of the sales on 112,7 millions €. Basis of this planned increase in sales is the reorientation of complete aluminum systems as well as a further expansion of the export portion. Conditions for it were created in the year 2005.

The start into the year 2006 confirms the positive acceptance clearly by one over plan lying occupation and high order books.

Risks exist in the further rise of the aluminum prices. By an appropriate increase of the selling prices is thus considered. Nevertheless a risk remains, not least by the fact that customers make material substitutions.

Chances lie in a business development over expectations and in a generally expected decrease of the aluminum prices.

In February 2006

Theodoros Tzortzis

Dr. Wolfram Kopperschläger

Alexandros Beis



**Attestation Report on the Review of the Adjustment
of Accounting from German Commercial Law (HGB) to
International Financial Reporting Standards (IFRS)**

To the HERMANN GUTMANN WERKE AG, Weißenburg, Germany

According to my review I issue the following attestation report:

I reviewed the adjustment of accounting of the annual financial statements on 31 December 2005 of the company

HERMANN GUTMANN WERKE AG

from the regulations of German Commercial Law (HGB) to International Financial Reporting Standards (IFRS) (so-called "Überleitungsrechnung"). The preparation of the annual financial statements in accordance with the requirements of German commercial law (HGB) and the adjustment to International Financial Reporting Standards (IFRS) is the responsibility of the Company's management. My responsibility is to issue an attestation report on the adjustment of the annual financial statements to International Financial Reporting Standards based on my review.

I performed my review of the adjustment of the annual financial statements on 31 December 2005 from HGB to IFRS in accordance with the German generally accepted standards for the review of financial statements promulgated by the Institut der Wirtschaftsprüfer.

Those standards require that I plan and conduct the review so that I can preclude through critical evaluation, with a certain level of assurance, that the adjustment of the annual financial statements on 31 December 2005 has not been prepared, in material respects in accordance with the regulations of the IFRS. A review is limited primarily to inquiries of company employees and analytical assessments and therefore does not provide the assurance attainable in a financial statement audit. Since, in accordance with my engagement I have not performed a financial statement audit, I cannot issue an auditor's report.

Based on my review no matters have come to my attention that causes me to presume that the adjustment of the annual financial statements on 31 December 2005 from HGB to IFRS has not been prepared in material respects in accordance with requirements of IFRS.

In case of publication or if the attestation report is passed on to third parties my statement is required once more.

Kronach, 24.02.2006

Dipl.-Kfm. Wolfgang Bijok

German Public Auditor



BALANCE SHEET

AS OF DECEMBER 31, 2005 (JANUARY 1 -
DECEMBER 31, 2005)

All amounts in EURO

	<u>31.12.2005</u>	<u>31.12.2004</u>
<u>ASSETS</u>		
Non current assets		
Tangible Assets	29.362.437,90	29.525.376,50
Intangible Assets	40.959,00	70.279,00
Investments in affiliates	4.700.000,00	5.186.314,73
Investments in other undertakings	2.712.946,00	2.712.946,00
Deferred Taxes	164.905,98	126.549,59
Other assets	852.190,50	823.387,00
	<u>37.833.439,38</u>	<u>38.444.852,82</u>
Current assets		
Inventories	10.827.837,12	7.606.363,36
Trade and other receivables	14.183.948,12	14.163.293,79
Cash and cash equivalents	174.781,07	1.486.364,53
	<u>25.186.566,31</u>	<u>23.256.021,68</u>
<u>Total assets</u>	<u>63.020.005,69</u>	<u>61.700.874,50</u>
<u>EQUITY</u>		
Share Capital	24.285.000,00	24.285.000,00
Reserves	14.922.946,61	14.304.599,30
Retained losses / earnings	1.889.701,70	2.624.408,78
<u>Total equity</u>	<u>41.097.648,31</u>	<u>41.214.008,08</u>
Non current liabilities		
Loans	412.500,00	522.500,00
Deferred tax liabilities	4.838.013,37	4.716.672,83
Provisions for staff retirement benefits	909.312,00	676.599,00
	<u>6.159.825,37</u>	<u>5.915.771,83</u>
Current liabilities		
Trade and other payables	8.264.225,69	6.315.183,72
Current tax liabilities	1.757.441,16	3.098.161,95
Loans	1.094.421,55	605.386,89
Provisions	4.646.443,61	4.552.362,03
	<u>15.762.532,01</u>	<u>14.571.094,59</u>
<u>Total liabilities</u>	<u>21.922.357,38</u>	<u>20.486.866,42</u>
<u>Total equity and liabilities</u>	<u>63.020.005,69</u>	<u>61.700.874,50</u>



INCOME STATEMENT

**AS OF DECEMBER 31, 2005
(JANUARY 1 - DECEMBER 31, 2005)**

All amounts in EURO

	<u>31.12.2005</u>	<u>31.12.2004</u>
Sales	107.272.699,91	92.402.571,37
Cost of sales	87.498.041,46	72.033.607,97
Gross profit	19.774.658,45	20.368.963,40
Other operating income	3.656.493,33	4.313.730,36
Administrative expenses	10.642.830,30	10.160.355,45
Distribution costs	8.649.724,39	8.307.425,51
Other operating expenses	721.379,68	1.024.638,40
Earnings before tax and financial expenses	3.417.217,41	5.190.274,40
Financial expenses	394.166,69	185.408,70
Earnings before tax	3.023.050,72	5.004.865,70
Tax for the period	1.186.543,59	2.341.515,70
Earnings after tax for the period	1.836.507,13	2.663.350,00
Deferred tax	-164.905,98	-126.549,59
Earnings after tax for the period and deferred tax	2.001.413,11	2.789.899,59
Depreciation	4.253.535,18	4.079.222,45
Earnings before tax, financial expenses and depreciation	7.276.585,90	9.084.088,15



Notes to the adjustment of accounting
from German Commercial Law (HGB)
to International Financial Reporting Standards (IFRS)
on 31 December 2005
of the company

HERMANN GUTMANN WERKE AG

**Nürnberger Straße 57 – 81
91781 Weißenburg, Germany**



A. General information about the company

The **HERMANN GUTMANN WERKE AG** – called HGW - is a public limited company in the sense of German law (AktG).

The company is domiciled in Weißenburg, Nürnberger Straße 57 – 81, 91781 Weißenburg i. Bayern.

The company is listed as HERMANN GUTMANN WERKE AG in the following register in Germany:

‘Handelsregister des Amtsgerichts Ansbach, Abteilung B 3621’

The subject of the enterprise is the production of aluminum profiles as well as their subsequent treatment by surface refinement or mechanical treatment up to the assembly of building groups or systems.

Also in the year 2005 the world economy grew. The national economic situation was determined by weakened economic trends which were a result of rising prices for raw material and energy.

The sales of the HERMANN GUTMANN WERKE AG could be increased from 87,1 Mio € in 2003 to 92,4 Mio € in 2004 and to 107,3 Mio € in 2005.

The export sales amount to 26,2 Mio € (= 24,4%) in the financial year 2005.

The net rate of production of the presses amounts to 19.000 tons (2004: 19.150 to).

In the financial year 2005 the grand total of 4,1 Mio € (2004: 6,3 Mio €) has been spend for investments in property, plant and equipment. Investments have been financed in substance with the company’s own resources.

The number of employees increased to 591 (2004: 576).

B. General information about the financial statements

I. General information

The financial statements on 31 December 2005 have been prepared in accordance with the requirements of German commercial law (HGB) and audited. An unqualified auditor's report according to § 322 HGB has been issued.

The adjustment of accounting from German Commercial Law (HGB) to International Financial Reporting Standards (IFRS) on 31 December 2005 has been prepared in material respects in accordance with the IFRS. The adjustment has been reviewed, the findings of the review are summarized in the attestation report on the review of the adjustment of accounting dating on 24 February 2006.

Each component of the financial statements can be identified clearly.

The financial statements cover the individual entity HGW.

Balance sheet day is 31 December 2005.

The presentation currency is EURO.

II. Application of IAS/IFRS

The adjustment of accounting from HGB to IFRS and the financial statements comply in material respects with IFRS.

III. Accounting policies, estimates

1. Intangible assets

Acquired intangible assets are recognised at cost. These costs are amortised over the estimated definite useful lives using the straight-line method.

The useful lives are estimated with 4 years.

Costs for research and development are recognised as an expense when they are incurred.



2. Tangible Assets

Tangible assets are measured at cost which comprises its' purchase price plus any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Subsequent depreciation is deducted.

Subsequent costs such as repairs and maintenances are recognised as an expense as incurred.

The depreciable amount of the assets is allocated over its useful life using the straight-line method. The useful lives are estimated normally with:

- Buildings and technical works 20 – 35 years
- Machinery, technical installations and other mechanical equipment 5 – 15 years
- Transportation equipment 3 – 8 years
- Furniture and fixture 2 – 14 years
- Extrusion dies 2 years

Payments on account and tangible assets in course of construction are rebooked and capitalized as an tangible asset at the moment when the item is in the location and condition necessary for it to be capable of operating in the manner intended by management.

3. Leases

Leases of machinery, technical installations, transportation equipment, furniture and fixtures where the lessor retains all the risks and rewards incidental to the ownership are classified by the company as operating leases.

Lease payments are recognised as an expense on a straight-line basis over the lease term.

4. Financial assets

Investments in affiliated undertakings and other undertakings are accounted at cost according to IAS 27.37 (a) and IAS 28.13 (b).

Securities of non-current assets, other long term receivables and investments are initially recognised at cost and subsequently at fair value. Gains or losses – as a result of fair-value accounting for available-for-sale-assets - are recorded directly in equity ('other comprehensive income') as long as the asset is not impaired.

5. Inventories

Concerning the recognition of raw materials and consumables cost comprises all expenses of purchase. For supplies of aluminium cost is determined by using the average price method. The lower of cost or LME-price is reported.

Cost of conversion for semi-finished and finished products includes direct labour, raw materials, all directly attributable expenses as well as proportionally attributable fixed and variable overheads and depreciation. General administrative overheads and selling costs are not included. Interest on borrowed capital relating to manufacture is not reported as an asset.

6. Receivables

Trade debtors are recorded at nominal value. Provisions for impairment have been made by means of value adjustments on the basis of past empirical values.

Uncollectible debtors are written off as an expense.

The amount due to impairment or uncollectibility is recorded as administrative expenses.

Other current assets include amounts owed by affiliated undertakings or participated undertakings or loans to members of board of directors with market based interest. No provisions for impairment have been made.

7. Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits and checks. They are recognised at fair value.

8. Prepayments and accrued income

Prepayments and accrued income include costs that represent expenses concerning the following periods.

9. Deferred taxes

Deferred taxes are accounted on temporary differences arising between the tax bases of assets and liabilities and their carrying amount after adjustment to the regulations of IFRS.

Deferred income tax is determined using tax rates and laws that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised.

10. Share capital

The share capital is completely paid up and recorded at nominal value. The share capital is divided in 24.285.000 units shares. The shares are in the owner's name.

11. Provisions for staff retirement benefits

Current obligations towards the company's staff are recognised directly as an expense as soon as they accrue. Post-employment benefits are granted as follows:

The company has committed itself to defined benefit plans. The amount of pension that employees will receive on retirement depends on several factors such as age and years of service.

The calculation was made by an independent, qualified actuary based in IAS 19. The reports' date is 11 and 13 January 2006.

The projected unit credit method was used.

The following assumptions have been made for 31 December 2005:



- Discount Rate 4,3 %
- Expected Return on plan assets 4,3%
(as far as plan is funded)
- Cost-of-living adjustments of pensions in payment: 1,7 %
(as far as committed)
- Probability of disability and death according to Heubeck Tables 2005 G

The provision recognised in the balance sheet in respect of defined pension plans is the present value of the defined benefit obligation at the balance sheet date less the fair value of plan assets, as far as the plan is funded.

The company also has defined contribution plans where fixed contributions are paid into a separate entity on a mandatory, contractual or voluntary basis. Once the contributions have been paid, the company has no further payment obligations. The contributions to these separate entities are recorded in salaries as an expense when they are due.

12. Provisions for tax

Provisions for tax include present obligations for real tax expenses concerning financial income of current and past years.

13. Other provisions

Provisions are recognised when the company has a present obligation as a result of a past event, when it is more likely than not that an outflow of resources will be required to settle the obligation and when the amount can be reliably estimated.

Provisions have not been discounted as the effect was not material.

14. Long term debt and current liabilities

Liabilities are shown in the balance sheet at the amounts repayable.

Debts are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet day.

15. Revenue recognition

Revenue from sales is recognised when products are delivered to the customer, the customer has accepted the product and when the collectibility of the related receivables is reasonably assured.

Income from participations and securities is recognised when the right to receive payments is established.

Credit interest and similar charges are included in the period which they are paid for according to the agreement.

16. Accounting estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial years are discussed below:

The company makes estimates to consider potential risks concerning provisions and the estimated useful lives of assets.

IV. Financial risk management

As a result of its international activities the company is exposed to certain financial risks, i.e. market risk (included price risk for raw material and general price risk), credit risk, cash-flow-risk and interest risk. The company's overall risk management programme focuses to minimise potential adverse effects on the company's financial performance.

Risk management is carried out by the controlling department which identifies and evaluates financial risks in cooperation with the company's operating units. The Board of Directors provides principles and guidance for overall risk management.

The company has no significant concentration of credit risk. Policies are in place to ensure that sales are only made to customers with appropriate credit rating.

Liquidity risk is kept at a low level, as the company maintains sufficient cash and credit lines available.



C. Exemption from Consolidation

The HERMANN GUTMANN WERKE AG is a majority-owned subsidiary of the ALCO HELLAS S.A., Thesi Kirillo, 19300 Aspropyrgos, Greece.

According to IAS 27.10 the parent company HERMANN GUTMANN WERKE AG – at the same time subsidiary of ALCO HELLAS S.A. - does not present consolidated financial statements.

ALCO HELLAS S.A. draws up consolidated financial statements according to IFRS. The consolidated financial statements of ALCO HELLAS S.A. are obtainable for public use in their sites.

HERMANN GUTMANN WERKE AG is parent company of:

Name	Country of incorporation	Proportion of ownership interest	Proportion of voting power
Gartner Extrusion GmbH	Germany	94 %	94 %
Gutmann Aluminium Draht GmbH	Germany	49 %	49 %
Gutmann Immobilien GbR	Germany	94 %	15 %

The Gutmann Immobilien GbR is a non-trading partnership under the Civil Code of Germany and the voting power of Hermann Gutmann Werke AG is only 15 %.

D. Currency

Foreign currency translation is not necessary as EURO is the functional currency.

E. Notes to the balance sheet

I. General information

1. Borrowing costs

Borrowing costs are recognised as an expense in the period in which they are incurred.

2. Investment Grants

Government grants for investments are presented in the balance sheet as 'grants for investment in fixed assets'.

They are recognised as income 'extraordinary and non-operating income' on a systematic and rational basis over the useful life of the asset.

II. Assets

1. Intangible Assets

Book value 01.01.2004	89.338,00
Cost 01.01.2004	903.126,77
Additions	17.960,00
Disposals	0,00
Cost 31.12.2004	921.086,77
Accumulated Depreciation 01.01.2004	813.786,77
Additions	37.021,00
Disposals	0,00
Accumulated Depreciation 31.12.2004	850.807,77
Book value 31.12.2004	70.279,00
Book value 01.01.2005	70.279,00
Cost 01.01.2005	921.086,77
Additions	1.980,00
Disposals	0,00
Cost 31.12.2005	923.066,77
Accumulated Depreciation 01.01.2005	850.806,77
Additions	31.301,00
Disposals	0,00
Accumulated Depreciation 31.12.2005	882.107,77
Book value 31.12.2005	40.959,00



2. Tangible assets

	Land	Buildings and technical works	Machinery, technical installations and mechanical equipment	Transportation equipment	Furniture and fixtures	Payments on account and tangible assets in course of construction	Total
Book value 01.01.2004	1.554.608,40	11.886.377,01	6.471.662,00	147.234,00	5.840.804,00	2.079.180,71	27.979.866,12
Cost 01.01.2004	1.554.608,40	13.223.261,22	33.493.271,81	1.388.509,22	38.238.488,11	2.079.180,71	89.977.319,47
Additions	41.261,87	814.202,95	292.863,51	58.317,91	2.683.691,87	2.363.006,16	6.253.344,27
Disposals	0,00	0,00	149.562,60	0,00	261.071,88	532.871,20	943.505,68
Reclassification	32.222,47	542.893,03	1.983.252,45	0,00	78.464,56	-2.636.832,51	0,00
Cost 31.12.2004	1.628.092,74	14.580.357,20	35.619.825,17	1.446.827,13	40.739.572,66	1.272.483,16	95.287.158,06
Accumulated Depreciation 01.01.2004	0,00	1.336.884,21	27.179.972,76	1.241.275,22	32.397.684,11	0,00	62.155.816,30
Additions	0,00	411.599,39	839.218,72	33.349,91	2.758.033,43	0,00	4.042.201,45
Disposals	0,00	0,00	177.735,31	0,00	258.500,58	0,00	436.36,19
Accumulated Depreciation 31.12.2004	0,00	1.748.483,60	27.841.456,17	1.274.625,13	34.897.216,66	0,00	65.761.781,56
Book value 31.12.2004	1.628.092,74	12.831.873,60	7.778.369,00	172.202,00	5.842.356,00	1.272.483,16	29.525.376,50
Book value 01.01.2005	1.628.092,74	12.831.873,60	7.778.369,00	172.202,00	5.842.356,00	1.272.483,16	29.525.376,50
Cost 01.01.2005	1.628.092,74	14.580.357,20	35.619.825,17	1.446.827,13	40.739.572,66	1.272.483,16	95.287.158,06
Additions	76,56	1.290,54	123.136,74	8.257,54	2.848.344,10	1.078.541,10	4.059.646,58
Disposals	0,00	0,00	18.708,42	0,00	86.093,37	0,00	104.801,79
Reclassification	0,00	0,00	0,00	0,00	63.051,02	-63.051,02	0,00
Cost	1.628.169,30	14.581.647,74	35.724.253,49	1.455.084,67	43.564.874,41	2.287.973,24	99.242.002,85



31.12.2005

Accumulated Depreciation 01.01.2005	0,00	1.748.483,60	27.999.819,12	1.274.625,13	34.897.216,66	0,00	65.920.144,51
Additions	0,00	434.376,78	913.170,74	35.320,54	2.839.366,12	0,00	4.222.234,18
Disposals	0,00	0,00	177.071,37	0,00	85.742,37	0,00	262.813,74
Accumulated Depreciation 31.12.2005	0,00	2.182.860,38	28.735.918,49	1.309.945,67	37.650.840,41	0,00	69.879.564,95
Book value 31.12.2005	1.628.169,30	12.398.787,36	6.988.335,00	145.139,00	5.914.034,00	2.287.973,24	29.362.437,90



One asset of the group 'land' and 'building' has been revalued on 31 December 2003 to the fair value of 13.010.000,00 €.

The fair value of the land and building has been determined from market-based evidence by appraisal that was undertaken by a professionally qualified, independent valuer.

The valuation report dates on 24 June 2005. In order to determine the market value the capitalized income approach has been applied.

The fair value of the other item of the group 'land' has been determined by reference to recent market transactions.

The revaluation has been recorded in equity ('other comprehensive income').

The net book value of the revalued items in accordance with the cost model would have been:

	31.12.2005	31.12.2004
Land	1.315.422,67	1.315.346,11
Buildings and technical works	11.637.133,90	11.635.843,36

3. Financial Assets

	Subsidiaries, affiliated undertakings	Associates, other undertakings	Securities of assets	Other long term receivables	Total
Book value 01.01.2004	4.702.350,00	2.556.946,00	571.587,01	51.130,00	7.882.013,01
Cost 01.01.2004	4.702.350,00	2.556.946,00	571.587,01	51.130,00	7.882.013,01
Additions	386.314,73	256.000,00	0,00	0,00	642.314,73
Disposals	2.350,00	0,00	0,00	0,00	2.350,00
Reclassification	100.000,00	-100.000,00	0,00	0,00	0,00
Revaluation	0,00	0,00	200.669,99	0,00	200.669,99
Cost 31.12.2004	5.186.314,73	2.712,946,00	772.257,00	51.130,00	8.722.647,73
Accumulated Depreciation 01.01.2004					
Additions					
Disposals					
Accumulated Depreciation 31.12.2004					
Book value 31.12.2004	5.186.314,73	2.712,946,00	772.257,00	51.130,00	8.722.647,73
Book value 01.01.2005	5.186.314,73	2.712,946,00	772.257,00	51.130,00	8.722.647,73
Cost 01.01.2005	5.186.314,73	2.712,946,00	772.257,00	51.130,00	8.722.647,73
Additions	0,00	0,00	0,00	0,00	0,00
Disposals	486.314,73	0,00	0,00	0,00	486.314,73
Revaluation	0,00	0,00	28.803,50	0,00	28.803,50
Reclassification	0,00	0,00	0,00	0,00	0,00
Cost 31.12.2005	4.700.000,00	2.712,946,00	801.060,50	51.130,00	8.265.136,50
Accumulated Depreciation 01.01.2005					
Additions					
Disposals					
Accumulated Depreciation 31.12.2005					
Book value 31.12.2005	4.700.000,00	2.712,946,00	801.060,50	51.130,00	8.265.136,50



4. Inventories

	31.12.2005	31.12.2004
Finished and semi-finished goods	6.798.485,61	5.580.363,47
Raw and auxiliary materials	3.582.071,51	2.025.999,89
Payments on account	447.280,00	0,00
Total	10.827.837,12	7.606.363,36

5. Trade debtors and other current assets

	31.12.2005	31.12.2004
Trade debtors	6.551.050,08	4.703.868,35
Less provisions	244.000,00	173.000,00
Trade debtors net	6.307.050,08	4.530.868,35
Of it against affiliated undertakings	641.044,94	575.992,14
Of it to be recovered after more than 12 months	0,00	0,00
Amounts owed by affiliated undertakings	4.600.000,00	7.000.000,00
Amounts owed by participated undertakings	750.000,00	1.000.000,00
Other receivables	2.394.359,74	1.503.810,85
Of it against affiliated undertakings	29.123,29	0,00
Of it to be recovered after more than 12 months	0,00	0,00
Total	14.051.409,82	14.034.679,20

6. Deferred taxes

Deferred tax assets:

	Accelerated depreciation	Provisions	Total
01.01.2004	-65.568,97	0,00	-65.568,97
Charged to income statement	81.669,37	44.880,22	126.549,59
Charged to equity	-65.568,97	0,00	-65.568,97
31.12.2004	81.669,37	44.880,22	126.549,59
01.01.2005	81.669,37	44.880,22	126.549,59
Charged to income statement	66.473,03	98.432,95	164.905,98
Charged to equity	81.669,37	44.880,22	126.549,59
31.12.2005	66.473,03	98.432,95	164.905,98

7. Reserves – Other comprehensive income

	Land	Building	Securities of non-current assets	Total
01.01.2004	0,00	0,00	0,00	0,00
Addition	312.746,63	2.944.513,84	122.369,99	3.379.630,46
Deferred taxes	- 120.407,45	- 1.099.628,67	- 47.112,45	- 1.267.148,57
31.12.2004	192.339,18	1.844.885,17	75.257,54	2.112.481,89
01.01.2005	192.339,18	1.844.885,17	75.257,54	2.112.481,89
Addition	0,00	0,00	75.915,95	75.915,95
Depreciation revalue	0,00	- 88.335,48	0,00	- 88.335,48
Deferred taxes	0,00	34.009,16	- 58.201,79	-144.600,08
31.12.2005	192.339,18	1.790.558,85	92.971,70	2.075.869,73

8. Other provisions

	Warranty	Employee	Other	Total
01.01.2004	701.849,53	3.436.418,89	342.256,00	4.480.524,42
Liquidation of provision	90.788,31	2.808.544,95	163.094,18	3.062.427,44
Use of provision	102.961,22	9.908,55	28.161,82	141.031,59
Set up of provision	119.500,00	2.741.843,64	413.953,00	3.275.296,64
31.12.2004	627.600,00	3.359.809,03	564.953,00	4.552.362,03
01.01.2005	627.600,00	3.359.809,03	564.953,00	4.552.362,03
Liquidation of provision	48.121,88	2.319.165,41	381.496,67	2.748.783,96
Use of provision	56.005,28	146.873,56	25.906,34	228.785,18
Set up of provision	238.300,00	2.701.452,71	131.898,01	3.071.650,72
31.12.2005	761.772,84	3.595.222,77	289.448,00	4.646.443,61

9. Long term debt and other liabilities

	31.12.2005	31.12.2004
Long-term debt		
Bank loans	412.500,00	522.500,00
Of it to be recovered after more than 12 months	302.500,00	412.500,00
Current liabilities		
Suppliers	2.221.473,75	2.227.408,53
Banks	1.094.421,55	605.386,89
Advances from trade debtors	1.272.580,13	1.455.392,29
Tax duties	453.410,57	1.047.242,69
Social securities	617.354,18	582.228,92
Other creditors	4.152.817,63	2.050.153,98
Of it to be recovered after more than 12 months	0,00	0,00
Total	9.812.057,81	7.967.813,30

The loans secured by encumbrances are in the amount of T € 1.413.

10. Deferred taxes

Deferred tax liabilities:

	Valuation land and building	Valuation shares	Other	Total
01.01.2004	3.697.013,12	0,00	1.054.526,17	4.751.539,29
Charged to equity	-98.359,89	47.112,45	16.380,98	-34.866,46
31.12.2004	3.598.653,23	47.112,45	1.070.907,15	4.716.672,83
01.01.2005	3.598.653,23	47.112,45	1.070.907,15	4.716.672,83
Charged to equity	-98.359,90	11.089,34	208.611,10	121.340,54
31.12.2005	3.500.293,33	58.201,79	1.279.518,25	4.838.013,37

F. Notes to the income statement

1. General information

The company classifies expenses by function.

2. Sales and other income

Net turnover sales	107.272.699,91 €
Income from rent and services	2.091.063,05 €
Credit interest and similar income	323.965,09 €
Income from participations	262.150,00 €
Income from securities	15.429,77 €

3. Additional Disclosure

Raw materials and consumables used	61.611.178,53 €
Salaries and social securities	26.343.188,36 €
Depreciation and amortisation expense	4.253.535,18 €

4. Taxes of income (including deferred taxes)

Current tax	1.186.543,59 €
Deferred tax	-164.905,98 €
Of it charged directly into equity	1.021.637,61 €

5. Leases

The total of lease payments is:

• Not later than one year	403.170,95 €
• Later than one year and not later than five years	463.491,78 €
• Later than five years	0,00 €

The lease payment is mostly for cars and forklifters.



G. Notes to the cash-flow statement

Cash Flows from Operating Activities	31.12.2005	31.12.2004
Profit before Tax	3.023.050,72	5.004.865,70
Adjustments for:		
Depreciation and Amortisation	4.253.535,18	4.079.222,45
Provisions	-420.094,09	-1.206.845,96
Exchange Differences	0,00	0,00
(Gain) or Loss from investing activities	601.544,86	519252,52
Decrease / (increase) in inventories	-3.221.473,76	-369.041,50
Decrease / (increase) in Receivables	-203.044,35	954.476,32
Decrease / (increase) in Payables (except banks)	1.958.550,20	-4.020.877,35
Interest payable	0,00	0,00
Less:		
Interest paid	(394.166,69)	(185.408,70)
Tax paid	(1.933.432,26)	(3.775.008,27)
Net Cash from operating activities (a)	4.058.636,50	1.186.043,91
 Cash Flows from Investing Activities		
Acquisition of Subsidiary)	0,00	-840.634,72
Purchase of intangible Assets, Property, Plant and Equipment	-4.059.295,58	-6.271.304,27
Proceeds of sale Equipment	0,00	507.269,49
Interest Received	0,00	0,00
Dividend Received	0,00	0,00
 Net Cash from investing activities (b)	(4.059.295,58)	(6.604.669,50)
 Cash Flows from Financing Activities		
Proceeds from increase of capital stock	0,00	0,00
Proceeds from Borrowings	379.034,66	1.051.193,9
Payments of Finance Lease Liabilities	0,00	0,00
Payments of Borrowings	0,00	0,00
Dividend paid	-1.689.959,04	-1.200.000,00
 Net Cash used in Financing Activities(c)	(1.310.924,38)	(148.806,91)
 Net increase / (decrease) in and Cash Equivalents (a)+(b)+(c)	-1.311.583,46	-5.567.432,50
Cash and cash Equivalents in Beginning of Period	1.486.364,53	7.053.797,03
Cash and cash Equivalents at End of Period	174.781,07	1.486.364,53



H. Notes to the statement of changes in equity

STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD 1 JANUARY -31 DECEMBER 2005

	Share capital	Share premium	Revaluation reserves	Legal reserves	Special reserves	O.C.I	Results carried forward	Balance results	Total Equity
Balance at 31/12/2004	24.285.000,00		374.604,04	444.969,35	11.372.544,02	2.112.481,89	2.004,61	2.622.404,17	41.214.008,08
Changes in accounting policies, estimates and errors									
Total	24.285.000,00	0,00	374.604,04	444.969,35	11.372.544,02	2.112.481,89	2.004,61	2.622.404,17	41.214.008,08
1/1/2005-31/12/2005									
Earnings(losses) per income statement			-30.606,24	111.711,41				1.889.701,70	
Profit carried forward					2.624.408,78		-2.004,61	-2.622.404,17	
Increase of share stock					0,00				
Distribution of profits (Dividend paid)					-1.689.959,04				
IFRS adjustments					-504.855,80	-13.692,34			

Net loss (earnings) attributable in net equity									
Analysis									
Reduction of deferred taxes					144.260,36	-22.919,82			

Balance at 31/12/2005	24.285.000,00	0,00	343.997,80	556.680,76	11.946.398,32	2.075.869,73	0,00	1.889.701,70	41.097.648,31

I. Other notes

1. Segment reporting

According to IAS 14.3 only companies listed at stock exchange or those that are in progress of issuing shares in public markets have to present segment information.

2. Contingent liabilities

The company has contingent liabilities in respect of long-term hire contracts. The contingent liabilities amount to:

- | | |
|-----------------------|----------|
| • payable 2006 – 2008 | 5.976 T€ |
| • payable after 2008 | 9.960 T€ |

3. Distribution of profit

The assessment basis for cash dividend payable is - corresponding to the articles of association - the balance result which is recorded according to the regulations of German Commercial Law (HGB).

The Board of Directors proposes the balance result of 1.889.701,70 € to be used as follows:

- | | |
|--|----------------|
| • Distribution to the shareholders | 1.000.000,00 € |
| • Addition to special reserves (retained earnings) | 889.701,70 € |