

M+S Hydraulic PLC

**FINANCIAL
STATEMENT**

2008

Translation from Bulgarian

M+S HYDRAULIC PLC, Town of Kazanluk

BALANCE SHEET

For year ending 31 December 2008

		Note	The year ending 31 December 2008 Thousand EUR	The year ending 31 December 2007 Thousand EUR
ASSETS				
FIXED TANGIBLE AND NON-TANGIBLE ASSETS				
Real Estates, Machinery and equipment, etc.	1		15555	14121
Property and Software ownership	1		390	132
Investments in subsidiaries and associated companies	2		8	8
Tax assets			25	28
CURRENT ASSETS				
Inventory	4		5918	6518
Receivables	5		5798	5132
Monetary funds	6		752	1095
			12468	12744
TOTAL ASSETS			28445	27034
EQUITY AND LIABILITIES				
CAPITAL & RESERVES				
Fixed capital			6656	6656
Reserves			7834	6318
Gained Profit/Loss/			5188	3895
	7		19678	16869
LONG-TERM LIABILITIES				
Long-term liabilities for loans			2811	2525
Tax liabilities			302	353
	8		3113	2878
CURRENT LIABILITIES				
Liabilities to related persons			234	178
Trade and other liabilities			3528	4657
Short-term loans			1753	2366
Current taxes			139	85
	9		5654	7278
TOTAL EQUITY AND LIABILITIES			28445	27034

The attached notes constitute an integral part of the financial report.

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M+S HYDRAULIC PLC, Town of Kazanluk

INCOME STATEMENT

For the year ending 31 December 2008

	Note	The year ending on 31 December 2008 Thousand EUR	The year ending on 31 December 2007 Thousand EUR
Revenue	10	40381	36980
Other incomes	10		
		1636	1989
changes in stocks of finished goods and costs of acquisition	11		
of fixed assets		37	(1305)
used raw materials	11	(22141)	(19468)
expenditures for external services	11		
		(2146)	(2536)
Personal related expenditures	11	(8693)	(8003)
depreciation expenditures	11	(2963)	(2453)
Other expenditures	11	(1831)	(2353)
Profit from the activities		4279	2849
Financial incomes/expenditures	12	(456)	(477)
Profit (prior to taxation)		3823	2372
expenditures for income taxes	13	(435)	(256)
<i>PROFIT FOR THE PERIOD</i>		<i>3388</i>	<i>2117</i>

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M+S HYDRAULIC PLC Town of Kazanluk

CASH FLOW REPORT

For the year ending 31 December 2008

CASH FLOWS	The year ending 31 December 2008 Thousand EUR	The year ending 31 December 2007 Thousand EUR
A		
A. Cash flows from operating activity		
Proceeds from clients and other debtors	47003	42343
Payments of suppliers and personnel	(40790)	(36660)
Funds generated from the operating activity	639	5682
Interests paid	(138)	(230)
Income taxes paid	(303)	(305)
Net cash flow from operating activity (A):	5758	5148
B. Cash flows from investment activity		
Net flow from investment activity: (B)		
1. Payments related with acquisition of property, Real Estates, Machinery and equipment		
2. Revenues from Real Estates, Machinery and equipment sale		
Purchase of property, Real Estates, Machinery and equipment and other fixed assets	(4942)	(2999)
3. Proceeds from sale of fixed assets	5	9
Net cash flow used for investment activity	(4937)	(2990)
C. Cash flows from financial activity		
1. Proceeds from issue of share capital		
2. Proceeds from long term loans	3394	1211
3. Loans paid	(3503)	(1426)
4. Leasing contracts obligations paid	(259)	(277)
5. Paid interest rates, fees, commissions under loans with investment designation	(200)	(203)
6. Dividends paid	(575)	(573)
Net cash flow from financial activity (C):	(1164)	(1269)
D. Changes of the cash during the time period (A+B+C):	343	890
E. Cash at the beginning of the time period	1095	205
F. Cash at the end of the time period	752	1095

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EQUITY CHANGES REPORT
For the year ending 31 December 2008

(Thousand EUR)

	Shared Capital	Additional Reserves	Gained profit	Total
Balance on 31.12.2007	6656	6318	3895	16869
Revaluation of the written-off fixed assets		(21)	21	0
Appropriation of the profit from previous years		1486	(1486)	0
NET profit for the period			3388	3388
Dividends			(631)	(631)
Decrease of deferred tax liability		52		52
Balance on 31.12.2008	6656	7834	5188	19678