

ANNUAL REPORT

of the Board of the Directors on the Company Business in 2007

JUNE 2008

Basic Company Data

Business Name: FPD CORPORATION CZ a.s.

Registered Seat: Václavské náměstí 1601/47, 110 00 Prague 1

Legal Form: joint-stock company

Company ID no.: 27643549

Entry in the Commercial Register: Registration Court in Prague, B 11445

Company History

The business company FPD CORPORATION CZ a.s. was established based on the resolution of the founders on the establishment of a joint-stock company, and the Memorandum of Association of November 30, 2006, made in the form of a notarial record in accordance with Sec.171-172 of the Commercial Code.

The Company originated on January 5, 2007, when it was registered into the Commercial Register.

Registered Capital

The Company issued 2 ordinary registered shares in the form of certificated shares, with a nominal value of SKK 1,000,000.00 each. The registered capital of the Company was SKK 2,000,000.00.

Based on a resolution of the sole shareholder, the registered capital was increased to CZK 450,000,000.00 on August 22, 2007, by the subscription of 448 certificated bearer shares of CZK 1,000,000.00 each. The shares were subscribed through monetary contribution by the sole shareholder, THE CIRCLE INVESTMENT GROUP HOLDINGS SAH, registered under file no. B 33116 in the Luxembourg Companies Register [Registre de Commerce et des Sociétés] with its registered seat at 7, Val Sainte Croix, L - 1371 Luxembourg, the Grand Duchy of Luxembourg.

Development of the Company's Business

As of December 31, 2007 FPD CORPORATION CZ a.s. had no employees.

The Company's activities had no impact on the environment. In the period under review until December 31, 2007, the Company did not pay any penalties for environmental pollution.

FPD CORPORATION CZ a.s. does not have a foreign branch.

Board of Directors

In 2007, the Board of Directors, the statutory body of FPD CORPORATION CZ a.s., comprised the following members:

Ing. Roman Teťák – Chairman of the Board of Directors

Mgr. Jaroslav Šupa – Vice Chairman of the Board of Directors

The Board of Directors exercised the rights and duties vested in it in compliance with the Articles of Association of the Company and applicable legal regulations.

For a part of 2007, the Board of Directors performed all the necessary activities associated with the formation and establishment of the Company.

In accordance with the Commercial Code, the Board of Directors has the main decision making function in the Company.

Board of Supervisors

In 2007, the Board of Supervisors, the monitoring body of FPD CORPORATION CZ a.s., comprised the following members:

Ing. Peter Švrček – Chairman of the Board of Supervisors

Mgr. Ing. Tomáš Vitek – Vice Chairman of the Board of Supervisors

Mgr. Jozef Chovanec – Member of the Board of Supervisors

In accordance with the Commercial Code, the Board of Supervisors in particular monitors the operations and performance of the Company.

Shareholders' Structure

The founders of the Company are Ing. Roman Teťák and Mgr. Jaroslav Šupa, who decided to establish a joint-stock company in compliance with Sec. 162 and 172 of the Commercial Code without a call for subscription of shares.

The shareholder of the Company is THE CIRCLE INVESTMENT GROUP HOLDINGS SAH with the 100 % share in the registered capital of the Company.

Subject of Business

- Wholesaling
- Business brokerage and service brokerage
- Publicity and marketing
- Organizing exhibitions, fairs, shows and similar events
- Organizing of professional courses, trainings and other educational events including instructor's activities
- Publishing and editing activities
- Provision of software and consultancy in the field of hardware and software
- Data processing, databank services, network administration
- Real estate management and maintenance
- Rental and lending of movables
- Services in the field of administrative management and organizational and economic services
- Copying services
- Activities of business, financial, organizational and economic consultants

Events of Particular Importance

By the end of 2007, FPD CORPORATION CZ a.s. founded six subsidiary companies that will operate in the field of management and rental of Company's property.

Company's Performance according to the Annual Financial Statement

Balance Sheet (CZK 000)

Dec. 31, 2006 Dec. 31, 2007

TOTAL ASSETS	0	455 013
Fixed assets	0	0
- intangible fixed assets	0	0
- tangible fixed assets	0	0
- long-term financial assets	0	13 600
Current assets	0	441 412
- long-term receivables	0	437 966
- short-term receivables	0	3 020
- short-term financial assets	0	426
Accruals and prepayments	0	1
- prepaid expenses	0	1
- accrued revenue	0	0

TOTAL LIABILITIES AND EQUITY	0	455 013
Equity	0	450 336
- registered capital	0	450 000
- capital funds	0	0
- reserve funds	0	0
- profit (loss) of previous years	0	0
- profit (loss) for the current period	0	336
Liabilities	0	4 677
- provisions	0	0
- long-term liabilities	0	4 528
- short-term liabilities	0	149
- bank loans & short-term notes	0	0
Accruals and prepayments	0	0
- accrued expenses	0	0

Profit and Loss Account (SKK 000)

Dec. 31, 2006 Dec. 31, 2007

TOTAL REVENUES	0	4 138
- sales of own services	0	0
- sales of fixed assets	0	0
- other operational revenues	0	0
- income from sales of securities and shares	0	3 000
- interest income	0	1 138
- other financial income	0	0

TOTAL EXPENSES	0	3 802
- cost of sales	0	300
- staff costs	0	0
- taxes and charges	0	359
- depreciation and adjustments of intangible and tangible fixed assets	0	0
- other operational expenses	0	0
- securities and shares sold	0	3 000
- interest expense	0	28
- exchange rate loss	0	0
- other financial expense	0	9
- tax on profit or loss on ordinary activities	0	106

Net profit or loss for the financial period	0	336
Profit or loss on ordinary activities after taxation	0	336
Result from financial transactions	0	1 101
Profit or loss on extraordinary items after taxation	0	0

Proposal for the Distribution of Profit

The Board of Directors will submit for approval to the General Meeting the annual financial statement and the proposal for distribution of 2007 profit to be distributed in 2008 as follows: Profit for the 2007 period in the amount of CZK 336,000.00 shall be entered into the books as follows:

- 20 %, i.e. CZK 67,200.00, will be transferred to the reserve fund account,
- the remaining part of the profit in the amount of CZK 268,800.00 will be entered into books as retained profit from previous years.

Business Plan

In the coming period, FPD CORPORATION CZ a.s. will try to maintain its holding nature, and, concurrently, it will search for investment opportunities in the field of purchasing of securities of both domestic and foreign issuers, or of companies' ownership interests for the purpose of their administration.

Bratislava, June 12, 2008

Ing. Roman Teták
Chairman of the Board of Directors
FPD CORPORATION CZ a.s.

Mgr. Jaroslav Šupa
Vice-Chairman of the Board of Directors
FPD CORPORATION CZ a.s.