AMENDING

PORTLAND BUNKERS INTERNATIONAL LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2006

Registered no. 3896575

STEPHEN PENNY AND PARTNERS
898-902 WIMBORNE ROAD
MOORDOWN
BOURNEMOUTH
BH9 2DW
UNITED KINGDOM

E-MAIL: ACCOUNTANTS@SP-PARTNERS.CO.UK

PORTLAND BUNKERS INTERNATIONAL LIMITED

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PORTLAND BUNKERS INTERNATIONAL LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2006

OFFICERS AND PROFESSIONAL ADVISERS

DIRECTORS:	A Athanassiadis N Coussis T Tsokas
SECRETARY:	L Hale
REGISTERED OFFICE:	The Old Guardhouse Incline Road Portland Port Dorset, DT5 1PH
REGISTERED NUMBER:	3896575
AUDITORS.	Stephen Penny and Partners 898-902 Wimborne Road Moordown Bournemouth BH9 2DW
BANKERS:	Barclays Bank plc 10 South Street Dorchester Dorset DT1 1PA

PORTLAND BUNKERS INTERNATIONAL LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2006

The directors present their report and the financial statements of the company for the year ended 31 December 2006

Statement of directors' responsibilities

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period In preparing those financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements,
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the company will continue in business,

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985 They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company s website Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions

Principal Activity

The principal activity of the company throughout the year was that of oil storage and sale

Review of Business

The results for the year were in line with expectations and the directors considered the financial position at the year-end satisfactory

Future Developments

The directors are confident the current year will continue to show increased turnover and a subsequent improvement in the overall trading figures for the year

Directors

The present directors are as shown on page 1 All served on the board throughout the year

The company's Articles of Association do not require directors to retire by rotation

Auditors

The auditors, Stephen Penny and Partners, have indicated their willingness to accept re-appointment under Section 385(2) of the Companies Act 1985

The directors' report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies

ON BEHALF OF THE BOARD

A ATHANASSIADIS - DIRECTOR

Date 22 February 2007

PORTLAND BUNKERS INT' L LTD
The Old Guardhouse, Incline Road
Portland Port, Portland DT5 1PH
Dorset, United Kingdom
Tel +44 1305 824620, Fax +44 1305 824621
E-mail main@pbil co uk

PORTLAND BUNKERS INTERNATIONAL LIMITED

AUDITORS REPORT
TO THE MEMBERS OF PORTLAND BUNKERS INTERNATIONAL LIMITED

We have audited the financial statements of Portland Bunkers International Limited for the year ended 31 December 2006, which comprises the Profit and Loss Account, the Balance Sheet and the related notes These financial statements have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2005), under the historical cost convention and the accounting policies set out therein

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985 Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed

Respective responsibilities of directors and auditors

As described in the directors report, the company's directors are responsible for the preparation of financial statements in accordance with applicable law and United Kingdom Accounting Standards

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985 We also report to you if, in our opinion, the Directors' Report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatement within it

Basis of opinion

We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements

Opinion

In our opinion, the financial statements give a true and fair view of the state of the company's affairs as at 31 December 2006 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985

Stephen Penny & Partners

STEPHEN PENNY AND PARTNERS
Registered Auditors

Date 23 February 2007

898-902 WIMBORNE ROAD
MOORDOWN
BOURNEMOUTH
BH9 2DW

PORTLAND BUNKERS INTERNATIONAL LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2006

	Note	2006 £	2005 £
TURNOVER	2	849,512	661,828
Cost of sales		41,514	49,370
GROSS PROFIT		807,998	612,458
Net operatıng expenses	3	830,258	754,533
OPERATING LOSS	4	(22,260)	(142,075)
Other ınterest receıvable and sımılar ıncome		2,661	1,085
Interest payable and sımılar charges		(258,000)	(162,369)
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		(277,599)	(303,359)
Tax on loss on ordınary actıvıtıes	5	-	-
RETAINED LOSS FOR THE FINANCIAL YEAR		(277,599)	(303,359)
Retaıned loss brought forward		(2,139,295)	(1,835,936)
RETAINED LOSS CARRIED FORWARD		(2,416,894)	(2,139,295)

The annexed notes form part of these financıal statements

PORTLAND BUNKERS INTERNATIONAL LIMITED

BALANCE SHEET AT 31 DECEMBER 2006

	Note		2006 £		2005 £
FIXED ASSETS					
Intangible assets	6		339,983		353,187
Tangible assets	7		6,205,824		6,552,647
			6,545,807		6,905,834
CURRENT ASSETS					
Debtors	8	109,561		95,061	
Cash at bank and in hand		239,339		70,735	
		348,900		165,796	
CREDITORS					
Amounts falling due within one year	9	4,183,865		3,423,540	
NET CURRENT LIABILITIES			(3,834,965)		(3,257,744)
TOTAL ASSETS LESS CURRENT LIABILITIES			2,710,842		3,648,090
CREDITORS					
Amounts falling due after more than one year	10		(2,652,931)		(3,312,580)
NET (LIABILITIES)/ASSETS			57,911		335,510
CAPITAL AND RESERVES					
Called up share capital	11		2,474,805		2,474,805
Profit and loss account			(2,416,894)		(2,139,295)
SHAREHOLDERS' FUNDS			57,911		335,510

The financial statements have been prepared in accordance with the special provisions of Part V11 of the Companies Act 1985 relating to small companies and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2005)

These financial statements were approved by the board on 22 February 2007

ON BEHALF OF THE BOARD

A ATHANASSIADIS-DIRECTOR

PORTLAND BUNKERS INT'L LTD
The Old Guardhouse, Incline Road
Portland Port, Portland DT5 1PH
Dorset, United Kingdom
Tel. +44 1305 824620, Fax +44 1305 824621
E-mail: main@pbil co uk

The annexed notes form part of these financial statements

PORTLAND BUNKERS INTERNATIONAL LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2006

	Note		2006 £		2005 £
NET CASH INFLOW FROM OPERATING ACTIVITIES	14		1,072,288		835,308
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE					
Interest received		2,661		1,085	
Interest paid		-		(146)	
Interest element of finance lease rental payments		(258,000)		(162,223)	
			(255,339)		(161,284)
CAPITAL EXPENDITURE					
Payments to acquire fixed assets		(3,078)		(7,070)	
Receipts from sales of fixed assets		-		500	
			(3,078)		(6,570)
			813,871		667,454
FINANCING					
Capital element of finance lease repayments		(645,267)		(643,406)	
			(645,267)		(643,406)
INCREASE IN CASH	15 & 16		168,604		24,048

The annexed notes form part of these financial statements

PORTLAND BUNKERS INTERNATIONAL LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2006

1 ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of the financial statements have changed from the previous year £280,000 of the issued 7% cumulative preference shares have, in accordance with FRSSE 2005, been reclassified as debt under long term liabilities The remaining accounting policies have remained unchanged and have been consistently applied within the accounts

Basis of Preparation of Financial Statements

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2005)

The effects of events in relation to the year ended 31 December 2006 which occurred before the date of approval of the financial statements by the Board of Directors, have been included in the statements to the extent required to show a true and fair view of the state of affairs at 31 December 2006 and of the results for the year ended on that date

Depreciation

Depreciation has been computed to write off the cost of tangible fixed assets over their expected useful lives using the following rates

Improvements to leasehold	-	equal installments over the period of the lease
Plant and equipment	-	5% per annum straight line basis
Office equipment	-	25% per annum reducing balance basis and 3 years straight line basis
Fixtures and fittings	-	25% per annum reducing balance basis
Motor vehicles	-	25% per annum reducing balance basis
Boat	-	20% per annum reducing balance basis

Intangible Fixed Assets

Bunkering concession is amortised through the profit and loss account in equal annual installments over the period of the lease

Foreign Exchange

Transactions denominated in foreign currencies are translated into sterling and recorded at the rate of exchange ruling at the date of the transaction

Balances at the year end denominated in a foreign currency are translated into sterling at the rate of exchange ruling at the balance sheet date

Leasing

Tangible fixed assets acquired under finance leases or hire purchase contracts are capitalised and depreciated in the same manner as other tangible fixed assets The related obligations, net of future finance charges, are included in creditors

Rentals payable under operating leases are charged to the profit and loss account on a straight line basis over the period of the lease

2 TURNOVER

The company s turnover represents the value, excluding Value Added Tax, of goods and services supplied to customers during the year

3 NET OPERATING EXPENSES

	2006 £	2005 £
Administrative expenses	830,258	754,533

4 OPERATING LOSS

Operating loss is stated after charging/(crediting)

	2006 £	2005 £
Directors' emoluments	35,314	30,382
Depreciation and amortisation of owned assets	148,882	125,095
Depreciation of assets held under finance leases and hire purchase	214,222	183,659
Foreign currency exchange gain	(152,799)	(149,327)
Loss on sale of fixed assets	-	(500)

5 TAXATION

There is no tax charge for the year

6 INTANGIBLE FIXED ASSETS

	Bunkering concession £
Cost	
At 1 January 2006	518,254
Additions	-
Transfer to plant and equipment	-
Intra-group transfers	-
Disposals	-
At 31 December 2006	518,254
Amortisation	
At 1 January 2006	165,068
Charge for the year	13,203
Transfer to plant and equipment	-
Intra-group transfers	-
Eliminated on disposals	-
At 31 December 2006	178,271
Net book value	
At 31 December 2006	339,983
At 31 December 2005	*353,187*

PORTLAND BUNKERS INTERNATIONAL LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2006 (CONT)

7 TANGIBLE FIXED ASSETS

	Improvements to Leasehold £	Fixtures Fittings and Equipment £	Plant and Equipment £	Motor Vehicles £	Total £
Cost					
At 1 January 2006	68,982	96,084	6,728,455	22,184	6,915,705
Additions	-	3,078	-	-	3,078
At 31 December 2006	68,982	99,162	6,728,455	22,184	6,918,783
Depreciation					
At 1 January 2006	9,088	61,345	280,352	12,273	363,058
Charge for the year	2,239	8,761	336,423	2,478	349,901
At 31 December 2006	11,327	70,106	616,775	14,751	712,959
Net book value					
At 31 December 2006	57,655	29,056	6,111,680	7,433	6,205,824
At 31 December 2005	*59,894*	*34,739*	*6,448,103*	*9,911*	*6,552,647*

Included in the total net book value of tangible fixed assets held at 31 December 2006 was £3,891,691 *(2005 - £4,112,522)* in respect of assets held under finance leases and hire purchase contracts

PORTLAND BUNKERS INTERNATIONAL LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2006 (CONT)

8 DEBTORS

	2006 £	2005 £
Trade debtors	91,066	76,933
Other debtors	18,495	18,128
	109,561	95,061

9 CREDITORS - AMOUNTS DUE WITHIN ONE YEAR

	2006 £	2005 £
Obligations under finance leases and hire purchase contracts	592,872	578,491
Trade creditors	16,873	368,392
Amounts owed to group undertakings & participating interests	3,245,118	2,200,544
Social security and other taxes	48,230	20,453
Other creditors	280,772	255,660
	4,183,865	3,423,540

10 CREDITORS - AMOUNTS DUE AFTER ONE YEAR

	2006 £	2005 £
Obligations under finance leases and hire purchase contracts	2,372,931	3,032,580
Preference shares	280,000	280,000
	2,652,931	3,312,580

Obligations under finance leases and hire purchase contracts are secured

Preference share capital - authorised, issued and fully paid

7 % £1 redeemable cumulative preference shares

	Shares	£
At 1 January 2006	400,000	400,000
At 31 December 2006	400,000	400,000

The 7 % cumulative preference shares are redeemable at £1 on the winding up of the company and part of the amount in issue has accordingly been classified as a financial liability Shareholders are entitled to a dividend at 7 % per annum on the par value of the shares on a cumulative basis, payable from 1 April 2007 These shares do not carry any voting rights

The 7% return on cumulative preference shares is less than the discount rate of 10% expected by the parent company, Diekat S A The cumulative preference share capital has therefore been classified as follows

	£
Equity	120,000
Long term debt	280,000

Dividend rights
The Preference shares carry the right to be paid a cumulative preferential dividend of 7% per annum on each fully paid up share The Preference dividend is payable annually within three months after the accounting reference date of the Company in respect of the accounting reference period ending at that date, save the first payment (covering all prior years cumulative dividends) shall be deferred until 1st April 2007

Voting rights
The Preference shares confer the right to receive notice and to attend and to vote at a general meeting in limited circumstances only

Return of capital
The Preference shares shall on a winding up or other repayment of capital entitle the holders to have the assets of the Company available for distribution among the members applied, in priority to any other class of share, in paying to them pari passu

(a) the capital paid on such Preference shares,

(b) a sum equal to any arrears of deficiency of the fixed cumulative dividend on such Preference shares (whether earned or declared or not) calculated down to the date of repayment of capital

Thereafter, assets of the Company available for distribution among the members shall be appied as follows -

The next £600,000 shall be paid to the Ordinary shareholders pari passu and thereafter any remainder shall be paid to the Ordinary shareholders and the holders of the Preference shares pari passu

11 SHARE CAPITAL

	2006 £	2005 £
Authorised		
3,600,000 Ordinary shares of £1 each	3,600,000	3,600,000
400,000 7% cumulative preference shares of £1 each	400,000	400,000
	4,000,000	4,000,000
Allotted, called up and fully paid		
2,354,805 Ordinary shares of £1 each	2,354,805	2,354,805
400,000 7% cumulative preference shares of £1 each		
Equity component	120,000	120,000
	2,474,805	2,474,805

The 7% return on cumulative preference shares is less than the discount rate of 10% expected by the parent company, Diekat S A The cumulative preference share capital has therefore been classified as follows

	£
Equity	120,000
Long term debt	280,000

Return of capital
The Preference shares shall on a winding up or other repayment of capital entitle the holders to have the assets of the Company available for distribution among the members applied, in priority to any other class of share, in paying to them pari passu

(a) the capital paid on such Preference shares,

(b) a sum equal to any arrears of deficiency of the fixed cumulative dividend on such Preference shares (whether earned or declared or not) calculated down to the date of repayment of capital

Thereafter, assets of the Company available for distribution among the members shall be appied as follows -

The next £600,000 shall be paid to the Ordinary shareholders pari passu and thereafter any remainder shall be paid to the Ordinary shareholders and the holders of the Preference shares pari passu

PORTLAND BUNKERS INTERNATIONAL LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2006 (CONT)

12 LEASING COMMITMENTS

At 31 December 2006 the company had annual commitments under non-cancellable operating leases as detailed below

	2006 £	2005 £
Operating leases which expire		
After more than five years	69,052	52,362
	69,052	52,362

The company also has a concession agreement, which expires after more than five years The annual rental under the contract is £116,360 per annum

13 RELATED PARTIES

Diekat SA, the company's majority shareholder, made a number of loans to Portland Bunkers International Limited and paid monies on it's behalf during the year totalling £1,112,454 The amount owed to Diekat SA at the year end, after adjusting for currency fluctuations of £67,880, was £3,245,118 (2005 £2,200,544)

In addition Diekat SA holds 100% of the 400,000 issued 7% cumulative preference shares of £1 each Diekat SA operates on an expected discount rate of 10% and therefore £280,000 has been included as a long term creditor and £120,000 as equity at 31 December 2005 and 31 December 2006

14 RECONCILIATION OF OPERATING PROFIT/(LOSS) TO NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES

	2006 £	2005 £
Operating loss	(22,260)	(142,075)
Depreciation charge	363,104	308,754
Profit on sale of fixed assets	-	(500)
Increase in debtors	(14,500)	(77,336)
Increase in creditors	745,944	746,465
Net cash inflow/outflow from operating activities	1,072,288	835,308

PORTLAND BUNKERS INTERNATIONAL LIMITED

15 ANALYSIS OF NET DEBT

	2005 £	Cash flow £	Other changes £	2006 £
Cash at bank and in hand	70,735	168,604	-	239,339
Debt due after 1 year	(280,000)	-	-	(280,000)
Finance leases	(3,611,071)	645,268	-	(2,965,803)
Total	(3,820,336)	813,872	-	(3,006,464)

16 RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET DEBT

	2006 £	2005 £
Increase in cash in the year	168,604	24,048
Reclassification of preference shares as debt	-	(280,000)
Cash outflow from decrease in debt and lease financing	645,268	643,404
Movement in net debt in the year	813,872	387,452
Net debt at 1 January 2006	(3,820,336)	(4,207,788)
Net debt at 31 December 2006	(3,006,464)	(3,820,336)

17 PARENT UNDERTAKINGS

The company is controlled by Diekat S A a company registered in Greece At 31st December 2005 Diekat S A controlled 99 6% of the ordinary share capital and 100% of the non voting preference share capital The company is reliant on the continued financial support of the parent company