

UZTEL S.A.
OILFIELD EQUIPMENT, MANUFACTURING AND REPAIRS
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FISCAL CODE RO1352846, R.C. PLOIESTI NO. J29/48/1991
IN INSOLVENCY

**Administrator's Report regarding
the activity carried out in 2010**

1. COMPANY'S ACTIVITY ANALYSIS

1.1 a) The Company's main activity NACE code is 2892 "Manufacture of extraction and constructions equipment", i.e. oil equipment at the wellhead, valves, drilling installations repairs, PSUP, metallic constructions, casted and forged parts.

1.1 b) The Company was set-up as a joint-stock company with Romanian and foreign private capital at 15.02.1991, under No.J29/48/1991.

1.1 c) In 2010, no merges took place, but reorganizations were registered starting with 06.09.2010 when the Company initiated the insolvency procedure, at the request of the debtor, UZTEL, as per File No. 4732/105/2010 and following the meeting on 06.09.2010 at Prahova Court of Law.

1.1 d) The fixed assets had a decrease in 2010 of 101,882 RON, as per the data in the below table:

RON

Fixed assets items	Opening balance	Increases	Reductions	Closing balance
Intangible fixed assets	839,006.00	23,461.00	582,517.00	279,950.00
Tangible assets	99,791,488.00	1,747,591.00	1,315,417.00	100,223,662.00
Total fixed assets	100,630,494.00	1,771,052.00	1,897,934.00	100,503,612.00

1.1 e) As a result of the blockings registered in financing the oil activity field, repairs activity, metallic constructions, extraction and constructions equipment, oil equipment at the wellhead, valves, drilling installations repairs, casted and forged parts, had temporarily operated with loss of 0.67%.

RON

Details	2009	2010	2010-2009
Sold products	68,127,313.61	46,853,070.89	-21,274,242.72

The Company's main activity, manufacture of oil equipment, has been narrowed during 2010 by giving up or cancelling certain contracts or productions orders, due to the high demands and financial difficulties of the Company's clients.

1.1.1 General evaluation items:

- a) profit (loss) -17,600,833 RON
- b) turnover 46,853,071 RON
- c) export 12,311,831 RON

The account 4111.1.03 – External clients can be also found in the re-evaluation account (foreign exchange rates differences) and in the various revenues (account 708.1.03).

d) total costs: 42,304,623 RON (actual costs related to the products sold from the stocks fluctuations).

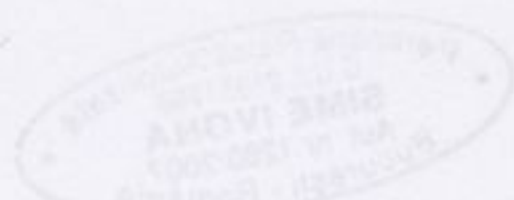
e) covered market share: 1-2%

All the existing areas are the property of Uztel. Its distribution activity was carried out mainly with:

-domestic beneficiaries: OMV Petrom SA; Petrototal Trade SRL; Hany Industry SRL, Tehnomet Buzau SA and others.



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-external beneficiaries: PT Inti Fajar Indonesia, Array USA, Cactus Flow USA, Premaberg Austria

f) at 31.12.2010, the Company's cash in hand were:

RON = 235,070.05

USD = 23,330.96

EUR = 8,688.42,

higher than the ones in 2009.

During 2010, the Company had implemented an active policy of foreign currency capitalization at the advantageous periods of the market, for avoiding the loss accumulation from various disadvantageous foreign currency exchange rates differences. Thus, the Company obtained at the end of the year, foreign currency exchange rates differences of 652,265.08 (account 765 = 2,202,261.81 RON, account 665 = 1,549,996.73 RON).

1.1.2 Evaluation of the Company's technical level

a) The Company owns its assets (plants and production workshops, storage areas, office areas, concrete platforms), older than 25 years, requiring repairs and maintenance works. A small part of the unused areas were rented, as in 3.94% of the total surface owned by Uztel.

Part of the equipment and installations owned by the Company are rather new and revamped; they were purchased in 2008-2009.

The services (repairs) are carried out in the Oil Equipment Section, and those of handling and forging inside the Warm Sectors Plant.

b) The percentage of the main activities in the total revenues and turnover in 2009-2010 is as follows:

Details	Year	Percentage in the total revenues %	Percentage in the total turnover %
Products sales and domestic services	2009	39%	70%
	2010	44%	69%
Products sales and export services	2009	15%	28%
	2010	17%	26%
Revenues from various rents	2009	0.20%	0.37%
	2010	1.34%	0.60%
Various revenues (utilities, other services)	2009	2.80%	1.63%
	2010	0.36%	0.56%
Revenues from own investments	2009	2%	
	2010	0.37%	
Revenues from the production stocks fluctuations	2009	41%	
	2010	35%	

c) The Company was subject to organizational, environment technology and financial restructuring process for a period of 5 years.

1.1.3 Evaluation of the technical-materials supply activity (local and imported resources)

The materials and spare parts for the production were purchased:

Domestic market

- Tinmar Bucharest – utilities
- Forja Neptun SA Campina – metallic and forged parts
- Hany Industry SRL Ploiesti – electric materials, assembling parts, sealing elements
- Comis SRL Valeni de Munte – timber, packages, cooperation
- Ruker Top SRL Strehaia – iron-allows and raw materials for casting
- Tebinet SRL Ploiesti – pipes, tubes materials
- Arva SA Bucharest – special metals and stainless steels

To export

- Trelleborg Bulgaria – sealing elements
- Shabum Israel – tools, boards, bearings
- Vesta PGI USA – greasing devices, valves
- Sankalp India – forged parts



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1.1.4 Sales activity evaluation

The sales activity on both the domestic and external markets depends on the investment volume from the oil industry. This field recorded a reduction of activity, as a result of the economic crisis impact.

Main 10 clients, as per their transactions volume during 2010 are as given below:

CLIENT	TOTAL INVOICES	PERCENTAGE %
OMV PETROM SA, E&P DIVISION, BUCHAREST	7,960,060.50	15.64
PETROTOTAL TRADE SRL BUCHAREST	7,083,083.52	13.92
ARRAY PRODUCTS COMPANY LLC	6,047,172.48	11.88
PT INTI FAJAR PRATAMA INDONESIA	2,222,482.58	4.37
DEEP DRILL EQUIPMENT HOLLAND	1,404,038.19	2.76
BT LEASING TRANSILVANIA IFN SA CLUJ NAPOCA	1,111,281.60	2.18
NEPTUN SA CAMPINA	1,042,904.18	2.05
HANY INDUSTRY SRL PLOIESTI	1,026,672.53	2.02
PESECO LIMITED ABERDEENSHIRE UNITED KINGDOM	1,006,267.32	1.98
PPI TECHNOLOGY SERVICES MIDDLE EAST LTD	737,336.13	1.45

In the recent period, there has been a significant increase of the competition, due to chasing higher profits with lower costs.

After losing the main clients, the Company had to identify other opportunities in different geographic areas.

Uztel has distribution markets on all continents and has succeeded to attract important clients from the worldwide oil industry.

On the international market, as a result of the global economic crisis and the decrease of the oil price, the drilling-extraction activity reduced to half, the new investments in this field (which used to represent the main business source for Uztel as well) being reduced with the same rate.

Also, another important client on the domestic market, OMV Petrom SA, reduced its coverage with about the same percentage, imposing the price reduction and prolonging the contractual payment terms.

By analyzing the current distribution markets' status for 2011, SC Uztel SA has in progress, as a result of the offers submitted and negotiated in 2010 and at the beginning of 2011, the following orders:

- 3,930,128 RON (VAT not included)
- 5,354,741 EUR
- 1,024,697 USD

Furthermore, potential contracts with new other clients are under negotiation (Petrofac Solutions & Facilities Support – Bucharest, Site Group – Amman, Jordan, Petrosantander) and with traditional clients (Deep Drill Equipment – Holland, Peseco Limited Aberdeenshire – United Kingdom, Premaberg Industrieanlagen – Austria, Robke Erdol Und Erdgastechnk – Germany, Omni Valve LLC – USA etc.), of about:

- 860,000 RON (VAT not included)
- 350,000 EUR
- 2,500,000 USD.

Efforts are undertaken also for entering other markets (directly or by using European companies), i.e.: Jordan, North Africa, Russian Federation and other states in CIS.

1.1.5 Evaluation of employees-related aspects

a) The Company registered on 31.12.2010 a number of 724 employees, out of which:

High education:

persons

engineers	engineer assistants	economists	Other post graduates
69	13	14	5



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In factories, the personnel is as follows:

			persons
SUP	SSC	Other activities	Administrative personnel
239	134	120	130

b) The relationship between the management and employees were mainly good, with few exceptions, due to conflicts generated by the salary not being paid on time, as per the Collective Labor Contract.

1.1.6 Evaluation of the aspects related to main activity impact on the environment

The Company's activity is carried out based on environment certificates and authorizations, with no litigations regarding the environment legislation violation.

The continuous reduction of emissions evacuated in the atmosphere was targeted by cleaning the NOx collection installations, at the electric arc furnaces and by revamping the water filtering system. Periodic analyses were carried out for checking the conformity and observance of the drinkable features indices (physical and chemical, and bacteriologic analysis with DSP Prahova).

1.1.7 Evaluation of the research and development activity

a) The main objectives targeted in the designing and similar activities for 2010 were as follows:

- completion of the prevention range 71/16 in – 10,000 psi, SE71/16 in – 350 bar, SE71/6 in – 700 bar,

- completion of control station: CH6U-3M (MDWO 04),

- completion of valves types: Accusel 4 in class 300, Acussel 6 in class 300, low cost valve 21/16 in – 5,000 psi, extending plug valve 2,3,4, class 600, plug valve 2 in and 1 in – 15,000 psi.

In the same time, the design of new preventers was started: mono-block blowout preventer type UZD04; Workover blowout preventer UZW 02; hydraulic command station for blowout preventer type UZW02: inside preventer 37/8 EUE, with a finalized design and manufactured in the production plant

b) For ensuring the conditions of Uztel products entering the international markets, the technical departments have obtained the following certificates:

GOST-R, GOSTEHNADZOR: API 16A, API 16C, API 16D,

c) The technological activity aimed the development of the numerical control machine tools processing technologies and diversifying the anti-corrosive protection methods.

1.1.8 Evaluation of the risk management activity

The relationship between the Company and its clients is based on contracts or orders.

For reducing the price risk, these contracts include clauses related to submitting guarantees for the price indexation conditions, or to the renegotiation of the price, delay penalties and damages terms.

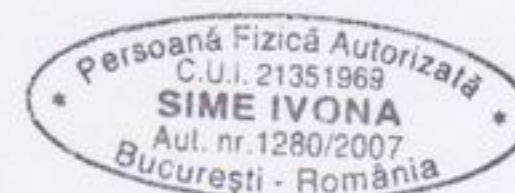
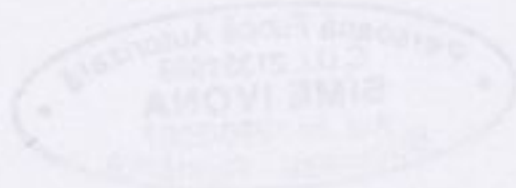
The Company's liquidities were impacted by the foreign exchange risk due to the contradictory evolution of the exchange rates of EUR and USD against the local currency. For avoiding this issue, addendums were negotiated and signed eliminating the payment obligation in the contract currency; the payment can be done now also in the local currency, at the exchange rate specified at the invoice issue date.

The Company does not have equity investments at other entities.

The Company is subject to credit and leasing risk regarding the payment of the reimbursement rates.

Regarding the cash flow risk, this impacts the Company on the following levels:

- Oil equipment repairs activity is affected by the financings in the oil field, depending on the micro- and macro- economic levels,
- The production activity is subject to activity reduction risks of the local and international clients,



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- Renting activity and other revenues are affected by resignation to some areas and the potential delays or re-scheduling of the debts, leading to an impairment of the financial position by slowing down the liabilities receiving rate.

Having in view the above, the following measures were adopted for preventing the negative impact of the current economic and financial crisis on the Company:

- Negotiating shorter payment terms;
- Potential delays to the debts payment, i.e. accommodation or rents shall be taken into consideration only after paying up to date all the debts;
- For the doubtful and under litigation clients, the cases pending before the Court of Law and their closing will be followed-up, implementing the final decisions of the Court of Law;
- New contracts shall mandatory include clauses related to guarantees submission;
- For the current clients, the overdue amounts (exceeding 60 days) shall be recovered, with priority;
- Selecting the potential clients after checking their reliability;
- In case of non-payment, the case shall be submitted to Court, in order to recover those amounts and calculate the applied delay penalties.

1.1.9 Future elements regarding the Company's activity

a) the financial blockage impact on the Company's liquidities shall be diminished by reducing the doubtful clients volume, while submitting to Court the bad payers.

The ratios: current ratio and fast test ratio had in 2010 a decrease tendency, comparing to 2009, as per below table:

Details	2009	2010
Current ratio	1.45	1.17
Fast test ratio	0.51	0.42

b) The investments plan for 2011 consists of revamping of the existing assets.

2. COMPANY'S TANGIBLE ASSETS

2.1 Location and main features of the production capacity within the Company's property

The Company owns a field with the surface of 199,360.35 sq. m, out of which:

- 114,117.98 sq. m with buildings
- 37,984.02 sq. m as free surface
- 43,729.35 sq. m for the plant access roads.

The industrial zone covers 166,893 sq. m, where the main activity is carried out, owning industrial plants related to two sections: storages, concrete platforms and administrative building.

2.2 Description and analysis of the Company's property wear level

The Company's assets were purchased and set-up before 1989, representing an advanced level of physical and moral wear. Part of the assets were repaired or revamped.

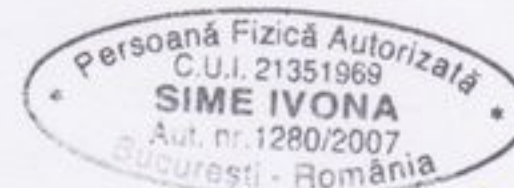
2.3 Specifying the potential issues related to the property on the Company's tangible assets

The Company holds the ownership of the field, as per the Certificate Series MO3, No. 3371/05.01.1996 and it is not under litigation related its ownership rights.

3. THE MARKET OF THE SECURITIES ISSUED BY THE COMPANY

3.1 The shares issued by Uztel are quoted in Bucharest Stock Exchange.

3.2 At 31.12.2010, the Company had 5,365,459 shares issued, as per the Securities Registration Certificate



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No. 69131/21.07.2010, issued by CNVM, including the following elements:

Details	Number of shares	Percentage in the share capital
1.UZTEL Association	4,498,300	83.84%
2.Array Products Co. LLC	270,014	5.03%
3.Other shareholders	597,145	11.13%
Total	5,365,459	

The net dividends for the shareholders for 2007 and 2008, not paid at 31.12.2010, were: 1,774,587.52 RON.

3.3 Description of all own shares purchasing activities of the Company

The Company has not purchased own shares in 2010.

3.4 In case the Company has affiliates, specify the number and nominal value of the shares issued by the mother company, owned by the subsidiaries

The Company does not have subsidiaries.

3.5 In case the Company had issued stocks and shares or other debt securities, specify the way the Company pays its debts to the owners of such securities.

In 2010, a number of 948,357 shares were issued, as a result of the capital increase, equal to the investments equivalent carried out in 2009, based on the capital contribution in cash of the main shareholder in 2009, as of 2,370,892.50 RON.

4. COMPANY'S MANAGEMENT

4.1 Introducing the list and information regarding the administrators

4.1.1 In 2010, the Company was administrated by the Board of Directors consisting of:

1. Dinu Ion – President – Mandate Contract starting at 05.06.2008, as per the Decision No. 379/2008, valid for 4 years – Mandate Contract Cancellation, starting with 06.09.2010, when the insolvency procedure was initiated at the request of the debtor, Uztel, as per File No. 4732/102/2010 and following the meeting as of 06.09.2010, at Prahova Court of Law.

2. Dijmarescu Viorel – Member – Mandate Contract starting with 05.06.2008, as per the Decision No.381/2008, valid for 4 years - Mandate Contract Cancellation, starting with 06.09.2010, when the insolvency procedure was initiated at the request of the debtor, Uztel, as per File No. 4732/105/2010 and following the meeting as of 06.09.2010, at Prahova Court of Law.

3. Neacsu Sorin – Member – Representative of Array Company - Mandate Contract starting with 05.06.2008, as per the Decision No.380/2008, valid for 4 years - Mandate Contract Cancellation, starting with 06.09.2010, when the insolvency procedure was initiated at the request of the debtor, Uztel, as per File No. 4732/105/2010 and following the meeting as of 06.09.2010, at Prahova Court of Law.

Name, surname - Position	Number of owned shares
-Dinu Ion – President CA	6,125
-Dijmarescu Viorel - MEMBER	5,291
-Neacsu Sorin – MEMBER	0

4.1.2 Starting with 06.09.2010, when the insolvency procedure was initiated at the request of the debtor, Uztel, as per File No. 4732/105/2010 and following the meeting as of 06.09.2010, at Prahova Court of Law, EUROINSOL CONSULTING SPRL was assigned as the LEGAL ADMINISTRATOR, represented by the Coordinator Attorney Maer Alina Mariana. Following the meeting on 05.11.2010, at the request of EUROINSOL CONSULTING SPRL, as the legal administrator of Uztel debtor, the syndic judge decided to remove the administration right of SC Uztel SA.



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4.2 a) Introducing the executive management members list:

PERIOD: 01.01.2010 – 26.05.2010			
NAME AND SURNAME	POSITION	MANDATE CONTRACT NO.	MANDATE ISSUE DATE
DINU ION	PRESIDENT CA + GENERAL DIRECTOR	4038	06.05.2008
TUDORACHE ALEXANDRU	EXECUTIVE GENERAL DIRECTOR	4041	06.05.2008
SEREA STEFAN	COMMERCIAL DIRECTOR	4043	06.05.2008
VASILESCU CRISTIAN	QUALITY TECHNICAL DIRECTOR	4042	06.05.2008
POPESCU ILEANA	ECONOMIC DIRECTOR	3079	28.05.2009

for period: 01.01.2010-26.05.2010, the total compensation amount for the Company's management were 3.37% of the salary fund.

PERIOD: 27.05.2010 – 05.09.2010			
NAME AND SURNAME	POSITION	MANDATE CONTRACT NO.	MANDATE ISSUE DATE
TUDORACHE ALEXANDRU	GENERAL DIRECTOR	2708	01.06.2010
POPA GABRIEL	PRODUCTION DIRECTOR	2710	01.06.2010
POPESCU ILEANA	ECONOMIC DIRECTOR	3079	28.05.2009
GEORGESCU GHEORGHE	SSM QUALITY DIRECTOR	2711	01.06.2010
NEACSU SORIN GHEORGHE	LOGISTIC PURCHASING DIRECTOR	2709	01.06.2010
PATRASCU GRIGORE	SALES AND DEVELOPMENT DIRECTOR	2710	01.06.2010

for period: 27.05.2010-05.09.2010, the total compensation amount for the Company's management were 3.90% of the salary fund.

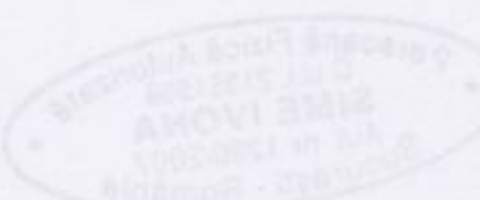
The legal administrator, Euroinsol Consulting SPRL, represented by Attorney Maer Alina Mariana – starting with 06.09.2010, when the insolvency procedure was initiated at the request of the debtor, Uztel, as per File No.4732/105/2010 and the meeting Report as of 06.09.2010 in Prahova Court of Law, EUROINSOL CONSULTING SPRL was assigned as the LEGAL ADMINISTRATOR, represented by the Coordinator Attorney Maer Alina Mariana. Following the meeting on 05.11.2010, at the request of EUROINSOL CONSULTING SPRL, as the legal administrator of Uztel debtor, the syndic judge decided to remove the administration right of SC Uztel SA. – with a compensation of 19,443.16 RON (for 09.2010-12.2010).

PERIOD: 06.09.2010 – 30.11.2010			
The decisions were issued based on the Request No. 1053/10.09.2010 of the Legal Administrator			
NAME AND SURNAME	POSITION	DECISION NO. FOR THE INDIVIDUAL LABOR CONTRACT	DECISION ISSUE DATE
DINU ION	GENERAL DIRECTOR	508	10.09.2010
TUDORACHE ALEXANDRU	EXECUTIVE GENERAL DIRECTOR	510	10.09.2010
PATRASCU GRIGORE	SALES AND DEVELOPMENT DIRECTOR	511	
POPA GABRIEL	PRODUCTION DIRECTOR	512	10.09.2010
GEORGESCU GHEORGHE	SSM QUALITY DIRECTOR	509	10.09.2010
POPESCU ILEANA	ECONOMIC DIRECTOR	513	10.09.2010

for period: 06.09.2010-31.11.2010, the total compensation amount for the Company's management were 2.80% of the salary fund.

PERIOD: 01.12.2010 – 31.12.2010			
The decisions were issued based on the Request No. 11/30.11.2010 of the Legal Administrator			
NAME AND SURNAME	POSITION	DECISION NO. FOR THE INDIVIDUAL LABOR CONTRACT	MANDATE ISSUE DATE
TUDORACHE ALEXANDRU	SCIENCE RESEARCH DIRECTOR	590	30.11.2010
POPA GABRIEL	TECHNICAL DIRECTOR	591	30.11.2010
POPESCU ILEANA	ECONOMIC DIRECTOR	592	30.11.2010

for period: 01.12.2010-31.12.2010, the total compensation amount for the Company's management were 1.52% of the salary fund.



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b) Not applicable.

c) The participation of the executive management in the share capital is as follows:

Name, surname - Position	Number of owned shares
-Dinu Ion – General Director	6,125
-Tudorache Alexandru – Scientific Research and Development Director	35
-Serea Stefan – Commercial Director	2,080
-Popescu Ileana – Economic Director	122

4.3 The Company's administrative and executive management: it was not involved in any litigations in the past 5 years related to the carried out activity.

5. FINANCIAL AND ACCOUNTING STATEMENT

A) BALANCE SHEET ITEMS

A.1 Assets status in 2010, comparing to 2009:

RON

Assets items	31.12.2008	31.12.2009	31.12.2010
Intangible fixed assets	326,675	168,117	66,380
Tangible fixed assets, out of which:	88,493,930	88,921,094	83,892,099
Land and buildings	60,443,451	59,500,776	56,831,755
Technical installation and equipment	24,119,410	25,542,126	22,087,468
Other installations and furniture	66,683	43,618	52,636
Tangible fixed assets in progress	3,864,386	3,834,574	4,920,240
Total fixed assets	88,820,605	89,089,211	83,958,479
Current assets, out of which:	98,533,626	100,831,947	80,940,072
Stocks	60,107,283	64,952,104	51,078,090
Receivables	37,375,102	35,185,958	28,879,234
Cash in hand	552,215	159,129	358,901
Prepayments	499,026	534,756	623,847
TOTAL ASSETS	187,354,231	189,921,158	164,898,551

Comparing to 2009, a decrease of 13.1% was recorded for the total assets owned by the Company. During 2010, stocks and receivables value adjustments were recorded. The Company did not create fully provisions for the doubtful clients.

A.2 Liabilities status in 2010, comparing to 2009:

RON

Liabilities items	31.12.2008	31.12.2009	31.12.2010
Share capital	8,032,975	11,042,755	13,413,648
Reserves from re-evaluation	72,328,643	71,617,408	70,604,709
Reserves	8,523,379	7,386,046	2,588,403
Debts less than 1 year	62,438,551	68,702,400	68,945,501
Debts over 1 year	7,155,706	6,774,733	6,774,733
Provisions	270,628	268,558	265,428
Reported result	27,672,293	26,650,482	19,906,962
Net profit (loss)	1,016,681	-2,521,224	-17,600,833
Legal reserve from profit	84,625	0	0
TOTAL LIABILITIES	187,438,856	189,921,158	164,898,551

The share capital was increased with the investments equivalent undertaken by the main shareholder. The reserves from the reevaluation decreased with the difference from the reevaluation related to the goods cassation or sales.

The debts increased due to the lack of cash in hand and delays of the internal and external receivables.

B) PROFIT AND LOSS ACCOUNT

The structure of the profit and loss account at 31.12.2010, comparing to the one in 2009, was the following:

Indicators	31.12.2008	31.12.2009	31.12.2010
Net turnover	116,914,947	68,127,314	46,853,071
Operating revenues	204,738,247	121,223,962	70,725,981
Operating expenses	201,276,572	120,175,758	87,228,050
Operating profit (loss)	3,461,675	1,048,204	-16,502,069
Financial revenues	3,924,942	2,493,688	2,454,645
Financial expenses	5,694,113	5,960,329	3,536,910
Financial profit (loss)	-1,769,171	-3,466,641	-1,082,265
TOTAL REVENUES	208,663,189	123,717,650	73,180,626
TOTAL EXPENSES	206,970,685	126,136,087	90,764,960
Total gross profit (loss)	1,692,504	-2,418,437	-17,584,334
Profit tax	675,823	102,787	16,500
Net profit / net loss	1,016,681	-2,521,224	-17,600,833

The total revenues decreased due to the significant reduction of the turnover.

The total revenues in 2010 represent 59.15% from the amount in 2009, due to a decrease of the turnover and decrease of the revenues from the sold production.

The total expenses in 2010 represent 71.78% from the amount in 2009, similarly decreasing as the total revenues.

At the end of 2010, provisions were created for clients and raw materials, materials and inventory items, etc., as follows:

SET UP CLIENTS PROVISIONS 1,470,924.05 RON

SET UP STOCKS PROVISIONS 4,171,463.96 RON

The net loss of -17,600,833 RON will be covered as per AGA Decision, according to the fiscal and accounting legislation provisions.

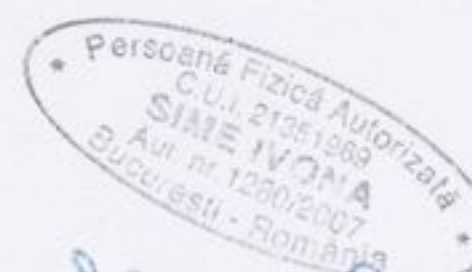
A slow increase of the sold production turnover is estimated to occur, given the optimum expenses schedule and not through price increases.

Economic and financial ratios	2009	2010
1. Current ratio – current assets/current debts	1.45	1.17
2. Debt leverage – Borrowed capital/Equity capital*100	3.51%	4.50%
3. Debts-clients turnover – Receivables/Turnover*365 days	186 days	225 days
4. Fixed assets turnover – Turnover/Fixed assets	0.76	0.56

The current liquidity decreased due to the sales reduction and slowed-down receivables speed.

Thus, the debts-clients turnover decreased with 39 days, comparing to the one in 2009. The Fixed assets turnover slowed down in 2010, the assets not reaching a full turn in 2010.

APPROVED BY,
 Legal Administrator
 EUROINSOL CONSULTING SPRL
 Coordinating Associate
 Attorney Maer Alina Mariana
 (round stamp: EUROINSOL CONSULTING SPRL,
 U.N.P.I.R. PRAHOVA, C.I.F. RO 18217470)
 (illegible signature)



I, the undersigned SIME IVONA IULIANA, sworn translator, authorized by the Ministry of Culture of Romania by License no. 79/16.09.1996 for English, hereby certify the accuracy of the translation from Romanian to English, that the text submitted to me has been completely, with no omissions, and that the content and meaning of the document have not been distorted after being translated.

The document, which complete translation has been required, is entirely composed of 9 pages, has the title/name Administrator's Report regarding the activity carried out in 2010 and it was submitted to me as a complete document.

The translation of the document presented consists of 9 pages.

SWORN TRANSLATOR,



Iuliana Sime

2010	2009	Economic and financial ratios
1.17	1.15	1. Current ratio - current asset/current liability
4.50%	3.51%	2. Debt leverage - Borrowed capital/total capital
225 days	188 days	3. Debt-liquidity turnover - Receivables turnover/365 days
0.88	0.78	4. Fixed assets turnover - Turnover/fixed assets

The current liquidity decreased due to the sales reduction and slow-down receivables speed. Thus, the debt-liquidity turnover decreased with 38 days comparing to the one in 2009. The Fixed assets turnover slowed down in 2010, the assets not reaching a full turn in 2010.

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