

Company Registration No 3700199 (England and Wales)

AUTO INVESTMENTS LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2006

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COMPANIES HOUSE

Registered Office

Suite 23, Park Royal House
23 Park Royal Road
London

AUTO INVESTMENTS LIMITED

DIRECTOR'S REPORT

FOR THE YEAR ENDED 31 DECEMBER 2006

The director presents his report and financial statements for the year ended 31 December 2006

Principal activity

The principal activity of the company is that of an investment company

Review of the business and future developments

The director considers that the results of the company are satisfactory and that the company is expected to continue at its present levels in the future

Results and dividends

The results for the year are set out on page 4

No dividends have been paid during this or the comparative period

Director

The following director has held office since 1 January 2006

T Lane

The director has no interest in the issued share capital of the company

Auditors

In accordance with section 385 of the Companies Act 1985, a resolution proposing that Matthew Edwards & Co be reappointed as auditors of the company will be put to the Annual General Meeting

Statement of Director's responsibilities

Company law requires the director 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 director is 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 the going concern basis unless it is inappropriate to presume that the company will continue in business

The director is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable him to ensure that the financial statements comply with the Companies Act 1985. He is 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

On behalf of the board



T Lane (Director)

Date 25.10.07

MATTHEW EDWARDS & CO
CHARTERED ACCOUNTANTS

Clinch's House, Lord Street, Douglas, Isle of Man IM99 1RZ
Telephone +44 (0) 1624 663166 Facsimile +44 (0) 1624 677108
E-mail audit@matthew-edwards.com

AUTO INVESTMENTS LIMITED

INDEPENDENT AUDITORS' REPORT

TO THE SHAREHOLDERS OF AUTO INVESTMENTS LIMITED

We have audited the financial statements of Auto Investments Limited for the year ended 31 December 2006 set out on pages 4 to 9. These financial statements have been prepared under 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 auditors' 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 the director and auditors

As described in the statement of director's responsibilities on page 1, the company's director is responsible for the preparation of these individual company financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit these individual company financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether these individual company 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 director's report is not consistent with these individual company 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 director's remuneration and transactions with the company is not disclosed.

We read the director's report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) 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 director 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.

AUTO INVESTMENTS LIMITED

INDEPENDENT AUDITORS' REPORT (CONTINUED)

TO THE SHAREHOLDERS OF AUTO INVESTMENTS LIMITED

Opinion

In our opinion.

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 December 2006 and of its loss for the year then ended, and
- the financial statements have been properly prepared in accordance with the Companies Act 1985, and
- the information given in the director's report is consistent with the financial statements

Matthew Edwards & Co
Matthew Edwards & Co.

25 10 07

Chartered Accountants
Registered Auditor

Clinch's House, Lord Street
Douglas
Isle of Man
IM99 1RZ

AUTO INVESTMENTS LIMITED**PROFIT AND LOSS ACCOUNT****FOR THE YEAR ENDED 31 DECEMBER 2006**

	Notes	2006 Euro	2005 Euro
Administrative expenses		(9,771)	(10,003)
Operating loss	2	(9,771)	(10,003)
Other interest receivable and similar income	3	87	-
Interest payable and similar charges	4	-	(119)
Loss on ordinary activities before taxation		(9,684)	(10,122)
Tax on loss on ordinary activities	5	-	-
Loss for the year	9	(9,684)	(10,122)

The profit and loss account has been prepared on the basis that all operations are continuing operations

There are no recognised gains and losses other than those passing through the profit and loss account

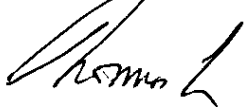
AUTO INVESTMENTS LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2006

		2006	2005
	Notes	Euro	Euro
Fixed assets			
Investments	6	9,500,000	9,500,000
Creditors amounts falling due within one year	7	(9,545,620)	(9,535,936)
Net current liabilities		(9,545,620)	(9,535,936)
Total assets less current liabilities		(45,620)	(35,936)
Capital and reserves			
Called up share capital	8	2,893	2,893
Profit and loss account	9	(48,513)	(38,829)
Shareholders' funds	10	(45,620)	(35,936)

Approved by the Board and authorised for issue on 25.10.07



T Lane
Director

AUTO INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2006

1 Accounting policies

1.1 Accounting conventions

The financial statements are prepared under the historical cost convention and in accordance with applicable financial reporting and accounting standards

The financial statements have been prepared on the going concern basis. This is considered appropriate as the ultimate beneficial shareholders will continue to provide financial support to the company for the foreseeable future.

The company has taken advantage of the exemption in Financial Reporting Standard No 1 from the requirement to produce a cash flow statement on the grounds that it is a small company.

1.2 Investments

Fixed asset investments are stated at cost less provision for diminution in value.

1.3 Deferred taxation

Deferred taxation is provided at appropriate rates on all timing differences using the liability method only to the extent that, in the opinion of the director, there is a reasonable probability that a liability or asset will crystallise in the foreseeable future.

1.4 Foreign currency translation

The company's accounting records are maintained in Euro.

Transactions in other currencies are converted at the rate ruling at the date of the transaction. Current assets and liabilities are converted at the rate of exchange ruling at the balance sheet date. Any material gains or losses resulting from the conversion are taken to the profit and loss account.

2 Operating loss	2006	2005
	Euro	Euro
Operating loss is stated after charging		
Auditors' remuneration	2,665	3,197
	<u> </u>	<u> </u>
3 Investment income, other interest receivable and similar income	2006	2005
	Euro	Euro
Profit on foreign exchange	87	-
	<u> </u>	<u> </u>
	87	-
	<u> </u>	<u> </u>
4 Interest payable and similar charges	2006	2005
	Euro	Euro
Loss on foreign exchange	-	119
	<u> </u>	<u> </u>
	-	119
	<u> </u>	<u> </u>

AUTO INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2006

5	Taxation	2006 Euro	2005 Euro
	Domestic current year tax		
	Corporation tax at 30 00% (2005 - 30 00%)	-	-
	Current tax charge	-	-
	Factors affecting the tax charge for the year		
	Loss on ordinary activities before taxation	(9,684)	(10,122)
	Loss on ordinary activities before taxation multiplied by the standard rate of corporation tax of 30 00% (2005 30 00%)	(2,905)	(3,037)
	Effects of		
	Losses not recognised for accounting purposes	2,905	3,037
		2,905	3,037
	Current tax charge	-	-

On the basis of these financial statements no provision has been made for corporation tax

6 Fixed asset investments

	Unlisted investments Euro
Cost	
At 1 January 2006 & at 31 December 2006	9,500,000
Net book value	
At 31 December 2006	9,500,000
At 31 December 2005	9,500,000

Holdings of less than 20%

The company holds less than 20% of the share capital of the following companies

Company	Country of registration or incorporation	Shares held Class	%
Other significant interests			
Londimo SGPS, SA	Portugal	Ordinary	19 00

AUTO INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2006

7	Creditors' amounts falling due within one year	2006 Euro	2005 Euro
	Other creditors	9,539,643	9,528,404
	Accruals and deferred income	5,977	7,532
		<u>9,545,620</u>	<u>9,535,936</u>
8	Share capital	2006 No.	2005 No.
	Authorised		
	10,000 Ordinary £1 shares	<u>10,000</u>	<u>10,000</u>
		2006 Euro	2005 Euro
	Allotted, called up and fully paid		
	1,000 Ordinary £1 shares	<u>2,893</u>	<u>2,893</u>
9	Statement of movements on profit and loss account		Profit and loss account Euro
	Balance at 1 January 2006		(38,829)
	Loss for the year		(9,684)
	Balance at 31 December 2006		<u>(48,513)</u>
10	Reconciliation of movements in shareholders' funds	2006 Euro	2005 Euro
	Loss for the financial year	(9,684)	(10,122)
	Opening shareholders' funds	<u>(35,936)</u>	<u>(25,814)</u>
	Closing shareholders' funds	<u>(45,620)</u>	<u>(35,936)</u>
11	Contingent liabilities		
	There were no known contingent liabilities as at the balance sheet date		

AUTO INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2006

12 Capital commitments

There were no major capital commitments as at the balance sheet date

13 Employees

Number of employees

There were no employees during the year apart from the director, who received no remuneration

14 Ultimate controlling party and related party transactions

The director is aware of the identity of the ultimate controlling party. However, they are under a duty of confidentiality that prevents them from disclosing certain information otherwise required by Financial Reporting Standard 8. Therefore they have taken the exemption offered by the Standard in respect of confidentiality.