



Report and Financial Statements
Year Ended 31 December 2006

Opportunity Investment Management plc

Annual report and financial statements for the year ended 31st December 2006

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Opportunity Investment Management plc

Report of the directors for the year ended 31st December 2006

Directors

Mr T Ackerly	Chief Executive Officer
Mr D Bovell	Non-Executive Chairman (Resigned 11 October 2007)
Mr TD Martin	Non-Executive (Resigned 12 February 2006)
Mr JE Haag	Executive (Appointed 17 October 2007)
Mr M Ritskes	Executive (Appointed 23 November 2007)

Secretary and registered office

Fidelco Limited
38 Hertford Street, London, W1J 7SG

Company number

3794223

Auditors

haysmacintyre, Fairfax House, 15 Fulwood Place, London, WC1V 6 AY, United Kingdom

Bankers

Fortis Bank Nederland N.V. 3100 AC Schiedam, Netherlands

Legal Advisers

London	Loughran and Co. 38 Hertford Street, London W1J 7SG
Brussels	Stibbe, Rue Henri Wafelaertsstraat 47-51, 1060 Brussels
Berlin	Lovells, Schlüterstrasse 37, 10629 Berlin

EuroNext Symbol

ALGV

Opportunity Investment Management plc

Report of the directors for the year ended 31 December 2006 (*Continued*)

The directors present their report on the affairs of the Group, together with the audited financial statements, for the year ended 31 December 2006.

Results and dividends

The Group loss for the year on ordinary activities after taxation was €2.14m (2005: profit €2.7m).

No dividends have been paid during the year and none are proposed (2005: € nil).

Principal activities

The Company holds an investment in Fleischhauer Ingenieur-Büro GmbH & Co K.G., which performs service activities in the building technology industry (information, security, media and electricity).

The subsidiary undertakings principally affecting the results and net assets of the Group in the year to 31 December 2006 are listed in note 14 to the accounts.

Review of business

The company has reduced operating expenses to a minimum. The last two non-profitable subsidiaries are expected to be dissolved during the next fiscal year. AlgoVision Communications has yielded its holding in AlgoVision Systems to OIM as part of the settlement of inter company debt. AlgoVision Systems is negotiating with their Bremen, Germany landlord to end their lease and settle existing lawsuits and counter suits.

Fleischhauer, the company's only operating subsidiary, has shown progress in expanding the business, reducing redundancies and appointing new management and directors capable of leading the company to profitability. Fleischhauer has excellent banking relations which allow the company to finance on going operations from future revenues.

The parent company continues to rely on its financing of operations through the interest of only a few investors; who are determined to finance the company through these final phases of restructure. We, as directors, are aware of no relevant audit information of which the company auditors are unaware.

Directors

The directors who served during the year were as follows:

Thomas V Ackerly	Chief Executive Officer
David Bovell	Non-Executive Chairman (Resigned 11 October 2007)
Mr T Daniel Martin	Non-Executive (Resigned 12 February 2006)

Directors' interests are disclosed in note 7 to the accounts.

Opportunity Investment Management plc

Report of the directors for the year ended 31 December 2006 (*Continued*)

Directors' responsibilities

Company law requires the directors to prepare accounts for each financial year which give a true and fair view of the state of affairs of the Company and Group and of the profit or loss of the Company and Group for that period. In preparing those accounts, 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 accounts, and
- prepare the accounts on the 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 Group 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 Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Accounts, including adoption of going concern basis

Company law requires the directors to prepare accounts for each financial year which give a true and fair view of the state of affairs of the Company and Group and the profit or loss of the Group for that period. After making enquiries, the directors have a reasonable expectation that the Company and Group will have adequate resources to continue in operational existence for the foreseeable future.

Charitable and political contributions

The Group made no charitable or political contributions during the year.

Substantial shareholdings

As at 31 December 2006, the Company was aware of the following interests in the ordinary share capital of the Company:

NAME OF HOLDER	NUMBER	PERCENTAGE HELD
HSBC Issuer Services Common Depository Nominee (UK) Limited	2,302,347	39.41%
Mr Leo Westermeijer	897,891	15.37%
Mayfair Trust Company Limited	601,189	10.29%
Mercurius Beleggingsmaatschappij BV [1]	472,391	8.09%
Quinvest BV [3]	816,764	13.98%
Parklane Holdings Ltd [3]	70,000	1.2%
Concordimo n.v. [2]	299,999	5.14%

Opportunity Investment Management plc

Report of the directors for the year ended 31 December 2006 (*Continued*)

Because HSBC Issuer Services Common Depository Nominee (UK) Limited acts as custodian and nominee of shares held in the Euroclear System, the above notifications may result in duplication of interests where shares are held in Euroclear.

Mayfair Trust Company Limited holds shares as trustee of the Company's employee benefit trust. All the shares that it holds were acquired for no cash consideration as part of the arrangements for the sale of subsidiaries in 2004. The trust has not made any awards of shares from its holdings.

[1] Includes shares held by Mr H Stienstra, director and controlling shareholder of Mercurius Beleggingsmaatschappij BV

[2] Includes shares held by Mr W Wilford, director and controlling shareholder of Concordimo n.v.

[3] Quivest and Parklane Holdings are associated by common ownership.

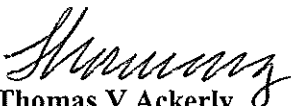
Share issues

Details of share issues during the year are set out in note 19 of the accounts. These were undertaken to provide the Group with additional working capital and to discharge management expenses.

Auditors

The auditors, haysmacintyre, have indicated their willingness to continue in office.

By order of the Board


Thomas V Ackerly
Chief Executive Officer

4 September 2008

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF OPPORTUNITY INVESTMENT MANAGEMENT PLC

We have audited the financial statements of Opportunity Investment Management Plc for the year ended 31 December 2006 which comprise the Consolidated Profit and Loss Account, the Consolidated Balance Sheet, the Company Balance Sheet and the Consolidated Cash Flow Statement and the related notes. 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 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 Statement of Directors' Responsibilities the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

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 and whether the information given in the Directors' Report is consistent with the financial statements. We also report to you if, in our opinion, 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 other transactions is not disclosed.

We read the Directors' 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, except that the scope of our work was limited as explained below. 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 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. However, with respect to the completeness and accuracy of creditors the evidence available to us was limited due to incomplete records and we were unable to obtain sufficient appropriate audit evidence using other audit procedures.

In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF

OPPORTUNITY INVESTMENT MANAGEMENT PLC (*Continued*)

Qualified opinion arising from limitation in audit scope

Except for the financial effects of such adjustments, if any, as might have been determined to be necessary had we been able to satisfy ourselves as to the completeness and accuracy of creditors, 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 group's and the parent company's affairs as at 31 December 2006 and of the group's loss for the year then ended; and
- have been properly prepared in accordance with the Companies Act 1985.

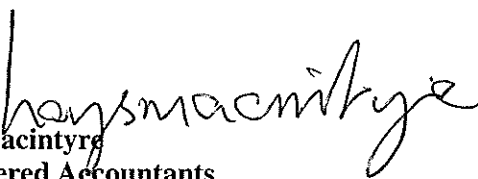
In respect solely of the limitation on our work relating to creditors:

- we have not obtained all the information and explanations that we considered necessary for the purpose of our audit; and
- we were unable to determine whether proper accounting records have been maintained.

Emphasis of matter - going concern

We have considered the adequacy of the disclosure made in the financial statements concerning the group's ability to continue as a going concern. The group recorded a loss of £2.285m for the year ended 31 December 2006 and at that date the group's balance sheet showed an overall deficit of £9.249m.

The company's shareholders continue to finance the company during its restructuring, however, these conditions, as explained in the Group Accounting Policies, indicate the existence of a material uncertainty which may cast doubt over the group's ability to continue as a going concern. The financial statements do not include the adjustments that would result if the group were unable to continue as a going concern.


haysmacintyre
Chartered Accountants
Registered Auditors

Fairfax House
15 Fulwood Place
London
WC1V 6AY

4 September 2008

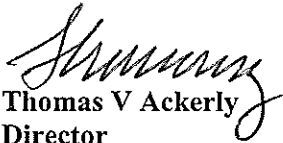
Opportunity Investment Management plc

Consolidated profit and loss account for the year ended 31 December 2006

	Notes	Total 2006 €'000	Total 2005 €'000
Turnover			
Existing operations	1,2	31,632	32,767
Cost of sales		<u>(30,906)</u>	<u>(15,714)</u>
Gross profit		<u>726</u>	<u>17,053</u>
Administrative expenses	5	(2,451)	(13,918)
Other operating income	3	<u>631</u>	<u>754</u>
Operating profit	5	(1,094)	3,889
Interest payable and similar charges	4	<u>(942)</u>	<u>(1,423)</u>
(Loss) / Profit on ordinary activities before taxation	5	(2,036)	2,466
Tax on (loss) / profit on ordinary activities	8	<u>(102)</u>	<u>230</u>
(Loss) / Profit on ordinary activities after taxation		(2,138)	2,696
Minority interests – equity		<u>(147)</u>	<u>(123)</u>
(Loss) / Profit for the financial year	20	<u>(2,285)</u>	<u>2,573</u>
Earnings per share			
Basic and diluted	11	€(0.40)	€0.53

All of the above results are derived from continuing activities.

The accompanying notes form an integral part of this consolidated profit and loss account.


Thomas V Ackerly
Director

Opportunity Investment Management plc

Consolidated statement of total recognised gains and losses for the year ended 31 December 2006

	Notes	2006 €'000	2005 €'000
(Loss) / Profit for the financial year		(2,285)	2,573
Charge to Revaluation Reserve	21	(96)	1,543
		<hr/>	<hr/>
Total recognised losses / gains relating to the year	21	(2,381)	4,116
		<hr/>	<hr/>

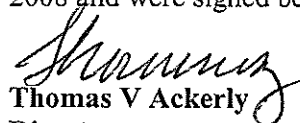
Opportunity Investment Management plc

Consolidated balance sheet at 31 December 2006

	Note	2006 €'000	2005 €'000
Fixed assets			
Intangible assets:			
Patents and trademarks	12	38	31
		<u>38</u>	<u>31</u>
Tangible assets	13	5,809	6,161
Investments	14	50	53
		<u>5,897</u>	<u>6,245</u>
Current assets			
Stocks	15	1,115	1,259
Debtors – due within one year	16	8,098	8,854
- due after one year	16	-	-
Cash at bank and in hand		641	538
		<u>9,854</u>	<u>10,651</u>
Creditors: amounts falling due within one year	17	(24,757)	(24,406)
		<u>(14,903)</u>	<u>(13,755)</u>
Net current liabilities			
		(14,903)	(13,755)
Total assets less current liabilities		(9,006)	(7,510)
Creditors: amounts falling due after more than one year	18	(133)	(143)
Minority interests – equity		(110)	37
		<u>(9,249)</u>	<u>(7,616)</u>
Net liabilities			
		(9,249)	(7,616)
Capital and reserves			
Called up share capital	19	802	711
Share premium account	20	43,812	43,155
Profit and loss account	20	(55,310)	(53,025)
Revaluation Reserve	20	1,447	1,543
		<u>(9,249)</u>	<u>(7,616)</u>
Equity shareholders' funds	21		
		(9,249)	(7,616)

The accompanying notes form an integral part of this consolidated balance sheet.

The financial statements were approved and authorised for issue by the Board of Directors on 4th September 2008 and were signed below on its behalf by:


Thomas V Ackerly
Director


Opportunity Investment Management plc

Company balance sheet at 31 December 2006

	Notes	2006 €'000	2005 €'000
Fixed assets			
Tangible assets	13	14	14
Investments	14	-	-
		<u>14</u>	<u>14</u>
Current assets			
Debtors			
- due within one year	16	25	25
- due after one year	16	245	246
Cash		40	4
		<u>310</u>	<u>275</u>
Creditors: amounts falling due within one year	17	(11,953)	(10,272)
Net current liabilities		<u>(11,643)</u>	<u>(9,997)</u>
Total assets less current liabilities		(11,629)	(9,983)
		<u> </u>	<u> </u>
Net (liabilities)/assets		<u>(11,629)</u>	<u>(9,983)</u>
Capital and reserves			
Called-up share capital	19	802	711
Share premium account	20	43,812	43,155
Profit and loss account	20	(56,243)	(53,849)
Equity shareholders' funds		<u>(11,629)</u>	<u>(9,983)</u>

The accompanying notes form an integral part of this consolidated balance sheet.

The financial statements were approved and authorised for issue by the Board of Directors on 4th September 2008 and were signed below on its behalf by:


Thomas V Ackerly
Director

Opportunity Investment Management plc

Consolidated cash flow statement for the year ended 31 December 2006

	Notes	2006 €'000	2005 €'000
Net cash inflow from operating activities	22	1,777	505
Returns on investments and servicing of finance	23	(942)	(1,423)
Taxation	23	(102)	230
Capital expenditure and financial investment	23	(424)	(438)
Cash inflow / (outflow) before financing		<u>309</u>	<u>(1,126)</u>
Financing	24	(206)	4,732
(Decrease) / increase in cash in the year		<u>(103)</u>	<u>3,606</u>

The accompanying notes form an integral part of this consolidated cash flow statement.

Opportunity Investment Management plc

Notes forming part of the financial statements for the year ended 31 December 2006

1 Accounting policies

A summary of the principal accounting policies, is set out below.

(a) Basis of accounting

The accounts have been prepared under the historical cost convention modified to include the revaluation of freehold land and buildings and in accordance with applicable accounting standards in the United Kingdom.

(b) Going concern basis of preparation

The financial statements have been prepared on a going concern basis on the assumption that the company will continue to receive financial assistance from its shareholders as and when required.

(c) Basis of consolidation

The Group accounts consolidate the accounts of Opportunity Investment Management plc and its subsidiary undertakings drawn up to 31 December 2006. The results of subsidiaries acquired or sold are consolidated for the periods from or to the date on which control passed. Acquisitions are accounted for under the acquisition method.

All subsidiary companies are consolidated in these accounts as set out in note 14.

Turnover

Turnover represents amounts receivable for goods and services provided in the normal course of business, net of trade discounts, VAT and other sales related taxes.

Revenue arising from software sales is only recognised on customer acceptance and services revenue is recognised rateably with its provision.

In respect of long-term contracts, turnover represents the value of the work carried out in the year, including amounts not invoiced.

Intangible assets – Goodwill

Goodwill arising on the acquisition of subsidiary undertakings and businesses, representing any excess of the fair value of the consideration given over the fair value of the identifiable assets and liabilities acquired, is capitalised and written off on a straight line basis over its useful economic life of five years. Provision is made for any impairment.

Intangible assets – Research and development

Research and development expenditure is written off as incurred as the expenditure does not satisfy the requirements for capitalisation of Statement of Standard Accounting Practice No. 13 – Accounting for Research and Development.

Intangible assets – Patents and trademarks

Patents and trademarks are included at cost and depreciated in equal annual instalments over a period of six years which is their estimated useful life. Provision is made for any impairment.

Opportunity Investment Management plc

Notes forming part of the financial statements for the year ended 31 December 2006 (*Continued*)

Accounting policies (*continued*)

Tangible fixed assets

Tangible fixed assets are stated at cost or valuation, net of depreciation and any provision for impairment. Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost or valuation, less estimated residual value, of each asset on a straight-line basis over its expected useful life, as follows:

Freehold land and buildings	25 years
Leasehold improvements	period of lease
Motor vehicles	4 years
Computer and office equipment	3 – 10 years
Other operating equipment	4 – 5 years

Residual value is calculated on prices prevailing at the date of acquisition or revaluation.

It is Group Policy to undertake full external valuation of all properties with sufficient regularity to ensure the carrying amount does not differ materially from that which would be determined using fair value at the end of the accounting period. The last full valuation was performed on 13 June 2005.

Investments

Except as stated below, fixed asset investments are shown at cost less provision for impairment.

Stocks and long-term contracts

Stocks are stated at the lower of cost and net realisable value. Cost includes materials, direct labour and an attributable proportion of manufacturing overheads based on normal levels of activity. Net realisable value is based on estimated selling price, less further costs expected to be incurred to completion and disposal. Provision is made for obsolete, slow-moving or defective items where appropriate.

Long-term contracts are accounted for using the percentage of completion method. Profits on individual contracts are taken only when their outcome can be assessed with reasonable certainty, based on the lower of the percentage margin earned to date and that forecast at completion. Full provision is made for all known or anticipated losses on individual contracts.

Taxation

Corporation tax payable is provided on taxable profits at the current rate.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date except that the recognition of deferred tax assets is limited to the extent that the company anticipates making sufficient taxable profit in the future to absorb the reversal of the underlying timing differences.

Deferred tax balances are not discounted.

Opportunity Investment Management plc

Notes forming part of the financial statements for the year ended 31 December 2006 (*Continued*)

1 Accounting policies (*continued*)

Foreign currencies

Transactions in foreign currencies are recorded at the rate of exchange at the date of the transaction or, if hedged, at the forward contract rate. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are reported at the rates of exchange prevailing at that date or, if appropriate, at the forward contract rate.

The results of overseas operations are translated at the average rates of exchange during the period and their balance sheets at the rates ruling at the balance sheet date. Exchange differences arising on translation of the opening net assets and results of overseas operations and on foreign currency borrowings, to the extent that they hedge the Group's investment in such operations, are dealt with through reserves. All other exchange differences are included in the profit and loss account.

Leases

Assets held under finance leases, where substantially all the benefits and risks of ownership are assumed, are capitalised in the balance sheet and are depreciated over their expected useful lives. The capital element of future obligations under such leases are included as liabilities in the balance sheet. The interest element of the lease payments is charged to the profit and loss account in proportion to the outstanding capital element of the total lease obligation.

Rentals under operating leases are charged on a straight-line basis over the lease term, even if the payments are not made on such a basis.

Pension costs

For defined contribution schemes the amount charged to the profit and loss account in respect of pension costs is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

Government grants

Government grants relating to current expenditure are credited to the profit and loss account as the related expenditure is incurred.

Functional currency

The greater part, by value, of the group's assets and liabilities are denominated in euros, and the group seeks to explore further opportunities in the field of building and technology industry. The Group's operating subsidiaries operate in Europe and so the Board considers the functional currency of the company and group to be euros.

Opportunity Investment Management plc

Notes forming part of the financial statements for the year ended 31 December 2006 (*Continued*)

2 Segment information

Analysis of business type

	Systems Solutions		Total Group	
	2006	2005	2006	2005
	€'000	€'000	€'000	€'000
Group turnover				
Existing operations:				
Total sales	31,632	32,767	31,632	32,767
Operating (loss)/ profit				
Existing operations	(1,094)	3,889	(1,094)	3,889
Group operating profit / (loss)			(1,094)	3,889
Net financial expenses			(942)	(1,423)
Loss / Profit on ordinary activities before taxation			(2,036)	2,466

Analysis of business type

	Systems Solutions		Total Group	
	2006	2005	2006	2005
	€'000	€'000	€'000	€'000
Net assets				
Existing operations	(9,139)	(7,653)	(9,139)	(7,653)
Minority interest			(110)	37
Total net assets			(9,249)	(7,616)

All group activities are located in Western Europe and there were no acquisitions in 2005 or 2006.

3 Other operating income

	2006	2005
	€'000	€'000
Other income	631	754

Opportunity Investment Management plc

Notes forming part of the financial statements for the year ended 31 December 2006 (*Continued*)

4 Finance charges (net)

	2006 €'000	2005 €'000
Interest payable and similar charges		
Bank loans and overdrafts	-	(321)
Other loans	(942)	(1,102)
Finance charges (net)	<u>(942)</u>	<u>(1,423)</u>

5 Loss on ordinary activities before taxation

	2006 €'000	2005 €'000
<i>Loss on ordinary activities before taxation is stated after charging:</i>		
<i>Depreciation of tangible fixed assets</i>		
- owned	514	577
- held under finance leases	-	33
Amortisation of patents and trademarks	31	33
Auditors' remuneration	15	15
	<u>560</u>	<u>658</u>

6 Staff costs

The average monthly number of employees (including executive directors) was:

	2006 Number	2005 Number
Service	208	214
Sales	39	45
Administration	44	51
	<u>291</u>	<u>310</u>

Their aggregate remuneration comprised:

	€'000	€'000
Wages and salaries	10,348	10,434
Social security costs	2,198	2,188
Other pension costs	-	30
	<u>12,546</u>	<u>12,652</u>

Opportunity Investment Management plc

Notes forming part of the financial statements for the year ended 31 December 2006 (*Continued*)

7 Directors' remuneration, interests and transactions

Aggregate remuneration

The total amounts for directors' remuneration and other benefits were as follows:

	2006 €'000	2005 €'000
Emoluments	<u>156</u>	<u>156</u>

Directors' interests

The directors who held office at 31 December 2006 had the following interests in the 10p ordinary shares of Opportunity Investment Management plc:

Name of director	At 31 December 2006	At 31 December 2005
	Number (10p shares)	Number (10p shares)
Mr. TV Ackerley	170,000	60,000
Mr. D Bovell	100,000	-

The following number of ordinary shares of 10p each were issued credited as fully paid to Firmament Investments Limited in respect of the provision of the services of Mr Bovell as Non-Executive Chairman and to Mr Ackerly in respect of his services as a director and Chief Executive Officer.

	To Firmament Investments Ltd	To Mr T Ackerly
27 January 2006	95,000	105,000
22 March 2006	5,000	5,000
2 February 2007	20,000	20,000
17 October 2007	100,000	100,000

Firmament Investments Limited and Mr. Ackerly were granted options exercisable at any time up to 31 December 2012 to subscribe for up to £10,000 nominal value ordinary shares for the greater of €25 for each £1 of nominal value or par.

8 Tax on loss on ordinary activities

(a) Analysis of tax charge / (credit) in the year

	2006 €'000	2005 €'000
<i>Current tax</i>		
UK corporation tax	-	-
Foreign taxation	102	(230)
	<u>102</u>	<u>(230)</u>

Opportunity Investment Management plc

Notes forming part of the financial statements for the year ended 31 December 2006 (*Continued*)

8 Tax on loss on ordinary activities (*continued*)

b) Factors affecting the tax charge / (credit) for the year

	2006 €'000	2005 €'000
Group Profit/ (loss) on ordinary activities before tax	(2,036)	2,466
Group Profit on ordinary activities before tax at 30%	(611)	740
<i>Effects of:</i>		
Expenses not deductible for the tax purposes	(509)	-
Amortisation of patents	-	33
Current tax loss	-	(1,003)
Total tax charge / (credit)	<u>102</u>	<u>(230)</u>

9 Loss attributable to Opportunity Investment Management plc

The loss for the year ended 31 December 2006 dealt with in the accounts of the parent Company, Opportunity Investment Management plc, was €2,394,000 (2005: €1,293,000) As permitted by Section 230 of the Companies Act 1985, no separate profit and loss account is presented in respect of the parent Company.

10 Dividends paid and proposed on equity shares

No dividends have been paid during the year and none are proposed (2005: €nil).

11 Earnings per share

The loss / profit calculations for earnings per share are based on the profit for the financial year of €2,285,000 (2005: profit of €2,573,000) and the weighted average number of shares in issue during the year, which are as follows:

	2006 Number of 10p shares	2005 Number of 10p shares
Weighted average number of shares:	5,841,606	4,898,576
(Loss)/Profit for the financial year	<u>(2,285)</u>	<u>2,573</u>
Basic and diluted	<u>€(0.39)</u>	<u>€0.53</u>

There is no diluting effect of share options as a result of losses incurred.

Opportunity Investment Management plc

Notes forming part of the financial statements for the year ended 31 December 2006 (*Continued*)

12 Intangible fixed assets – patents and trademarks

	Group €000	Company €000
Cost:		
At 1 January 2006	580	-
Additions	38	-
Disposals	(1)	-
At 31 December 2006	<u>617</u>	<u>-</u>
Amortisation:		
At 1 January 2006	549	-
Charge for the year	31	-
Written off	(1)	-
At 31 December 2006	<u>579</u>	<u>-</u>
Net book value:		
At 31 December 2006	<u>38</u>	<u>-</u>
At 31 December 2005	<u>31</u>	<u>-</u>

13 Tangible fixed assets

	Land and buildings €'000	Computer, office & other equipment €'000	Leasehold Improvements €'000	Group Total €'000	Company Computer & office equipment €'000
Cost or valuation:					
At 1 January 2006	6,006	2,069	222	8,297	72
Additions	-	386	-	386	-
Disposals	-	(847)	-	(847)	-
Reclassification	994	3,421	-	4,415	-
At 31 December 2006	<u>7,000</u>	<u>5,029</u>	<u>222</u>	<u>12,251</u>	<u>72</u>
Depreciation:					
At 1 January 2006	922	992	222	2,136	58
Charge for the year	161	353	-	514	-
Write off to revaluation reserve	116	-	-	116	-
Reclassification	994	3,421	-	4,415	-
Disposals	-	(739)	-	(739)	-
At 31 December 2006	<u>2,193</u>	<u>4,027</u>	<u>222</u>	<u>6,442</u>	<u>58</u>
Net book value:					
At 31 December 2006	<u>4,807</u>	<u>1,002</u>	<u>-</u>	<u>5,809</u>	<u>14</u>
At 31 December 2005	<u>5,084</u>	<u>1,077</u>	<u>-</u>	<u>6,161</u>	<u>14</u>

Opportunity Investment Management plc

Notes forming part of the financial statements for the year ended 31 December 2006 (Continued)

13 Tangible fixed assets continued

The freehold and leasehold properties were subject to a full revaluation by Schmidt & Partners, Independent Valuers, as at 13 June 2005. The valuation is on an "open market basis" in accordance with a yield index.

Under the historical cost basis, the freehold and leasehold properties would have been stated at cost of €7 million and a net book value of €5.084m.

14 Fixed asset investments

	Group Other investments €'000	Company Subsidiary undertakings €'000
Cost and net book value		
At 1 January 2006	53	-
Amounts written off	(3)	-
At 31 December 2006	50	-
At 31 December 2005	53	-

Group

Subsidiary undertakings

The Company and the Group had investments in the following subsidiary undertakings which principally affect results or net assets of the Group:

Subsidiary undertakings	Country of Incorporation	Principal activity	Group holding %
Algo Vision Communication A.G.	Switzerland	Holding Company	100
Algo Vision Systems GmbH	Germany	Holding Company	100
My Sparta AG Bilanz	Germany	Software development and sales	100
G. Fleischhauer Ingenieur-Büro GmbH & Co KG	Germany	Systems installation	80

All subsidiary undertakings have been included in the consolidated accounts.

G Fleischhauer Ingenieur-Büro GmbH & Co KG has taken advantage of the exemption conferred under SS264(b) HGB of German Company Law from producing separate financial statements in Germany.

The share capital of German private limited companies is not divided into a specified number of shares with a nominal value per share; rather a nominal value is attributed to the total proportion of a shareholder's investment in the capital of a company.

Opportunity Investment Management plc

Notes forming part of the financial statements for the year ended 31 December 2006 (*Continued*)

15 Stocks

	31 December 2006		31 December 2005	
	Group €'000	Company €'000	Group €'000	Company €'000
Raw materials and consumables	1,115	-	1,259	-
	<u>1,115</u>	<u>-</u>	<u>1,259</u>	<u>-</u>

There is no material difference between the balance sheet value of stocks and their replacement cost.

16 Debtors

	31 December 2006		31 December 2005	
	Group €'000	Company €'000	Group €'000	Company €'000
Amounts falling due within one year:				
Trade debtors	6,625	-	7,443	-
Other debtors	917	13	796	13
Prepayments	556	12	615	12
	<u>8,098</u>	<u>25</u>	<u>8,854</u>	<u>25</u>
Amounts falling due after more than one year:				
Amounts owed by Group undertakings	-	245	-	246
	<u>-</u>	<u>245</u>	<u>-</u>	<u>246</u>
Total debtors	<u>8,098</u>	<u>270</u>	<u>8,854</u>	<u>271</u>

Opportunity Investment Management plc

Notes forming part of the financial statements for the year ended 31 December 2006 (*Continued*)

17 Creditors: amounts falling due within one year

	31 December 2006		31 December 2005	
	Group €'000	Company €'000	Group €'000	Company €'000
Loans	15,697	8,235	16,651	7,939
Trade creditors	4,263	813	2,976	813
Amounts owed to Group undertakings	-	447	-	349
Taxation and social security	-	19	19	19
Other creditors	2,584	1,307	2,193	23
Accruals and deferred income	2,213	1,132	2,567	1,129
	<u>24,757</u>	<u>11,953</u>	<u>24,406</u>	<u>10,272</u>

Other creditors included in the Group and Company balance sheet at 31st December 2006 above includes a provision for €1.27m in respect of legal settlement due to the landlord of property in Bremen, Germany.

18 Creditors: amounts falling due after more than one year

	31 December 2006		31 December 2005	
	Group €'000	Company €'000	Group €'000	Company €'000
Other amounts:				
Other creditors	<u>133</u>	<u>-</u>	<u>143</u>	<u>-</u>
	<u>133</u>	<u>-</u>	<u>143</u>	<u>-</u>

Opportunity Investment Management plc

Notes forming part of the financial statements for the year ended 31 December 2006 (*Continued*)

19 Called-up share capital

Authorised	2006 Number	2005 Number	2006 €'000	2005 €'000
Ordinary shares of 10p each	250,000,000	250,000,000	3,546	3,546
Redeemable preference shares of £1	20,000,000	20,000,000	28,365	28,365
<hr/>				
Allotted, called up and fully paid	2006 Number	2005 Number	2006 €'000	2005 €'000
Ordinary shares of 10p each	5,841,606	4,898,576	802	711
Redeemable preference shares of £1	-	-	-	-
<hr/>				
			Nominal value €'000	Share premium €'000
At 1 January 2006			711	43,155
Subscriptions			91	657
<hr/>				
At 31 December 2006			802	43,812

On 26 January 2006 95,000 ordinary shares of 10p each and on 22 March 2006 5,000 ordinary shares of 10p each were issued credited as fully paid to Firmament Investments Limited in respect of the provision of the services of Mr Bovell as Non-Executive Chairman. On 26 January 2006 105,000 ordinary shares of 10p each and on 22 March 2006 5,000 ordinary shares of 10p each were issued credited as fully paid to Mr Ackerly in respect of his services as a director and Chief Executive Officer.

On 26 January 2006, 40,000 ordinary shares of 10p each, 20,000 ordinary shares of 10p each and 40,000 ordinary shares of 10p each were issued at par to Knowledge Planning Corporation, Powers Micheaux Limited and Rainer Bartsch respectively in relation to consultancy services provided to the Company.

On 26 January 2006, 484,837 ordinary shares of 10p each were issued to Quivest BV at a value of €1.50 per share.

On 10 April 2006, 148,193 ordinary shares of 10p each were issued to Concordimo NV at par in settlement of a damages claim by Concordimo.

At the balance sheet date, all options granted under the Management Option Scheme to subscribe for ordinary shares of the Company had lapsed.

Opportunity Investment Management plc

Notes forming part of the financial statements for the year ended 31 December 2006 (*Continued*)

19 Called-up share capital (*Continued*)

Further options to subscribe for the ordinary shares of the Company are as follows; options granted in respect of 1p shares have been restated as options to subscribe for 10p shares:

Option holder	Number of shares under option	Subscription price Per share US\$	Exercise period
Mr Leo Westermeyer Mercurius	12,500	10.00	12 months from admission
Beleggingsmaatschappij B.V. Mercurius	12,500	10.00	12 months from admission
Beleggingsmaatschappij B.V.	40,000	8.50	24 months from admission
Total	65,000		

Warrants to subscribe for the ordinary shares of the Company are as follows; options granted in respect of 1p shares have been restated as options to subscribe for 10p shares:

Warrant holder	Number of shares under warrant	Subscription price Per share US\$	Exercise period
The Reference Group N.V.	196,136	20.00	From admission to 31 July 2007
PPS.COM	3,864	20.00	From admission to 31 July 2007
Mr Ben Caudron	8,448	10.00	From admission to 31 July 2007
Mr Johan Caudron	10,452	10.00	From admission to 31 July 2007
Mr Rudi van den Bossche	8,571	10.00	From admission to 31 July 2007
Artuand bvba	8,571	10.00	From admission to 31 July 2007
JEEVES Consulting Mercurius	52,263	10.00	From admission to 31 July 2007
Beleggingsmaatschappij B.V. Mercurius	200,000	5.00	24 months from admission 22 December 2004 to 21 December 2009
Beleggingsmaatschappij B.V. B.V.BA Wasted Brain Factory	250,000 2,105	2.00 10.00	From admission to 31 July 2007
B.V.BA Platanus	4,210	10.00	From admission to 31 July 2007
Mr Johan Caudron	4,181	10.00	27 June 2003 to 31 July 2007
Parklane Holding B.V.	20,000	5.00	6 months from admission
Parklane Holding B.V.	20,000	6.00	7 months from admission
Parklane Holding B.V.	20,000	6.00	8 months from admission
Parklane Holding B.V.	20,000	14.00	9 months from admission
Parklane Holding B.V.	20,000	14.50	10 months from admission
Parklane Holding B.V.	20,000	9.00	11 months from admission
Parklane Holding B.V.	20,000	8.00	12 months from admission
Parklane Holding B.V.	20,000	6.80	12 months from admission
Parklane Holding B.V.	40,000	10.00	6 months from admission
Parklane Holding B.V.	40,000	12.50	6 months from admission
Parklane Holding B.V.	140,000	22.50	6 months from admission
Parklane Holding B.V.	200,000	2.00	12 months from admission
Parklane Holding B.V.	200,000	5.00	12 months from admission
Parklane Holding B.V.	50,000	5.00	24 months from admission
Parklane Holding B.V.	120,000	7.50	24 months from admission
Total	1,698,801		

Opportunity Investment Management plc

Notes forming part of the financial statements for the year ended 31 December 2006 (*Continued*)

Certain options and warrants to subscribe for ordinary shares of the Company require approval for listing from the Belgian Banking and Finance Commission, the CBFA, and Euronext. Until such shares are approved and admitted to trading, the exercise period of the underlying option or warrant cannot be stated precisely.

20 Reserves

	Revaluation Reserve €'000	Share Premium Account €'000	Profit and Loss account €'000	Total €'000
Group:				
At 1 January 2006	1,543	43,155	(53,025)	(8,327)
Loss for the financial year	-	-	(2,285)	(1,008)
Share issues		657	-	657
Surplus on revaluation	(96)	-	-	(96)
At 31 December 2006	<u>1,447</u>	<u>43,812</u>	<u>(55,310)</u>	<u>(8,774)</u>
		Share Premium Account €'000	Profit and Loss account €'000	Total €'000
Company:				
At 1 January 2006		43,155	(53,849)	(10,694)
Share issues		657	-	657
Loss on foreign currency translation		-	-	-
Loss for the financial year		-	(2,394)	(2,394)
At 31 December 2006		<u>43,812</u>	<u>(56,243)</u>	<u>(12,431)</u>

21 Reconciliation of movement in Group shareholders' funds

	2006 €'000	2005 €'000
(Loss) / profit for the financial year	(2,285)	2,573
Other recognised gains and losses relating to the year (net)	(96)	1,543
	<u>(2,381)</u>	<u>4,116</u>
New shares issued	748	-
Net addition to shareholders' funds	(1,633)	4,116
Opening shareholders' funds	(7,616)	(11,732)
Closing shareholders' funds	<u>(9,249)</u>	<u>(7,616)</u>

Opportunity Investment Management plc

Notes forming part of the financial statements for the year ended 31 December 2006 (*Continued*)

22 Reconciliation of operating loss to operating cash flows

	2006	2005
	€'000	€'000
Operating (loss) / profit	(1,094)	3,889
Depreciation charges	514	610
Amortisation of intangibles	31	33
Decrease in stocks	144	49
Decrease in debtors	756	63
Increase/(decrease) in creditors	1295	(3,807)
Other non-cash adjustments	131	(332)
Net cash inflow from continuing operations	<u>1,777</u>	<u>505</u>

23 Analysis of cash flows

	2006	2005
	€'000	€'000
Returns on investments and servicing of finance:		
Interest paid	(942)	(1,423)
Net cash flow	<u>(942)</u>	<u>(1,423)</u>

	2006	2005
	€'000	€'000
Taxation:		
Overseas taxation	(102)	230

	2006	2005
	€'000	€'000
Capital expenditure and financial investment:		
Purchase of tangible fixed assets	(424)	(435)
Purchase of financial assets	-	(3)
Net cash flow	<u>(424)</u>	<u>(438)</u>

	2006	2005
	€'000	€'000
Financing:		
Issue of ordinary share capital	748	-
(Decrease) / Increase in loans	(954)	4,779
Finance lease instalments paid	-	(47)
Net cash flow	<u>(206)</u>	<u>(4,732)</u>

Opportunity Investment Management plc

Notes forming part of the financial statements for the year ended 31 December 2006 (*Continued*)

24 Analysis and reconciliation of net debt

	As at 1 January 2006 €'000	Cash flow €'000	As at 31 December 2006 €'000
Cash in hand, at bank	<u>538</u>	<u>103</u>	<u>641</u>
Cash	<u>538</u>	<u>103</u>	<u>641</u>
Bank and Other loans	<u>(16,651)</u>	<u>954</u>	<u>(15,697)</u>
Net debt	<u>(16,113)</u>	<u>1,057</u>	<u>(15,056)</u>