



Lighthouse International Company S.A.

Annual accounts
for the period from June 27, 2003
(date of incorporation) to December 31, 2003

(with report of the "Commissaire aux comptes" thereon)



Audit

31, Allée Scheffer
L-2520 Luxembourg

Téléphone +352 22 51 51 1
Téléfax +352 22 51 71

Internet www.kpmg.lu
E-mail audit@kpmg.lu

To the Shareholders of
Lighthouse International Company S.A.
3, rue du Fort Reinsheim
L-2419 Luxembourg

REPORT OF THE "COMMISSAIRE AUX COMPTES"

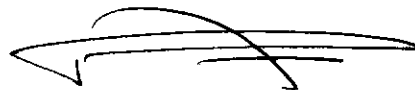
Following our appointment by the general meeting of Shareholders held on June 27, 2003, we have audited the accompanying annual accounts of Lighthouse International Company S.A. for the period from June 27, 2003 (date of incorporation) to December 31, 2003. These annual accounts are the responsibility of the Board of Directors. Our responsibility is to express an opinion on these annual accounts based on our audit.

We conducted our audit in accordance with International Standards on Auditing. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the annual accounts are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the annual accounts. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall annual accounts presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the attached annual accounts give, in conformity with Luxembourg legal and regulatory requirements, a true and fair view of the financial position of Lighthouse International Company S.A. as at December 31, 2003 and of the results of its operations for the period then ended. We therefore recommend their approval.

Luxembourg, March 26, 2004

KPMG Audit
Réviseurs d'Entreprises



Ph. Meyer





Lighthouse International Company S.A.

Balance sheet
as at December 31, 2003
(expressed in euro)

	Notes	2003
ASSETS		
Formation expenses	2.3	6.846
Current assets		
Cash at bank and in hand		25.060
Prepayments		5.975
Loss for the financial period	3	<u>14.537</u>
Total assets		<u>52.418</u>
LIABILITIES		
Capital	3	31.000
Creditors (becoming due and payable within one year)		<u>21.418</u>
Total liabilities		<u>52.418</u>

The accompanying notes form an integral part of these annual accounts.



Lighthouse International Company S.A.

Profit and loss account
for the period from June 27, 2003 (date of incorporation)
to December 31, 2003
(expressed in euro)

**Period from
June 27, 2003
to December 31, 2003**

CHARGES

External charges	13.719
Value adjustment in respect of formation expenses	904
Interest payable and similar charges	<u>131</u>
	<u>14.754</u>

INCOME

Interest receivable and similar income	217
Loss for the financial period	<u>14.537</u>
	<u>14.754</u>



Lighthouse International Company S.A.

Notes to the annual accounts
as at December 31, 2003

1 General

Lighthouse International Company S.A. (the "Company") was incorporated on June 27, 2003 as a limited liability company "société anonyme".

The Company is established for an unlimited period.

The registered office of the Company is at 3, rue du Fort Reinsheim, L-2419 Luxembourg and the Company is registered with the Register of Commerce of Luxembourg under the section B number 94.548.

The purpose of the Company is to borrow money or issue bonds or other debt securities of any description (and with or without collateral) and to on lend the proceeds of such borrowings or issuances to SOCIETE DE PARTICIPATIONS SILVER S.A., or any other company belonging to the same group, and any of its successors or assigns, and to grant a security interest in such proceeds loan, and to do all such other things as may be considered incidental or conducive to any of the above-mentioned actions, it being understood that the Company will only enter into any such financing transactions for the benefit of one designated company, or any other company belonging to the same group, and any of its successors or assigns.

The Company's financial year begins on the first day of January and terminates on the last day of December.

2 Significant accounting policies

2.1 *Basis of presentation*

The annual accounts of the Company are prepared in accordance with current Luxembourg legal and regulatory requirements, in particular the law of May 4, 1984 which transposed the European Community Fourth Directive.

2.2 *Bases of conversion for items originally expressed in foreign currency*

The Company maintains its accounting records in euro ("EUR") and the balance sheet and profit and loss account are expressed in this currency.

Income and charges are translated at the exchange rates ruling at the transaction date.

Fixed assets are valued using the historical exchange rates.

Other current assets and liabilities expressed in foreign currencies are translated into euro at the rates of exchange in effect at the balance sheet date.

Realised exchange gains and losses and unrealised exchange losses are recognised in the profit and loss account.



Lighthouse International Company S.A.

Notes to the annual accounts
as at December 31, 2003
(continued)

2.3 **Formation expenses**

Expenses relating to the creation of the Company are recorded under the formation expenses item.

Formation expenses are amortised on a straight-line basis at an annual rate of 20%.

2.4 **Creditors**

Creditors are recorded at their nominal value.

3 **Subscribed capital**

As at June 27, 2003, the Company was incorporated with a capital of EUR 31.000 represented by 15.500 shares with a nominal value of EUR 2.

The net equity of the Company as at December 31, 2003 can be detailed as follows:

Subscribed capital	31.000
Loss for the financial period	<u>(14.537)</u>
	<u>16.463</u>

4 **Legal reserve**

Under Luxembourg law, the Company must appropriate annually at least 5% of its statutory net profits to a legal reserve until the aggregate reserve equals 10% of the subscribed share capital. Such reserve is not available for distribution.

5 **Off balance sheet financial commitments**

The Company benefits from an undrawn long-term loan facility for an amount up to EUR 1.150.000.000 as at December 31, 2003 from the following banks:

■ Barclays Bank Plc	EUR 247.250.000
■ BNP Paribas	EUR 247.250.000
■ Credit Suisse First Boston London Branch	EUR 290.600.000
■ The Royal Bank of Scotland	EUR 247.250.000
■ Credit Suisse First Boston International	EUR 117.650.000

The Company has granted long-term subordinated loan facilities for a cumulated maximal amount of EUR 1.150.000.000 as at December 31, 2003 to the group companies incorporated in Italy that SUB SILVER S.A. nominates to be the borrower.

All expenses related to this arrangement are contractually supported by the ultimate beneficiaries.