

#### For the attention of Mr David Mc Donagh

iTunes S.à r.l. 31-33, rue Sainte Zithe L-2763 Luxembourg

Luxembourg, 22 May 2012

Our Reference: E805E2373\_LTPA\_JSRN\_DLFO\_22052012

iTunes S.à r.l. – Tax number: 2004 2410 617 Corporate tax returns for the year 2011

Dear Mr Mc Donagh,

We refer to the Service Order dated 2 November 2011 and the related addendum dated 8 February 2012 signed by Carsten Dierksen and are pleased to provide you with the original corporate tax returns for the taxable year 2011 along with a copy for your records. These returns were prepared on the basis of the information put at our disposal.

Page 8 of the original corporate income tax return and page 1 of the tax credit for investment must be signed by a legal representative of the company. The signed returns must then be sent to the following address:

#### **Administration des Contributions Directes**

Bureau d'imposition – Sociétés V 18, rue du Fort Wedell L-2982 Luxembourg

In addition, could you please send us a copy of the tax assessments for the taxable year 2011 as soon as you receive them, so that we can verify that they match the filed returns?

Please note that if it is necessary to file an appeal against the assessments, the latter has to be introduced within the legal term of **three months** after receipt of the assessments.

With respect to these corporate tax returns, we would like to draw your attention on the following items:

#### 1. Corporate Income Tax (CIT) and Municipal Business Tax (MBT)

Based on the 2011 financial statements, the company realized a commercial profit amounting to EUR 63,559,665. This result has to be adjusted by the non deductible tax charges (EUR 26,603,081). Consequently, the taxable basis of the company should amount to EUR 90,162,746.



The company should benefit from a tax credit for investment amounting to EUR 13,710. This tax credit reduces the CIT due for the year.

The company should therefore be liable to a CIT of EUR 19,867,165 and a MBT of EUR 6,084,801 for the fiscal year 2011.

As mentioned in the 2010 tax file, we would like to draw your attention to the fact that some of the investments could be eligible to a tax credit for investment (i.e. acquisition of hardware) but we had to exclude them as the amortization period was less than three years. Indeed, article 152bis of the Luxembourg Income Tax Law states that all investments made by Luxembourg tax payers in depreciable tangible assets (except in buildings) are eligible to the tax credit provided that they are depreciated over a period of at least three years. As a consequence we would recommend you to reconsider the amortization period of all your investments in hardware in the future to be able to benefit from this tax credit.

Furthermore, we noted that the depreciation table does not totally match with the note 3 "Fixed assets" of the annual accounts (e.g. total of the acquisition cost, total of the acquisitions of the year,...). Therefore, please note that the tax administration could request additional information about these differences.

#### 2. Net Wealth Tax (NWT)

As a general rule, the NWT basis is the "unitary value" of the company on 1 January each year. The unitary value is determined by the difference between the assets and the liabilities against third parties.

According to our computation and as confirmed by the tax authorities, the unitary value of the company as of 1 January 2011 should amount to EUR 85,014,000. Consequently, the company should be liable to a NWT of EUR 425,070 for the year 2011.

As for the previous years, we have assumed that you intend to benefit from the NWT reduction for the year 2011. We remind you that in order to benefit from this reduction, the company has to create a special reserve amounting to five times the NWT due for the year (i.e. EUR 2,125,350 to be created in the 2012 accounts). Moreover, the company has to keep this special reserve in the accounts during five years following the accounting year of reduction (i.e. until 24 September 2016).

Please note that if those conditions are not fulfilled, the NWT will be due to the Luxembourg authorities.

For the determination of the unitary value for the year 2012 (based on the accounts as at 24 September 2011), please note that we have not deducted the deferred income of EUR 161,833,999 as we understand that this amount does not constitute liabilities to third parties. We understand it relates to actual sales which are deferred in the income statement of future years (see e-mail of Mrs Maeve Hoey dated 9 May 2012). This should however not change the NWT position of the company, i.e. no NWT should be due for 2012<sup>1</sup>.

#### 3. Chamber of Commerce

We would like to inform you that the contribution to the "Chambre de Commerce" for the year 2013, which is computed on the 2011 CIT basis before tax losses, if any, should amount to EUR 158,163.

<sup>&</sup>lt;sup>1</sup> Provided that the CIT charge for 2012 will be at least equal to the theoretical NWT charge (KEUR 1 550) and that a special reserve of five times this amount will be constituted in the accounts of fiscal year 2013.



#### 4. Remarks

- We understand that no transfer pricing study has been performed for the Luxembourg company
  and that no advance pricing agreement has been discussed with the Luxembourg tax authorities.
  We recommend you to collect as much documentation as possible in order to provide the
  Luxembourg tax authorities with the most appropriate information, in case they raise some specific
  questions.
- We have assumed that the arm's length principle has been respected regarding the transactions between related parties realised in 2011.
- We understand that no director's fees were paid to the members of the Board of Directors.

Based on the above mentioned comments, we estimate the tax charge for the year 2011 as follows:

| Amounts in EUR   | Estimated tax charges   | Accounted tax charges | Difference               |
|--|-------------------------|-----------------------|--------------------------|
| Corporate Income Tax (CIT)<br>Municipal Business Tax (MBT) | 19,867,165<br>6,084,801 | 25,965,685            | 6,098,520<br>(6,084,801) |
| Net Wealth Tax (NWT) (*)                                   | 0,064,601               | 0<br>0                | (0,004,001)              |
| Total  | 25,951,966              | 25,965,685            | (13,719)                 |

(\*) Taking into account the NWT reduction

We remain at your entire disposal if you need any further information.

Yours sincerely,

Fabien Hautier

Partner

Laurent Paquet Director

Tax number: 2004 2410 617

Tax file 2011

(Tax year from 26 September 2010 to 24 September 2011)



Tax number: 2004 2410 617

### Tax file 2011

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Appendix 3 Detail of some items in the balance sheet

Appendix 4 Detail of some items in the profit and loss account

Appendix 5 Detail of the tax accounts

Appendix 6 Detail of the acquisitions of the period

Appendix 6a Computation of the tax credit for investment 2011

Appendix 6b Depreciation table as at 24 September 2011



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| Tax office: | Sociétés V | iTunes S.à r.l.         |  |
|-------------|------------|-------------------------|--|
|             |            | 31-33, rue Sainte Zithe |  |
|             |            | L-2763 Luxembourg       |  |

# Corporate income tax and municipal business tax return for the year 2011

The sending of this form should be considered as an invitation to the taxpayer to submit an income tax return for the year 2011. It must be submitted to the appropriate tax office by 31 May 2012 at the latest.

The tax return must be submitted and signed by the legal representative. Details of the calculation of net income have to be attached to the tax return. Income which, in the opinion of the taxpayer, is not liable to taxation must also be declared. The decision concerning the taxability of this income is taken by the Direct Tax Authority. Any inaccurate or incomplete information may give rise to penalties.

The Administration may compel the taxpayer by means of fines to submit a declaration (paragraph 202 A.O.). In the event of a failure to respect the submission deadline the administration is entitled to apply a surcharge of up to 10% of the final tax amount (paragraph 168 A.O.).

|      | (paragraph 168 A.O.).                                |            |            | to apply a suit   | eage of up to 1070 of the infantax amount |                |
|------|--|------------|------------|-------------------|---|----------------|
| Line | I. General information                               |            |            |                   |   |                |
| 1    | Name of the company or collective entity:            |            |            |                   |   |                |
|      | iTunes S.à r.l.                                      |            |            |                   |   |                |
| 2    | Head office (full address):                          | -          |            |                   |   |                |
|      | 31-33, rue Sainte Zithe L-2763 Luxem                 | bourg      |            |                   |   |                |
| 3    | Registered office (full address):                    | F          |            |                   |   |                |
|      | 31-33, rue Sainte Zithe L-2763 Luxem                 | bourg      |            |                   |   |                |
| 4    | Telephone:   |            |            |                   |   |                |
|      |  |            |            |                   |   |                |
| 5    | Legal representative (forename, name, address        | 3):        |            | -                 |   |                |
|      | Management of the company                            | _          |            |                   |   |                |
| 6    | Telephone:   |            |            |                   |   |                |
|      |  |            |            |                   |   |                |
| 7    | Object of the enterprise:                            |            |            |                   |   |                |
|      | Sale and distribution of multimedia pro              | ducts viz  | the intern |                   |   |                |
| 8    | Beginning of the financial year:                     |            |            | Closing of the    | ne financial year:                        |                |
|      | 26/09/2010   |            |            |                   | 24/09/2011                                |                |
| 9    | Name of the person or firm that helped to draw       | up the dec | claration: |                   |   |                |
|      | PricewaterhouseCoopers S.à r.l.                      |            |            |                   |   |                |
| 10   | Full address:  |            |            |                   | Telephone:                                |                |
|      | 400, route d'Esch - BP 1443 à L - 1014 l             | Luxembo    | urg        |                   | 49 48 48 - 1                              |                |
| 11   | Bank account of the collective entity (IBAN code     | e):        |            | SWIFT             | T/BIC:                                    |                |
|      |  |            |            |                   |   |                |
|      |  |            | F          |                   |   |                |
|      |  |            | 440        | al use only       | Non-resident                              | T <sub>2</sub> |
|      | Normal assessment  Case 0 with no assessment details | 120 X      | 442        | intis.<br>Ur<br>V | indi-lesidetii                            |                |
|      | No assessment issued                                 | 127        | 447        |                   | Relevant municipality                     |                |
|      | No assessment or statement issued                    | 128        | 448        |                   |   |                |
|      |  |            |            | assessment        | amended                                   |                |
|      | Final assessment                                     | 4          | 100        | 3 = 8 100 2       | 2 acceement                               |                |

|      | Γ  | Amount     | 1)   | , (1.1.)<br> |
|------|--|------------|--|--------------|
| Line | II. Taxable income   |            |  |              |
| 40   |  |            | · · · · · · · · · · · · · · · · · · ·  |              |
| 12   | Profit/loss according to commercial balance sheet (excluding profits carried forward from the previous year)   | 63 559 665 |  | 0010         |
|      | (excluding provide carried forward from the previous year)   | 03 337 003 |  | 0010         |
| 13   | Profit/loss according to fiscal balance sheet  |            |  | 0020         |
|      | Tolloos according to listal balance sheet  |            |  |              |
| 14   |  |            | 2  |              |
| 17   | Add the following amounts provided that they have reduced or are   |            |  | ig<br>Take   |
|      | not included in the balance sheet result.  |            | d.   |              |
|      |  |            | Billion Status Salas Salas<br>Salas Salas Sa |              |
| 15   | Disallowed or excessive depreciation for wear and tear or reduction in substance   |            |  | 0030         |
|      |  |            |  |              |
| 16   | Deductions for disallowed or excessive depreciation or provisions  |            |  | 0040         |
|      |  |            |  |              |
| 17   | Allocation to the reserves (details attached)  |            | J. Escape  | 1 000        |
| 40   |  |            |  |              |
| 18   | Hidden profit distribution   |            |  | 1 010        |
| 40   |  |            |  | la.          |
| 19   | Expenses for fulfilling obligations imposed by the statutory commitments or by the social pact   |            |  | 1 020        |
|      |  |            |  | 1 020        |
| 20   | Remunerations of any kind paid to directors, statutory auditors or to  |            |  |              |
|      | persons exercising similar functions, to the extend that such remunerations are not  |            | i.   |              |
|      | granted for the day-to-day management of the company or the collective entity (including   |            |  |              |
|      | accommodation costs, travel and other expenses, provided that they exceed in   |            |  |              |
|      | each individual case the expenses associated with these functions)   |            |  | 1 030        |
|      |  |            |  |              |
| 21   | Fines under the terms of Article 12, no 4 L.I.R.   |            |  | 1 040        |
|      |  |            |  |              |
| 22   | Withholding tax of 15% on Luxembourg income from capital (details attached)  |            |  | 1 050        |
|      |  |            |  |              |
| 23   | Foreign withholding tax creditable under a double tax treaty or under the terms of Article 134 bis L.I.R.  | :          | ·  | 4 000        |
|      | or under the terms of Article 134 bis L.I.K.   |            | Very   | 1 060        |
| 24   | Tay are dite on fermion dividends  |            |  | 1 070        |
| 24   | Tax credits on foreign dividends   |            |  |              |
| 25   | Withholding tax on directors fees  | İ          |  | 1 080        |
| 20   | VAIGHINGIGHING TOWN OF THE CONTROL O |            |  |              |
| 26   | Non-deductible taxes   |            |  | ħ.           |
| 27   |  | 26 603 081 |  | 1 090        |
|      | a) Corporate income tax see appendix 5   | 20 000 001 | Par in la  |              |
| 28   | b) Withholding tax on income from capital  |            |  | 1 100        |
|      |  |            |  |              |
| 29   | to be carried forward:   | 90 162 746 | <u> </u>   |              |

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|      | Į.  | Amount     | 1)          |
|------|---|------------|-------------|
| Line | Carried forward:  | 90 162 746 |             |
| 30   | c) Net worth tax  |            |             |
| 31   | d) Municipal business tax   |            |             |
| 32   | e) Non-deductible foreign taxes   |            |             |
| 33   | f) Late-payment interest on the taxes mentioned in a) - d)  |            |             |
| 34   | g) Other non-deductible taxes (please specify)  |            |             |
|      | Loss made by a permanent establishment in a country with a double tax treaty with Luxembourg (details attached)   |            |             |
|      | Loss on foreign assets in a country with a double tax treaty with Luxembourg (details attached)   |            |             |
|      | Expenses incurred for religious, charitable or public interest purposes, including donations under the terms of Article 109, paragraph 1 no 3 L.I.R. (see also line 80 of the return) |            |             |
| 38   |   |            |             |
| 39   |   |            |             |
| 40   |   |            | 1811 - 1811 |
| 41   |   |            |             |
| 42   |   |            |             |
| 43   | Sub-total to be carried forward:  | 90 162 746 |             |
|      |   |            |             |
| 44   | Deduct the following income provided that it has increased the balance sheet result:  Amount  |            |             |
| 45   | Exempt income from substantial participations (details attached)  |            | 17. (AR.2)  |
| 46   | - Operating expenses with an economic link to these participations (details attached)   |            |             |
| 47   | Sub-total: 0  | 0          |             |
|      | Exempt income under the terms of Article 115 no 15a L.I.R. (details attached)   |            |             |
| 49   | - Operating expenses with a link to this income (details attached)  |            |             |
| 50   | Sub-total: 0  | 0          |             |
| 51   | to be carried forward:  | 90 162 746 |             |

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|----------|---|--|------------|---|-----------|
|          |   |  | Amount     | 1).                                     |           |
| Line     |   | Carried forward:                       | 90 162 746 |   | - 1       |
| 52       | Adjustments of depreciation   |  |            |   | 1 670     |
| 53       | Refund and cancellation of provisions for non deductible taxes  |  |            |   |           |
| 54       | a) Corporate income tax   |  |            |   | 1 690     |
| 55       | b) Tax on income from capital   |  |            |   | 1 700     |
| 56<br>57 | c) Net worth tax  | · · · · · · · · · · · · · · · · · · ·  |            |   | 1 710     |
| 58       | d) Municipal business tax e) Miscellaneous non-deductible taxes   |  |            |   | 1 800     |
|          | ·   |  |            |   | 1 720     |
| 59       | Profit made by a permanent establishment in a country with a double tax tre with Luxembourg (details attached)  | aty                                    |            |   | 1 730     |
| 60       | Other income exempt in Luxembourg under the terms of a double tax treaty (details attached)   |  |            |   | 1 740     |
|          |   |  |            |   |           |
|          | Other deductions  |  |            | l y - 885                               |           |
|          | Valuations that do not comply with the law (e.g. valuation exceeding the acc  | i i                                    |            | T. W. 1989.                             | 1 750     |
|          | Exemptions for new businesses and manufacturing processes (details attac  |  |            |   | 1 820     |
| 64       | Partial exemption or deduction under the terms of Article 50bis L.I.R. for inc  | ome generated by                       |            |   | See See   |
|          | certain types of intellectual property  |  |            | .31                                     | 1 830     |
| 65       |   |  |            | 7.00 3.00 3.00 3.00 3.00 3.00 3.00 3.00 | 7 020     |
| 66       |   |  |            |   | 7 020     |
| 67       |   |  |            | Xe: N gr                                | 7 020     |
| 68       | Profit to repo  | rt to page 6, line 105 <sup>5)</sup> : | 90 162 746 |   | 1 900     |
| 69       | Total of the <u>carried forward losses</u> of the parent company or the subsidiary before admission of the group of companies to the tax consolidation: | for the years                          |            | 1. %                                    | <br>1004- |
|          | at the beginning of the year allocation of the year at the en   | d of the year                          |            |   |           |
| Ì        |   | 0                                      | 0          |   |           |
| 70       | Tax consolidation (article 164bis L.I.R.)   |  |            | · .                                     |           |
|          |   |  |            | vi                                      |           |
| 71<br>72 | (lines 72, 160-165 to fill out in the parent company's return):  Transfert of the fiscal result of the subsidiary(ies) 6)                               |  |            |   |           |
| ′′       |   |  |            |   | 1 904     |
| 73       | (lines 74, 160-167 to fill out in the subsidiary's return) :  |  |            | Jii<br>L                                |           |
| 74       | Transfert of the fiscal result to the parent company or the permanent e deduction of the above-mentioned losses)  | stablishment (after                    |            |   | 1 905     |
| 75       | Special expenses  |  |            |   |           |
| 76       | Donations <sup>9)</sup> (details attached): carried forward of  | onations 2009                          |            |   | 1 912     |
| 77       | carried forward d   | onations 2010                          |            |   |           |
|          |   |  |            |   | 1 911     |
| 78       | o c   | onations 2011                          |            |   | 1 910     |
| 79       | Operating losses that can be carried forward under the terms of Article 114   | L.I.R.                                 |            |   |           |
| 80       | 2005 2007 2009  |  |            | - <u>p</u>                              |           |
| 81       | 2006 2008 2010  |  | 0          | Weight 1                                |           |
| 82       | Incor   | ne subject to taxation:                | 90 162 746 |   |           |

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Amount

Line

84 | constitution / commitment to constitute a special five-year reserve by

# 83 III. Request for reduction of net worth tax by setting up a special five-year reserve (according to §8a of the law concerning net worth tax)

| 85  | a) allocation of the profit for the tax year 2011 see appendix 2a  | 2 125 350 | ·  | u de la<br>Dea |
|-----|--|-----------|--|----------------|
| 86  | b) allocation of previously constituted free reserves (only if profits are   |           |  |                |
|     | insufficient)  |           |  |                |
| 87  | c) amount allocated to the reserve (=a+b)  |           | introdes   |                |
|     | amount of the net worth tax reduction (1/5 of the reserve set up) (the amount under d) is limited to the corporate income tax, increased by the contribution to the employment fund, due before any tax credits for the same tax year) |           |  | (IF<br>1150)   |
| 88  | IV. Amounts to deduct from the tax charge  | Amount    | )  |                |
| 89  | Tax credit for audiovisual investment (the request, accompanied by the   |           |  |                |
|     | original of the certificate, must be presented to the relevant tax office)   |           |  | 2160           |
|     |  |           |  |                |
| 90  | Tax credit for venture capital investment (the request, accompanied by the   |           | - did  |                |
|     | original of the certificate, must be presented to the relevant tax office)   |           | : 41.  | 2 170          |
|     |  |           |  |                |
| 91  | Withholding tax of 20% on directors' fees (details attached)   |           | 51,550<br>E1<br>124<br>124<br>135  | 2 190          |
|     |  |           | 1 12 12 13 13 13 13 13 13 13 13 13 13 13 13 13   |                |
| 92  | Withholding tax of 15% on Luxembourg income from capital (details attached)  |           | A STANDARD OF THE STANDARD STA | 2200           |
|     |  |           |  |                |
| 93  | Foreign withholding tax creditable under a double tax treaty   |           |  |                |
|     | (details attached)   |           |  | 2 210          |
|     |  |           |  |                |
|     |  |           |  |                |
| 94  | Foreign withholding tax under the terms of Article 134bis L.I.R. (details attached)  |           |  | 2220           |
|     |  |           |  |                |
| 95  | Tax credit for investment carried forward (details attached)   |           |  | Ho.            |
|     |  |           |  |                |
| 96  | Tax credit for investment (details in form 800) see appendix 6a  | 13 710    |  | 2240           |
|     |  |           |  |                |
|     |  |           | 45   |                |
| 97  | Tax credit for recruiting unemployed persons carried forward (details attached)  |           |  |                |
|     |  |           | 124<br>1125<br>1144  |                |
| 98  | Tax credit for recruiting unemployed persons (details in form 805)   |           | 2.50   | 2245           |
|     |  |           | 100 m 100 m 100 m  |                |
| 99  | Tax credit for further professional education carried forward (details   |           |  | ľ              |
|     | attached)  |           |  |                |
|     |  |           |  |                |
| 100 | Tax credit for further professional education (details in form 810)  |           |  | 2247           |
| 101 |  |           |  | 7030           |
| 102 |  |           |  | 7030           |
| 103 | Surcharge for late submission % of the total amount due  |           |  | 2260           |
|     |  |           | <u>La companyonia</u>  | L              |

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|------|---|-----------------------------|------------|---|-------|
| Line |   | ſ                           |            |   |       |
|      | V. Municipal business tax   |                             | Amount     | 1)  |       |
| 105  | Profit for the year 2011 (2010/2011) drawn up according to the prov   | isions of the law on        |            |   |       |
|      | corporate income tax  |                             | 90 162 746 | a i constante de la constante | 0010  |
| 400  | A   |                             |            |   |       |
| 106  | - Amount not subject to municipal business tax (details attached)   |                             |            |   | 0020  |
| 107  |   | Sub-total:                  | 90 162 746 |   | 0030  |
|      |   | <b></b>                     |            |   |       |
| 108  | Add the following amounts, deducted when establishing the pr  | ofit:                       |            |   |       |
| 109  | Profit shares distributed to partners with indefinite and joint liability   |                             |            |   |       |
| 100  | of a partnership limited by shares on unrealized contributions to the   |                             |            |   |       |
|      | capital or as remuneration (directors' fees) for management   |                             |            | 7   | 0230  |
|      |   |                             |            |   |       |
| 110  | Share of losses in collective commercial undertakings   |                             |            | Ministra.   | 0270  |
|      | Occasion loss in comments establishments legated abroad   |                             |            |   |       |
| 112  | Operating loss in permanent establishments located abroad   |                             |            |   | 0280  |
|      |   | Total profit and additions: |            |   | 7010  |
| 113  |   | rotal profit and additions: | 90 162 746 |   | 0400  |
| 114  | To be deducted:   |                             |            |   | : .   |
|      | Share of profits in collective commercial undertakings and dividends  | s or profit shares          |            |   |       |
|      | from a holding of at least 10% in a fully taxable stock corporation   |                             |            |   | 0430  |
| 116  | Share of operating profit relating to permanent establishments locat  | ed abroad                   |            |   | 0440  |
| 117  | Donations (details attached): carried for   | orward donations 2009       |            |   | 1466  |
| 118  | carried fo  | orward donations 2010       |            |   | 1465  |
| 119  |   | donations 2011              |            |   |       |
|      |   |                             |            |   | 1460  |
| 120  |   |                             |            |   | 7020  |
| 121  |   |                             |            |   | 7020  |
| 122  |   | Operating profit:           | 90 162 746 |   | 0500  |
| 400  | Takal of the cassing forward leaves of the subsidies, for the upper h   | afara admission of the      |            | #1 <b></b>  |       |
|      | Total of the <u>carried forward losses</u> of the subsidiary for the years b group of companies to the tax consolidation: | erore admission of the      |            |   |       |
|      | at the beginning of the year allocation of the year a   | t the end of the year       |            |   |       |
|      |   | 0                           | 0          |   |       |
|      |   |                             |            |   | ŀ     |
| 124  | Tax consolidation (article 164bis L.I.R.)   |                             |            |   |       |
| 125  | (lines 126, 160-165 to fill out in the parent company's return) :   |                             |            |   | 9     |
| 126  | Transfert of the fiscal result of the subsidiary(ies) 6)  |                             |            |   | 0520  |
| 127  | (lines 128, 160-167 to fill out in the subsidiary's return) :   |                             |            |   |       |
| 128  | Transfert of the fiscal result to the parent company or the pern  | nanent establishment (after |            |   |       |
|      | deduction of the above-mentioned losses)  |                             |            |   | 0525  |
| :    |   |                             |            |   |       |
| 129  | Operating losses carried forward:   |                             |            |   |       |
| 130  | 2005 2007 2   | 2009                        |            |   |       |
| 131  | 2006 2008 2   | 2010                        | 0          |   |       |
|      |   |                             | <u>_</u>   |   |       |
|      |   | Demonstrates as as as       |            |   |       |
| 132  |   | Remaining operating profit: | 90 162 746 |   | o600  |
| 133  | Reduction in the tax base   |                             |            |   | o640  |
|      | Global assessment base following lump-sum determination   |                             |            |   | 0990  |
|      | Surcharge for late submission % of the tax base   |                             |            |   | 1 030 |

|             |   | File no.           | 2       | 0     | 0       | 4 2                                   | 4       | 1      | 0     | 6 1 7       |
|-------------|---|--------------------|---------|-------|---------|---------------------------------------|---------|--------|-------|-------------|
| Line<br>134 | VI. Attached documents and information                                  | Form 500 E         |         |       | year:   | 2011                                  |         |        |       | page: 7/8   |
| 135         | financial accounts and attachments                                      |                    |         |       |         |                                       |         |        |       |             |
| 136         | profit and loss account   |                    |         |       |         |                                       |         |        |       |             |
| 137         | detail of stock of goods  |                    |         |       |         |                                       |         |        |       |             |
| 138         | details of general expenses   |                    |         |       |         |                                       |         |        |       |             |
| 139         | details of taxes shown as profits and losses (debit and credit)         |                    |         |       |         |                                       |         |        |       |             |
| 140         | development of tax accounts (assets and liabilities)                    |                    |         |       |         |                                       |         |        |       |             |
| 141         | depreciation table  |                    |         |       |         |                                       |         |        |       |             |
| 142         | details of accruals (assets and liabilities)                            |                    |         |       |         |                                       |         |        |       |             |
| 143         | details of debtors other than customers                                 |                    |         |       |         |                                       |         |        |       |             |
| 144         | details of securities portfolio   |                    |         |       |         |                                       |         |        |       |             |
| 145         | details of creditors other than suppliers and details of expenses t     | o pay and similar  | accou   | nts   |         |                                       |         |        |       |             |
| 146         | details of provisions   |                    |         |       |         |                                       |         |        |       |             |
| 147         | igustification and method for computing provisions (with the exception) | tion of provisions | for tax | es fo | or whic | h details                             | have a  | ilread | y bee | n provided) |
| 148         | board of directors' report and statutory auditor's report               |                    |         |       |         |                                       |         |        |       |             |
| 149         | full independent auditor's report                                       |                    |         |       |         |                                       |         |        |       |             |
| 150         | minutes of annual general meeting                                       |                    |         |       |         |                                       |         |        |       |             |
| 151         | attendance list of shareholders at the annual general meeting           |                    |         |       |         |                                       |         |        |       |             |
| 152         | tax credit for investment (details in form 800)                         |                    |         |       |         |                                       |         |        |       |             |
| 153         | tax credit for recruiting unemployed persons (form 805)                 |                    |         |       |         |                                       |         |        |       |             |
| 154         | tax credit for further professional education (form 810)                |                    |         |       |         |                                       |         |        |       |             |
| 155         | <u>Observations</u>   |                    |         |       |         |                                       |         |        |       |             |
|             | See order and detail of the appendices at the beginning of              | f the tax file     |         |       |         | · · · · · · · · · · · · · · · · · · · |         |        |       |             |
|             |   |                    |         |       |         |                                       | <u></u> |        |       |             |
|             |   |                    |         |       |         |                                       |         |        |       |             |

| Line  | ]    |   |             | Form 50                   | DE ye                            | ar: 2011              | page: 8/8                                    |  |  |  |
|---|------|---|-------------|---------------------------|----------------------------------|-----------------------|--|--|--|--|
| 156   | VII. | Miscellaneous   |             |                           |                                  |                       |  |  |  |  |
| 157   | 1    | During the operating year(s) to be taken into a   | ccount      | to determine the op       | perating profit, the ente        | erprise had permanen  | t establishments                             |  |  |  |
|   |      | in several municipalities 4)  |             |                           | □ no ✓                           |                       |  |  |  |  |
| 158   | 2.   | <ol><li>Information concerning the shareholders (information to be provided for all owners of registered and bearer shares with a<br/>minimum holding of 10%)</li></ol> |             |                           |                                  |                       |  |  |  |  |
| 159   |      | Name, address and file no. of shareholders  | <br> %      | Holding<br>Amount         | Gross remuneration <sup>2)</sup> | Profit distribution   | Other allocations and benefits <sup>3)</sup> |  |  |  |
|   | ļ    |   |             |                           |                                  |                       |  |  |  |  |
|   | i    |   |             |                           |                                  |                       |  |  |  |  |
|   |      |   |             |                           |                                  |                       |  |  |  |  |
|   |      |   |             |                           |                                  |                       |  |  |  |  |
|   |      |   |             |                           |                                  |                       |  |  |  |  |
|   |      |   |             |                           |                                  |                       |  |  |  |  |
|   |      |   | -           |                           |                                  |                       |  |  |  |  |
|   |      |   |             |                           |                                  |                       |  |  |  |  |
|   |      |   |             |                           |                                  |                       |  |  |  |  |
|   |      |   |             |                           | <u></u>                          | <u></u>               |  |  |  |  |
| 160   | 3.   | Information in case of tax consolidation (article   | 164bis      | L.I.R.)                   |                                  |                       |  |  |  |  |
| 161   |      | Request submitted on  |             | to the tax                |                                  |                       |  |  |  |  |
| 162   |      | Name(s) and file number(s) of   | bsidiary    | companie(s)               | ] <sup>8)</sup> the parent compa | ny or the domestic pe | rmanent establishmer                         |  |  |  |
| 163   |      |   | <del></del> |                           |                                  |                       |  |  |  |  |
| 164<br>165  |      |   |             | <del></del>               |                                  |                       |  |  |  |  |
|   |      |   |             |                           |                                  |                       |  |  |  |  |
| information to be supplied by the subsidiary company (company to be integrated):  Total amount of donations, to be taken into account at the parent company:  9 |      |   |             |                           |                                  |                       |  |  |  |  |
| 107   |      | Total amount of donations, to be taken into account at the parent company:  |             |                           |                                  |                       |  |  |  |  |
|   |      |   |             |                           |                                  |                       |  |  |  |  |
|   |      |   |             |                           |                                  |                       |  |  |  |  |
| 168   |      | We certify that this tax return is sincere and co   | mplete.     |                           |                                  |                       |  |  |  |  |
| 100   |      |   |             |                           | , on                             |                       |  |  |  |  |
| 400   |      |   |             |                           |                                  |                       |  |  |  |  |
| 169<br>170  | 1    |   | -           | (signature of the         | ne legal representative          | )                     |  |  |  |  |
|   |      | Unsigned declarations are deemed to be null a   | nd void     | l.                        |                                  |                       |  |  |  |  |
| 171   |      |   |             |                           |                                  |                       |  |  |  |  |
|   |      | wages and bonuses  f these allocations must be provided in an appendix, me  | entionnin   | ng if the different benef | its are comprised in             |                       |  |  |  |  |

- 4) Tick the appropriate box.
  5) Trade and business profits under the terms of Article 10 no 1 L.I.R. used as a basis for calculating the subscriptions for professional organisations.
- 6) The request should be introduced to the tax office of the parent company or the domestic permanent establishment.
- 7) To provide by the parent company or the domestic permanent establishment.
- 8) To provide by the subsidiary companie(s).
- 9) During the period of the consolidation, the amount of deductible donations must be determined at the parent company and no indications must be done in the lines 78-78 and 117-119 of the return of the subsidiary company.

Remunerations and are subject to withholding tax.



Tax office:

#### LE GOUVERNEMENT DU GRAND-DUCHÉ DE LUXEMBOURG

File no. 2 0 0 4 2 4 1 0 6 1 7 form 800 year: 2011 page: 1/2

Administran des woibutionec@ir

www.impotsdirects.public.lu

Sociétés V

| Nam      | e of taxpayer:          | iTunes S.à r.l.   |                                       |                                |                |
|----------|-------------------------|---|---------------------------------------|--------------------------------|----------------|
|          |                         | Tax credit for in   | vestment*                             |                                |                |
|          |                         | (Appendix to the 2011 in  |                                       |                                |                |
| 1 !      | 1                       | · · ·   | •                                     |                                |                |
| Line     |                         | (Art. 152bis L.   | i.K.)                                 |                                |                |
| 1        | =                       | stment financial year: 31/12/2011   |                                       |                                |                |
| 2        |                         | or additional investment  | . (1)(2)                              | A                              |                |
| 3        |                         | k value of investment assets according to fiscal balance  | e sheet" (=":                         | Amount                         | <b>9</b> )     |
| 4        | see appendices 6        | , oa and ob   |                                       | 107 779                        |                |
| 5        |                         |   |                                       |                                |                |
| 6        |                         |   |                                       |                                |                |
| 7<br>8   |                         |   |                                       |                                |                |
| 9        | ***                     |   |                                       |                                |                |
| 10       |                         | Total of investment accets  | s at the end of the financial y       | vear: 107 779                  |                |
| 11       | - Arithmetic average    | e of book values of these assets at the end of the refer  |                                       | 107 773                        |                |
|          | (see overleaf) (min     |   | •                                     | (59 253)                       | -              |
| 12       |                         | Sub-total (a ne   | egative result is not dismisse        | ed): 48 526                    |                |
| 13       | + Depreciation acco     | ounted to assets acquired or constituted during the finar   | ncial year <sup>(1) (2)</sup>         | 6 299                          |                |
| 14       |                         |   | Sub-to                                | otal: 54 825                   |                |
| 15       |                         | nent of the assignor (in the case of free of charge block   | •                                     |                                |                |
| 16       | •                       | onomous part or a fraction of an enterprise during the in<br>nent relating to the part of the investment financial year | · · · · · · · · · · · · · · · · · · · |                                |                |
|          |                         | ck disposal of an autonomous part or a fraction of an e   | •                                     |                                |                |
| 17       | Amount of additiona     | ll investment (max. value of investment realised) (1) (2)   | ·                                     | 54 825                         |                |
| 18       | Amount of the tax or    | redit for additional investment (13% of line 17)  |                                       | 7 127                          |                |
| 19       |                         | for global investment   |                                       |                                |                |
|          |                         | stments <sup>(6)</sup> (for each asset, specify the   | Normal period of use                  | Acquisition price or           | g <sub>j</sub> |
|          | name and function i     | n the enterprise)   | Normal period of use                  | production cost <sup>(8)</sup> | 31             |
| 20       | see appendices 6        | , 6a and 6b   | 5 years                               | 94 042                         |                |
| 21       |                         |   |                                       |                                |                |
| 22       |                         |   |                                       |                                |                |
| 23       |                         |   |                                       |                                |                |
| 24       |                         |   |                                       |                                |                |
| 25       |                         |   |                                       |                                |                |
| 26       |                         |   | Total of new investments:             | 94 042                         |                |
| 27       | _                       | investment (7% - 3%) <sup>(7)</sup>   |                                       | 6 583                          |                |
| 28       |                         | tments in assets approved for the special   |                                       |                                |                |
| 20       | depeciation referr      | red to in Article 32bis L.I.R. (1% of the amount of the sa  | •                                     | tal: 6 583                     |                |
| 29<br>30 | III. Total of the       | a tay credit  | 10                                    | tal: 6 583                     |                |
| 31       |                         | nal investment (line 18)  |                                       | 7 127                          |                |
| 32       | Tax credit for addition |   |                                       | 6 583                          |                |
| 33       | THAN CHECKLION SIDUAL   | mire countries (mile 20)  | Total of the tax cre                  |                                |                |
|          |                         |   | rotal of tile tax cit                 | <del></del>                    |                |
| 34       |                         |   |                                       | , on                           |                |
|          |                         |   |                                       | (signature)                    |                |
| ) Th     | e investments must have | e been made in establishments situated in the Grand Duchy wi  | ith the intention of remaining the    | ere permanently, and they mus  | st also be     |

physically used on the territory of Luxembourg. The above tax credit will not be granted, or only partially granted, where the taxpayer

004-000112-20110803-EN-F1

benefits from a special tax regime under the terms of an agreement approved by law or based on Article 9 of the law of 4.12.1967 concerning income tax.

|          |  | ć 222      |           |              |                     |             |
|----------|--|------------|-----------|--------------|---------------------|-------------|
|          | 1  | form 800   |           | year: 2011   |                     | page: 2/2   |
| Line     | Determination of global book values at the                                     | end of the | reference | financial ye | ears <sup>(3)</sup> |             |
| 35       | Closing date of the reference financial years                                  | 2 006      | 2 007     | 2 008        | 2 009               | 2 010       |
| 36       | 2. Details of the net book value of  |            |           |              | -                   |             |
|          | investment assets according to the fiscal balance sheets.(1)                   |            | i         |              |                     | ľ           |
| 37       |  | 77 125     | 57 750    | 75 315       | 53 527              | 32 549      |
| 38       |  |            |           |              |                     | i           |
| 39       |  |            |           |              |                     |             |
| 40       |  |            |           |              |                     |             |
| 41       |  | · · · · ·  |           |              |                     | -           |
| 42       |  |            |           |              |                     | <del></del> |
| 43       |  |            |           |              |                     | ·           |
|          |  |            |           |              |                     |             |
| 44<br>45 | 3. In the case of the acquisition of an enterprise, an autonomous              |            |           |              |                     |             |
| -,0      | part or a fraction of an enterprise by means of a transfer                     | }          |           |              |                     |             |
|          | free of charge or by means of an assimilated transfer for the                  | l i        |           |              |                     |             |
|          | purpose of the realisation of unrevealed reserves                              |            |           |              |                     |             |
| 46       | + Amount or portion of the net book value of                                   |            |           |              |                     | ĺ           |
|          | the assignor's entire investment assets from                                   | i i        |           | '            |                     |             |
|          | closings prior to the acquisition <sup>(4)</sup>                               | 1          |           |              |                     |             |
| 47       | 4. In the case of incorporation into the enterprise of another                 |            |           |              |                     |             |
|          | enterprise acquired free of charge   | ĺ          |           |              |                     |             |
|          | or acquired by an assimilated transfer for the purposes of the                 | }          |           |              |                     | j           |
| 40       | realisation of unrevealed reserve  |            |           |              |                     |             |
| 48       | + Amount or portion of the net book value of                                   | i i        |           |              |                     |             |
|          | the assignor's entire investment assets from closings prior to the acquisition |            |           |              |                     |             |
| 49       | Sub-total  | 77 125     | 57 750    | 75 315       | 53 527              | 32 549      |
|          | 5. In the case of block disposal in return for payment or free of              |            |           |              |                     |             |
|          | charge, of an autonomous part or fraction of the enterprise                    |            |           |              |                     |             |
| 51       | - Portion of the part or fraction sold (4)                                     | }          |           |              |                     | ]           |

(1) "Investment asset" refers to depreciable tangible assets other than buildings, agricultural livestock and mineral and fossil deposits.

7. Arithmetic average: (divide the previous line by the number of reference years, maximum 5)

(2) The following investment assets acquired during the investment financial year, should not be taken into consideration and should be included in an appendix:

Total:

1. assets depreciable over a period of less than three years;

6. Total of investment assets for all reference financial years

2. assets acquired through the wholesale integration of an enterprise, an autonomous part of an enterprise or a fraction of an enterprise and second-hand assets acquired other than via one of the above-mentioned operations; these assets must not be eliminated when they are invested for the purpose of a first establishment (investments made during the first three years). If during this period the purchase price of these assets exceeds EUR 250,000, the calculation bases for the respective tax credits are reduced to the threshold of EUR 250,000. The following should not be considered as assets invested for the purpose of a first establishment: the block acquisition of an enterprise, an autonomous part or a fraction of an enterprise in return for attribution to the assignor of a direct or indirect shareholding in the newly incorporated enterprise; second-hand assets that were previously covered by a leasing agreement which was granting the benefit of the tax credits for the lessor;

77 125

57 750

75 315

53 527

32 549

296 266

59 253

- 3. individual assets acquired free of charge;
- 4. motorised vehicles, except:

52

53

54

- a) those assigned exclusively to the business of transporting persons or forming part of the net assets of a car rental company;
- b) those assigned exclusively to the transport of goods or merchandise;
- c) those assigned exclusively within an enterprise to the transport of employees to or from their place of work, provided that such vehicles are allowed to circulate with a capacity of at least nine occupants (including the driver);
- d) those specially fitted out exclusively for use as a breakdown/repair service
- e) self-propelled machinery.
- (3) Where the enterprise was acquired free of charge or by a similar mean for the purpose of the realisation of unrevealed capital gains of the enterprise, the acquirer must state the book values of the assignor for the closings prior to their acquisition. If the enterprise acquired in this way was integrated into the enterprise of the taxpayer, see 4 above
- (4) The portion in question is determined using the ratio between the net book value, on the date of transfer, of the assets transmitted and the global net book value of the assignor on the date of transfer. Attach an appendix with the relevant calculations
- (5) The form should not be used for investments in sanitary and central heating installations for hotel buildings.
- (6) The following items are concerned:
  - 1. tangible depreciable assets other than buildings, agricultural livestock and mineral and fossil deposits;
  - 2. miscellaneous investments in hotel buildings and investments of a social nature (defined by a regulation relating to the Grand Duchy decree)
  - 3. investments in the fixed assets referred to in Article 32bis L.I.R.

However, the assets listed under (2) 1, 2 and 4 are excluded.

- (7) The tax credit amounts to 7% for the first tranche of investment not exceeding EUR 150,000 and 3% for the tranche of investment exceeding EUR 150,000. These rates are increased by 1% for investments in the fixed assets referred to in Article 32bis L.I.R.
- (8) After deduction, where appropriate, of the subsidies granted by the State or another public collective entity for the acquisition or constitution of the asset in question.
- (9) For official use only.

iTunes S.à r.l. Appendix 1

Tax number: 2004 2410 617

### Annual accounts as at 24 September 2011

In EUR

iTunes S.à r.l. 31-33, rus Sainte Zithe L-2763 Luxembourg

R.C.S. Luxembourg B 101.120.

Annual accounts for the financial period from September 26, 2010 through September 24, 2011, and the Independent auditor's report

AI (X

Société à responsabilité limitée
Balance sheet
(expressed in euro)

|  | (expressed in euro) |                    |                    |  |
|--|---------------------|--------------------|--------------------|--|
|  |                     | As at              | As at              |  |
|  | Notes               | September 24, 2011 | September 25, 2010 |  |
| ASSETS                                       |                     |                    |                    |  |
| Fixed assets                                 | 3                   |                    |                    |  |
| Licences and similar rights                  |                     | 11,580             | 11,974             |  |
| Furniture, fixtures and equipment            |                     | 107,779            | 32,549             |  |
|  |                     | 119,359            | 44,523             |  |
| Current assets                               |                     |                    |                    |  |
| Debtors, becoming due and payable within one | e year              |                    |                    |  |
| Trade debtors                                | 13                  | 30,700,731         | 21,824,152         |  |
| Amounts owed by affiliated undertakings      | 11                  | 657,011,883        | 328,845,026        |  |
| Cash at bank and in hand                     |                     | 3,309,398          | 27,518,043         |  |
|  |                     | 691,022,012        | 378,187,221        |  |
| Prepayments                                  |                     | 295,895            | 242,668            |  |
| TOTAL ASSETS                                 |                     | 691,437,266        | 378,474,412        |  |
| LIABILITIES                                  |                     |                    |                    |  |
| Capital and reserves                         |                     |                    |                    |  |
| Subscribed capital                           | 4                   | 12,500             | 12,500             |  |
| Legal reserve                                | 5                   | 1,250              | 1,250              |  |
| Other reserves                               | 5                   | 2,407,325          | 1,441,425          |  |
| Profit brought forward                       |                     | 82,593,407         | 37,181,622         |  |
| Profit for the period                        |                     | 63,559,665         | 46,377,685         |  |
| •  |                     | 148,574,147        | 85,014,482         |  |
| Provision for taxation                       | 6                   | 32,738,623         | 12,022,778         |  |
| Creditors, becoming due and payable within o | ne vear             |                    |                    |  |
| Trade creditors                              |                     | 104,878,782        | 73,671,930         |  |
| Amounts owed to affiliated undertakings      | 10                  | 101,331,639        | 30,216,043         |  |
| Tax and social security debt                 | 6                   | 101,551,655        | 30,210,0.3         |  |
| Tax debts                                    | •                   | 20,857,441         | 11,310,810         |  |
| Social security debts                        |                     | 1,200              | 11,322             |  |
| Other creditors                              | 14                  | 121,221,435        | 103,240,540        |  |
|  |                     | 348,290,497        | 218,450,645        |  |
| Deferred income                              | 15                  | 161,833,999        | 62,986,507         |  |
| TOTAL LIABILITIES                            |                     | 691,437,266        | 378,474,412        |  |

The notes form an integral part of the annual accounts.



Société à responsabilité limitée
Profit and loss account
(expressed in euro)

|   | Notes | From September 26,<br>2010<br>to September 24,<br>2011 | From September 27,<br>2009<br>to September 25,<br>2010 |
|---|-------|--|--|
| CHARGES   |       |  |  |
| External charges  | 12    | 936,191,394  | 665,432,731  |
| Staff costs   | 8     |  |  |
| Wages and salaries  |       | 1,587,887  | 981,832  |
| Social security costs   |       | 123,419  | 40,141   |
| Complementary pension   |       | 124,965  | 124,338  |
| Other staff costs   |       | 14,466<br>1,850,737                                    | 12,657<br>1,158,968                                    |
| Value adjustment in respect of tangible   |       |  |  |
| and intangible fixed assets   | 3     | 19,206   | 31,933   |
| Value adjustment in respect of current assets   | 2.3   | 14,132,270   | 7,225,285  |
| Other operating charges   | 7     | 2,325,556  | 1,504,674  |
| Other interest payable and similar charges  |       | 3,577,487  | 2,377,917  |
| Tax on profit   | 6     | 26,603,081   | 17,026,000   |
| Profit for the period   |       | 63,559,665   | 46,377,685   |
| TOTAL CHARGES   |       | 1,048,259,396  | 741,135,193  |
|   |       |  |  |
| INCOME  |       |  |  |
| Net turnover  | 9     | 1,038,108,526  | 737,344,846  |
| Other interest receivable and similar income<br>Derived from affiliated undertakings<br>Other interest and similar income |       | 5,298,074<br>4,852,796                                 | 2,032,737<br>1,757,610                                 |
| TOTAL INCOME  |       | 1,048,259,396  | 741,135,193  |

The notes form an integral part of the annual accounts.

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Société à responsabilité limitée Notes to the annual accounts as at September 24, 2011

#### 1 General

iTunes S.à r.l. (the "Company") was incorporated under the laws of Luxembourg on June 4, 2004 under the legal form of a Société à Responsabilité Limitée (S.à r.l.). The Company is established for an unlimited period and is a wholly-owned subsidiary of Apple Inc. ("Apple"). These audited accounts cover the financial period from 26 September 2010 to 24 September 2011 as compared to the previous financial period from 27 September 2009 to 25 September 2010.

The registered office of the Company is at 31-33, rue Sainte Zithe, L-2763 Luxembourg and the Company is registered with the Register of Commerce of Luxembourg under Section B 101.120.

The Company is included in the consolidated accounts of Apple Inc., California / USA. Copies of the consolidated accounts may be obtained from www.sec.gov.

The main purpose of the Company is the sale and distribution of music, audio books, audiovisual products and other related products and services via the internet and other electronic and communication networks.

#### 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.

#### 2.2 Basis 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 end of the previous financial month.

Fixed assets are valued using historical exchange rates.

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

Realized gains and losses and unrealized losses are recognized in the profit and loss account.

Unrealized exchange gains are not recognized unless they relate to cash and highly liquid assets and liabilities that are subject to an insignificant risk of change in value.

#### 2.3 Debtors

Debtors are stated at their nominal value. Value adjustments are recorded if the net realizable value is lower than the book value and are based on management's assessment of the collectibility of customer accounts. The Company records a Bad Debt Allowance for trade receivables based on multiple factors including historical experience with bad debt.

GW

(x)